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**CIVILIAN SECRETARIAT FOR THE POLICE SERVICE**

NO. 5037

12 July 2024

**INVITATION FOR PUBLIC COMMENTS  
SECOND-HAND GOODS ACT, 2009 (ACT NO. 06 OF 2009)  
AMENDMENTS TO REGULATIONS FOR DEALERS AND RECYCLERS**

In Government Notice No. R. 2801 published in Government Gazette No. 47627 dated 30 November 2022, the Minister of Trade, Industry and Competition (the "Trade Minister") published the Policy Implementation Actions on Measures to Restrict and Regulate Trade in Ferrous and Non-Ferrous Metals Waste, Scrap and Semi-Finished Ferrous and Non-Ferrous Metal Products to Limit Damage to Infrastructure and the Economy (the "Policy").

In the Policy, the Trade Minister set out various interventions which are to be implemented in what may broadly be described as a three-phased approach and proposed that the enhancement of the regulation of the scrap and waste metal trade through amendments to the Regulations published under the Second-Hand Goods Act, (Act No. 6 of 2009) (the "SHGA"), which will bolster the applicable metal trading registration regime, be implemented as part of Phase 2.

The following changes are being considered to the Regulations published under the SHGA:

**1. Enforcement of the registration regime for scrap and waste metal sellers**

While the SHGA contemplates that both buyers and sellers of scrap and waste metal are required to be registered, this requirement is currently being enforced against buyers but not sellers.

Going forward, the Government intends to enforce the requirement that scrap and waste metal sellers are subject to the registration regime envisaged in the SHGA. It is envisaged that a registration exemption will apply in relation to waste pickers (but not in relation to copper scrap and waste metal).

**2. Enhanced registration requirements**

Registration as scrap and waste metal buyers and sellers will only be granted to businesses that have a satisfactory Tax Compliance Status.

### 3. Enhanced reporting requirements

An input-output reporting system will be introduced that will be used both for purposes of compliance monitoring under the SHGA and for monitoring exports of scrap and waste metal and semi-finished products. The reporting system will require scrap and waste dealers (buyers and sellers) to submit monthly electronic reports, via the Metal Trading System, to the International Trade Administration Commission (ITAC), showing all purchases and sales of metal products (scrap, waste, semi-finished and finished) by volume and value. The reports will inter alia contain the following information.

(i) Acquisition Table

Each row of the table will show a different purchase. The row will show a) the date of purchase, b) the type of metal purchased, c) the grade of metal purchased, d) the tonnage purchased, e) the total cost of the purchase, f) the business registration number of the seller, or in the case of an individual seller, the identity number of the individual, and g) any additional fields that may be required to secure the objective of input-output reporting.

(ii) Disposal table.

Each row of the table will show a different sale. The row will show a) the date of sale, b) the type of metal sold, c) the grade of metal sold, d) the tonnage sold, e) the total revenue of the sale, f) the business registration number of the buyer, g) in the case of an export sale, the Unique Consignment Reference (UCR), and h) any additional fields that may be required to secure the objective of input-output reporting.

### 4. Inclusion of semi-finished metals in the registration regime

While semi-finished metal products fall within the scope of application of the SHGA, buyers (and sellers) of semi-finished metal products are not currently

registered. The Government will thus take steps to ensure that these businesses are registered.

**5. Requirement for registered buyers to only purchase copper scrap, waste, semi-finished, and finished copper products from registered sellers.**

- (i) The Government is also considering imposing a requirement that registered buyers may only purchase copper scrap, waste, semi-finished, finished copper products from registered sellers of such products. The effect of this would be that all sales of scrap, waste, semi-finished and finished copper products will be prohibited other than between registered entities or persons.

In order to give effect to the Policy, the Minister of Police publishes, in the Schedule, draft regulations amending the Regulations for Dealers and Recyclers, 2012, in terms of section 41(1) of the Second-Hand Goods Act, 2009 (Act No. 6 of 2009), for public comment. Interested persons can also visit the website of the Civilian Secretariat for Police Service at <http://www.policesecretariat.gov.za> for a copy of the draft Regulations.

