

NATIONAL CONVENTIONAL ARMS CONTROL COMMITTEE

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AC 5/1/9A

Private Bag X 910 Pretoria 0001

February 2013

Speaker: National Assembly

Parliament of the Republic of South Africa

P.O. Box 15 **CAPE TOWN** 8000

Dear Speaker

2012 NATIONAL CONVENTIONAL ARMS CONTROL COMMITTEE (NCACC) ANNUAL REPORT

Appendix A: January to December 2012 Statistics on Permits Issued

B: January to December 2012 South Africa's Statistics for Conventional Arms Exports

C: January to December 2012 Statistics on Permits Issued for Peace Keeping/Military Exercise/Humanitarian Aid and Military Training

INTRODUCTION

- Section 23 (1) (c) of the National Conventional Arms Control Act, (Act 41 of 2002) provides that the National Conventional Arms Control Committee (NCACC) must submit an Annual Report to a committee of Parliament determined by Parliament on all conventional concluded during the preceding calendar year. In accordance with the legislative requirement, the NCACC wishes to present this 2012 Annual Report to the Speaker: National Assembly.
- This 2012 Annual Report provides information on conventional arms exports conducted by South Africa over the period 01 January to 31 December 2012. The Annual Report presents this information in a manner consistent with the provisions of the National Conventional Arms Control Act (Act 41 of 2002). To that end, the following categories of information are covered by the report:
 - a. Names of importing countries (countries where conventional arms were exported to).
 - b. Types of conventional arms exported.



STATISTICAL INFORMATION ON TYPES AND QUANTITIES OF PERMITS ISSUED

PERIOD: 01/01/2012-31/12/2012

| REGISTRATION | |
|---|--------------------|
| Number of companies registered | 92 |
| | |
| MARKETING | |
| Number of Marketing Permits Issued | 20 |
| CONTRACTING | |
| Number of Contracting Permits Issued | 398 |
| Number of Contracting Applications Denied | 24 |
| Total Value of Contracts Approved | 171,046,654,315.00 |
| Total Number of Countries Contracted with | 80 |
| | |
| EXPORT | |
| Number of Export Permits Issued | 3,663 |
| Total Value of Exports | 10,603,748,933.00 |
| Total Number of Countries Exported To | 89 |
| | |
| IMPORT | |
| Number of Import Permits Issued | 2,677 |
| Total Value of Imports | 3,237,963,518.00 |
| Total Number of Countries Imported From | 67 |
| CONVEYANCE | |
| Number of Conveyance Permits Issued | 3 |



APPENDIX B



SUMMARY OF EXPORT PERMITS ISSUED PER COUNTRY

| Country | Category | ZAR Value | Explanation |
|-----------------------|--------------|----------------|---|
| AFRICAN UNION MISSION | В | 1,440,000.00 | Sales |
| (AMISOM IN SOMALIA) | SUB TOTAL | 1,440,000.00 | |
| ALGERIA | Α | 0.00 | Replacements |
| | С | 39,446,519.00 | Demonstrations, repairs, replacements and sales |
| | G | 2,102,161.00 | Integrations, repairs, replacemen and sales |
| | SUB TOTAL | 41,548,680.00 | |
| ARGENTINA | Α | 0.00 | Demonstrations |
| | С | 381,600.00 | Demonstrations, repairs, replacements and sales |
| | SUB TOTAL | 381,600.00 | |
| ARMENIA | В | 420,000.00 | |
| | SUB TOTAL | 420,000.00 | |
| AUSTRALIA | Α | 6,736,556.00 | Tests and sales |
| | В | 0.00 | Evaluations |
| | С | 18,464,886.00 | Repairs, sales and tests |
| | D | 66,954,405.00 | Sales |
| | G | 0.00 | Exhibitions |
| | SUB TOTAL | 92,155,847.00 | |
| AUSTRIA | Α | 0.00 | Evaluations |
| | С | 1,949,749.00 | Demonstrations, evaluations and sales |
| | SUB TOTAL | 1,949,749.00 | |
| AZERBAIJAN | A | 30,925,120.00 | Sales |
| | В | 800,000.00 | Sales |
| : : : | С | 230,489,251.00 | Repairs and sales |
| · | G | 1,874,019.00 | Demonstrations, repairs and sales |
| | SUB TOTAL | 264,088,390.00 | |
| BANGLADESH | С | 529,106.00 | Sales |
| | SUB TOTAL | 529,106.00 | |
| BELGIUM | Α | 5,918,876.00 | Evaluations and sales |
| | С | 0.00 | Replacements |
| | SUB TOTAL | 5,918,876.00 | |

