

Ratified by South Africa but not by treaty partner

Democratic Republic of Congo, Gabon, Germany (renegotiated) Kenya and Sudan.

Treaties signed but not ratified

Oman (Protocol).

Customs Agreements on Mutual Administrative Assistance in force

Algeria, Canada, China (People's Republic of), France, India, Mozambique, Netherlands, United Kingdom and United States of America.

VAT Agreements on Mutual Administrative Assistance in the process of negotiation or finalised but not yet signed

Botswana, Lesotho, Malawi, Namibia, Swaziland, Zambia, and Zimbabwe.

Tax Information Exchange Agreements in process of negotiation or finalised but not yet signed

Argentina, Barbados, British Virgin Island, Brunei Darussalam, Costa Rica, Dominica, Georgia, Gibraltar, Jamaica, Lichtenstein, Multilateral Southern African Development Community Agreement on Assistance in Tax Matters, Liberia, Liechtenstein, Monaco, Netherlands Antilles, Saint Kitts and Nevis, Turks and Caicos Islands.

Note:

- In addition to the above agreements in force is the IBSA (India/Brazil/South Africa) Tax Cooperation Agreement (date of entry into force is October 2007).
- The rates provided are merely a guide and some DTA's provide for alternative rates to be applied in specific circumstances.
- With effect from 1 January 2013, Government proposes to coordinate and streamline the procedures, rates, and times for all withholding taxes, including the adoption of a uniform rate of 15%.

Treaties in the process of negotiation or finalised but not signed

Angola		
Austria**	Lithuania	Senegal
Bangladesh	Luxembourg**	Seychelles**
Belgium**	Malawi*	Serbia
Botswana**	Malaysia**	Singapore*
Brazil**	Madagascar	Sri Lanka
Cameroon	Malawi*	Swaziland**
Chile	Malta**	Switzerland**
Cuba	Mauritius*	Syria
Cyprus**	Morocco	Turkey**
Czech Republic*		
Estonia	Mozambique**	United Arab Emirates
Germany**	Namibia*	Vietnam
India**	Hong Kong	
Indonesia**	Isle of Man	
Kuwait**	Norway**	Zambia*
Latvia	Oman**	Zimbabwe*
Lesotho*	Qatar	

* Indicates that a Treaty is already in existence which is currently under negotiation to be renewed or updated. The existing agreements remain effective until the new agreements enter into force.

** Protocol still to be finalised.

Transaction taxes

Value added tax (VAT)

The principal source of indirect taxation revenue in South Africa is VAT.

The standard rate of VAT is 14%. Exports, certain foodstuffs and other supplies are zero-rated, and certain supplies are exempt (mainly certain financial services, residential accommodation and public transport).

Any person that carries on an "enterprise" in South Africa for VAT purposes and that makes taxable supplies above a certain threshold is obliged to register as a VAT vendor. Investment in South Africa, both by a branch or through a subsidiary, will constitute an "enterprise" and will therefore require VAT registration.

VAT (output tax) is levied at 14% on the value of any supplies made by a vendor, unless such supplies qualify for a zero rating (for example, supplies physically rendered outside of South Africa are subject to VAT at the zero rate) or are exempt from VAT.

Any VAT charged to the vendor by suppliers, as well as VAT levied on the importation of goods, will generally be deductible as an input tax credit by the vendor.

VAT returns are generally submitted every two months but businesses with an annual turnover in excess of R30 million, must submit monthly returns. Returns must be submitted within 25 days after the end of the tax period. Payment in full must accompany the return.

Transfer duty

For properties acquired under purchase agreements concluded on or after 23 February 2011, the transfer duty rates applicable will be as follows:

Rates of duty*	Duty payable
Acquisition of property by all persons:	
• First R600 000 of consideration	0%
• R600 001 to R1 000 000	3%
• R1 000 000 to R1 500 000	R12 500 + 5%
• R1 500 001 and over	R37 000 + 8%

* These rates will be applicable to both natural and legal persons (CCs, companies and trusts).



Note:

Where the sale of fixed property attracts VAT, no transfer duty is payable. Where the transfer of fixed property is not subject to VAT (at either the standard or zero rate), transfer duty is payable. The indirect acquisition of residential property by way of the acquisition of shares, member's interest in a CC, or a contingent right in a discretionary trust is subject to transfer duty. Subject to amending legislation, companies (and trusts) will now be subject to the same progressive rate of transfer duty as natural persons. As part of this change, taxpayers engaged in asset-for-share rollovers (e.g. upon formation of a company) will now additionally obtain relief from transfer duty. Where a company, CC or trust owns residential property and the shares, members' interest or beneficiaries are changed or sold, it will be deemed that a sale of immovable property has occurred and transfer duty will apply.

Securities transfer tax (STT)

STT is levied at a rate of 0.25% on every transfer of securities issued by a CC or company incorporated, established or formed in South Africa and foreign incorporated companies listed on a licensed exchange.

Transfers include the transfer, assignment or cession, or disposal in any other manner of a security, but exclude any event that does not result in the change in beneficial ownership; the issue of a security;

and cancellation, or redemption where the corporate existence is being terminated.

Note:

The "broker-member exemption" will be temporarily expanded to provide relief for all broker-members acting in their capacity as principal. This amendment applies from 1 January 2011 until the close of 31 December 2012. The purpose of this temporary adjustment is to review current commercial practices on the JSE. Upon completion of this review, the broker-exemption will be explicitly revised so as to apply solely to situations where STT would otherwise inhibit JSE liquidity.

Estate duty

Estate duty is payable on the dutiable amount of a deceased estate. In general, the estate of a person who was ordinarily resident in South Africa at the date of his death includes all his assets irrespective of where they are situated. In addition, an asset which is located in South Africa may be subject to estate duty even though the owner was not ordinarily resident in South Africa at the date of his death.

An estate consists of all the property of a person at the date of his death, including limited rights in property (such as a usufruct) and deemed property. Deemed property includes the following, whether or not the proceeds accrue for the benefit of the deceased's estate:

- Domestic policies of insurance on the life of the deceased.
- Lump sum payments received on death from pension, provident or retirement annuity funds (annuities payable from pension and retirement annuity funds are not dutiable).
- Accruals under the Matrimonial Property Act.

The deductions allowed in terms of section 4 of the Estate Duty Act in calculating the dutiable amount of an estate include:

- Liabilities of the estate, including funeral and administration expenses.
- Certain foreign assets held by the deceased.
- Charitable and certain other bequests.
- Property which is inherited by the surviving spouse (a spouse includes heterosexual or same sex life partners and spouses married under any recognised system of religious law).

- Any CGT payable by the estate (death triggers a disposal for CGT purposes).

A R3.5 million abatement is deducted from all estates, regardless of personal circumstances. Estate duty is payable on the resultant dutiable amount of the estate of a person at the rate of 20%.

Donations tax

Donations tax is payable where a donor donates property valued in excess of R100 000 per annum (R10 000 in the case of donors other than natural persons). The tax is levied at a rate of 20% on such excess and is payable by the donor. Where spouses are married in community of property, a donation made by one spouse out of the joint estate will be deemed to be made in equal shares by each spouse. Donations tax is only payable where the donor is an individual resident in South Africa or is a "private company" (for tax purposes) which is either incorporated in, or managed and controlled in South Africa. Public companies are exempt from donations tax.

A "donation" includes any gratuitous disposal of property or waiver of a right. Certain donations are exempt from tax. They include:

- Donations between spouses.
- Donations cancelled within six months from the date they took effect.
- Donations made by public companies.
- Donations to approved public benefit organisations and recreational clubs.
- Donations by, to or for any traditional council, traditional community or tribe.
- Donations between group companies where the recipient is a resident of South Africa.
- Donations of property situated outside the Republic provided certain conditions are present.