Members of the public and interested/affected parties are invited to submit their written representations and comments regarding the Draft Regulations within a period of thirty (30) days from date of publication by—

- (i) Emailing comments to: [Milton.Ntwana@csp.gov.za](mailto:Milton.Ntwana@csp.gov.za),
- (ii) Posting comments to:  
Civilian Secretariat for Police Service  
Private Bag X 922  
Pretoria, 0001  
For the attention of: Mr Milton Ntwana

Any enquiries related to the publication may be directed to Colonel G Pretorius at [PretoriusG@saps.gov.za](mailto:PretoriusG@saps.gov.za).



regulations, and in the case of scrap and waste metal dealers, the application form contemplated in subregulation (1) must substantially be in the form and contain the particulars as set out in Annexure "A1" to these regulations.

- (3) The applicant must ensure that the duly completed application form and all the applicable documents referred to in these regulations are lodged with the office of the Designated Police Officer."

### **Amendment of Regulation 3**

4. Regulation 3 of the Regulations is amended by the substitution for regulation 3 of the following regulation:

#### **"3. Documents to accompany application for registration**

- (1) An application for registration contemplated in section 3 of the Act must be accompanied by—
- (a) a statement which confirms that the—
    - (i) applicant or any other person contemplated in section 5(1)(d) of the Act is not disqualified from being registered as a dealer; and
    - (ii) applicant undertakes to ensure compliance with the requirements of other legislation regulating that business or industry[.];
  - (b) a certified copy of the identity document of the applicant and every person responsible for the management or day-to-day control of the business in question;
  - (c) a recent utility account or the lease agreement verifying the address of the premises to which the application relates;
  - (d) written proof of the business' bank account;
  - (e) a copy of the applicant's fingerprints, or where more than one person **[are]** is involved in the day to day management of the business, a copy of the fingerprints of each person so involved; **[and]**
  - (f) where applicable—
    - (i) documents which verify the applicant's establishment **[founding]** as a company, close corporation, trust, business trust, partnership or any other business form;
    - (ii) a certified copy of the identity document of each responsible person;
    - (iii) proof of VAT registration;

- (iv) a copy of the membership certificate which verifies that the applicant is a member of an accredited dealers' association at the time of the application;
  - (v) floor plan of the premises to which the application relates; **[and]**
  - (vi) any other documentation that applicant wishes to submit in support of the application, including a copy of any certificate or permit relating to other legislation regulating that industry[.];
  - (vii) a certified copy of the applicant's tax compliance certificate, where applicable; and
  - (g) proof that the premises is appropriately zoned by the local government for the particular business to be conducted;
- (2) In the case of a scrap and waste metal dealer, the application for registration contemplated in section 3 of the Act must, in addition to the documents referred to in subregulation (1), be accompanied by a list of the types of scrap and waste metal that it intends to buy, sell, or buy and sell."

#### **Amendment of Regulation 4**

5. Regulation 4 of the Regulations is amended by the insertion after subregulation (2) of the following subregulations:

- "(2A) All registered scrap and waste metal dealers must comply with the following conditions:
- (a) the scrap and waste metal dealer must only acquire scrap and waste metal from, or dispose of it to, scrap and waste metal dealers registered to acquire or dispose of scrap and waste metal; provided that the scrap and waste metal dealer may acquire scrap and waste metal from unregistered entities outside the Republic of South Africa;
  - (b) the scrap and waste metal dealer may only carry on the business of dealing in scrap and waste metal if the dealer is up to date with its reporting obligations contemplated in paragraph (c);
  - (c) the scrap and waste metal dealer, semi-finished and finished product manufacturer must, on the 14<sup>th</sup> day of each month, report all acquisitions and disposals of scrap metal made by such scrap and waste metal dealer, semi-finished and finished product manufacturer for the previous month which contains the information set out in Annexure "B5-1" and "B5-2" to these regulations on the Metal Trade System; and
  - (d) the scrap metal dealer must, when conducting any transaction with a person to acquire and dispose of scrap metal, pay such a person or entity by way of an electronic payment."