| Country | Category | ZAR Value | Explanation |
|--------------------------|--------------|---------------|--|
| BENIN | Α | 36,895,310.00 | Sales |
| | С | 15,255,093.00 | Demonstrations and sales |
| | G | 20,000.00 | Sales |
| | SUB TOTAL | 52,170,403.00 | |
| BOTSWANA | Α | 321,195.00 | Demonstrations and sales |
| | В | 53,100.00 | Sales |
| | С | 12,988,265.00 | Demonstrations, repairs and sales |
| | G | 744,210.00 | Sales |
| | SUB TOTAL | 14,106,770.00 | |
| BRAZIL | A | 250,332.00 | Exhibitions and sales |
| | В | 37,536.00 | Sales |
| | С | 18,162,064.00 | Demonstrations, evaluations, repairs and sales |
| | G | 2,635,303.00 | Sales |
| | SUB TOTAL | 21,085,235.00 | |
| BULGARIA | Α | 0.00 | Evaluations |
| | SUB TOTAL | 0.00 | |
| BURUNDI | С | 47,878,156.00 | Sales |
| | G | 1,891,000.00 | Sales |
| , | SUB TOTAL | 49,769,156.00 | |
| CANADA | С | 14,059,928.00 | Demonstrations, evaluations, exhibitions, sales, repairs, tests and upgrades |
| | SUB TOTAL | 14,059,928.00 | |
| CENTRAL AFRICAN REPUBLIC | С | 0.00 | Donation |
| | SUB TOTAL | 0.00 | |
| CHILE | Α | 24,960,068.00 | Demonstrations, exhibitions and sales |
| | В | 2,117,700.00 | Sales |
| | С | 2,795,827.00 | Demonstrations, exhibitions and sales |
| | D | 4,880,000.00 | Sales |
| | G | 2,445,000.00 | Exhibitions and sales |
| | SUB TOTAL | 37,198,595.00 | |
| COLOMBIA | A | 0.00 | Evaluations |
| | С | | Evaluations and sales |

| Country | Category | ZAR Value | Explanation |
|----------------|--------------|----------------|--|
| | SUB TOTAL | 5,610,290.00 | |
| CZECH REPUBLIC | С | 778,960.00 | Demonstrations, repairs and sales |
| | SUB TOTAL | 778,960.00 | |
| DENMARK | С | 0.00 | Tests |
| | SUB TOTAL | 0.00 | |
| ECUADOR | С | 103,268,496.00 | sales and support |
| | SUB TOTAL | 103,268,496.00 | |
| EGYPT | С | 45,546,071.00 | Repairs and sales |
| | SUB TOTAL | 45,546,071.00 | |
| FINLAND | А | 62,370,522.00 | Sales |
| | В | 1,287,283.00 | Replacements and sales |
| | С | 3,090,371.00 | Repairs, sales and tests |
| | SUB TOTAL | 66,748,176.00 | |
| FRANCE | А | 453,960.00 | Demonstrations, exhibitions and sales |
| | В | 0.00 | Exhibitions |
| | С | 62,654,892.00 | Demonstrations, evaluations, exhibition, repairs, replacements and sales |
| | G | 0.00 | Exhibition and repairs |
| | SUB TOTAL | 63,108,852.00 | |
| GABON | Α | 4,053,030.00 | Repairs and sales |
| | С | 116,368.00 | Sales |
| | SUB TOTAL | 4,169,398.00 | |
| GERMANY | A | 26,751,727.00 | Evaluations, exhibitions, repairs and sales |
| | С | 44,111,435.00 | Demonstrations, evaluations, exhibitions, repairs and sales |
| | G | 41,696,290.00 | Demonstrations, Exhibition, upgrade and sales |
| | SUB TOTAL | 112,559,452.00 | |
| GHANA | Α | 2,522,900.00 | Sales |
| | С | 43,227,900.00 | Sales |
| , | D | 4,041,200.00 | Sales |
| | SUB TOTAL | 49,792,000.00 | • |

