

# FIRST WORLD REGULATIONS

## for third world bikers



*Motorcycle importers have until December to fall into line with the auto industry and comply with international standards; every machine imported from then on has to comply with United Nations Economic Commission for Europe (UNECE) regulatory, technical and safety standards.*

**T**his means that many of the motorcycles currently enjoying healthy sales here will be discontinued at the end of this year. *These include the Honda XR 650, the Kawasaki KLR650 and the Suzuki DR650 adventure bikes, all popular motorcycles because of their extreme versatility at affordable prices. These machines have been around for decades and the factories continue to produce them, largely for third world and emerging markets not concerned about European type approval. Remaining stock registered with NATIS may be sold after the cut-off date, but further imports will be impossible.*

Sales of cheap Indian and Chinese scooters and commuter motorcycles have burgeoned recently, with importers retailing machines for as little as R6 000 or so. Many of these, particularly those brought in by small-time operators, will fall by the way because of the cost of homologation. Others like Jonway, GoMoto, Bajaj and Regal Raptor will not be too badly affected. "I think it's a good thing and will up the standard of the product in South Africa" says Frans Earle of Jonway, who imports all of those brands. "It will affect our product range though – we'll have to drop some models but there'll be new ones to replace them."

When the new legislation was passed in December 2011 the players were all given two years to get their products homologated. "We been busy with it since then and are still busy now," says Earle. "Most of them were already homologated

for the EU because the Chinese have exported to Europe for many years."

Mike Puzey, who manufactures Puzey motorcycles and scooters in South Africa using largely Chinese components, is unhappy with the changes. "The impact is huge," he says, "because I'll have to drop a lot of my products. It's strange, because we're living in a third-world country where we need an affordable product that can work in Africa but the barriers are getting higher. The bottom end of the market, the so-called greys and low- budget imports, are going to disappear and that means the big brands can now effectively charge whatever they want".

The legality of parallel importing of branded goods in competition with official importers is long established in South African law – it's legal, as long as the customer's told what he's buying. The problem for such importers lies in the minefield of regulations and procedures to be adhered to when environmental or safety issues are involved. These are today developed and monitored by the National Regulator for Compulsory Standards (NRCS). There are numerous importers who bring in Japanese mainstream models, largely surplus stock from the USA. Such bikes are not covered by the homologation documentation supplied by the factories to the official importers because there are differences between the USA models and those sent directly to South Africa. *Headlights may dip to the right, for instance, and speedometers read in miles per hour.*

The parallel importers have formed a body called PIMTASA (Parallel Importers and Motorcycle Traders Association of South Africa) to contest the new legislation, claiming that the Association of Motorcycle Importers and Distributors in South Africa (AMID) brought undue influence upon NRCS to have the factory test reports included in the administrative process.

***"Our submission is that the process in terms of the formulation of that particular regulation was flawed - the NRCS professed that it followed a stringent process and the fact is that they did not follow any such process and have thereby created unintended consequences," says Trevor Davids.***

AMID responds that all players, including grey importers, were invited to participate in a series of meetings with the authorities between 2001 and 2011, when the law was promulgated. National Director of AMID Lachlan Harris says "I want to dispel the illusion that AMID drove this thing – we were against it from the beginning and fought it tooth-and-nail. The government made it a voluntary specification and then made it compulsory overnight. Having said that, there was a two-year phase-in period from December 2011 and AMID members all had to get their ducks in a row, which they did."