



## **NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL**

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### **SUMMARY OF CHALLENGES AND REMEDIES RECOMMENDED BY THE SOCIAL PARTNERS ON TECHNICAL INFRASTRUCTURE AGENCIES AT NEDLAC**

**South African Bureau of Standards (SABS)** - Is the national standardisation authority, the SABS is responsible for maintaining South Africa's database of more than 6,500 national standards, as well as developing new standards and revising, amending or withdrawing existing standards as required.

**National Regulator for Compulsory Specification (NRCS)** - The NRCS is an entity of the department of Trade and Industry established to administer compulsory specifications and other technical regulations with the view to protect human health, safety, the environment and ensure fair trade in accordance with government policies and guidelines.

**South African National Accreditation System (SANAS)** - It is the only national body responsible for carrying out accreditations in respect of conformity assessment, as mandated through the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (Act 19 of 2006)

ITEM	CHALLENGES	RECOMMENDATIONS
SABS Relationship with stakeholders	Insufficient engagement with stakeholders	<ul style="list-style-type: none"> <li>Establishment of the Advisory Forum contemplated by the Legal Metrology Act.</li> </ul>
	Status of the Sectoral Liaison Forum (SLF) Meetings	<ul style="list-style-type: none"> <li>The revitalisation of the Sectoral Liaison Forum meetings</li> </ul>

	Lack of stakeholder understanding of the policies and procedures of the organisation	<ul style="list-style-type: none"> <li>• Publish all relevant policies and procedures on the website. It was noted that procedures governing certain applications and various assessment, auditing and inspection procedures are not on the website.</li> <li>• Convene “workshops” to review NRCS procedures in order to improve efficiencies and to promote better understanding of the needs of both parties.</li> <li>• Look at ways (by assessing each element of the processes) in which the 120 calendar days is constructed and can be better addressed.</li> </ul>
<b>Letter of Authority (LoA) process</b>	120 days turnaround time considered too long for low-risk applications and IPAP sectors where this is permitted	<ul style="list-style-type: none"> <li>• Find ways to ensure that the 120-turnaround time could be reduced for low risk application and IPAP sectors (but in the case of the second item this is contingent upon compliance with WTO requirements).</li> </ul>
<b>Risk-based approach</b>	The need to enhance NRCS efficiency through risk-based assessments and ICT modernization	<ul style="list-style-type: none"> <li>• Need to ensure that accurate database of the regulated companies is produced for which the NRCS may want to work with other agencies/ associations/ regulators/ bargaining councils to build up its list of local producers/ suppliers/ importers</li> <li>• Need to ensure that affected stakeholders are provided with sufficient information to encourage them to reduce their risk profile.</li> </ul>
	Align SARS and NRCS risk system	<ul style="list-style-type: none"> <li>• The non-compliant goods entering the country should be returned to the country of origin or destroyed.</li> </ul>
<b>Inspections</b>	Lack of understanding of stakeholders of the inspection procedure.	<ul style="list-style-type: none"> <li>• Developing mechanisms for more mutual understanding of the inspection’s procedure by stakeholders.</li> </ul>
	Acting on industry intelligence	<ul style="list-style-type: none"> <li>• Policy on fraud should be published on the website.</li> </ul>

	Direct inspections of high-risk products	<ul style="list-style-type: none"> <li>• A mechanism to align with SARS policy.</li> <li>• This must be made a priority to locally manufactured items, to ensure compliance.</li> </ul>
<b>Customs detention</b>	Detainment of Containers, at times twice.	<ul style="list-style-type: none"> <li>• An understanding of the challenges faced by the NRCS as far as compliance of industries.</li> </ul>
<b>Implementation of Legal Metrology Act</b>	Application process not clear to stakeholders	<ul style="list-style-type: none"> <li>• The registration as well as the response times for the registration process must be made known.</li> <li>• A document setting out the process must be made available to stakeholders if it is not going to be included in the Regulations.</li> </ul>
<b>Standards</b>	Development of Standards	<ul style="list-style-type: none"> <li>• Explore measures of how the writing of Standards may be used in a manner that defends and grows industries and is used for the purpose of industrialisation.</li> </ul>
<b>Mark</b>	Accreditation of Certification Mark (international) where there is local capacity	<ul style="list-style-type: none"> <li>• Explore measures around the awarding of the mark, where the wording is cognisant to defend and grow industry and jobs.</li> </ul>
<b>Testing</b>	Lack of priority testing or assistance for locally manufactured goods	<ul style="list-style-type: none"> <li>• Explore measures that can be used to ensure that testing tools within the regulatory environment defend and grow the industry.</li> <li>• Differentiation between job creating and non-job creating applications.</li> </ul>

