

PC Sporn & Research,  
14 June 2006



**the dti**

Department:  
Trade and Industry  
**REPUBLIC OF SOUTH AFRICA**

**DTI COMMENTS ON SPECIAL MEASURES BILL, 2006**



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## Introduction

- o The dti is responsible with the administration of intellectual property (IP) legislation (Trade Marks Act, Patents Act, Copyright Act, Designs Act).
- o Ambush marketing activities are regulated i.t.o the Merchandise Marks Act and the Trade Practices Act. The Counterfeit Goods Act deals with anti counterfeiting activities.
- o The IP system in South Africa is ranked with those of developed countries.
- o I.t.o the Merchandise Marks Act, (section 15A, the Minister may designate an event as a protected event.



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- o There are requirements to be fulfilled in order to for an event to enjoy such a “protected event” status.
- o National Policies are not compromised when a “protected event” status is conferred, e.g. BEE principles are applied.
- o The dti also manages the Liquor Act, 2003.
- o Provinces also administer liquor legislation and in certain instances there are concurrencies amongst the dti and provincial governments.



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### Discussion

- o Section 15A gives power to the Minister to designate an event as a “protected event”.
- o The organisers must create opportunities for South African Businesses, in particular those from previously disadvantaged communities.  
Termination of the “protected event” status is one to two months.
- 2010 FIFA World Cup, South Africa is designated as a “protected event”.
- The dti agreed with the LOC in writing that:
  - o
    - there will be opportunities created for businesses.
    - 30% of the budget of LOC will be channelled to realizing such
    - the Procurement Policy of the LOC will incorporate national procurement principles, including the BEE Act.
    - Probably the dti and the LOC need to develop common criteria (BEE codes?).



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- o The Department of Sports and Recreation (DSR) consulted the dti on this Bill
- o I personally envisages that the above approach can also extend at a future date to other institutions closely linked to 2010 FIFA World Cup. Sponsors of FIFA and the issuers of liquor licenses at various tiers of Government will have to negotiate terms to be incorporated in the licenses, e.g. BEE principles.
- o The dti conceded that the termination period of 2010 World Cup should be six calendar months after the final match of the tournament. Section 15A has to be amended.
- o The dti communicated to DSR that there is no need to amend the Liquor Act as proposed. There were good reasons on the side of the dti why amendments should not be effected:



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- No reasons were advanced that the Act should be amended.
- It was agreed with FIFA "advisers" that they should come with reasons to the dti but this never materialised.
- Suspension of the provisions of the Act as proposed amounts to taking away the "negotiating power" of people responsible for issuing liquor licenses. These provisions of the Act talk to BEE issues and it is a view that terms have to be negotiated. This does not amount to imposing unnecessary restrictions. The rationale is to optimise economic benefits from 2010 FIFA World Cup. This is the case.
- There is also responsible marketing provision in the Act, e.g. minors should not be targeted when advertising.
- Provinces and Policy Council on liquor matters will be involved in this area. This is an implementation issue and it does not need legislative amendment.



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In view of the above no mandate to amend the Act as proposed. The dti and DSR will have to meet and discuss these issues, maybe at a higher level.

### Conclusion

The two departments agreed to meet and discuss these issue at an appropriate time.

Thanks



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