

EMPLOYMENT

Urgent update: directions regarding the sale of cars and emergency automobile repairs during Alert Level 4

14 May 2020 5 min read

by Jacques van Wyk, Director; Andre van Heerden, Senior Associate; and Thabisa Yantolo, Candidate Attorney

On 12 May 2020 the Minister of Trade, Industry and Competition, Mr Ebrahim Patel, published Directions (“Directions”) in terms of the regulations issued by the Minister of Co-operative Governance and Traditional Affairs in terms of the Disaster Management Act (“Regulations”). The Directions provide clarity on the permitted sale of cars and emergency automobile repairs during Alert Level 4 of the lockdown and came into effect on 12 May 2020.

Permitted trading activities

The following trading activities with regard to cars, as defined, are permitted:

1. Trade in new and used cars (as defined);
2. Wholesale trade of new and used cars by Original Equipment Manufacturer (“OEM”) and importers;
3. Export and import of all category of cars through national ports of entry under strict guidelines; and
4. Trade-in purchases, car lease scheme returns and wholesale trading of used cars.

To allow for and facilitate the sales of cars, and the proper functioning of the supply chain, it is necessary that the various administrative and other functionaries, such as roadworthy assessment and testing centres, and other testing stations are operational.

Phased approach

Importantly, the sale of cars will be subject to specified conditions and shall be allowed in a **phased approach** (there are three phases). These phases specify conditions such as the percent of employment to which businesses may operate (i.e. 30%, 60% and 100%)), the medium of sales, test drives, delivery of vehicles etc.

While the commencement date for phase one (presumably, 12 May 2020 being the operative date of the Directions) and phase two is not specified, phase three is due to commence on 8 June 2020. The phases will end once Alert Level 4 is lifted.

The Directions also provide for ‘further directions’ which include health and safety measures which must be in place / implemented.

Support and enablement services

The following entities are allowed to operate under strict risk-adjusted measures and hygiene and physical distancing requirements stipulated in the Regulations:

1. Car testing centres;
2. Homologation services from the National Regulator for Compulsory Specifications (NRCS);
3. Weigh bridges;

4. Logistics for the wholesale distribution of cars across south Africa subject to the following:

- a. Movement of cars under own power to be permitted from Port of arrival to an approved storage facility provided vehicles moved do not exceed batches of 10 at a time;
- b. New cars to be driven between dealerships within the same province where a car is required for sale only; and
- c. Movement of cars to be permitted to service outlets required to complete the repair of the car where unable to perform the work at the dealership but excluding the fitment of accessories.

Emergency Automobile Repairs

Service operations:

1. All car maintenance and repairs will be confirmed through appointment only. Unsolicited walk-ins will only be allowed under exceptional and emergency circumstances and a full record of each will be kept in writing at the business premises for 3 months after the state of disaster has been lifted.
2. Members of the public will not be allowed, under any circumstances, to enter the workshop environment. These workspaces will exclusively be reserved for technical and support staff.
3. Car owners are to maintain or service their cars within their own municipal boundaries unless in the case of extraordinary circumstances.

The following are classified as emergency car repairs for passenger cars, commercial vehicles (light, medium, heavy and extra heavy), inclusive of buses, motorcycles, trailers, caravans, agricultural or any other implement designed or adapted to be drawn by such car:

1. Repairs on essential services cars, or on the cars of persons performing essential services;
2. Repairs required to restore a car's safety and roadworthiness to good running condition;
3. Routine servicing of cars that is due or overdue in terms of the manufacturer's recommended service intervals, whether due as a result of:
 - a. mileage;
 - b. time interval since last service;
 - c. recommendation by car on-board computer;
 - d. urgent collision repairs; and
 - e. specific OEM activated recall or warranty campaigns.

The following categories **are not** classified as emergency car repairs:

1. Cosmetic repairs, such as minor scratches and dents or cosmetic enhancements;
2. Voluntary or routine servicing that is not overdue in terms of manufacturer's service intervals; and
3. Warranty campaigns of a cosmetic nature unless warranty is due to expire within 30 days of the intended repair date.

Aftersales car servicing and parts sales should operate to support regular services and maintenance of cars under Alert Level 4 and to avoid or minimise any mechanical breakdown that might result in permanent damage given continued car usage and mileage increases during the extended lockdown by ensuring the provision of the necessary parts. In order for this to occur the following facilities may be reopened subject to strict risk-adjusted measures, hygiene and social distancing restrictions:

1. Auto electricians;
2. Tyre fitment, windscreen replacement centres;
3. Bond stores and parts distribution centres;
4. Motor body repairers; and
5. Any other related business that can attend to the mentioned.

Importantly, support services should operate at the same staggered workforce levels as contemplated by the 'phased in' approach, except for bond stores and parts distribution centres which shall operate at 50% from phase one and ramp up

thereafter.

Should you require any formal advice regarding the above, including more details of the particular phases, please feel free to contact us.



Andre van Heerden

Director

[View Profile](#)



Jacques van Wyk

Director

[View Profile](#)