

**MINISTRY OF DEFENCE & MILITARY VETERANS**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**3259. Mr S J F Marais (DA) to ask the Minister of Defence and Military Veterans:**

(1) With reference to the role of Armscor as the procurement arm and the role of her department as the procurer of defence equipment, vehicles and other assets, what steps has she taken to boost the capabilities of the defence industry as the preferred supplier to the SA Arms Industry in order to stimulate the economy and increase exports;

(2) whether any steps have been taken to streamline and coordinate the work done by Armscor and Denel in this regard; if so, what are the relevant details pertaining to the cooperation and accountability between Armscor and Denel? NW3591E

**RESPONSE**

Armscor is promoting SA Defence Industry (SADI) products by:

1. Engaging other Defence forces and global NGOs to promote the sales of SA Arms industry products, primarily on a government to government level which ensures that the engagement is not a once-off transaction but results in broad sustained inter-state trade.
2. Facilitating workshops to derive integrated South African defence solutions that address the requirements of SA government departments including the Department of Correctional Services, Border Management Agency etc, which promotes SADI products nationally.
3. Facilitated seminars with foreign procurement authorities to promote awareness of South Africa’s defence capabilities, and sales of SADI products.
4. Engaging financial solution providers to assist potential export clients in their funding of initiatives where SADI is often a participant.
5. Armscor has co-sponsored and organised a Summit to expose key United Nations procurement personnel to SADI capabilities, and vice versa exposure of SADI and SA companies providing security solutions to the United Nations system to promote South Africa benefiting from the UN spend on Peace Keeping Operations in Africa.
6. Focussing Defence Industrial Participation (DIP) obligations of foreign suppliers to facilitate the transfer of technology to South African Defence Industry (SADI) companies and also to facilitate the export of South African Defence Industry products. The execution of DIP programs at SADI companies has resulted in significant export sales and has also enhanced the technological capabilities of SADI companies, contributing to their increased competitiveness in the international marketplace.

**QUESTION 2**

(2) whether any steps have been taken to streamline and coordinate the work done by Armscor and Denel in this regard; if so, what are the relevant details pertaining to the cooperation and accountability between Armscor and Denel?

**RESPONSE**

In terms of the Service Level Agreement between Armscor and the Department of Defence, Armscor facilitates the processes for satisfying requests from the SADI including Denel, for marketing support in the form of equipment, personnel, matériel aid and visits to SANDF facilities, as well as the licencing of Intellectual Property, on behalf of the DOD.

The DOD actively supports the SADI by making its personnel, equipment (matériel) and facilities available to assist in the marketing initiatives of the domestic defence industry, and to promote defence related export by assisting industry in getting international exposure through shows and exhibitions and to assist Armscor departments and SADI in arranging and coordinating events.

Armscor is also assisting the DOD and SADI in arranging and coordinating the local AAD exhibition for SADI to promote and market its products.

 For work done for the non-SANDF client, Armscor has facilitated workshops with Denel and other SADI personnel for the promotion of SADI products to both local and international markets. The targeted local market is the security cluster. The international markets are primarily African defence forces, NGOs and the United Nations.