<b>Y6Jobs</b>	How the work of the Agencies speaks to job creation.	<ul style="list-style-type: none"> <li>• Explore measures to embed a job metric in the agencies work.</li> <li>• An understanding of the synergies between the various agencies, and better these.</li> <li>• An understanding of the data that exists within agencies may be used to enhance the work of the agencies as a whole (sharing of information between the agencies and the dtic).</li> <li>• Promote a focus within SABS and NRCS on how best to provide support for growth and development in RSA this in turn leads to job creation.</li> </ul>
<b>SANAS</b>	Long turnaround times	<ul style="list-style-type: none"> <li>• Publish turnaround times</li> </ul>
<b>Suspension of accredited testing facilities</b>	SANAS had suspended an accredited testing facility, and the NRCS picks this information up through the SANAS website.	<ul style="list-style-type: none"> <li>• The SANAS information sharing process should be quicker, more direct and thus more effective.</li> </ul>
<b>SABS</b> Testing Facilities and the competition with the private sector	The need to upgrade/modernise laboratory equipment in test labs	<ul style="list-style-type: none"> <li>• To equip test facilities with equipment and infrastructure that improves competitiveness.</li> <li>• Investment required.</li> <li>• Developments of the ICT modernisation project timeline, and the associated costs.</li> <li>• The need to have sufficient budget allocated to the development of the ICT modernisation process, and its ability to achieve its targets (120 calendar days),</li> </ul>

		is currently being compromised by administrative and technical level evaluation processes, which takes a significant amount of time to work through once there are bottlenecks into the systems (outside of the control of the NRCS).
<b>Mark scheme</b>	The disjuncture between SABS mark given to accredited foreign suppliers; and the IPAP priorities.	<ul style="list-style-type: none"> <li>• Explore measures around the awarding of the mark, where the wording is cognisant to defend and grow industry and jobs.</li> </ul>
	Abandonment of marks - mark schemes are unilaterally discontinued.	<ul style="list-style-type: none"> <li>• Communication of such institutional decisions after a consultation process with key stakeholders.</li> </ul>
	Turnaround time	<ul style="list-style-type: none"> <li>• Digitisation to allow all auditors to have access to the same information to prevent time delays in repetition of assessment.</li> </ul>
<b>Same product test</b>	Lack of consistency between results on the same test for the same product.	<ul style="list-style-type: none"> <li>• A partial testing agreement between SABS and NRCS</li> <li>• Need to engage in correlation testing with other laboratories.</li> </ul>
<b>Government procurement</b>	Where SA compliant products exist, there needs to be preferential treatment given to that local product, in Government procurements.	<ul style="list-style-type: none"> <li>• Government needs to help companies reach a level of compliance standards.</li> <li>• There further needs to be better communication of the procurement needs for manufacturers and suppliers to be in the best position to respond to a tender etc. currently difficult for suppliers and manufacturers due to issues such as centralised procurement by the state.</li> </ul>
<b>Standards</b>	Need to find Standards to advance local industry.	<ul style="list-style-type: none"> <li>• Tailor Standards to localisation</li> </ul>

		<ul style="list-style-type: none"> <li>• Find ways in which SA Standards can be used to advance the interests of local industries.</li> </ul>
	Transparency of Standards	<ul style="list-style-type: none"> <li>• To waiver the costs on the standards book, currently at R375.</li> <li>• Government needs to explore alternative methods of accessing standards that are referenced in Legislation.</li> </ul>
	Misuse of Standards in the procurement processes	<ul style="list-style-type: none"> <li>• The need for Government Departments to stop putting forward foreign specifications and foreign Standards as to be met by bidders.</li> <li>• This effectively locks out any local company who is not certified and cannot produce products to that particular Standard (e.g. very technical)</li> <li>• Government needs to assist the local bidders to attain the desired level (standard).</li> </ul>
<b>Compulsory specifications</b>	Lack of communication - new compulsory specification gazetted and SABS is not able to undertake a test to prove compliance due to lack of consultation with the test facility.	<ul style="list-style-type: none"> <li>• Regular consultation needed between SABS and NRCS regarding specifications and Standards development.</li> </ul>