### Briefing by the dtic on the roll-out of One-Stop Shops and its initiative to reduce redtape

#### **PORTFOLIO COMMITTEE ON TRADE AND INDUSTRY**

#### 6 SEPTEMBER 2022



the dtic - together, growing the economy

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## **ABBREVIATIONS & ACRONYMS (1/2)**

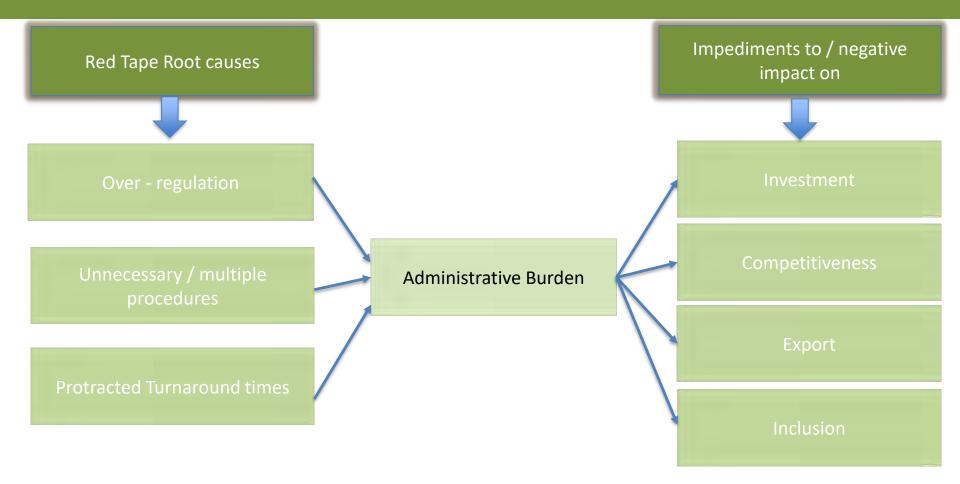
APDP	Automotive Production Development Programme Phase 2
BBBEE	Broad-Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
EODB	Ease Of Doing Business
ECIC	Export Credit Insurance Corporation
EMIA	Export Marketing and Investment Assistance
КҮС	Know Your Client
OiS	Online Incentive System
OSS	One Stop Shop

# **ABBREVIATIONS & ACRONYMS (2/2)**

PIPA	Provincial Investment Promotion Agencies
SARS	South African Revenue Service
SEF	Social Employment Fund
SEZ	Special Economic Zone
SIP	Strategic Integrated Projects
SITA	State Information Technology Act
SMMEs	Small, Medium and Micro Enterprises
TOSS	Temporary One Stop Shop
UIF	Unemployment Insurance Fund
YES	Youth Employment Service

#### 1. Problem Identification

# **SONA- PROBLEM IDENTIFICATION**



#### 2. Progress on the roll out of One Stop Shops

# **ONE STOP SHOP CONCEPT (1/2)**

- 1. Serve as accessible entry point for investors in need of regulatory compliance with laws and / or regulations at a national level;
- 2. Influence regulator decision processes (registration, licencing, permitting, land allocation or property registration) by increasing transparency, clarify regulations and improve the quality and timeframe of service;
- 3. Facilitate pre-and post investment screening for appropriate investors and investments into South Africa on a project by project basis;
- 4. Advise on various incentives (tax, land, training, free zones, etc.);
- 5. Participate in the regulatory reform / roadmap process of South Africa;
- 6. Advise on pre-approval services (market data, costs, incentives, project approval, visits, local partners, etc.) to investors; and
- 7. Advise on approval services (permits, approvals, import equipment & raw materials, central bank profit repatriation, work permits, etc.) to the investor.

# **ONE STOP SHOP CONCEPT(2/2)**

The One Stop Shop (OSS) is the focal point of contact in government for all investors to coordinate and facilitate the relevant government department involved in the regulatory, registration, permits and licensing.