A "deemed donation" is any disposal of property for a consideration which in the opinion of SARS is not an adequate consideration. In the case of a deemed donation, the value of the property for donations tax purposes is reduced by any consideration given by the donee.

Other taxes

Taxes on fuel*

	Fuel levy	Excise duty	Total
Petrol	197.50c per litre	4c per litre	201.50c per litre
Diesel	182.50c per litre	4c per litre	186.50c per litre

* With effect from 4 April 2012.

The Road Accident Fund Levy increased by 8c per litre from 80.0c to 88.0 c per litre on petrol and diesel (effective 4 April 2012). A diesel refund system provides for a refund of fuel and road accident fund levies paid on diesel used in certain qualifying industries. The qualifying industries are coastal shipping (conveyance of goods by ship between the coastal ports of South Africa or the common customs area), commercial fishing, farming, forestry, mining, the National Sea Rescue Institute, offshore mining and rail. The diesel refund system is also available to off-shore vessels conducting research in support of the marine industry, coastal patrol vessels and vessels employed to service fibre-optic telecommunication cables along the coastline of Southern Africa. Bioethanol remains outside the fuel tax net, but is still subject to VAT at the standard rate.

Electricity levy

An electricity levy has been increased to a rate of 3.5c/kWh on the sale of electricity generated from non-renewable sources. The levy is collected at source by the producers or generators of electricity.

Carbon emissions tax (CET)

The tax (effective 1 September 2010) is levied at a rate of R75 for each gram per kilometre of carbon dioxide produced over and above a set amount of 120g/km. The tax is paid only once, on the date of acquisition of a vehicle, and is also only payable in respect of new vehicles. From 1 March 2011 the tax was extended to cover new motor vehicles for the transport of goods with carbon emissions in excess of 175g/km. Following public consultation, Government has revised its concept design for CET and a second draft policy paper on carbon tax is to be published. Proposed design features include: percentage-based rather than absolute emissions thresholds below which the tax will not be payable, a higher tax-free threshold for process emission, additional relief for trade-exposed sectors, the use of offsets by companies to reduce their carbon tax liability and phased implementation.

Energy efficiency incentive

The incentive allows taxpayers to claim an allowance for energy saving achieved in production of income. An energy savings certificate from SANEDI is required to claim the allowance and calculated based on a basic formula, as follows:

Savings in kwh x applied rate /2 (or a denominator determined by the Minister).

The rules for savings are set by the Department of Energy Regulation and the applied rate represents the lowest feed-in-tariff set by National Energy Regulator guidelines. Savings is largely measured by comparing baselines from the start versus end of the year. The allowance will come into effect on a date announced by the Minister.

Gambling taxes

The 2011 Budget proposed a gambling tax (to be introduced with effect from 1 April 2012), whereby gambling winnings which exceed R25 000 will be subject to a 15% final withholding tax. However, following broad consultation, this proposed withholding tax (now effective from 1 April 2013) based on gross gambling revenue will take the form of an additional 1% national levy on a uniform provincial gambling tax base. A similar tax base will be used to tax the National Lottery.

Personal taxation - Individuals

Income tax

South African residents are taxed on worldwide income.

Non-residents are taxed on their South African-source income and on capital gains from the disposal of immovable property and assets of a permanent establishment in South Africa.

At present, interest from a South African-source paid to a non-resident will not be taxable in South Africa if the person is outside South Africa for more than 183 days in the tax year and does not conduct a business in South Africa.

An individual is resident if he/she is "ordinarily resident" in South Africa, or is physically present in South Africa for more than 91 days during the current and each of the preceding five tax years, and is physically present in South Africa for a period exceeding 915 days in the aggregate in the preceding five tax years.

Tax registration ⁸⁵

Where individuals fall into any of the following categories (below), for the 2012 tax season submission of a personal income tax return (ITR12) will be required:

- If you are under 65 years of age and received an income of more than R59 750 (this amount will increase to R63 556 during the

year of assessment 1 March 2012 to 28 February 2013 i.e. for the 2013 tax season) from one or more sources or received more than R120 000 from a single source of employment, during the year of assessment 1 March 2011 to 29 February 2012.

- If you are between 65 and 75 years of age and received an income of more than R93 150 (R99 056 for the 2013 tax season) from one or more sources or received more than R120 000 from a single source of employment, during the year of assessment 1 March 2011 to 29 February 2012.
- If you are over 75 years of age and received more than R104 261 (R110 889 for the 2013 tax season) from one or more sources or received more than R120 000 from a single source of employment, during the year of assessment 1 March 2011 to 29 February 2012.
- If you conducted any trade in South Africa.
- Received an allowance such as a travel, subsistence or Office Bearer Allowance (check section 8(1)(a) of the Income Tax Act if unsure).

⁸⁵ www.sars.gov.za

- Hold any funds or assets outside South Africa that have a value of more than R50 000.
- Have a local capital gain/loss exceeding R20 000.
- Received any income or capital gain in a foreign currency.
- Held any rights in a CFC.
- Received an income tax return or you were requested to submit a return for the year in question.

Note:

The term "trade" includes every profession, trade, business, calling, occupation or venture, including the letting of any property, but excluding any employment income.

www.sars.gov.za/Tools/Documents/DocumentDownload.asp?FileID.

A more comprehensive guide on how to complete and submit an ITR12 return is available on the SARS website at: www.sars.gov.za (under [Tax Types>Income Tax>Tax Season 2012](#)).

The tax deadlines for individuals for the 2012 tax season (i.e. for years of assessment from 1 March 2011 to 29 February 2012) are as follows:

- The deadline for all taxpayers who submit their tax return manually, by posting it or dropping it off in a SARS drop box, is 28 September 2012.
- The deadline for all taxpayers who submit their returns electronically at a SARS branch is 23 November 2012.
- Non-provisional taxpayers who submit their returns via eFiling have until 23 November 2012.
- Provisional taxpayers who submit their returns via eFiling have until 31 January 2013.

Note:

The deadlines for the 2013 tax season (i.e. 1 March 2012 to 28 February 2013) have not yet been published.

There are various ways in which personal income tax taxpayers can complete and submit their returns; namely:

- eFiling which is the most convenient and quickest way.
- Filing electronically at a branch where SARS staff will help.
- Completing the return(s) in writing and posting it to us or dropping it off in a SARS drop box.

For further information regarding how to submit a personal income tax return, refer to **Addendum 19: How to submit your personal income tax return**. Alternatively, this document can be accessed on SARS website at:

Tax rates and rebates

Tax rates and rebates (2012/13)		
Individuals, estates, special trusts (years of assessment commencing 1 March 2012)		
Taxable income as exceeds	But does not exceed	Tax payable
R	R	R
0	160 000	18%
160 001	250 000	28 800+ 25%
250 001	346 000	51 300+ 30%
346 001	484 000	80 100+ 35%
484 001	617 000	128 400+ 38%
617 001+		178 940+ 40%
Other trusts:		40%

Tax rates and rebates (2012/13)	
Rebates - Natural persons (years of assessment commencing 1 March 2012)	
Primary rebate - All individuals	R11 440
Age rebate*	
Secondary rebate (65 years and older)	R6 390
Third rebate (75 years and older)	R2 130

* Additional to primary rebate.

Note:

- Rates are progressive to maximum rate of 40%.
- The tax year for individuals runs to the end of February. Tax returns must be filed by a date published annually by SARS.
- All taxpayers who earn income exceeding R60 000 per annum are required to be registered as taxpayers with SARS. This process does not happen automatically on entering the country. Individuals who earn in excess of R10 000 in investment income, are required to register as provisional taxpayers. In addition to these stipulated instances, SARS reserves the right to classify any taxpayer as a provisional taxpayer.
- The tax threshold is R63 556 for individuals below 65 years of age, and R99 056 for individuals aged between 65 years, and 75 years of age and R110 889 for individuals aged 75 years and older.
- Rebates are a credit against tax payable. Rebates are available only to natural persons and not to companies, CCs and trusts, and must be apportioned where a taxpayer is assessed for a period of less than a year.
- Taxpayers may be entitled to a foreign tax credit (rebate) for foreign tax paid, where income from foreign sources was subject to tax in a foreign country and in South Africa.