(2B) Subregulation (2A) shall apply with the necessary changes in respect of scrap and waste metal dealers, semi-finished, finished product manufacturers and recyclers."

### **Amendment of regulation 8**

6. Regulation 8 of the Regulations is amended by amendment of the heading for the heading:

**"8. Records by dealers other than scrap metal dealers, semi-finished, and finished products manufacturers and recyclers"**

### **Insertion of regulation 8A in the Regulations**

7. The following regulation is hereby inserted in the Regulations after regulation 8:

**"8A Records by scrap metal dealers, semi-finished and finished products manufacturers and recyclers**

"(1) A dealer or recycler must keep the register contemplated in section 21(1) of the Act in electronic format, and that dealer or recycler must ensure that an inspecting police or delegated official may inspect the dealer's metal trading system reports or any such electronic register that the dealer uses to collect the information that is submitted to the metal trading system.

(2) In the event of an inspection by a police official or delegated official in terms of section 28(1) of the Act, the dealer, recycler, owner, employee or person in charge of the premises must—

(a) provide the police official or delegated official inspecting the register with—

(i) the most recent certificate contemplated in section 28(4)(b)(ii) of the Act;

(ii) an extract from the register in printed format as requested by a police official or delegated official for purposes of the inspection and certification as contemplated in subparagraph (i); and

(b) retain such extract and certificate at the dealer's premises for a period of not less than five years, calculated from the date of the certificate."



### Insertion of regulation 9A in the Regulations

8. The following regulation is hereby inserted in the Regulations after regulation 9:

#### **"9A Dealing from different premises**

- (1) In the event that a dealer or recycler conducts business from premises registered in terms of section 3(2) of the Act but stores goods on additional registered premises, such dealer or recycler must keep the applicable register contemplated in regulation 9 on both premises.
- (2) A dealer or recycler must keep records referred to in regulation 9 of any second-hand goods or scrap metal that is moved from premises where business is conducted to additional premises where second-hand goods or scrap metal are stored.
- (3) Where second-hand goods or scrap metal are moved between premises, the entries into the disposal register must correspond with the entries into the acquisition register at the receiving premises.
- (4) The entries into the disposal register must clearly indicate that the provisions of section 23(1)(d) of the Act have been complied with."

### Insertion of regulation 13A in the Regulations

9. The following regulation is hereby inserted in the Regulations after regulation 13:

#### **"13A Waste pickers**

A recycler or dealer who acquires controlled metal from a waste picker must, in addition to the registers contemplated in section 21(1) of the Act, keep a waste pickers' register in which the waster picker's full names and identity or passport number must be recorded."

### Substitution of regulation 15 of the Regulations

10. The following Regulation is hereby substituted for regulation 15 of the Regulations:

#### **"15. Offences and penalties**

Any dealer or recycler who -

- (a) contravenes or fails to comply with regulation 4(2)(A); 5(1)(a), 5(1)(b), 5(2) or 5(3);
- (b) contravenes or fails to comply with regulation 7(2) or 7(3);
- (c) contravenes or fails to comply with regulation 8(3)(a)(i), 8(3)(a)(ii), or 8(3)(b);
- (d) contravenes or fails to comply with regulation 9A(1), 9A(2), 9A(3) or 9A(4);

(e) contravenes or fails to comply with regulation 10(1) or (4); or

(f) contravenes or fails to comply with regulation 13A.

is guilty of an offence and liable on conviction to a fine or imprisonment not exceeding 12 months or both such fine or imprisonment."

