

# InvestSA

*The case for investing in South Africa*



**the dtic**

Department of  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

**the dtic - together, growing the economy**

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# The dtic Branches

Programme	Branch Name	Purpose
1	Administration	Provide strategic leadership, management and support services to the department.
2	Trade Policy, Negotiations and Cooperation	Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development co-operation.
3	Spatial Industrial Development and Economic Transformation	Drive economic transformation and increase participation in industrialisation.
4	Industrial Competitiveness and Growth	Design and implement policies, strategies and programmes for the development of manufacturing and related economic sectors, and contribute to the direct and indirect creation of decent jobs, value addition and competitiveness, in both domestic and export markets.
5	Consumer and Corporate Regulation	Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Tasked with International Trade and Investment Matters

## The dtic Branches

6	Industrial Financing	Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities
7	Export Development, Promotion and Outward Investments	Increase export capacity and support direct investment flows, through targeted strategies, and an effectively managed network of foreign trade and investment offices.
8	Inward Investment Attraction, Facilitation and Aftercare	Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors
9	Competition Policy and Economic Planning	Develop and roll out policy interventions that promote competition issues, through effective economic planning, spatial implementation and aligned investment and development policy tools.
10	Economic Research and Coordination	Develop and roll out legislative processes to facilitate an inclusive economy through interventions to increase competitiveness in the economy.



Tasked with International Trade and Investment Matters

“To place our economy on a new trajectory, we are going to **support a massive growth in local production** and make South African **exports much more competitive.**”

"There are huge opportunities that we can seize through **effective partnerships**, targeted deployment of resources and **the right policies.**"

-  
President Ramaphosa, Address to the Joint Sitting of Parliament on South Africa's Economic Reconstruction and Recovery Plan, 15 October 2020



**Investment South Africa**  
was formally established  
on 1 April 2016 (ISA)

The InvestSA One Stop Shop  
is the focal point of contact in  
government for all investors



It shortens and simplifies administrative procedures and guidelines for issuance of business approvals, permits and licenses, thereby removing bottlenecks faced by investors in establishing and running businesses.

Reduce the silo mentality, turnaround times, red tape and improve service delivery.



ISA provide the following to investors:

- Facilitation of the entire investment value chain;
- Specialist advisory services to investors;
- Co-ordination between the various line ministries;
- Communication of these services to potential investors; and
- Be the facilitation window of clearance for registration, licensing and permits.

# BROAD DIVISIONAL OBJECTIVES

**InvestSA** is responsible to rollout and implement the following:

- ☐ Promotion and Facilitation of Inward Investment into South Africa
- ☐ Implementation of Presidential Investment Conferences and reporting on commitments
- ☐ Support to Presidential Envoys and aftercare forums through targeted investment seminars and roundtables on the policy and regulatory environment.
- ☐ Investment Climate Reform Program with the World Bank on the Ease of Doing Business – To improve South Africa's ranking and enhance aftercare support for investors to fast track, unblock and reduce red tape in government.
- ☐ Advocacy initiatives
- ☐ Visa Facilitation Services