The OSS significantly shortens and simplifies the administrative procedures and guidelines for the issuance of business approvals, permits, and licenses and thereby remove bottlenecks faced by investors in establishing and running businesses. InvestSA and strategic Provincial Partners seeks to provide an integrated service to investors that will;

- Facilitate the entire value chain
- Provide specialist advisory service
- Coordinate effectively across various line departments
- Act as the facilitation window of clearance of registration licensing and permits
- Facilitate the provision of information and support on available investor incentives schemes
- Coordinate the regulatory reform / roadmap process in South Africa and improve investment

# **ONE STOP SHOP SERVICES**

#### **Investment Information**

We offer specialist advisory services in the following areas;

- Economic environment
- Regulatory environment
- Legal environment and compliance
- Industrial development and financial support
- Investment guides

#### **Investment Facilitation**

- Inter-governmental coordination and facilitation
- Business Permits and Visa Facilitate services
- Facilitation with UIF and Compensation Fund
- Environmental Impact Assessment, Water Usage License, SARS, Customs Facilitation
- Facilitation with mining permits
- Municipal facilitation
- Facilitation with SOEs
- Facilitation with NRCS, ITAC, and SABS
- Incentives facilitation
- Facilitation with Land Zoning and transfers
- Location analysis facilitation
- Critical infrastructure, utilities and port facilitation
- Broad-Based Black Economic Empowerment (B-BBEE)
- Priority sectors, designation and localization

# **COLLABORATIVE PARTNERSHIP**

#### National and provincial government joining hands:

- The partnership between the dtic and provincial government on the implementation of the InvestSA One Stop Shops will not only increase the national footprint but also enable benefits in the areas of:
  - Financial support (once off) for the OSS set up
  - Annual contribution for investment marketing / promotion
  - Access to the services of national departments & agencies for rapid regulatory unblockings
  - o Sharing of world class best practice
  - Operational support and capacity building



### INTERGOVERNMENTAL RELATIONS FRAMEWORK



## **CURRENT OSS FACILITIES = 4**

#### To effectively facilitate investment through established four One Stop Shops: Gauteng, Western Cape, KwaZulu-Natal & the dtic

**DSS DTIC CAMPU** 

**DSS KWAZULU-NATAL** 











**OSS WESTERN CAPE** 



invest5



# **NEW OSS FACILITIES 2022/23 = 3**

#### Expanding the InvestSA OSS footprint – Eastern Cape, Northern Cape and Limpopo



# **SEZ / IDZ & DISTRICT OSS FACILITIES**

#### InvestSA OSS implementation approach at SEZ / IDZ and municipal level

- 1. SEZs / IDZs, municipalities and business chambers are key partners in all provinces
- 2. **InvestSA** collaborates with Provincial Investment Promotion Agencies on the implementation
- 3. IPAs enters into MoAs / MoUs with satellite sites
- 4. Funding for related Capex / Opex is sourced from the Zones, municipalities and provincial government
- 5. Operational activities of satellite offices are integrated with the Provincial One Stop Shop

The first InvestSA OSS satellite office was established at Dube Trade Port in 2018





VIRTUAL OSS AT



Upcoming municipal / district level implementation



Planning is in an advanced stage for the implementation at SEZs / IDZs:







#### **IMPACT OF PROVINCIAL OSS – Gauteng (1/3)**

- •3789 visa applications facilitated
- •77 investor inquiries facilitated
- •Facilitated the optimization of investor retention and expansion in Gauteng
- •Engagements with National Treasury to support companies in industrial hubs
- •Facilitated presentations to potential investor from UK Macoon Pty Ltd
- •Secured Data Centre Investment to value of R15 bn
- •Facilitated two investment projects MA Automotive and Radisson Hotel Group
- •BIDS specifications for the OSS MARCOM approved, advertised and vendor appointed
- •Facilitated one multi-billion investment project Cavaleros Group
- •Facilitated the enhanced value proposition of various economic corridors
- •Facilitated continuous support to investors at risk, expansions and existing investors
- •Facilitated improved coordination to fast track, problem solving for investors in Gauteng
- •Facilitated improved information flows and tracking on existing investors issues and support
- •Implementation of the OSS Gauteng MARCOMs activities