Taxable income

Taxable income is gross income less exempt income and allowable deductions. Gross income from employment includes all remuneration in cash or in kind, including bonuses, allowances and taxes reimbursed or paid on the employee's behalf.

Deductions and allowances

Subject to certain restrictions, deductions are granted for medical expenses, contributions to pension and retirement annuity funds, certain donations, travel and motor vehicle expenses and certain other qualifying expenses.

Exemptions

Interest and foreign dividends

Interest and foreign dividends earned by individuals who are under 65 years of age, are exempt from income tax up to a maximum of R22 800 per annum. The exemption for individuals 65 years and older is R33 000 per annum. However, the maximum exemption available in respect of foreign interest and foreign dividends (included in the R22 800/ R33 000 limit) is R3 700. The R3 700 exemption applies first to foreign dividends and then to foreign interest. Interest earned by non-residents from South African investments is generally exempt from income tax in South Africa. In addition, there is no withholding tax in respect of interest paid to non-residents.

Note:

This exemption will not apply with regards to dividend tax as from 1 April 2012. Also, generally foreign dividends received by individuals from foreign companies (where the shareholding is less than 10% in the foreign company) are as from 1 April 2012, taxable at a maximum effective rate of 15%. No deductions are allowed for expenses incurred to produce the foreign dividends.

Interest is exempt where earned by a non-resident who is physically absent from South Africa for 183 days or more per annum, and that person is not carrying on business in South Africa. For years of assessment commencing on or after 1 January 2010, amounts received by or accrued to a portfolio of a collective investment scheme, or distributed from amounts received or accrued by a collective investment scheme, will be included and will retain its character in the hands of the unit holder.

Dividends

- Residents: Dividends other than foreign dividends are exempt from income tax in the hands of South African residents.
- Non-residents: Dividends are exempt from income tax and not subject to any withholding tax.

Note:

A dividend withholding tax replaced STC on 1 April 2012. Under the new dividend tax regime resident individuals will be taxed at 15% on dividends declared by domestic companies. Dividend payments to domestic companies, retirement funds and PBOs will be exempt. The tax has a mechanism under which the paying company (or intermediary) withholds the tax and provides for transitional STC credits. Non-resident persons are eligible for tax treaty benefits.

Retirement savings

Certain retirement lump sum savings payments made to employees or holders of an office are taxed in terms of a special formula and may qualify for a R315 000 exemption. The special dispensation applies mainly where such lump sum payments are made upon death or retirement. Given circumstances where lump sums are paid out after retirement (e.g. the conversion of a post-retirement annuity into a lump sum), such lump sum payouts are now subject to the same treatment. In addition, where retirement savings from a deceased are converted from an annuity to a lump sum after death for the benefit of another party, the special tax treatment will apply to such secondary succession of retirement lump sums.

Retrenchment packages

The past R30 000 exemption was repealed from 1 March 2011. It is proposed that retrenchment lump sum payments be treated in the same manner as retirement payments, but the legislation giving effect to this proposal has not yet been passed.

Foreign social security and pension payments

Social security payments received by South African residents from another country are exempt from tax in South Africa. There is also currently an exemption for pensions received from a source outside South Africa in respect of past employment outside South Africa.

Remuneration for services rendered outside South Africa

South African residents working abroad for more than 183 days over a 12-month period, and for a continuous period of more than 60 days during that period, are exempt from income tax on remuneration for services rendered while abroad.

Other exemptions

Further exemptions include: Disability pensions, compensation for occupational injuries and diseases, UIF payments, alimony, government grants and scrapping payments etc. (subject to certain conditions being met).

Deductions

The Income tax Act permits the deduction of certain expenses incurred in the carrying on of an individual's trade. "Trade" includes a profession, trade, business, employment, calling, occupation or venture, including the letting of property. Certain activities may not be regarded as "carrying on of trade" (the most common being investments in dividend and interest-bearing stocks and income from pensions and annuities). In order for an expense incurred in the carrying on of trade to be tax-deductible either:

- The expense must comply with the requirements of the general deduction formula (a "general deduction"); or
- The expense must specifically be allowed as a deduction under a section of the Act (a "specific deduction").

General deductions

General deductions are permitted under what is called the "general deduction formula". The general rule is that if an expense does not comply with the requirements of the formula, it will not be deductible, unless specifically allowed by another section of the Act. Where an expense qualifies for a deduction under both the general formula and a specific section, it may only be deducted once.

In terms of the general deduction formula, the following requirements must be fulfilled before an expense can be deducted:

- The amount must have been actually incurred or there must be an actual loss.
- The taxpayer must be legally liable to pay the amount.
- The expense, or loss, must have been incurred during the year of assessment in respect of which it is claimed.
- The expenditure must be incurred in the production of income.
- The expenditure must be of a revenue and not a capital nature.
- The expense must be expended for the purposes of trade.

Specific deductions

Those expenses that qualify for a deduction under a specific section of the Act need only meet the requirements of the specific section and do not have to meet the requirements of the general deduction formula. Specific deductions include the following:

Medical expenses

The Act converts expenditures associated with medical aid contributions into tax credits. The proposed credit is R230 per member and R230 per the first dependant and R154 for each additional dependant thereafter. For individuals aged over 65 years, or under 65 years of age

where the taxpayer, spouse or child is physically or mentally handicapped: All expenses are deductible.

Note:

- Previously, for individuals aged under 65 years, medical expenses (including medical aid contributions that exceed the capped amounts detailed below) were deductible to the extent that they exceed 7.5% of taxable income (before the medical deduction). In addition, a capped tax deduction for medical aid contributions was allowed on a monthly basis.
- Medical contributions: All employer contributions are treated as a fringe benefit with the employee being eligible for deductions to the extent of their medical scheme contributions up to the capped amounts.
- From 1 March 2014, additional medical deductions will be converted into tax credits at a rate of 25% for taxpayers aged below 65 years. Employer contributions to medical schemes on behalf of ex-employees will be deemed a taxable fringe benefit. Taxpayers 65 years and older and those with qualifying disabilities or disabled dependents will be able to convert all medical scheme contributions in excess of three times total allowable tax credits plus additional expenses into a tax credit of 33%.
- National Health Insurance is to be phased in over a period of 14 years. Funding options to be considered include a payroll tax (payable by employers), an increase in the VAT rate and a surcharge on individuals' taxable income.

Donations to PBOs

Donations to certain approved PBOs qualify for a tax deduction. These organisations include those involved in specified welfare, humanitarian, health care, education and development, conservation, environment and animal welfare, and certain low income housing and land reform activities. The tax deduction is limited to 10% of taxable income (before the deduction of donations and medical expenses).

Pension fund contributions

- Current: Maximum deduction is the greater of:
 - R1 750; or
 - 7.5% of remuneration from "retirement-funding employment".
- Arrear: Maximum R1 800 (excluding former members of a non-statutory force or service).

Note:

Provident fund contributions made by an individual are not deductible for tax purposes.

Retirement annuity fund contributions

- Current: Maximum deduction is the greatest of:
 - 15% of net income, excluding income from "retirement-funding employment"; or
 - R3 500, less deductible current pension contributions; or
 - R1 750.
- Reinstatement: R1 800.



