

atlantis
cape town
special
economic
zone



• right **PLACE** • right **TIME** • right **CHOICE**

sez
NKOMAZI
Special Economic Zone
Treasure of Opportunities

dube
tradePORT

east london idz
business streamlined

MALUTI-A-PHOFUNG
special economic zone

SALDANHABAY
INDUSTRIAL DEVELOPMENT ZONE

LED A
LIMPOPO ECONOMIC
DEVELOPMENT AGENCY
AN AGENCY OF THE LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

nceda
Northern Cape Economic Development
Trade and Investment Promotion Agency

GAUTENGIDZ
INDUSTRIAL DEVELOPMENT ZONE

RICHARDS BAY
INDUSTRIAL DEVELOPMENT ZONE

**NORTH WEST
DEVELOPMENT
CORPORATION**

SPECIAL ECONOMIC ZONE FACT SHEET

Special Economic Zones (SEZs) are geographically designated areas of a country set aside for specifically targeted economic activities. They are supported through special arrangements (that may include laws) and systems that are often different from those that apply in the rest of the country.

Act No. 16 of 2014: SEZ Act, 2014 provides for:

- the designation, promotion, development, operation and management of SEZs;
- the establishment of the SEZ Advisory Board and the SEZ Fund; and
- the regulation of application, issuing, suspension, withdrawal and transfer of SEZ operator permits and the functions of SEZ operators.

The objectives of the Act are to:

- ensure proper designation, operation, promotion, development and management of SEZs; and
- enact regulatory measures and incentives for SEZs in order to attract domestic and foreign direct investment (FDI).

Benefits of operating within an SEZ:

- 15% corporate tax
- Building allowance
- Employment incentive
- Customs-controlled Area
- 12i tax allowance
- SEZ Fund

SEZ Fund

This offers the potential for a number of different models involving:

- assembly of land parcels with secure title and development rights by the government for lease to private zone development groups;
- build-operate-transfer approaches to onsite zone infrastructure and facilities with government guarantees and/or financial support;
- contracting private management for government-owned zones or lease of government-owned assets by a private operator.

North West
Industrial infrastructure expected to leverage FDI and private investment and achieve:

- increased exports of value-added products;
- measurable improvement in levels of localisation and related value chains;
- increased beneficiation of mineral and agricultural resources;
- increased flow of foreign direct investment;
- increased job opportunities; and
- creation of industrial hubs clusters and value chains in underdeveloped areas.

The SEZ Fund will be available for pre- and post-designation to:

- applicants that are currently operating an IDZ with a valid operator permit, subject to confirmation that an investor that requires infrastructure support has been signed and the investment is in line with the programme objectives;
- applicants in the process of setting up an SEZ subject to submission of a comprehensive business/concept proposal determining clear socio-economic benefits;
- applicants that are licensees in terms of Chapter 5 of the SEZ Act;
- SEZ operators in terms of the SEZ Act and;
- a registered entity in South Africa in terms of the Companies Act.

The SEZ Fund is effective from 1 July 2013 to 31 March 2023.

The applicant will not qualify for the following costs:

- selected top structures
- customised factory buildings for investors
- general infrastructure outside the zone
- social and recreational infrastructure
- residential buildings and office parks
- operational expenditure (post-designation)

Existing SEZs in South Africa	Proposed but not Designated
Coega SEZ – Eastern Cape	Bojanala SEZ – North West
East London SEZ – Eastern Cape	Tubatse SEZ – Limpopo
OR Tambo SEZ – Gauteng	Upington SEZ – Northern Cape
Musina-Makhado SEZ – Limpopo	
Richards Bay SEZ – KwaZulu-Natal	
Saldanha Bay SEZ – Western Cape	
Atlantis SEZ – Western Cape	
Nkomazi SEZ – Mpumalanga	
Maluti-A-Phofung SEZ – Free State	

Contact us at
SEZenquiries@thedti.gov.za

for additional information regarding SEZs.