**investSA**

**A NEW DAWN A NEW ERA A NEW GROWTH PATH**



**President MC Ramaphosa**

**Investment Recruitment Drive of \$100 Billion over 5 years**



# A preferred investment destination in Africa

Sample of Fortune 500 global companies present in South Africa

## Automotive



## Resources



## Financial Services



## Chemicals



## FMCG



## ICT



## Electronics



## Technology/Engineering



## Retail



## Hospitality



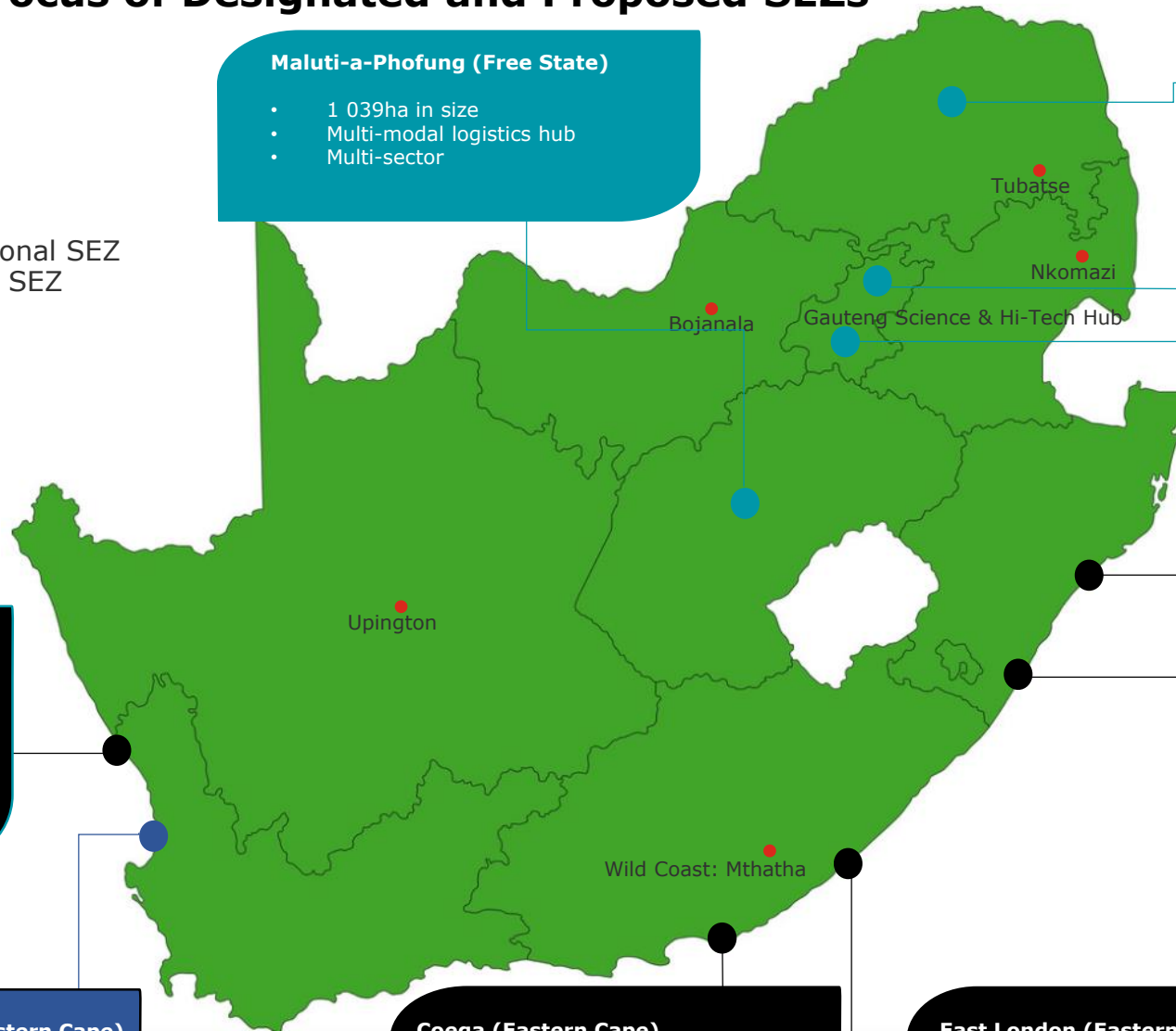


# Special Economic Zones

## Location, Size and Focus of Designated and Proposed SEZs

### Key:

- Designated but non-operational SEZ
- Designated and operational SEZ
- Proposed SEZs



### Maluti-a-Phofung (Free State)

- 1 039ha in size
- Multi-modal logistics hub
- Multi-sector

### Musina-Makhado (Limpopo)

- 7 262ha in size
- Agro-processing; mineral beneficiation; and petro chemicals
- Proximity to main land-based route into SADC

### Tshwane Automotive (Gauteng)

- 204ha in size
- Automotive suppliers;
- Component manufacturers Tier 1, 2 & 3

### OR Tambo (Gauteng)

- 7.5ha in size
- Beneficiation of precious metals and minerals, and perishable food
- Multi-site development

### Richards Bay (KwaZulu-Natal)

- 383ha in size
- Manufacturing, storage of minerals and logistics
- N2 business corridor connecting to Durban port, Maputo in Mozambique and areas of East Africa

### Dube Trade Port (KwaZulu-Natal)

- 303ha in size
- Auto, electronics, fashion garments
- Only facility in Africa that has an international airport, cargo terminal, warehousing, offices, retail, hotel, and agriculture

### East London (Eastern Cape)

- 462ha in size
- General manufacturing, aquaculture, agro-processing and auto

### Coega (Eastern Cape)

- 9 003ha in size
- General manufacturing, agro-processing, aquaculture, business processing services and auto

### Atlantis Greentech (Western Cape)

- The City of Cape Town has made three large greenfield sites available
- Renewable energy and greentech hub

### Saldanah (Western Cape)

- 356ha in size
- Oil and gas, marine repair engineering and logistics

# INCENTIVE SCHEMES

CLUSTER	INCENTIVE SCHEME
<b>MANUFACTURING INVESTMENT</b>	<ul style="list-style-type: none"> <li>• Automotive Incentive Scheme (AIS)</li> <li>• People-carrier Automotive Investment Scheme (P-AIS)</li> <li>• Aquaculture Development &amp; Enhancement Prog (EIP)</li> <li>• Agro Processing Fund</li> </ul>
<b>COMPETITIVENESS INVESTMENT</b>	<ul style="list-style-type: none"> <li>• Export Marketing &amp; Investment Assistance (EMIA)</li> <li>• Capital Projects Feasibility Programme (CPFP)</li> </ul>
<b>SERVICES INVESTMENT</b>	<ul style="list-style-type: none"> <li>• Film &amp; Television Production</li> <li>• Business Process Services (BPS)</li> </ul>
<b>BROADENING PARTICIPATION</b>	<ul style="list-style-type: none"> <li>• Black Industrialist Programme</li> <li>• Incubator Support Programme (ISP)</li> </ul>
<b>INFRASTRUCTURE INVESTMENT</b>	<ul style="list-style-type: none"> <li>• Critical Infrastructure Programme (CIP)</li> <li>• SEZ Fund</li> </ul>

# FUNDING SOURCES




# Preferential access to key world markets

- South Africa is a member of the World Trade Organisation.
- Access to global markets has been enhanced through bilateral agreements with most of South Africa's major trading partners. Preferential access to key export markets has been secured through various agreements and by participating in regional economic communities.

