

3 June, 2015

## Unpacking the role of the NRCS

Wood treaters are asking a host of questions about the role of the NRCS (National Regulator for Compulsory Specifications) and its upcoming levy on treated wood.

Will the NRCS benefit the industry in any way? What powers does the NRCS have over wood treaters and retailers?

And how do these powers differ from those of SABS and SATAS?

Bruce Breedt, the Executive Director of the South African Wood Preservers Association, has kindly answered these and other queries for the Dolphin Bay Brief.

The role of the NRCS is different from that of SABS and SATAS, as it is a regulatory role rather than one of quality oversight, which is the case for SABS and SATAS, Bruce explains. "Their main focus is thus to find non-compliant material in the open market and legally deal with it," he says.

"The NRCS confiscates and destroys this non-compliant material by legal means. This includes prosecution to stop the manufacture and sale of illegally treated timber, as well as imposing monetary penalties."

The SABS and SATAS, on the other hand, are quality assurance (certification) bodies who perform surveillance inspections and audits to verify compliance to SANS product standards and certification agreements. They can only do this at the premises of their certified customers. They cannot enter the premises of a non-certified client without the owner's approval, as the NRCS is able to do. They can only impose sanctions in the form of either corrective action - which can include the embargo on the use of the SABS or SATAS mark - and if need be, withdrawal of certification and informing the NRCS and the public about this.

NRCS inspectors have the right to enter and search any premises where treated timber is being produced, sold, used, imported/exported. But as stated by the NRCS themselves, product inspection and testing is not their main focus.

The levy will be R 1.00/m<sup>3</sup> of treated timber produced for SABS- and SATAS-certified plants. The levies are revised annually, and increases should be based on the increase of the CPI, Bruce says. The cost of the levy should initially be passed on to the consumer by merely increasing the selling price of treated timber.

SAWPA recently sent a letter on behalf of the industry, to the acting general manager of the NRCS, Rhoda Mbukwane, proposing that the proposed backdated NRCS levies should be waived for industry members who are compliant with the quality standards.

This letter also points out that the NRCS has not fulfilled its regulatory function at all, and the many illegal treaters that SAWPA has pointed out to the NRCS are continuing to operate. In fact, the illegal sector has expanded to the extent that it has an impact on the compliant and certified sector.

The letter recommended, among other things, that the NRCS immediately start fulfilling its regulatory obligations by dealing with the illegal activities of both the "twilight" treaters and the hardware and retail points that are manufacturing and selling illegally treated timber.

Nevertheless, says Bruce, it will continue to be the duty of the of the "regulated" industry, including SAWPA and its members, to ensure that the NRCS is informed of any illegal practices that affect and impact the compliant part of industry, so that the NRCS can focus their attention on them.

Source : **Dolphin Bay Chemicals**