Note:

Proposed changes to the taxation of retirement fund contributions (to take effect from 1 March 2014) include the following:

- A taxable fringe benefit will now arise in the hands of the employee in relation to an employer's contribution to a retirement fund. Currently, this contribution on behalf of an employee is made without tax consequences to the employee.
- Individuals will then be able to claim a deduction of up to 22.5% of their taxable income for contributions to pension, provident and retirement annuity funds (currently more limited deductions are allowed, only in relation to the employee's contribution to a pension fund or retirement annuity fund).
- Two thresholds for the deduction will be established - a minimum annual deduction threshold of R20 000 and a maximum annual deduction threshold of R250 000. If the taxpayer is over 45, maximum annual deduction threshold is limited to R300 000.

Income continuation premiums

Premiums on income protection insurance policies are deductible. A pro-rata deduction (in relation to the extent that the amounts payable constitute income) may be claimed for any portion of a single insurance premium that relates to income protection.

Limitation of employee deductions

Only the following expenses may be deducted by individuals, except where the employee's remuneration is wholly or mainly derived in the form of commissions based on sales or turnover:

- Business travel deduction against travel allowance.
- Certain medical expenses.
- Contributions to a pension and/or retirement annuity fund.
- Donations to certain PBOs.
- Specific expenditure against allowances of holders of public office.
- Home office expenses under certain circumstances.
- Loss of income caused by illness, injury, disability or unemployment.
- Premium paid of an insurance policy.
- Wear-and-tear allowances on equipment.

Other tax features

Retirement fund lump sum benefits

The tax scale brackets applicable to retirement fund lump sum benefits derived on retirement, death or retrenchment (and now also to severance benefits from the employer) have been improved from 1 March 2011, with the maximum tax rate moving from R300 000 to R315 000.

Note:

On the commencement of years of assessment commencing on or after 1 January 2012, tax-free transfers of retrenchment benefits to preservation funds will be allowed. Retirement and pre-retirement lump sums is taxed on a cumulative basis.

Long-term insurance

From 1 March 2012, employer-paid premiums in respect of employer group income protection policies, will be deemed to be a payment made by the employee to the extent that the premium is taxed as a fringe benefit in the hands of the employee. This will ensure that the employee can claim a monthly deduction for Pay-As-You-Earn (PAYE).

Severance benefits

Severance benefits (e.g. retrenchment benefits paid by an employer) must (with effect from 1 March 2011) be aggregated with lump sum benefits from retirement funds and be taxed according to the appropriate scale.

Ring-fencing of losses from certain trades

Losses from certain trades conducted by individual taxpayers who are subject to the maximum marginal tax rate (i.e. annual taxable income exceeding R617 000, excluding any loss from trade) are ring-fenced in certain circumstances and such losses may only be offset against income from that trade. A trade subject to the ring-fencing means:

- A trade that has generated losses for at least three tax years out of the previous five years (only losses incurred from 1 March 2004 onwards will be taken into account); or
- Any one of the specifically listed trades; namely, sporting activities, dealing in collectibles, the rental of residential accommodation, vehicles, aircraft or boats (as defined in the Eighth Schedule of the Income Tax Act) unless at least 80% of the accommodation or asset is used for at least half of the tax year by persons who are not relatives of the taxpayer, farming or animal-breeding on a part-time basis, any form of performing or creative arts, gambling or betting, and the showing of animals in competitions.

Even if the above requirements are met, the ring-fencing will not apply if the taxpayer can show that the

business has a reasonable prospect of generating taxable income (other than a taxable capital gain) within a reasonable period. This exemption will, however, not apply if the taxpayer has incurred an assessed loss from that trade (other than farming) during at least six out of the prior 10 years, including the current tax year (only losses incurred from 1 March 2004 onwards will be taken into account).

Capital gains tax

Tax residents are subject to CGT in South Africa on the disposal of their worldwide assets. Non-residents are subject to CGT in South Africa only on the disposal of fixed property, held directly or indirectly, located in South Africa. On breaking tax residence, CGT will be payable on the deemed disposal of a tax resident's worldwide assets (excluding South African fixed property) i.e. the growth in value from the date of establishing tax residence to the date of breaking tax residence will be regarded as a capital gain and CGT will be payable.

33.3% (25% prior to 1 March 2012) of the gain is included in the individual's taxable income and taxed at the applicable marginal tax rate. The general annual capital gains exclusion for individuals and special trusts is R30 000 (was R20 000 prior to 1 March 2012). The exclusion on death is R300 000 (was R200 000 prior to 1 March 2012) and disposal of primary residence exclusion is R2 million of gain or loss on disposal (R1.5 million of gain; or R2 million

of proceeds prior to 1 March 2012). The exclusion amount on disposal of small business (when person is over 55) is R1.5 million (R900 000 prior to 1 March 2012).

Married persons

Married individuals are generally taxed as separate taxpayer, except for:

- Where income is received by or accrued to a spouse in consequence of a donation, settlement, or disposition by the other spouse, which will be deemed to be income of the spouse who made the donation, settlement, or disposition where done for purpose of avoiding tax;
- Where income is derived by one spouse from the other spouse, a partnership, private company where the other spouse is a connected person, or derived from a trade that is connected to the trade carried on by the other spouse, will be taxed in the hands of the other spouse to the extent of the amount of income is excessive; and
- Where the persons are married in community of property, the net rental income from property, or interest income by both persons is deemed to accrue in equal portions to each spouse. Any other income that does not fall within the joint estate is taxed in the hands of the spouse entitled thereto.

Employment tax

South African employment taxes comprise employees' tax (PAYE), skills development levies (SDL) and unemployment insurance fund (UIF) contributions.

Employees' tax is payable to SARS monthly at prescribed tax rates in respect of any remuneration payable by an employer to an employee. SDL are also payable to SARS monthly and are calculated at 1% of the remuneration payable to the employee. SDL does not, however, apply to employers with an annual payroll of less than R500 000. UIF contributions are payable to SARS monthly and are calculated at 2% of the remuneration payable to the employees, subject to a maximum limit.

As a general rule, if an employer is required to withhold employees' tax in respect of an amount paid to a person, that employer would, subject to certain limited exceptions, also be required to withhold SDL and UIF in respect of that amount.

The employment tax rules essentially provide that, unless the person to whom the payment is made qualifies for specific tax relief, an "employer" is obliged to withhold employees' tax in respect of "remuneration" paid/payable to an "employee" if that employer is:

- A resident of South Africa; or
- A non-South African resident, but has a "representative employer" in South Africa.

Entities listed below would be regarded as an "employer" for South African employment tax purposes:

- A foreign holding company and/or any branch/PE it may establish in South Africa.
- Any South African subsidiary company of the above foreign holding company and/or any branch/PE it may establish in South Africa.
- Any South African resident sub-contractor.
- Any non-South African resident sub-contractor who has established a PE in South Africa.
- Any non-SA resident sub-contractor who has not established a PE in South Africa, but has an office or carries on a business in South Africa.

The above parties/employers would therefore be obliged to withhold employees' tax from the amounts paid to the persons who render services to them, unless the person to whom the payment is made qualifies for specific tax relief. Each employer should, on an individual basis, determine whether the person to whom the payment is made qualifies for tax relief. This assessment depends

on a number of factors, including whether the person is a SA resident or non-SA resident and an individual or a corporate entity. If the person qualifies for tax relief, no employees' tax needs to be withheld from payments made to that specific person. If, however, no tax relief applies, the employer will be obliged to withhold employees' tax from the amount paid to that person.

Note:

- The employers listed above will be required to register for employees' tax, SDL, and UIF, and submit monthly employment tax returns and payments to SARS.
- All persons (individuals and corporate entities, SA residents and non-SA residents) who are liable for income tax in South Africa, would also be required register as taxpayers and must, where required, submit annual income tax returns. As a general rule, all the individuals rendering services on projects in South Africa for more than 183 days, would be required to register for income tax.
- Various fringe benefits and allowances may be provided to the employees as part of their remuneration packages on a tax efficient basis if certain conditions are met.