ARCHIVE FOR JUSTICE

| Country | Category | ZAR Value | Explanation |
|-----------|--------------|----------------|--|
| GREECE | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| HUNGARY | С | 0.00 | Exhibition |
| | G | 0.00 | Evaluation |
| | SUB TOTAL | 0.00 | |
| INDIA | А | 119,048,010.00 | Demonstrations, evaluations exhibitions, repairs and sales |
| | С | 394,161,800.00 | Demonstrations, evaluations exhibitions, repairs and sales |
| | G | 15,212.00 | Exhibitions and sales |
| | SUB TOTAL | 513,225,022.00 | |
| INDONESIA | A | 20,986,277.00 | Evaluations and sales |
| | В | 0.00 | Exhibitions |
| | С | 8,762,638.00 | Demonstrations, exhibitions and sales |
| | G | 372,948.00 | Sales |
| | SUB TOTAL | 30,121,863.00 | |
| IRELAND | A | 0.00 | Replacements |
| | SUB TOTAL | 0.00 | |
| ITALY | C | 1,558,976.00 | Demonstrations, repairs, sales and tests |
| | G | 0.00 | Exhibitions |
| | SUB TOTAL | 1,558,976.00 | |
| JAPAN | D | 0.00 | Evaluations |
| | SUB TOTAL | 0.00 | |
| JORDAN | A | 14,567,130.00 | Demonstrations, evaluations and sales |
| | В | 2,088,000.00 | Sales |
| | С | 46,333.00 | Exhibitions |
| | G | 0.00 | Exhibitions |
| | SUB TOTAL | 16,701,463.00 | |
| KENYA | Α | 23,914,390.00 | Sales |
| | С | 84,615,237.00 | Evaluations, repairs and sales |
| | D | 0.00 | Replacements |
| | SUB TOTAL | 108,529,627.00 | |

| Country | Category | ZAR Value | Explanation |
|---------------|--------------|----------------|--|
| KUWAIT | С | 348,000.00 | Sales |
| | G | 40,000.00 | Sales |
| | SUB TOTAL | 388,000.00 | |
| LESOTHO | С | 929,195.00 | Demonstrations and sales |
| | SUB TOTAL | 929,195.00 | |
| MACEDONIA (EX | С | 0.00 | Replacements |
| YUGOSLAVIA) | SUB TOTAL | 0.00 | |
| MALAWI | Α | 11,260,000.00 | Sales |
| | С | 3,700,000.00 | Repairs and sales |
| | SUB TOTAL | 14,960,000.00 | |
| MALAYSIA | A | 152,603,415.00 | Demonstrations and sales |
| | В | 0.00 | Demonstrations |
| | С | 999,646.00 | Demonstrations, repairs and sales |
| | D | 0.00 | Demonstrations |
| | G | 3,994,364.00 | Exhibitions, repairs and sales |
| | SUB TOTAL | 157,597,425.00 | |
| MEXICO | Α | 11,081,007.00 | Sales |
| | SUB TOTAL | 11,081,007.00 | |
| MOZAMBIQUE | Α | 200,000.00 | Demonstrations and sales |
| | С | 293,886.00 | Sales |
| | D | 400,000.00 | Sales |
| | SUB TOTAL | 893,886.00 | |
| NAMIBIA | Α | 0.00 | Demonstrations |
| | C | 4,265,950.00 | Demonstrations and sales |
| | D | 1,997,540.00 | Sales |
| | SUB TOTAL | 6,263,490.00 | |
| NEPAL | С | 79,123.00 | Sales |
| | G | 8,000.00 | Sales |
| | SUB TOTAL | 87,123.00 | |
| NETHERLANDS | С | | Demonstrations, evaluations, repairs and sales |
| | SUB TOTAL | 4,808,605.00 | |



