



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR ORAL REPLY

#### QUESTION NO. 525

**Mrs R.M Moatshe (ANC) to ask the Minister of Trade, Industry and Competition:**

In view of the President of the Republic, Mr M.C Ramaphosa, in the State of the Nation Address on 7 February 2019 enjoining the Government to put measures in place to improve the Ease-of-Doing Business rankings of the Republic, what (a) steps has his department taken to improve the Republic's rankings and (b) are the relevant details of the achievements in this regard? [NO 32737E]

#### REPLY

In respect of **the dtic** mandate, work has been done on the ease of starting a business. This included the following:

The Department led the work to develop and launch the BizPortal through the Companies and Intellectual Properties Commission (CIPC). BizPortal is a digital platform that offers company registration and related services in a simple, seamless and paperless service. Prior to this initiative, I am advised that it took 7 procedures and typically up to 40 days to register a company.

Today domestic business can register a company within one day on the BizPortal provided all documentation is completed.

The BizPortal, is an electronic platform that integrates the business/employer registration processes of the Companies and Intellectual Property Commission (CIPC), Unemployment Insurance Fund (UIF), Compensation Fund (CF). The

BizPortal is a virtual centralised business registration system which enables the user to register a business, reserve a name, register eligible employees for UIF and CF benefits, open a business bank account, obtain a Broad-Based Black Economic Empowerment (B-BBEE) certificate and obtain a tax number from the South African Revenue Services (SARS).

While a number of issues relating to the ease of doing business falls outside **the dtic** mandate, the **dtic**, through Invest SA supports a number of initiatives to improve the business environment. These include the following:

Construction Permits- this indicator deals with the time cost and number of procedures to obtain a construction permit in the City of Johannesburg. A temporary physical One Stop Shop at the Metrolink building was created to reduce the time and number of procedures in other obtain a construction permit. A construction permitting system is in its final stages of development, this will significantly reduce the time, cost and number of procedures in the construction permitting process. It previously took 20 procedures and 155 days to obtain a construction permit in Johannesburg. Since the implementation of the reforms it now takes approximately 90 days and 16 procedures.

Paying Taxes- this indicator deals with the time and procedures required to pay taxes nationally. SARS is the sole implementer of reforms on this indicator and their commitment to the process is outstanding to the extent that they go beyond the reform process to improve government service delivery. Since the implementation of reforms, time taken to obtain a VAT refund has been improved; it used to take 15 weeks now it takes 10 weeks. There has been a reduction from 32 weeks to 17 weeks in the time it takes to complete a Corporate Income Tax Audit.

Registering a property - this indicator deals with the time, cost and procedures to register a property in the City of Johannesburg. For registering a property, conveyancers in Johannesburg are now able to register on the online platform (<https://eclearances.joburg.org.za/>). They can apply for the e-Clearance certificate online and the certificate is issued digitally. 98% of rates e-Clearance Certificates have been issued electronically. The other 2% are printed and collected at Thuso House.

The impact of this particular reform is a reduction in the turnaround time from 11 days to 7 days. Secondly, the process within the Deeds Office has been optimised, which has experienced an improvement in the turnaround time from 11 days to an average of 6 days.

Trading Across Borders- the indicator deals with the import and export of vehicles from the Port of Durban and pertains to the time, cost and number of procedures to import and export a vehicle. It was previously understood that vehicles for export had to be delivered to the port 72 hours before the ship-berthing time. This has been reduced to 24 hours ahead of ship berth. There has been a reduction of 48 hours in terms of border compliance for exporting. Additionally, documentation to import and export vehicles have been reduced through an electronic data interchange (EDI) system.

SARS has further established an integrated platform for joint inspections involving the South African Police Service (SAPS), customs, the National Regulator for Compulsory Specifications (NRCS), SARS, the Department of Home Affairs and the Border Management Agency (BMA).

SARS uses a single window system to process documentation and requires a single submission of a document, thereby reducing the amount of time to process documentation and communicate with other entities in the system.

SARS has also implemented a Preferred Traders programme to fast-track the import and export of vehicles.

Required reforms have been implemented by SARS while Transnet needs to introduce certain significant changes to systems for SA to realise substantial improvement in terms of cost, time and procedures and overall improvement in the ranking for the Trading Across Borders indicator.

**-END-**