- Temporary employees ("non-standard employees") are not taxed based on standard tax rates for employees' tax purposes. Employers must deduct employees' tax at a rate of 25% from the taxable remuneration paid to temporary employees. No tax is deducted if the temporary employee works at least five hours on a specific day and the daily rate of pay is less than the equivalent of the annual tax threshold.
- Failure by an employer to comply with its employment tax obligations may result in significant penalties and interest being imposed by SARS.

Pay-As-You-Earn (PAYE)

PAYE ensures that an employee's income tax liability is settled in a continuing fashion, at the same time that the income is earned. The advantage of this is that the tax liability for the year is settled over the course of the whole year of assessment.

Incentives and industrial financing

Unemployment insurance fund (UIF)

Every employer will be liable to pay a monthly contribution to UIF, which is based on a monthly gross remuneration paid to employees up to a limit of R12 478. The employer will contribute 1%, and the employee will (by means of a deduction from salary) contribute 1% of remuneration up to the limit. Remuneration for purposes of calculating UIF excludes the following:

- Non-employment related payments (such as annuity or pension payments).
- Payments made to labour brokers that hold a valid exemption certificate.
- Retrenchment payments.
- Lump sums paid from pension, provident, or retirement annuities.
- Restraint of trade payments.
- Commission.
- Payments made to juristic persons (such as companies).
- Payments to independent contractors.

Employees that are excluded from contributing toward UIF, but must still be reported in the return, are:

- Temporary workers (working less than 24 hours per month).
- Employees in the national or provincial sphere of government.

- Foreign employees that will be repatriated at the end of the service/employment contract term.
- Employees with no taxable income, or commission only.
- Learners under contract (in terms of Skills Development Act).

Skills development levy (SDL)

The employer is liable to monthly pay a 1% levy against the total amount of remuneration paid by that employee, where the employer's annual payroll exceeds R500 000. Generally, the total value of remuneration paid is used to calculate the levy, but excludes the following:

- Amounts paid to independent contractors.
- Reimbursement payments to employees.
- Pensions paid.
- Remuneration of learners under contract.

Overview ⁸⁶

South African government departments offer an array of incentive schemes to stimulate and facilitate the development of sustainable, competitive enterprises.

A variety of these incentive schemes seek to support the development or growth of commercially viable and sustainable enterprises through the provision of either funding or tax relief. Most of the incentives are housed within **the dti**, with a few others in other government departments.

The incentive schemes are broadly classified into three categories, as follows:

- **Concept and Research & Development Incentives (CRD):** These are incentives available to private sector enterprises that invest in the creation, design and improvement of new products and processes. Such businesses conduct investigative activities with the intention of making a discovery that can either lead to the development of such new products and processes or to the improvement of existing products.

- **Capital Expenditure Incentives (CEI):** These are incentives for companies that want to acquire or upgrade assets in order either to establish or expand the business' productive capacity.
- **Competitiveness Enhancement Incentives (ECA):** These are investments that facilitate increased competitiveness, sustainable economic growth and development in a specific sector.

Note:

The three categories generally mirror the stages involved in project development.



⁸⁶ Source: Information provided by the dti, Industrial Development Corporation (IDC) and Economic Development Department. Website: www.investmentincentives.co.za. Retrieved August 2012.

Investment and enterprise development incentives

(ECA) Critical Infrastructure Programme (CIP)

(Managed by the dti)

Objective:	Support the competitiveness of South African industries by lowering business costs and risks and to provide targeted financial support for physical infrastructure that will leverage strategic investment with a positive impact on the economy.
Applicability:	New or expanding enterprises investing in infrastructure such as roads, railways, electricity transmission and distribution, water pipelines, telecommunication networks, sewage systems etc. Available to municipalities, public sector enterprises and private enterprises.
Benefit:	Cash grant incentive that covers between 10% and 30% of the infrastructure development costs.

(ECA) National electrification programme (municipal)

(Managed by the Department of Energy)

Objective:	To provide capital subsidies to municipalities to address the electrification backlog of permanently occupied residential dwellings, the installation of bulk infrastructure and rehabilitation of electrification infrastructure.
Applicability:	All metro, district and local municipalities in South Africa.
Benefit:	Conditional grant allocations are made to municipalities each year and are published in the Division of Revenue Act.

(ECA) Municipal Infrastructure Grant (MIG)

(Managed by the Department of Provincial and Local Government)

Objective:	To supplement municipal capital budgets through the funding of basic municipal infrastructure backlogs for the provision of basic services to primarily service poor households. This infrastructure must be provided in such a way that employment is maximised and opportunities are created to support enterprise development.
Applicability:	All metro, district and local municipalities in South Africa.
Benefit:	Conditional grant allocations are made to municipalities each year and are published in the Division of Revenue Act.

(ECA) Neighbourhood Development Partnership Grant (NDPG)

(Managed by National Treasury)

Objective:	To create enabling economic infrastructure in dormitory townships across South Africa that will attract private sector investment.
Applicability:	All metro, district, and local municipalities in South Africa.
Benefit:	Benefits are in the form of the technical assistance grant and the capital assistance grant, to assist municipalities in implementing community facility projects that are not presently funded through the equitable share or other grants.

(ECA) Local Economic Development (LED) programme

(Managed by the Department of Provincial and Local Government)

Objective:	Creating an enabling environment for investment into the area and encouraging the development of the market to facilitate linkages between established and emerging sectors.
Applicability:	Local government, private sector enterprises, enterprises forming partnerships with government agencies, donors and other enterprises aiming to develop clusters to strengthen their sector.
Benefit:	Up to 70% grant-based funding available for certain identified areas.

(ECA) Business Process Services (BPS) incentive <i>(Managed by the dti)</i>	
Objective:	To attract investment in the BPS sector that creates employment opportunities through off-shore activities.
Applicability:	Local and foreign investors (new and expanding projects) that create jobs in South Africa to serve offshore clients.
Benefit:	A total grant of up to R112 000 per offshore job created claimable against operational expenditure. The grant will be payable over a period of three years. Additional bonus structures will be applicable for projects creating more than 400 or 800 offshore jobs respectively.
(CEI) Manufacturing Investment Programme (MIP) <i>(Managed by the dti)</i>	
Objective:	To encourage local and foreign capital investment in productive qualifying assets (plant and machinery, land and buildings (owned or rented), commercial vehicles).
Applicability:	Enterprises investing capital in new projects.
Benefit:	A tax exempt cash grant of between 10% and 30% of the qualifying investment cost up to a maximum grant of R30 million.
(CEI) Foreign Investment Grant (FIG) <i>(Managed by the dti)</i>	
Objective:	To encourage foreign businesses to invest in manufacturing companies by assisting in the cost of transporting productive qualifying assets to South Africa.
Applicability:	South African incorporated companies with a foreign direct shareholding of at least 50%. Qualifying costs associated with transporting new plant and machinery (excluding vehicles) from abroad. FIG is conditional on the approval of a project under the MIP.
Benefit:	The lower of the actual qualifying transportation costs or 15% of the cost of new plant and machinery acquired abroad, limited to R10 million.

(CEI) Tourism support programme <i>(Managed by the Department of Tourism)</i>	
Objective:	To stimulate growth within the tourism industry.
Applicability:	The establishment of new or the expansion of existing tourism facilities.
Benefits:	A tax exempt cash grant of between 10% and 30% of the qualifying investment cost up to a maximum grant of R30 million.
Industrial policy projects <i>(Managed by the Department of Trade and Industry (the dti))</i>	
The tax incentive is intended to promote local and foreign direct investment in industrial policy projects in South Africa and is legislated in terms of section 12I of the Income Tax Act (the Act).	
R20 billion has been allocated for additional tax deductions under this new incentive, with a focus on large industrial projects.	
Manufacturing assets must be used in South Africa and qualify for a deduction in terms of section 12C(1)(a), 13 or 13 quat which covers plant or machinery that will be brought into use for the first time by the taxpayer and will be used in a process of manufacture and the cost for the construction or refurbishment of buildings if certain conditions are met.	
A project will be allocated points based on the following criteria if it:	
<ol style="list-style-type: none"> 1. Upgrades an industry within the Republic by: <ol style="list-style-type: none"> i. Utilising innovative processes; or ii. Utilising new technology that result in improved environmental protection as a result of: <ol style="list-style-type: none"> a) Improved energy efficiency. b) Cleaner production technology. 2. Generates general business linkages by acquiring goods or services from small, medium and micro enterprises. 3. Creates direct employment. 4. Provides skills development in the Republic; or 5. Is located in an IDZ. 	