| Country | Category | ZAR Value | Explanation |
|---------------------|--------------|----------------|---|
| NEW ZEALAND | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| NIGER | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| NIGERIA | Α | 10,330,250.00 | Sales |
| | С | 1,130,302.00 | Exhibitions and sales |
| | G | 287,704.00 | Sales |
| | SUB TOTAL | 11,748,256.00 | |
| NORWAY | Α | 64,000.00 | Sales |
| | С | 17,000,000.00 | Sales |
| | SUB TOTAL | 17,064,000.00 | |
| OMAN | Α | 20,279,482.00 | Repairs, sales and trials |
| | С | 53,402,565.00 | Repairs and sales |
| | D | 600,181.00 | Sales |
| | G | 156,000.00 | Sales |
| | SUB TOTAL | 74,438,228.00 | |
| PAKISTAN | Α | 0.00 | Repairs and tests |
| | В | 0.00 | Repairs |
| | С | 118,118,284.00 | Repairs, upgrade and sales |
| | G | 21,749,566.00 | Replacements, upgrade and sales |
| | SUB TOTAL | 139,867,850.00 | |
| PEOPLES REPUBLIC OF | Α | 0.00 | Exhibitions |
| CHINA | С | 12,324,288.00 | Demonstrations, exhibitions, repair and sales |
| | G | 2,120,435.00 | Sales |
| | SUB TOTAL | 14,444,723.00 | |
| PERU | Α | 11,067,977.00 | Sales |
| | SUB TOTAL | 11,067,977.00 | |
| PHILIPPINES | A | 25,097,069.00 | Sales |
| | В | 9,104,323.00 | Sales |
| | С | 0.00 | Evaluations |
| | SUB TOTAL | 34,201,392.00 | |
| POLAND | Α | 0.00 | Exhibitions |
| | В | 0.00 | Exhibitions |

| Country | Category | ZAR Value | Explanation |
|--------------------|--------------|----------------|--|
| | С | 808,800.00 | Demonstrations, exhibitions, evaluations and sales |
| | SUB TOTAL | 808,800.00 | |
| PORTUGAL | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| REPUBLIC OF CONGO | Α | 2,400,000.00 | Sales |
| (BRAZAVILLE) | С | 116,111,000.00 | Repairs and sales |
| | G | 1,626,790.00 | Support, repairs and sales |
| | SUB TOTAL | 120,137,790.00 | |
| REPUBLIC OF KOREA | Α | 49,175,979.00 | Evaluations and sales |
| | С | 69,936,618.00 | Demonstrations, training and sale |
| | G | 1,700.00 | Sales |
| | SUB TOTAL | 119,114,297.00 | |
| ROMANIA | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| RUSSIAN FEDERATION | A | 0.00 | Exhibitions and repairs |
| | С | 2,690,000.00 | Sales |
| | SUB TOTAL | 2,690,000.00 | |
| RWANDA | Α | 1,180,140.00 | Sales |
| | С | 2,482,153.00 | Sales |
| | SUB TOTAL | 3,662,293.00 | |
| SAUDI ARABIA | A | 804,025.00 | Demonstrations, evaluations and sales |
| | <u>.</u> B | 47,845,630.00 | Evaluations and sales |
| | С | 70,958,375.00 | Demonstrations, evaluations, repairs and sales |
| | G | 160,000,000.00 | Demonstrations and sales |
| | SUB TOTAL | 279,608,030.00 | |
| SENEGAL | Α | 1,594,750.00 | Sales |
| | В | 1,522,600.00 | Sales |
| | SUB TOTAL | 3,117,350.00 | |
| SERBIA | С | 836,000.00 | Sales |
| · | SUB TOTAL | 836,000.00 | |



| Country | Category | ZAR Value | Explanation |
|-----------------|--------------|----------------|--|
| SIERRA LEONE | С | 30,891,322.00 | Sales |
| | SUB TOTAL | 30,891,322.00 | |
| SINGAPORE | А | 6,379,500.00 | Demonstrations, integration, sales and tests |
| | В | 0.00 | tests |
| | С | 37,417,781.00 | Demonstrations, evaluations, integration, repairs, sales and tests |
| | G | 71,200,000.00 | Demonstrations, repairs, sales and tests |
| | SUB TOTAL | 114,997,281.00 | |
| SLOVAK REPUBLIC | Α | 0.00 | Demonstration and exhibition |
| | В | 0.00 | Replacements |
| | C | 0.00 | Demonstration and exhibition |
| | SUB TOTAL | 0.00 | |
| SLOVENIA | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| SOUTH SUDAN | Α | 16,500,000.00 | Sales |
| | SUB TOTAL | 16,500,000.00 | |
| SPAIN | Α | 9,005,564.00 | Demonstrations, evaluations, repairs, replacements and sales |
| | С | 49,938,032.00 | Repairs, replacements and sales |
| | D | 42,886,660.00 | |
| | G | 153,765.00 | Replacements |
| | SUB TOTAL | 101,984,021.00 | |
| SRI LANKA | С | 138,956.00 | Sales |
| | SUB TOTAL | 138,956.00 | · |
| SWEDEN | A | 383,776,000.00 | Integrations, repairs and sales |
| | С | 77,937,662.00 | Demonstrations, evaluations, integration, sales and repairs |
| | G | 1,500,330.00 | Evaluations and sales |
| | SUB TOTAL | 463,213,992.00 | |
| SWITZERLAND | Α | 0.00 | Evaluations, tests and trials |
| | В | . 215,000.00 | Evaluations and sales |
| | С | 7,128,995.00 | Sales and tests |
| | G | 0.00 | Demonstrations, repairs and tests |
| | SUB TOTAL | 7,343,995.00 | |

