

International standardisation a vital gateway for SA exports to grow

As much as South Africa's President Cyril Ramaphosa has emphasised the need for South Africans to "buy local" to boost the country's ailing economy, exports remain crucial to the government's turnaround strategy.

By [Muhammad Ali](#) 14 Apr 2021



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Most economists agree that the Covid-19 pandemic has scotched the South African government's plan to achieve a primary budget surplus by 2025-26, with the GDP growth rate forecast to only trend at 2.1% in 2021.

Investment will be key to the country's Economic Reconstruction and Recovery Plan.

In addition to negotiating deals to procure vaccines for South Africa, President Ramaphosa has been spending much of his time identifying opportunities for international trade.

And it is here that **the country's export market**, already worth billions of rand annually, **will play a key role**.

In late March, a collaboration deal was signed to explore the feasibility of developing a new "hydrogen valley" near Johannesburg, Mogalakwena and KwaZulu-Natal.

It is believed that the collaboration, signed by Engie SA, the department of science and innovation, South African National Energy Development Institute, Anglo American and Bambili Energy, could allow the count to tap into an export potential of \$100bn each year.

Were South Africa to realise this ambition, it would build considerably on the country's export 'backbone' –

the mining, automotive and fuel sectors. However, any future success in this regard will be heavily reliant on assurances that South African exports are of the highest standard.

Trade deals are built on trust and stability, and in the past decade, the country's unstable political climate and looting of public coffers have created a fair amount of uncertainty in the global market.

For this reason, countries require guarantees that products emerging from South Africa continue to meet international quality controls and standards. Fortunately, the country enjoys a proud record in this regard, with the result that investor confidence in manufactured goods remains high.

All exporters are subject to a rigorous process to ensure that their products align with international best practices and standards. Standards are developed with technical committees which constitute experts on their industry where the relevant personnel debate and discuss the standards best practice.

Once approved, the standard is required for public input and if 70% of the committee agrees, it gets adopted. These then belong to the South African Bureau of Standards (SABS) as best practice. It is then taken to an international forum like ISO and discussed and debated there to agree on a framework suited to an international code.

This process assists in facilitating trade, export and being able to follow a standardised way of managing products and services and assist in economies of scale.

The ISO or SABS-approved, SGS, TUV-product testing logo gives confidence to clients on the assurance that products and services are following a national or International standard with reliability, performance and quality as key factors of standards and their frameworks.

The dollar values of South Africa's biggest exports give a very good indication of why it is so important that standards are high. Gems and precious metals, with a value of \$20bn annually, make up 23.3% of South Africa's exports, while ores, slag and ash bring in \$12.8bn. The country's vehicle export market is of course also very strong and is worth \$8.5bn each year.

With such vast amounts of money at stake, it is little surprise that many business-minded South Africans seek out opportunities in the export field. But they need to be acutely aware that international standards are taken extremely seriously.

Companies do need to become established first, which in the current economic climate is not always easy. However, what I've noticed is that most organisations opt to pursue standardisation when their client addresses quality issues, information security concerns, business continuity issues or safety and environmental issues.

Accreditations also apply at the local level, I need to add.

Many government tenders don't allow bidders to pass legal evaluation if they do not have an accredited ISO certificate to a specific standard. This is because the government needs to be assured that a company has been audited by a third party, is reputable and can deliver products and services to an international standard.

The ISO standard and audits related to the certificate is also a due diligence process on its own. It checks the competency of employees, the organisation's registration documents, legal compliance and standards

conformance towards governance.

It is important to remember that ISO certifications are not restricted to only larger companies and organisations. Individuals and groups can just as easily apply to be certified. For smaller entities, I recommend that they research the ISO standard relevant to their current working environment and experience.

Understandably, the ISO certification steps for an organisation are more complex. ISO 9001:2015 QMS is the most common standard used in the world to justify quality assurance. Here are some steps to follow:

Research a credible consultant or organisation who has experience in your organisation's industry.

To be provided with a gap assessment report and implementation proposal – Find an organisation that will assist in developing, monitoring and implementing the documentation. This will be done through a rigorous training programme and on-the-job mentoring programme.

Following the gap assessment, five phases come into play:

1. Information gathering, awareness training and standardising of templates with legal evaluation;
2. Documentation development according to the ISO Standard and SANS requirements, with a detailed risk assessment;
3. Implementation with on the job training, record generation, pre-assessment preparation, internal audit, non-conformance and corrective action workshop, management review and risk updated with issue registers being introduced;
4. Certification; and
5. Annual maintenance.

Implementation can take anywhere between six and 12 months, depending on the size of the organisation. At least six months of records must be established in order to be ready for an ISO audit and certification. ISO certification bodies must be accredited as well.

Organisations are certified, not accredited. If accredited, it means they can issue ISO certificates like SGS, SABS, TUV Nord and others.

ISO certifications do not only bring value in terms of meeting expected requirements, however. They also have a very real impact on standards.

The Women of Africa Group, which obtained an ISO 14001 certification, was able to win almost 40% more tenders than it had the previous year. In this example, the group had literally lost business because clients were put off by their lack of certification.

In another case study, the University of the Free State also saw a whopping 75% improvement in client satisfaction thanks to more efficient working relationships between departments and better institutional objectives.

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