Benefit:	Additional tax allowance of 55% of the cost of any manufacturing asset used in a qualifying industrial policy project determined to have preferred status; or 35% of the cost of any manufacturing asset used in any other qualifying industrial policy project limited to: <ul style="list-style-type: none"> • R900 million in the case of any Greenfield project with preferred status. • R550 million in the case of any other Greenfield project. • R550 million in the case of any Brownfield project with preferred status. • R350 million in the case of any other Brownfield project. • Cost of training provided to employees in the furtherance of the Industrial Policy Project. The training allowance may not exceed R36 000 per employee and R20 million in the case of projects with qualifying status or R30 million in the case of projects with preferred status.
Minimum investment required to qualify for this incentive:	<ul style="list-style-type: none"> • R200 million in the instance of a Greenfield project. • The higher of R30 million or 25% of the value of the manufacturing assets in the case of Brownfield projects.
(CEI) Automotive Investment Scheme (AIS)	
<i>(Managed by the dti)</i>	
Objective:	To grow and develop the automotive sector by increasing plant production volumes and strengthening the automotive value chain.
Applicability:	Light motor vehicle and automotive component manufacturers.
Benefits:	A taxable grant of between 20% and 30% of the value of the qualifying investment in productive assets.

(ECA) Location film and television production incentive	
<i>(Managed by the dti)</i>	
Objective:	To encourage and attract large budget films and television productions that will contribute towards South Africa's economic development and international profile and increase foreign direct investment.
Applicability:	Foreign-owned qualifying productions with Qualifying South African Production Expenditure (QSAPE) of R12 million and above.
Benefit:	Rebate of 15% of the QSAPE to qualifying productions and the benefit is capped at R10 million.
(ECA) South African film and television production and co-production incentive	
<i>(Managed by the dti)</i>	
Objective:	To support the local film industry and to contribute towards employment opportunities in South Africa.
Applicability:	Local productions and official treaty co-productions with a total production budget of R2.5 million and above.
Benefit:	Rebate of 35% for the first R6 million, and 25% for the remainder of the qualifying production expenditure capped at a maximum rebate of R10 million.
(ECA) The Tourism Enterprise Support Programme (TEP)	
<i>(Managed by the Department of Economic Development and Tourism)</i>	
Objective:	To encourage and facilitate the growth and expansion of tourism enterprises.
Applicability:	Large operators, investors, SMMEs and historically disadvantaged entrepreneurs and enterprises (HDEs).
Benefit:	The programme assists in obtaining the requisite professional services such as ISO/SABS quality certification, debt and equity finance, proper business planning, packaging, legal advice, technology needs and marketing. The TEP also provides aftercare to SMMEs to be sure they have the planning, production and management capacity to deliver as per the contract or market demand.

(ECA) PSOM business incentive: Dutch programme for cooperation with emerging markets

(Funded by Ministry of Foreign Affairs, Development Cooperation)

Objective:	To provide opportunities for Dutch companies to expand investments and trade relations with South Africa.
Applicability:	Dutch companies that wish to invest in South Africa in partnership with a local South African company. The grant is also available for companies based in emerging markets (such as South Africa) investing into Mozambique and Uganda.
Benefit:	Grants contributing up to 50% of total project costs up to a maximum of €1.5 million.

(CEI) Isivande Women's Fund (IWF)

(Managed by the dti)

Isivande Women's Fund (IWF) is an exclusive women's fund established by the **the dti** Gender and Women Empowerment Unit in partnership with Old Mutual Masisizane Fund. The fund aims at accelerating women's economic empowerment by providing affordable, usable and responsive finance than is presently the case. IWF targets formally registered, 60% women-owned and/or managed enterprises that have been existing and operating for two or more years with a loan range of R30 000 - R2 million.

Objective:	The fund improves and expands access to finance to woman entrepreneurs by lending and investing in woman enterprises and generating income that will improve their living standards.
Applicability:	The IWF targets formally registered, 60% women-owned and/or managed enterprises that have been in existence for at least two years. It also focuses on professional women with feasible business ideas, high potential survivalists, micro enterprises and co-operatives on a case-by-case basis. The fund pursues deals involving start-up funding, business expansions, business rehabilitation and turnaround franchises and bridging finance.
Benefit:	Loan range from R30 000 - R2 million and the loan repayment period is maximum five years.

Competitive enhancement incentives

(ECA) Black Business Supplier Development Programme (BBSDP)

(Managed by the dti)

Objective:	To improve the sustainability of black-owned enterprises by providing funding to increase the competitiveness of the businesses.
Applicability:	Companies that are majority black-owned (51% or more), have an annual turnover of between R250 000 and R35 million and have a predominantly black management team. The entity must have a minimum trading history of one year.
Benefit:	The programme provides grants up to a maximum of R1 million in total which will be limited to a payment of R800 000 for tools, machinery and equipment and limited to a payment of R200 000 for business development and training interventions.

(ECA) The Co-operative Incentive Scheme (CIS)

(Managed by the dti)

Objective:	To promote co-operatives by improving the viability and competitiveness of the co-operative enterprises by lowering the cost of doing business.
Applicability:	Any entity incorporated and registered in South Africa in terms of the Co-operatives Act.
Benefits:	Matching grant of 90% up to a maximum of R300 000 for costs relating to business development services, business profile development, feasibility studies/market research, start-up requirements etc.

(ECA) Clothing and Textile Competitiveness Programme (CTCP) - Production Incentive (PI)

(Managed by the Industrial Development Corporation (IDC))

Objective:	To structurally change the clothing and textile industry by providing funding assistance for enterprises to invest in competitiveness improvement interventions.
Applicability:	Clothing manufacturers, textiles manufacturers, Cut, Make and Trim (CMT) operators, footwear manufacturers, leather goods manufacturers and leather processors.
Benefit:	The incentive comprises two components, namely an Upgrade Grant Facility, which is meant to focus on competitiveness improvement and an Interest Subsidy for Working Capital Facility, which is meant to support working capital requirements resulting from past and future upgrading interventions. The grant is limited to a benefit ceiling, which is calculated as 7.5% of a company's manufacturing value addition.

(ECA) The Clothing and Textile Competitiveness Improvement Programme (CTCIP)

(Managed by the IDC)

Objective:	To stimulate the competitiveness of the South African clothing and textile manufacturing sector by encouraging world-class manufacturing initiatives aimed at improving people, processes and products.
Applicability:	Competitiveness improvement projects undertaken on an individual company level or on a cluster level.
Benefit:	Cost-sharing grant of 75% of project costs for cluster projects and 65% of project costs for company-level projects. The cluster project grant will be limited to R25 million per approved cluster and the company-level grant will be limited to R2.5 million per approved company.