- c. Rand value of the exports.
- d. Reasons for temporary transfers.

NCACC'S LEGISLATIVE FRAMEWORK AND MANDATE

- 3. The National Conventional Arms Control Committee (NCACC) is a Committee established in terms of law to regulate the conventional arms sector in South Africa. Section 3 of the National Conventional Arms Control Act (Act 41 of 2002) provides for the object and mandate of the NCACC. Section 4 of this Act provides for the functions of the NCACC. These could be summarized as the regulation of development, manufacturing and transfer of conventional arms in South Africa. The regulations to the National Conventional Arms Control Act (Act 41 of 2002) dated 28 May 2004 provides details on how the regulation of the conventional arms sector is conducted in South Africa.
- 4. Section 5 of the National Conventional Arms Control Act (Act 41 of 2002) provides for the membership of the NCACC. Members of the NCACC are Cabinet Ministers and Deputy Ministers specifically appointed by the President. The positions of the Chairperson and Deputy Chairperson respectively of the NCACC are held by Cabinet Ministers who do not have line function interests in the conventional arms business. This has been done for purposes of ensuring the NCACC's objectivity in the conduct of its business.
- 5. In order to provide for administrative support to the NCACC, Section 8 of the National Conventional Arms Control Act (Act 41 of 2002) provides for the establishment of the Secretariat. This Secretariat is located within the Department of Defence (Defence Secretariat). This Secretariat has a specific function as provided for in the Act. Briefly, this function is to provide for an administrative mechanism to prepare documentation for the NCACC and to serve as the line of communication between the NCACC, the defence industry and all other relevant stakeholders. This Secretariat also ensures the execution of the NCACC's decisions and policies.
- 6. As a further support structure to the NCACC Section 9 of the National Conventional Arms Control Act, (Act 41 of 2002) establishes the Inspectorate. The purpose of the Inspectorate is to ensure that trade in conventional arms is conducted in compliance with the provisions of the Act. The Inspectorate also ensures that the internal regulatory processes of the Committee are complied with.
- 7. The NCACC has ensured that all the necessary institutional mechanism and structures prescribed by the Act to support the efficient regulation of conventional arms are in place. The NCACC is supported by other government departments and agencies. These include the Department of International Relations & Cooperation, Department of Defence, Department of Trade and Industry, Department of State Security and the South African Police Service. Over and above these, the NCACC can be assisted by any other relevant institutions of government as and when required.



| Country | Category | ZAR Value | Explanation |
|--------------------------|--------------|------------------|--|
| TAIWAN | Α | 0.00 | Acceptance tests |
| | С | 104,750,000.00 | Demonstrations and sales |
| | SUB TOTAL | 104,750,000.00 | |
| THAILAND | Α | 49,933,567.00 | Sales |
| | С | 7,995,878.00 | Demonstrations, exhibitions, repairs and sales |
| | G | 282,684.00 | Exhibitions and sales |
| | SUB TOTAL | 58,212,129.00 | |
| TURKEY | Α | 35,000,000.00 | Evaluations, exhibition and sales |
| | В | 0.00 | Exhibition |
| | С | 269,364.00 | Demonstrations, exhibitions, repairs, tests and sales |
| | G | 0.00 | Exhibition |
| | SUB TOTAL | 35,269,364.00 | |
| UGANDA | A | 19,052,996.00 | Sales |
| | С | 64,659,465.00 | Donation, repairs and sales |
| | SUB TOTAL | 83,712,461.00 | |
| UNITED ARAB EMIRATES | А | 171,804,827.00 | Demonstrations, exhibition, evaluations, integration and sales |
| | В | 840,000.00 | Exhibition |
| | С | 1,201,505,302.00 | Demonstrations, exhibition, evaluations, repairs and sales |
| | G | 11,070,113.00 | Evaluations, exhibition, repairs and sales |
| | SUB TOTAL | 1,385,220,242.00 | |
| UNITED KINGDOM | А | 75,917,729.00 | Exhibitions, evaluations, sales and tests |
| | С | 192,624,161.00 | Evaluations, repairs and sales |
| | G | 193,063.00 | Calibration, exhibitions and sales |
| | SUB TOTAL | 268,734,953.00 | |
| UNITED NATIONS | С | 714,497.00 | Sales |
| (DAMASCUS) | SUB TOTAL | 714,497.00 | |
| UNITED STATES OF AMERICA | A | 267,099,238.00 | Evaluations and sales |
| | В | 0.00 | Evaluations |
| | С | | Demonstrations, exhibitions, repairs, replacements and sales |
| | D | 1,266,739,430.00 | Evaluations and sales |
| | G | 0.00 | Replacements |

