

NOTICE

17 April 2015

Update on the exemption application in respect of the draft Identification of Engineering Work (IDoEW) Regulations, Case # 2014 April 0123

Dear Stakeholder

On 13 April 2015, the Engineering Council of South Africa (ECSA) received an updated from the Competition Commission (CC), regarding the status of the exemption application in respect of the draft Identification of Engineering Work Regulations.

The salient extracts from the CC correspondence appear below;

- “1. A Notice was published in the Government Gazette on 20 June 2014 inviting interested parties to make submissions as to whether or not the ECSA should be exempted from provisions of Chapter 2 of the Competition Act 89 of 1998 as amended (“the Act”);
2. We did not receive any submissions in response to the Government Gazette publication. We therefore proceeded to consult with a number of stakeholders, including municipalities, the Department of Public Works and other consumers of ECSA’s registered members’ services throughout South Africa to obtain their submissions and views in respect of ECSA’s exemption application.
3. We also invited ECSA’s registered members to make submissions in respect of their views as to whether or not ECSA should be granted the exemption. To this end, we received more than 450 submissions from ECSA’s registered members.
4. Upon the receipt and review of the abovementioned submissions from ECSA’s registered members, we conducted interviews with some members to obtain clarity in respect of their submissions.
5. In addition, we have also undertaken an international benchmarking exercise in respect of how the engineering profession is regulated internationally. We have noted and incorporated ECSA’s comments received on 05 March 2015 in relation to our draft table dealing with the international regulation of the engineering profession. We have since contacted the bodies regulating the engineering profession in jurisdictions identified in our benchmarking sample to get clarity relating to certain issues. We are in the process of finalising consultations with those bodies. We intend to forward an updated version of the draft table relating to the

international regulation of the engineering profession to ECSA upon the completion of our consultations with those bodies.

6. *We are in the process of evaluating the evidence gathered (including the recent information submitted by ECSA in relation to its updated draft IDOW submitted on 26 March 2015), and writing up same in a report to be submitted to our Executive Committee for consideration. The investigation team will submit the report to the Executive Committee by the end of April 2015.*
7. *It is worthwhile to note the following issues that still need to be addressed before a final report can be submitted to the Executive Committee for decision making:*

The investigation team has identified certain gaps in the report and will require additional information from ECSA to address such. An information request will be sent to ECSA before end of April 2015;

8. *The Executive Committee has requested a meeting between the Competition Commissioner and the Minister of Department of Public Works before making its decision relating to the IDOWs of the six professional councils within the built environment. Such meeting is still to take place upon confirmation of the date by the Department of Public Works; and*
9. *We are in the process of obtaining an expert opinion with regards to ECSA's IDOW.*
10. *A new target date of completion of this matter will therefore be communicated to ECSA as soon as there is clarity with regard to the above issues."*

Yours Sincerely



Adv L Brimah

Manager: Legal Services