DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION NOTICE 866 OF 2022

NATIONAL CONSUMER COMMISSION

I, **Thezi Mabuza**, the Acting Commissioner of the National Consumer Commission, hereby publish draft amendment of Goods and Services Industry Code, in terms of Section 82 (3) (a) of the Consumer Protection Act 68 of 2008.

Interested persons/groups/associations may submit their comments to the draft guidelines in writing not later than 30 days from the date of publication of the Code, quoting the following reference number **NCC/GN01/2022** to The National Consumer Commission, P.O. Box 36628, Menlo Park, 0102, for the attention of Mr Jabulani Mbeje or email to J.Mbeje@thencc.org.za.

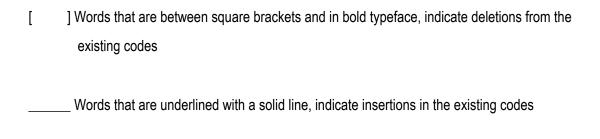
Ms Thezi Mabuza
Acting Commissioner

National Consumer Commission



No. R. 271

GENERAL EXPLANATORY NOTE:



SCHEDULE A

CONSUMER PROTECTION ACT, 2008 AMENDMENT OF CONSUMER CONSUMER GOODS AND SERVICES INDUSTRY CODE

- In this schedule, "Industry Code" means the Consumer Goods and Services Industry Code governing
 the procedures, processes and structure in terms of which CGSO and Industry participants are
 required to apply when dealing with consumer complaints in the field of supply of goods and services.
- 2. In terms of Section 82 (3) and (5) the Consumer Goods and Services Industry Code is hereby amended as set out in the schedule below:
- Deletion of the definition of the word manufacturer provided for in terms of 3.1.24 of the CGSO's code
- (a) ["Manufacturer" means any participant that makes, fabricates, or produces any Goods regardless of scale either to a Consumer or any other person operating in the Supply Chain"].

2. Amending para 4.1. to read as follows:

The Code applies to all [participants] suppliers of goods and services excluding suppliers falling under automotive industry of South Africa or [referred herein after as Participants] unless they are regulated elsewhere by other public regulation, and such public regulation covers all prohibited conducts as stipulated in the CPA or a Code prescribed by the Minister in terms of section 82 of the CPA and/or where a complaint falls within the jurisdiction of an Ombud with jurisdiction, or an Industry Ombud accredited in terms of section 82 (6) (a) of the CPA.

- 3. Inserting paragraph 4.2(a) in Section 4 of the Code
- 4.2.(a) Failure to co-operate with the CGSO may result into harsher administrative fine, should the complaint be referred to the Tribunal by the National Consumer Commission.

Section E

- 4. Inserting a new paragraph, as paragraph 9.3, that read as follows:
- 9.3 The Accounting Authority of CGSO
- 9.3.1. The Ombudsman or a duly delegated individual is the accounting authority of the CGSO and shall

 be responsible for the due, proper and diligent implementation of financial management systems

 and controls including ensuring that proper accounting records are kept which includes
 - (a) All income and expenditure of the CGSO;

- (b) All revenue collected by the CGSO; and
- (c) All assets and the discharge of al liabilities of the CGSO.

- 9.3.2. CGSO shall monitor and keep record of all non-complying suppliers and such record shall be provided to the NCC on a quarterly basis for the NCC to consider further steps to be taken.
- 9.3.3. <u>CGSO shall sign a Stakeholder Compact Agreement with the NCC that will regulate monitoring</u> process as envisaged by section 82 (7) of the CPA.
 - 5. Insertion of a new paragraph providing for governance to be paragraph 9.A
 - 9. A. Powers, duties and functions of the Board;
 - (i) <u>It is the duty of the Board to act in the best interest of the Ombud in order to promote the</u>
 spirit of good governance and social responsibility.
 - (ii) The Board is required to act in the manner that efficiently fulfils the objectives of the Ombud and act in the manner that promote the values and principles of the Constitution.
 - (iii) The Board should direct, govern and provide strategy in relation to the governance of the Ombud.
 - (iv) The Board must provide a link between the Ombud and other stakeholders in order to identify and take into consideration the interest of all stakeholders.
 - (v) The board should ensure that the Ombud acts impartially and is seen to be a responsible corporate citizen.