### **Insertion of regulation 15A in the Regulations**

11. The following regulation is hereby inserted in the Regulations after regulation 15:

#### **"15A. Exemption for waste pickers**

Waste pickers are excluded from having to comply with the requirements set out in regulations 2 to 13 of these regulations."

#### **15B. Exemption for persons who do not carry on a business of dealing in scrap metal**

(1) Persons who do not carry on a business of dealing in scrap metal, but produce scrap metal as a by-product from a manufacturing or other process are excluded from having to comply with the requirements set out in regulations 2 to 13 of these regulations.

(2) Persons who do not carry on a business of dealing in scrap metal and who do not dispose of scrap metal regularly, are excluded from having to comply with the requirements set out in regulations 2 to 13 of these regulations.

### **Amendment of Annexure "B" of the Regulations**

12. "Annexure "B" of the Regulations is hereby amended by the substitution of Annexure "B5-1" and Annexure "B5-2" for Annexure "B5-1" and Annexure "B5-2" as contained in Appendix "A" to these regulations."

### **Commencement**

13. This amendment to the regulations will come into operation on publication in the Gazette.

**ANNEXURE "A"****MINIMUM PARTICULARS TO BE IN APPLICATION FORM: ALL DEALERS  
EXCEPT SCRAP AND WASTE METAL DEALERS****1. PARTICULARS OF APPLICANT**

- 1.1. Name
- 1.2. ID Number / Passport Number
- 1.3. Residential Address
- 1.4. Postal Address
- 1.5. Telephone numbers
- 1.6. e-Mail
- 1.7. SA Citizen
- 1.8. Disqualification (section 14)

**2. PARTICULARS OF BUSINESS**

- 2.1. Name of Business
- 2.2. Business Address
- 2.3. Postal Address
- 2.4. Telephone numbers
- 2.5. e-Mail
- 2.6. Registered as Company / Close Corporation / Trust /Business trust
- 2.7. Registered name
- 2.8. Trading name
- 2.9. Registration Number

**3. RESPONSIBLE PERSON**

- 3.1. Name
- 3.2. ID Number / Passport Number
- 3.3. Residential Address
- 3.4. Postal Address
- 3.5. Telephone numbers
- 3.6. e-Mail
- 3.7. SA Citizen

**4. PERSON IN CONTROL OF/OR RESPONSIBLE FOR MANAGEMENT OF THE COMPANY, CLOSE CORPORATION, TRUST OR PARTNERS IN CASE OF A PARTNERSHIP**

- 4.1. Name
- 4.2. ID Number / Passport Number
- 4.3. Residential Address
- 4.4. Postal Address
- 4.5. Telephone numbers
- 4.6. e-Mail
- 4.7. SA Citizen

**5. MEMBERSHIP OF ACCREDITED ASSOCIATION**

- 5.1. Name of Association
- 5.2. Accreditation Number
- 5.3. Responsible person
- 5.4. Office Address
- 5.5. Postal Address

- 5.6. Telephone numbers
- 5.7. e-Mail
- 5.8. Membership Number
- 5.9. Category of membership

## **6. PARTICULARS OF BUSINESS**

- 6.1. General dealer
- 6.2. Auctioneer
- 6.3. Jeweller
- 6.4. Motor vehicle dealer
- [6.5. Scrap metal dealer]**
- [6.6.] 6.5. Recycler**
- [6.7.] 6.6. Other**

## **7. GOODS TO BE TRADED IN**

- 7.1. Type of goods
- 7.2. Category
- 7.3. Business Hours

## **8. PREMISES**

- 8.1. Type of premises
- 8.2. More than one premises
- 8.3. Floor plan
- 8.4. Recycling equipment

**ANNEXURE "A1"****MINIMUM PARTICULARS TO BE IN APPLICATION FORM: SCRAP AND WASTE METAL DEALERS****1. PARTICULARS OF APPLICANT**