| Country | Category | ZAR Value | Explanation |
|-------------|--------------|-------------------|--|
| | SUB TOTAL | 5,114,283,394.00 | |
| VENEZUELA | С | 324,000.00 | Demonstrations, evaluations, repairs and sales |
| | G | 0.00 | Evaluations |
| | SUB TOTAL | 324,000.00 | |
| VIETNAM | С | 0.00 | Repairs |
| | SUB TOTAL | 0.00 | |
| ZAMBIA | A | 48,233,396.00 | Sales |
| | C | 18,404,432.00 | Demonstrations, repairs and sales |
| | G | 207,000.00 | Demonstrations and sales |
| | SUB TOTAL | 66,844,828.00 | |
| ZIMBABWE | С | 2,256,800.00 | Sales |
| | SUB TOTAL | 2,256,800.00 | |
| GRAND TOTAL | | 10,603,748,933.00 | |



APPENDIX C



PEACE KEEPING/MILITARY EXERCISE/HUMANITARIAN AID AND TRAININIG REPORT

| COUNTRY | CATEGORY | NON-MONETARY EXPORTS REASON(S) | NAME |
|-------------------------|----------|-----------------------------------|---|
| DEMOCRATIC REP OF CONGO | В | Peace-keeping Operations | Operation Monuc (UN), Operation Mistral |
| | С | | |
| LESOTHO | G | Joint Military Exercise | Exercise Crown |
| MOZAMBIQUE | В | Anti-Piracy Mission | Operation Copper |
| NETHERLANDS | В | Joint Military Exercise | Exercise Serolane |
| SUDAN | С | Peace-keeping Operation | Operation Cordite |
| SWEDEN | Α | Joint Military Exercise | Exercise Lion Effort |
| ZAMBIA | В | Joint Military Exercise | SADC Special Forces Rotational Training |
| | c | and Sk | and Skills Exchange |



2012 MEMBERSHIP OF THE NCACC

8. In the period under review, (January to December 2012) the NCACC comprised of the following Cabinet Ministers appointed by the President in terms of the provisions of the National Conventional Arms Control Act (Act 41 of 2002):

a. Minister J.T. Radebe

(Chairperson)

b. Minister G.N. Pandor

(Deputy Chairperson)

- c. Minister L.N. Sisulu
- d. Minister R. Davies
- e. Minister S. Cwele
- f. Minister M. Nkoana-Mashabane
- g. Minister N. Mthethwa
- h. Deputy Minister T.S.P. Makwetla
- i. Deputy Minister E. Ebrahim
- j. Deputy Minister N.M. Nene

LEGISLATIVE DEVELOPMENTS

- 9. The NCACC administers both the National Conventional Arms Control Act (Act 41 of 2002) and the Prohibition of Mercenary Activities and the Regulations of Certain Activities in a Country of Armed Conflict Act (Act 27 of 2006). This Act is not in operation yet pending the approval of its Regulations.
- 10. The National Conventional Arms Control Amendment Act, (Act 73 of 2008) is in force subsequent to the implementation and promulgation of its Regulations and Notice in April 2012. Applicable Government Gazettes in this regard are 35283 and 35272.