#### **IMPACT OF PROVINCIAL OSS- Western Cape (2/3)**

- •197 visa applications facilitated
- •Conducted 141 stakeholder engagements
- •Participated in 21 conferences and sector events
- •Coordinated 179 corporate engagements
- •Facilitated 36 regulatory approvals
- •Facilitated 19 industry events
- •Facilitated 8 Inward Missions
- •Hosted engagements with USA, Canadian and Dutch Missions in South Africa
- •Hosted engagements with USA and Finnish Chambers of Commerce
- •Established online OSS booking platform
- •Advertise OSS physical and digital platforms on JSE website
- •Implementation of OSS Western Cape MARCOMs activities

## IMPACT OF PROVINCIAL OSS KwaZulu-Natal (3/3)

- •Facilitated 153 CIPC inquiries
- •Facilitated 50 visa applications
- •Facilitated 70 investor inquiries
- •Facilitated 426 export inquiries
- •Facilitated 7 EIA inquiries
- •Facilitated 7 Deeds Office inquiries
- •Conducted 161 survey interviews on companies affected by Covid-19 pandemic
- •Facilitated 15 stakeholder engagements with district municipalities
- •Facilitated 2 project brokering
- •Facilitated Cato Ridge catalytic project
- •Ithala DFC and Deed Office services incorporated at the OSS
- •Facilitated 20 corporate engagements
- •Participated in Intra-Africa Trade Fair

## IMPACT OF PROVINCIAL OSS KwaZulu-Natal (3/3)

- •Facilitated workshop on Infrastructure Vision 2050
- •Facilitated 351 KZN/IDC Business Partnership to companies
- •Signed MoU with Ithala Development Finance Corporation
- •Facilitated establishment of Whetstone Business Park
- •Participated in Intra-Africa Trade Fair
- •Participated in Spumla Forum
- •Participated in KZN Investment Indabe and World Halal Day
- •Hosted various provincial stakeholders at the KZN Oss pavilion
- •Facilitated Umshwathi Mixed Used Development & Nutrilab Pharma Projects
- •Facilitated expansion of OSS at district level