(ECA) Jobs fund

(Managed by the Development Bank of Southern Africa)

Objective:	To co-finance public and private sector projects that will significantly contribute to job creation.
Applicability:	The Fund will, on a competitive basis, consider co-financing proposals from private sector, non-governmental organisations, government departments and municipalities that show economic development potential linked to sustainable job creation.
Benefit:	<p>Matching grant funding determined as follows:</p> <ul style="list-style-type: none"> Private sector enterprise development initiatives: Applicant to provide matching funding on a 1:1 ratio. The minimum grant size will be R5 million, implying a minimum overall project size of R10 million. Public sector enterprise development initiatives: Applicant to provide matching funding on a 0.2:1 ratio. The minimum grant size will be R5 million, implying a minimum overall project size of R6 million. Infrastructure Initiatives: Applicant to provide matching funding on a 1:1 ratio. The minimum grant size will be R10 million, implying a minimum overall project size of R20 million. Private sector support for work-seekers initiatives: Applicant to provide matching funding on a 1:1 ratio. The minimum grant size will be R3 million, implying a minimum overall project size of R6 million. Public sector support for work-seekers initiatives: Applicant to provide matching funding on a 0.2:1 ratio. The minimum grant size will be R3 million, implying a minimum overall project size of R3.6 million.

Export incentives - Non-industry specific

(ECA) Export Marketing and Investment Assistance (EMIA) scheme (Managed by the dti)

Objective:	To assist South African exporters in establishing export markets for their products and to attract foreign investment into South Africa through the following schemes: National Pavilions, Individual Participation in exhibitions, Outward Investment and selling missions, Inward buying and investment missions, Individual inward missions, Foreign direct investment and primary market research.
Applicability:	Available to all enterprises registered with the Commissioner of Customs and Excise with special terms for SMMEs.
Benefit:	A portion of specified costs relating to: <ul style="list-style-type: none"> • Travel (economy class). • Daily subsistence. • Transportation of samples for specific events. • Development of marketing materials for specific events. • Exhibition costs relating to stand rental, stand design and set up costs. • Costs of brochures.

(ECA) Sector specific assistance scheme (Managed by the dti)

Objective:	Develop new export markets, broaden the specific industry export base, increase participation of B-BBEE and SMME companies in the export process.
Applicability:	Approved export councils, registered industry associations and joint actions groups.
Benefit:	A matching grant of between 50% and 80% of the cost to support the development of the partnerships.

(ECA) Capital projects feasibility programme (previously SA capital goods feasibility study fund) (Managed by the dti)

Objective:	To facilitate feasibility studies that are likely to lead to projects that will increase South African exports and stimulate growth for local capital goods and services.
Applicability:	South African-registered companies.
Benefit:	An advance up to a maximum of 50% of study costs for projects outside Africa and 55% for projects in Africa.

(ECA) Steel rebate (Funded by South African Iron and Steel Institute)

Objective:	To promote the development of the value-added steel-processing industry in South Africa as an expanding market for locally produced primary steel products, to enhance South Africa's foreign currency earnings and increase employment opportunities.
Applicability:	Exporters (situated in SACU) of fabricated steel products where 20% value has been added.
Benefit:	Rebates based on the value of exports, currently at R135 per ton of net steel content (VAT exclusive) provided by steel suppliers.

(ECA) Customs rebate and drawback provisions (Managed by the International Trade Administration Commission of South Africa (the dti))

Objective:	Promote manufacturing and exporting of South African goods.
Applicability:	Importers, exporters and manufacturers.
Benefit:	Rebate or drawback of customs duties on imported goods, raw materials and components used in manufacturing or processing of goods for export.

(ECA) Industrial Development Zones (IDZs)	
<i>(Managed by the dti)</i>	
Objective:	To promote manufacturing and increase the competitiveness of South African exports.
Applicability:	All manufacturers and exporters located in the Customs Controlled Area (CCA) designated zones of IDZs.
Benefit:	Rebate of customs duties, exemption of VAT on imported goods, raw materials and components used in manufacturing and processing goods for export and exemption of VAT on services provided in CCAs.
Developments:	To support the objectives of the Industrial Policy Action Plan and the New Growth Path, businesses making Greenfield and Brownfield investments qualify for tax relief subject to approval being granted by the dti . Greenfield investments in IDZs qualify for additional relief. Government will be considering expanding incentives for labour-intensive projects in IDZs.
(ECA) Value Added Tax (VAT) - Export incentives	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	To encourage exports from and investment in South Africa.
Applicability:	Exporters, registered as VAT vendors in South Africa.
Benefit:	A vendor may supply movable goods at the zero rate, where the vendor consigns or delivers the goods to an address outside South Africa. Requirements as outlined in VAT Interpretation Notes 30 (Issue 2), 31 or the Export Incentive Scheme (1998) should be complied with. Alternatively the "qualifying purchaser" may claim a refund of the VAT from the VAT refund administrator upon the exit of the goods from South Africa.

(ECA) Value Added Tax (VAT) - Industrial Development Zones (IDZs)	
<i>(Managed by the dti)</i>	
IDZs are purpose-built industrial sites in South Africa which have been specifically designated to be developed and operated by the private sector.	
Objective:	To encourage industrial development and investment in South Africa and to stimulate trade and job creation.
Benefit:	The South African VAT Act allows a vendor to charge VAT at the zero rate on various types of supplies of goods or services to a Customs Controlled Area (CCA) enterprise or an IDZ operator. VAT Interpretation Note 40, which was released by SARS, clarifies the VAT treatment of the supply of goods and/or services to and from a CCA enterprise or IDZ operator in an IDZ.
(ECA) Value Added Tax - Licensed customs and excise storage warehouse	
<i>(Managed by the South African Revenue Service)</i>	
The supply of goods by a non-resident of the Republic that have been entered for storage into a licensed Customs and Excise storage warehouse but not yet cleared for home consumption is exempt from VAT, unless the non-resident applies in writing to SARS to be allowed to zero rate the supply.	
Objective:	To limit the VAT registration and administrative burden for non-residents in South Africa.
Benefit:	Non-residents do not have to register and charge VAT on supplies within such storage warehouses. Non-residents applying to be registered and zero rating their supplies will be able to claim back any VAT incurred in relation to such zero-rated supplies.

Export incentives - Industry specific

(ECA) Clothing and Textile Competitiveness Improvement Programme (CTCIP) <i>(Managed by the IDC)</i>	
Objective:	To build capacity in manufactures and in other areas of the apparel value chain in South Africa to effectively supply to the major retailers, as well as to grow South African-based clothing and textile manufacturers to be globally competitive.
Applicability:	Small and large to medium-sized companies in clothing and textile manufacturing or support, supplier and/or customer organisations to these entities. The effective date for receipt of applications under this programme is 1 April 2009, for a period of five years, ending in 2014.
Benefit:	Investment support to both local- and foreign-owned entities: <ul style="list-style-type: none"> • A matching grant incentive of 75% of project cost on cluster projects and 65% of project cost for company-level projects. • Excludes costs in machinery, equipment, commercial vehicles, land and buildings in an existing clothing and textile production facility. • The extent of the incentive for projects on company level will be 65% of eligible project cost up to a maximum of R2.5 million over five years. • The cluster grant will support the development of such clusters through the provision of 75:25 matching grants: 75% from the CTCIP grant and 25% from the cluster participants. • Grant support for each approved partnership will be limited to a cumulative ceiling of R25 million. • Grants made by the programme will be made exclusive of VAT.