PERMIT APPLICATIONS

11. As its primary function, the NCACC considers the defence industry's permit applications and issues or denies such permits. In executing this important function, the NCACC considers all relevant factors as stipulated in Section 15 of the National Conventional Arms Control Act (Act 41 of 2002). The NCACC considers each and every permit application submitted on the basis of its own merits in line with the case-by-case principle as contemplated in the Act. In the period under review, the NCACC considered the following categories and numbers of permit applications:



- a. Registration Permit Applications, 92.
- b. Marketing Permit Applications, 20.
- c. Contracting Permit Applications, 398.
- d. Export Permit Applications, 3663.
- e. Import Permit Applications, 2677.
- f. Conveyance Permit Applications, 3.
- 12. Details on these applications in terms of approvals, countries, values and categories of equipment involved are contained in Appendix A, B and C of this report.

COMPLIANCE AND VERIFICATION MATTERS

13. As indicated above, Section 9 of the National Conventional Arms Control Act (Act 41 of 2002) provides that Conventional Arms Control Inspectorate be established for the purposes of ensuring that the Defence Industry and all other relevant role players comply with the laid down conventional arms control regulations. In line with its statutory function, the Conventional Arms Control Inspectorate has conducted various activities.

CONCLUSION

14. In the period under review, the NCACC conducted all the activities indicated above in pursuance of its functions as contemplated in the National Conventional Arms Control Act (Act 41 of 2002). In conclusion, it is important to note that the activities of the NCACC, over the reporting period, have contributed significantly to the strengthening of the country's arms control regime thus positioning South Africa firmly in the international arena.

Yours faithfully

J. Radis. 28/02/13

CHAIRPERSON OF THE NATIONAL CONVENTIONAL ARMS CONTROL COMMITTEE (NCACC): MINISTER OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT



NATIONAL CONVENTIONAL ARMS CONTROL COMMITTEE

Enquiries:

Facsimile:

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Private Bag X 910 Pretoria 0001

February 2013

The Chairperson: National Council of Provinces (NCOP)

Parliament of the Republic of South Africa

P.O. Box 15 **CAPE TOWN** 0008

Dear Chairperson

2012 NATIONAL CONVENTIONAL ARMS CONTROL COMMITTEE (NCACC) ANNUAL REPORT

Appendix

- A: January to December 2012 Statistics on Permits Issued
- B: January to December 2012 South Africa's Statistics for Conventional Arms Exports
- C: January to December 2012 Statistics on Permits Issued for Peace Keeping/Military Exercise/Humanitarian Aid and Military Training

INTRODUCTION

- Section 23 (1) (c) of the National Conventional Arms Control Act, (Act 41 of 2002) provides that the National Conventional Arms Control Committee (NCACC) must submit an Annual Report to a committee of Parliament determined by Parliament on all conventional concluded during the preceding calendar year. In accordance with the legislative requirement, the NCACC wishes to present this 2012 Annual Report to the Chairperson: National Council of Provinces (NCOP).
- 2. This 2012 Annual Report provides information on conventional arms exports conducted by South Africa over the period 01 January to 31 December 2012. The Annual Report presents this information in a manner consistent with the provisions of the National Conventional Arms Control Act (Act 41 of 2002). To that end, the following categories of information are covered by the report:
 - Names of importing countries (countries where conventional arms were a. exported to)
 - Types of conventional arms exported.



- c. Rand value of the exports.
- d. Reasons for temporary transfers.