#### 3. Support to alleviate the Energy Crises

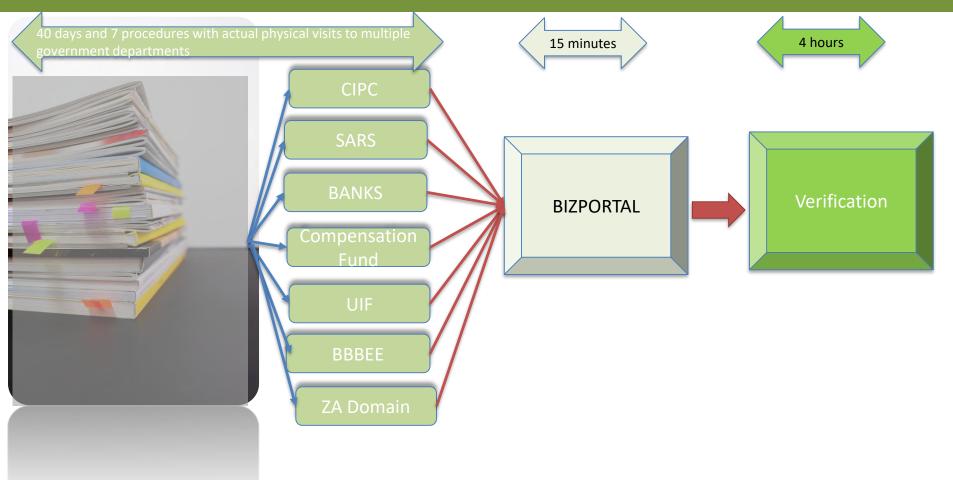
### INVESTSA ONE STOP SHOP SUPPORT TO ALLEVIATE THE ENERGY CRISES

## BACKGROUND

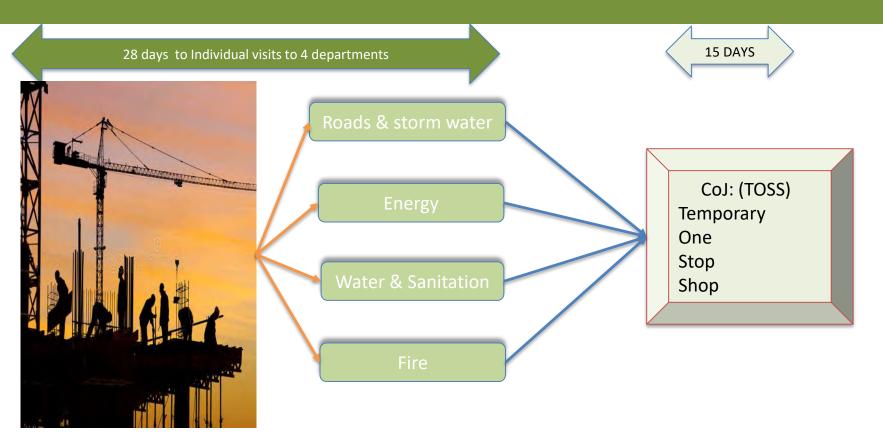
- A One-Stop-Shop (OSS) providing an accessible entry point for IPPs and embedded generators aimed at streamlining the regulatory process was announced by the President on 26 July 2022. This will enable the fast-tracking of projects and reduce regulatory red-tape. It will also enable other features such as tracking uptake and monitoring project progress. This work will form part of the Legal and Regulatory Workstream of the National Energy Command Council and the Energy Natjoints. The OSS will seek to leverage from existing infrastructure and systems at Invest SA.
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#### 4. Ease of Doing Business

## **REFORM 1 - EODB: Starting a new business**



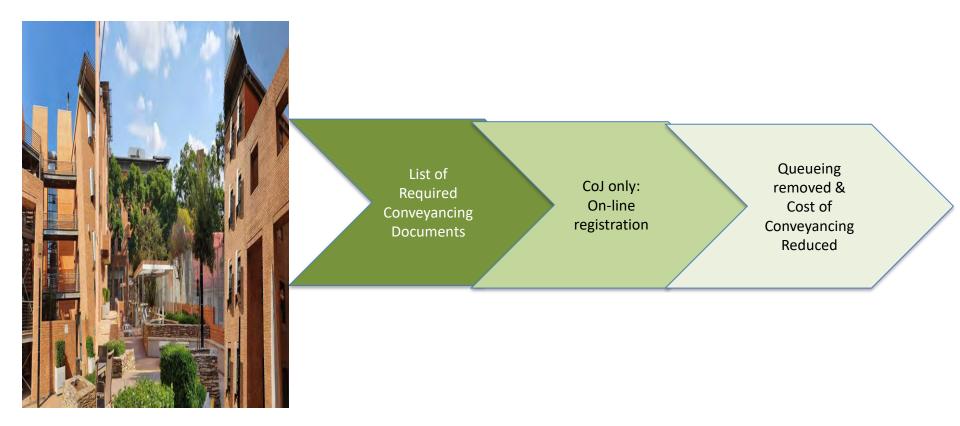
### **REFORM 2 - EODB: Construction Permits**



## **REFORM 3- EODB: SARS tax audits**



### **REFORM 4 - EODB: Registering a property**



## Impact of Unblocking of Investment Projects

#	Name of company	Brief Summary	Status
1.	Bosch	InvestSA facilitated the permanent residency visa application from the company in pursuance of the collaboration between Southern African-German Chamber of Commerce, GIZ and South Africa on solar, wind and hydrogen energy.	Resolved
2	P&G	InvestSA facilitated deliberations between the company and NRCS on the non-compliance of the Ariel product in the market to avoid a national recall. This would further have impacted negatively on productivity to to the potential shutdown of the plant. The matter was resolved amicable through the issuance of sales permit by the NRCS.	Resolved
3	Illovo South Africa	InvestSA facilitated engagements with SAPHRA for the issuance of a GMP certificate as the <b>company's</b> one expired in April 2022. This also included a request for the issuance of Manufacturing Licence (ML). This matter was amicably resolved.	Resolved
4	Thai Summit Group	InvestSA facilitated engagements between the City of Tshwane, TSG and Ford South Africa i.r.o the electricity requirements at the TASEZ. The matter was resolved	Resolved