- 1.1. Name
- 1.2. ID Number / Passport Number
- 1.3. Residential Address
- 1.4. Postal Address
- 1.5. Telephone numbers
- 1.6. e-Mail
- 1.7. SA Citizen
- 1.8. Disqualification (section 14)

**2. PARTICULARS OF BUSINESS OF A SCRAP METAL DEALER**

- 2.1. Name of Business
- 2.2. Business Address
- 2.3. Postal Address
- 2.4. Telephone numbers
- 2.5. e-Mail
- 2.6. Registered as Company / Close Corporation / Trust /Business trust
- 2.7. Registered name
- 2.8. Trading name
- 2.9. Registration Number
- 2.10 Identity numbers of every employee of the business

**3. RESPONSIBLE PERSON**

- 3.1. Name
- 3.2. ID Number / Passport Number
- 3.3. Residential Address
- 3.4. Postal Address
- 3.5. Telephone numbers
- 3.6. e-Mail
- 3.7. SA Citizen

**4. PERSON IN CONTROL OF/OR RESPONSIBLE FOR MANAGEMENT OF THE COMPANY, CLOSE CORPORATION, TRUST OR PARTNERS IN CASE OF A PARTNERSHIP**

- 4.1. Name
- 4.2. ID Number / Passport Number
- 4.3. Residential Address
- 4.4. Postal Address
- 4.5. Telephone numbers
- 4.6. e-Mail
- 4.7. SA Citizen

**5. MEMBERSHIP OF ACCREDITED ASSOCIATION**

- 5.1. Name of Association
- 5.2. Accreditation Number
- 5.3. Responsible person
- 5.4. Office Address
- 5.5. Postal Address

5.6. Telephone numbers

5.7. e-Mail

5.8. Membership Number

5.9. Category of membership

## **6. GOODS TO BE TRADED**

6.1. List of the types of scrap metals which the scrap metal dealer intends to buy, sell, or buy and sell

6.2. Business Hours

## **7. PREMISES**

7.1. Type of premises

7.2. More than one premises

7.3. Floor plan

7.4. Recycling equipment



APPENDIX "A"  
ANNEXURE "B5-1"

REGISTER OF ACQUISITION: SCRAP METAL DEALERS

ACQUIRED FROM	FULL DESCRIPTION OF ITEM	PERSON CONDUCTING TRANSACTION ON BEHALF OF DEALER	DATE, TIME AND PRICE OF TRANSACTION	DATE ITEM SOLD AND MANNER DISPOSED OF
Full names:	Weight/Tonnage:	Full names:	Date:	Date:
Identity Number:	Type of Metal:	Identity Number:	Time:	Manner of Disposal:
	Grade of Metal:			
	Full Description of Item:			
Manner in which identity verified:				
Contact Address:				
Telephone Number:		Dealership Name:		
Vehicle registration:			Total Price:	
Name of Business:			R	
Company registration number:	YES NO			
Photograph of Individual:	Photograph of goods:			
Video of Individual:	YES NO			
In the event that the item is cable consisting of controlled metal of which the cover has been burnt, please provide an explanation by the seller for the burnt cover:				
In the event that the scrap is imported provide details of the import documentation including bill of entry and invoice number				

**ANNEXURE "B5-2"**  
**REGISTER OF DISPOSAL: SCRAP METAL DEALERS**

DISPOSED TO	WEIGHT AND FULL DESCRIPTION OF GOODS	PERSON CONDUCTING DISPOSAL TRANSACTION ON BEHALF OF DEALER	DATE, TIME AND PRICE OF TRANSACTION
Full names:	Weight/Tonnage:	Full names:	Date:
Identity Number:	Type of Metal:	Identity Number:	Time of delivery:
Manner in which identity verified:	Grade of Metal:		Total Price:
Name of Business:	Full Description of item:		R
Business registration number:			
Contact Address:			
Telephone Number:		Unique Consignment Reference (UCR) [Export Only]:	