NCACC'S LEGISLATIVE FRAMEWORK AND MANDATE

- 3. The National Conventional Arms Control Committee (NCACC) is a Committee established in terms of law to regulate the conventional arms sector in South Africa. Section 3 of the National Conventional Arms Control Act (Act 41 of 2002) provides for the object and mandate of the NCACC. Section 4 of this Act provides for the functions of the NCACC. These could be summarized as the regulation of development, manufacturing and transfer of conventional arms in South Africa. The regulations to the National Conventional Arms Control Act (Act 41 of 2002) dated 28 May 2004 provides details on how the regulation of the conventional arms sector is conducted in South Africa.
- 4. Section 5 of the National Conventional Arms Control Act (Act 41 of 2002) provides for the membership of the NCACC. Members of the NCACC are Cabinet Ministers and Deputy Ministers specifically appointed by the President. The positions of the Chairperson and Deputy Chairperson respectively of the NCACC are held by Cabinet Ministers who do not have line function interests in the conventional arms business. This has been done for purposes of ensuring the NCACC's objectivity in the conduct of its business.
- 5. In order to provide for and administrative support to the NCACC, Section 8 of the National Conventional Arms Control Act (Act 41 of 2002) provides for the establishment of the Secretariat. This Secretariat is located within the Department of Defence (Defence Secretariat). This Secretariat has a specific function as provided for in the Act. Briefly, this function is to provide for an administrative mechanism to prepare documentation for the NCACC and to serve as the line of communication between the NCACC, the defence industry and all other relevant stakeholders. This Secretariat also ensures the execution of the NCACC's decisions and policies.
- 6. As a further support structure to the NCACC Section 9 of the National Conventional Arms Control Act, (Act 41 of 2002) establishes the Inspectorate. The purpose of the Inspectorate is to ensure that trade in conventional arms is conducted in compliance with the provisions of the Act. The Inspectorate also ensures that the internal regulatory processes of the Committee are complied with.
- 7. The NCACC has ensured that all the necessary institutional mechanism and structures prescribed by the Act to support the efficient regulation of conventional arms are in place. The NCACC is supported by other government departments and agencies. These include the Department of International Relations & Cooperation, Department of Defence, Department of Trade and Industry, Department of State Security and the South African Police Service. Over and above these, the NCACC can be assisted by any other relevant institutions of government as and when required.



2012 MEMBERSHIP OF THE NCACC

8. In the period under review, (January to December 2012) the NCACC comprised of the following Cabinet Ministers appointed by the President in terms of the provisions of the National Conventional Arms Control Act (Act 41 of 2002):

a. Minister J.T. Radebe

(Chairperson)

b. Minister G.N. Pandor

(Deputy Chairperson)

- c. Minister L.N. Sisulu
- d. Minister R. Davies
- e. Minister S. Cwele
- f. Minister M. Nkoana-Mashabane
- g. Minister N. Mthethwa
- h. Deputy Minister T.S.P. Makwetla
- i. Deputy Minister E. Ebrahim
- i. Deputy Minister N.M. Nene

LEGISLATIVE DEVELOPMENTS

- 9. The NCACC administers both the National Conventional Arms Control Act (Act 41 of 2002) and the Prohibition of Mercenary Activities and the Regulations of Certain Activities in a Country of Armed Conflict Act (Act 27 of 2006). This Act is not in operation yet pending the approval of its Regulations.
- 10. The National Conventional Arms Control Amendment Act, (Act 73 of 2008) is in force subsequent to the implementation and promulgation of its Regulations and Notice in April 2012. Applicable Government Gazettes in this regard are 35283 and 35272.

PERMIT APPLICATIONS

11. As its primary function, the NCACC considers the defence industry's permit applications and issues or denies such permits. In executing this important function, the NCACC considers all relevant factors as stipulated in Section 15 of the National Conventional Arms Control Act (Act 41 of 2002). The NCACC considers each and every permit application submitted on the basis of its own merits in line with the case-by-case principle as contemplated in the Act. In the period under review, the NCACC considered the following categories and numbers of permit applications:



- a. Registration Permit Applications, 92.
- b. Marketing Permit Applications, 20.
- c. Contracting Permit Applications, 398.
- d. Export Permit Applications, 3663.
- e. Import Permit Applications, 2677.
- f. Conveyance Permit Applications, 3.
- 12. Details on these applications in terms of approvals, countries, values and categories of equipment involved are contained in Appendix A, B and C of this report.

COMPLIANCE AND VERIFICATION MATTERS

13. As indicated above, Section 9 of the National Conventional Arms Control Act (Act 41 of 2002) provides that Conventional Arms Control Inspectorate be established for the purposes of ensuring that the Defence Industry and all other relevant role players comply with the laid down conventional arms control regulations. In line with its statutory function, the Conventional Arms Control Inspectorate has conducted various activities.

CONCLUSION

14. In the period under review, the NCACC conducted all the activities indicated above in pursuance of its functions as contemplated in the National Conventional Arms Control Act (Act 41 of 2002). In conclusion, it is important to note that the activities of the NCACC, over the reporting period, have contributed significantly to the strengthening of the country's arms control regime thus positioning South Africa firmly in the international arena.

Yours faithfully

J. Rades. 28/02/13

CHAIRPERSON OF THE NATIONAL CONVENTIONAL ARMS CONTROL COMMITTEE (NCACC): MINISTER OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT



APPENDIX A