## Impact of Unblocking of Investment Projects

#	Name of company	Brief Summary	Status
5	Bio2Watt	InvestSA escalated the investor request for a No Objection Letter to the Department Forestry, Fisheries and Environment. This will enable South Africa to benefit from the C11 and C12 funding available for green projects.	Resolved
6	YFPO	InvestSA escalated the challenges the company experienced with the registration of a foreign company in South Africa to the CIPC who intervened and rapidly resolved the matter.	Resolved
7	Real Epic Dog	InvestSA facilitated deliberations between the company and Alfred Duma Municipality who refused to issue a certificate of occupation notwithstanding full compliance. Escalation of this matter to the KZN HOD of Economic Development resulted in the amicable resolution of this matter.	Resolved
8	Kamal Steel	InvestSA and WESGRO facilitated deliberations between ESKOM and Kamal Steel on the incremental payment of their outstanding utility account to avoid the shutdown of their plant. This matter was subsequently resolved amicably.	Resolved

### **Reforms to improve Impact of Investment Projects**

#	Name of company	Brief Summary	Status
9.	MCR Plastics	Black Industrialist and Woman Owned InvestSA facilitated the application for funding for machines required to meet the VW contract and visas for technical experts from Portugal to commission the plant	Resolved
10.	Toronto Group	Black Industrialist Delays where experienced with SARS on the release of transfer duty receipt of property which delayed construction and installation of plant. InvestSA engaged with SARS and ensured complete documentation was lodged and assisted Toronto Group to get the property transferred.	Resolved
11.	Cape Bio	Black Youth owned Bio technology company. InvestSA facilitated with Government departments the approval of SAPHRA license to manufacture diagnostic kits	Resolved
12.	Afro Zonke	Black Industrialist in the chemical sector InvestSA facilitated engagements on expansion, funding and market access into Unilever supply chain.	
13.	Evo Health	Black Industrialist in the pharmaceutical sector. InvestSA facilitated expansion, site location, funding and approval of pharmaceutical license by DOH.	

# 5. Regulatory Reforms to improve impact

# **Expanding Exports**



**Reforms to Improve Impact** 

Revise the Export Marketing and Investment Assistance (EMIA) Scheme regulations

Online platform to streamline the Know Your Client (KYC) due diligence exercise by ECIC on its clients.

### Expanding Exports: Black Industrialists, Women & Youth Owned Businesses

#	Area of Support	Brief Summary
1	EMIA Funding	<ul> <li>The dtic in Q1 through EMIA financially supported 63 South African companies to participate in exhibitions and missions, which included the following participants:</li> <li>40 Black Owned</li> <li>14 Women Owned</li> </ul>
2	GIZ Mentoring Programme	<ul> <li>The dtic in Q1 coordinated mentorship programmes for 29 SA companies to participate in GIZ-Manager Training Programme from various districts and the 29 companies includes the following:</li> <li>22 Black owned entities</li> <li>15 Women owned entities</li> </ul>
		1 Youth owned entity

### Expanding Exports: Black Industrialists, Women & Youth Owned Businesses

#	Area of Support	Brief Summary
3	Export Awareness	<ul> <li>The dtic in Q1 provided 7 x Export Awareness Seminars/Sessions for 189 individuals, which included 168 black, 110 women, 59 youth and which were held in the following districts:</li> <li>Johannesburg (19 participants)</li> <li>Kuruman (14 participants)</li> <li>Roodepoort (33 participants)</li> <li>Upington (14 participants)</li> <li>Tzaneen (10 participants)</li> <li>Polokwane (82 participants)</li> <li>Jane Furse (17 participants)</li> </ul>