Agreement name	Type of agreement	Countries / regional blocs involved
<b>Southern African Customs Union (SACU)</b>	Customs union	South Africa, Botswana, Lesotho, Namibia, eSwatini (formerly Swaziland)
<b>Southern African Development Community (SADC) Free Trade Area</b>	Free trade agreement	15 SADC member states
<b>Economic Partnership Agreements</b>	Free trade agreement	SACU- EU EPA plus Mozambique and Angola
<b>EFTA-SACU FTA</b>	Free trade agreement	SACU + EFTA (Iceland, Liechtenstein, Norway and Switzerland)
<b>African Growth &amp; Opportunity Act (AGOA)</b>	Unilateral assistance measures (non- reciprocal)	US- 39 sub-Saharan African countries
<b>Generalised System of Preferences (GSP)</b>	Unilateral (non-reciprocal)	SA- EU, Norway, Switzerland, Russia, Turkey, the US, Canada, Japan
<b>SACU-Mercosur</b>	Preferential trade agreement	SACU and Argentina, Brazil, Paraguay and Uruguay

The **African Continental Free Trade Area** has become effective on 01 Jan 2021 and aims to increase intra -trade and create a very large market of over 1.2 billion people and a combined GDP of USD 2.2 trillion that will unlock industrial development.

SECTOR	SUB-SECTORS	
<b>GREEN ECONOMY</b>	<ul style="list-style-type: none"> <li>▪ Green energy</li> <li>▪ Recycling</li> <li>▪ Hydrogen</li> <li>▪ Biofuels</li> <li>▪ Water infrastructure</li> <li>▪ Co-generation</li> </ul>	
<b>RESOURCE BASED INDUSTRIES</b>	<ul style="list-style-type: none"> <li>▪ Mining</li> <li>▪ Agro-processing</li> <li>▪ Aquaculture</li> <li>▪ Agriculture</li> <li>▪ Mineral beneficiation</li> <li>▪ Ocean / blue economy</li> </ul>	
<b>SERVICES</b>	<ul style="list-style-type: none"> <li>▪ Oil &amp; gas</li> <li>▪ Ship building</li> <li>▪ Ship repairs</li> <li>▪ Business process outsourcing</li> <li>▪ Films</li> <li>▪ Explorations</li> </ul>	

SECTOR	SUB-SECTORS
<b>MANUFACTURING</b>	<ul style="list-style-type: none"> <li>▪ Automotive</li> <li>▪ Leather &amp; footwear</li> <li>▪ Clothing &amp; textiles</li> <li>▪ Rail</li> <li>▪ Metals fabrication</li> <li>▪ Yellow goods</li> <li>▪ Heavy vehicles</li> <li>▪ Cosmetics</li> <li>▪ FMCG</li> </ul> 
<b>ADVANCED MANUFACTURING</b>	<ul style="list-style-type: none"> <li>▪ Plastics</li> <li>▪ Electronics</li> <li>▪ White goods</li> <li>▪ Aerospace</li> <li>▪ Pharma</li> <li>▪ Chemicals</li> <li>▪ Biochemical</li> <li>▪ Defence industries</li> </ul> 



## Small scale embedded generation (rooftop PV):

Market estimated at ZAR 2bn over the next 3 years  
Limited regulations for systems below 1MW

## Utility scale renewable energy



## 4 Key Investment Areas



# HEALTHCARE SECTOR

- Healthcare a priority growth sector for SA and Africa
- Localisation of PPE including Gloves, Sanitisers, Coveralls, Diagnostic Kits, Ventilators
- Strategic alliances developed to manufacture vaccines including ASPEN and J & J and BIOVAC and PFIZER
- AUDA-NEPAD launched the centre of excellence being housed in Stellenborsch - centre focused on research, development and innovation
- Competitive in Clinical Trials
- Opportunities for partnerships with leading South African manufacturers in the medical devices and pharmaceutical sectors

# OTHER INVESTMENT OPPORTUNITIES

- AGRO PROCESSING
- AUTOMOTIVE
- MEDICAL DEVICES AND PHARMACEUTICALS
- WAREHOUSING AND LOGISTICS
- GLOBAL BUSINESS SERVICES (BPO)
- DIGITALISATION (E COMMERCE)
- INNOVATION AND TECHNOLOGY
- MINING AND MINERAL BENEFICIATION
- ENERGY (RENEWABLES, ELECTRIC VEHICLES, BATTERY, HYDROGEN)

# OPPORTUNITIES IN AQUACULTURE

## **Investment Promotions:**

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# RESOURCES

- [www.thedtic.gov.za](http://www.thedtic.gov.za)
- [www.investsa.gov.za](http://www.investsa.gov.za)
- [www.sainvestmentconference.co.za](http://www.sainvestmentconference.co.za) / video library

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