# IFB Online Incentive System (OiS) (1/4)

All documents routed electronically through the various processing stages, through a single repository – EMIA (individual participation), BIS & APSS

Complete system enabled guidance and checks to improve more compliant applications and claims, through one interface

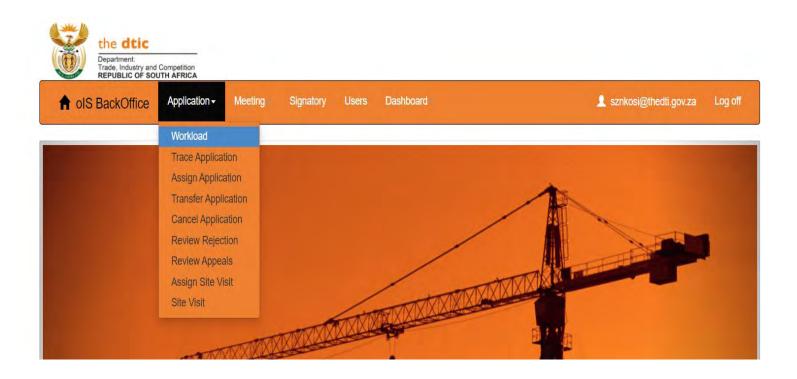
Digital client feedback at key stages of every application and claim for a more responsive and consistent client interface. Digitally tracked client responsiveness and reporting data on each project







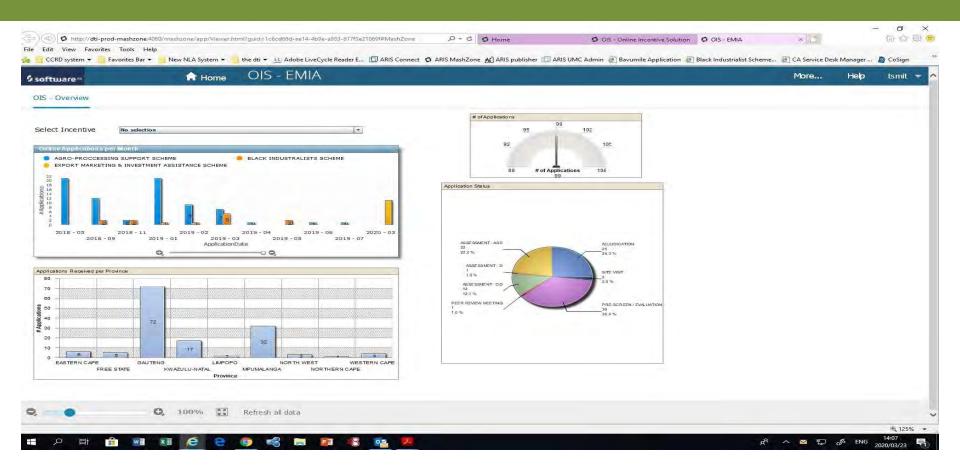
# IFB Online Incentive System (OiS)(2/4)



# IFB Online Incentive System (OiS) (3/4)

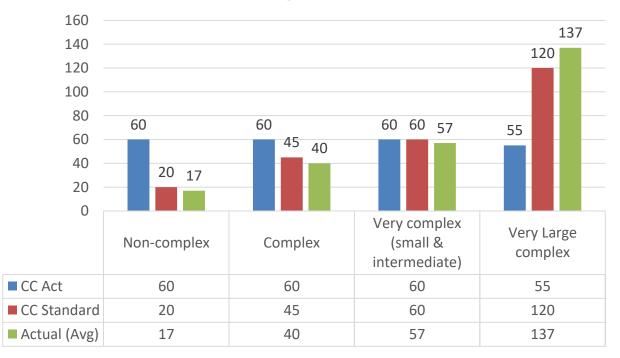
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# IFB Online Incentive System (OiS)(4/4)



# **Competition: (1/2)**

#### Assessment of mergers turnaround times



■ CC Act ■ CC Standard ■ Actual (Avg)



Competition rules and forms are under review and will be gazetted in September 2022.