(ECA) Motor Industry Development Programme (MIDP) <i>(Managed by the dti)</i>	
Background:	The MIDP is a voluntary incentive scheme designed to save motor vehicle industry participants money, in the form of a reduction on import duties payable to SARS Customs. In 2005, the dti started to review the programme's success and identify gaps and shortcomings arising from its implementation. After an appeal from the Australian automotive leather seat industry to the World Trade Organisation (WTO) stating that SA was non-compliant with the WTO's agreement on subsidies and countervailing measures, the review incorporated a revision of the existing MIDP to amend the existing programme with SA's multilateral obligations. This gave rise to the proposed Automotive Production and Development Programme (APDP) to be implemented on 1 January 2013.
Objective:	<ul style="list-style-type: none"> • To increase local economic productivity by encouraging fewer model productions. • To increase international competitiveness of the South African motor industry by assisting in reducing the cost of goods in the form of import duty savings. • Encouraging foreign currency earnings through increased exports and promoting foreign investment with the aim of creating and retaining jobs.
Applicability:	Motor vehicle assemblers, component manufacturers and associated exporters.
Benefits:	There are three import duty reducing incentives currently available: <ul style="list-style-type: none"> • Duty-free Allowance (DFA): Exclusive to motor vehicle assemblers on production of motor vehicles for the domestic market; • Import Rebate Credit Certificates (IRCCs): Export performance-based incentive to be used against imported motor vehicles and components; and • Productive Asset Allowance (PAA): Investment-based incentive linked to investments in buildings, machinery, equipment and tooling to be used in manufacturing of motor vehicles and related components (valid until June 2009).

(ECA) Automotive Production and Development Programme (APDP) <i>(Managed by the dti)</i>	
Background:	<p>On 1 January 2013, the APDP will replace the existing MIDP. The APDP objectives include the following:</p> <ul style="list-style-type: none"> • Stimulate expansion of automotive vehicle production to 1.2 million vehicles per annum by 2020 with associated deepening of the components industry. • Achieve better balance between domestic and export sales to supply growing domestic demand. • Expand value-added investment, employment and net government revenue (directly and via multiplier effect). • Make a large positive contribution to the balance of payments.
Benefits:	<p>The following benefits will be available under APDP:</p> <ul style="list-style-type: none"> • AIS: Investment-based incentive linked to investments in buildings, machinery, equipment and tooling to be used in manufacturing of motor vehicles and related components to increase plant production volumes and strengthening of the automotive value chain. • Production Incentive (PI): Incentive available to final manufacturers based in the Southern African Customs Union (SACU) and will be based on value added in the production process of qualifying automotive components. • Local Assembly Allowance (LAA): The LAA will be replacing the Duty-Free Allowance (DFA). This incentive will cover all vehicles assembled within South Africa irrespective of their market focus.

(CEI) Automotive Investment Scheme (AIS): Valid from 1 July 2009 <i>(Managed by the dti)</i>	
Objective:	To encourage investment in the motor industry sector by manufacturers of specified light motor vehicles and automotive components with the aim of encouraging the localisation of components fitted to new or replacement motor vehicle models, encouraging manufactures to achieve economies of scale by increasing plant production volumes, encouraging upgrading in manufacturing processes and strengthening the automotive value chain.
Applicability:	Motor vehicle assemblers and automotive component manufacturers associated in motor vehicle assemblers supply chain.
Benefit:	20% taxable cash grant of the value of the investment in productive assets, approved by the dti , spread equally over a three-year period. An additional taxable cash grant, 5% or 10 % over and above the 20% taxable cash grant is available to projects found to be strategic by the dti .



(ECA) Production Incentive (PI) with effect from 1 January 2013

(Managed by the IDC)

The PI is an incentive available to final manufacturers based in the Southern African Customs Union (SACU) and will be based on value added in the production process of qualifying automotive components. The PI will basically be calculated on the sales invoice of the final manufacturer less the value of imports and local materials introduced by itself or by other manufacturers in the manufacturing chain. 25% of certain material will be deemed to have a local content.

Applicability:	Motor vehicle assemblers and automotive component manufacturers associated in motor vehicle assemblers supply chain.
Benefit:	55% and 60% of the production incentive calculated to non-vulnerable and vulnerable industries reducing by 1% annually.

(ECA) Local Assembly Allowance (LAA)

(Managed by the dti)

The LAA will be replacing the Duty-free Allowance (DFA). This incentive will cover all vehicles assembled within South Africa irrespective of their market focus.

Applicability:	Exclusive to motor vehicle assemblers on production of motor vehicles for the domestic market.
Benefit:	The incentive will commence with 20% in 2013, reducing by 1% each year until 2015, at which it will remain at 18 % until 2020.

Industrial financing

(ECA) Food, beverage and agro industries

(Managed by the IDC)

Objective:	Promote the establishment of permanent infrastructure in the agricultural and aquaculture sectors and establish new or expand existing undertakings in the food and beverages sector.
Applicability:	Focus areas are: <ul style="list-style-type: none"> • Horticulture primary agricultural sector. • Food processing sector. • Agro-industrial sector. • Beverage sector. • Fishing and aquaculture sectors.
Minimum finance requirement:	More than R1 million in debt and/or more than R5 million in equity.
Benefit:	Competitive, risk-related interest rates are based on the prime bank overdraft rate.

(ECA) Chemicals, textiles and allied industries

(Managed by the dti and IDC)

Objective:	To stimulate development and sustainable global competitiveness.
Applicability:	Focus areas are: <ul style="list-style-type: none"> • Upstream and basic chemicals. • Ceramic, concrete and stone products. • Cosmetics and detergents. • Fine and speciality chemicals. • Glass products. • Recycling. • Rubber products. • Plastic products.
Minimum investment requirements:	<ul style="list-style-type: none"> • For chemicals and allied industries a minimum loan size of R1 million at a prime linked interest rate; and • Minimum equity amount is R5 million at a minimum of 8% real after-tax IRR.
Benefit:	Competitive, risk-related interest rates are based on the prime bank overdraft rate.

(ECA) Mining and beneficiation
(Managed by the IDC)

Objective:	Assistance for small and medium-sized mining and beneficiation activities and jewellery manufacturing.
Applicability:	Focus areas are: <ul style="list-style-type: none"> Financial and technical assistance for the development of mining, beneficiation and metals projects in South Africa and the rest of the continent. Financial assistance for junior and emerging mining houses and mining-related activities such as contract mining. Facilitating the acquisition of mining assets by historically disadvantaged persons (HDPs). Developing the South African jewellery manufacturing industry and optimising value-addition beneficiation opportunities.
Benefit:	Competitive risk-related interest rates based on the prime bank overdraft rate.

(ECA) Wood and paper industries
(Managed by the IDC)

Objective:	To be the key player in the generation of a balanced, integrated and internationally competitive forest products sector within the Southern African region.
Applicability:	Focus areas are projects and investments in the following industries: <ul style="list-style-type: none"> Forestry. Pulp and paper. Furniture. Sawmilling, board production, etc. Renewable energy.
Benefit:	Competitive risk-related interest rates based on the prime bank overdraft rate.

(ECA) Healthcare
(Managed by the IDC)

Objective:	To support and develop businesses in both the healthcare and education sectors in South Africa and the rest of the continent. These include the financing of Greenfield projects, expansions and acquisitions and combinations thereof.
Applicability:	Focus areas are: <ul style="list-style-type: none"> Manufacturing of medical equipment. Medical schemes administration and medical schemes management. Medical and dental practice activities. Clinics and related services. Hospital services. Human health services. Management services of the above businesses. Buy-ins or take-overs by B-BBEE partners of the above existing businesses.

Note:
Preference is given to Greenfield projects, expansions and rehabilitations; projects exhibiting economic merit in terms of profitability and sustainability; projects which have a significant development impact (e.g. rural development, empowerment, job creation); financing of fixed assets and the fixed portion of growth in working capital, buy-ins or take-overs by HDIs and businesses led by competent management team members.

Minimum requirements:	<ul style="list-style-type: none"> Minimum loan amount is R1 million at a prime linked interest rate. Minimum equity amount is R5 million at a minimum of 8% real after tax IRR and 30% of upside portion. Compliance with international environmental standards. Shareholders/owners are expected to make a significant financial contribution.
Benefit:	Competitive, risk-related interest rates based on the prime bank overdraft rate.

(ECA) Metal, transport and machinery products	
<i>(Managed by the IDC)</i>	
Objective:	To develop and support viable downstream metal producers with a focus on the automotive, other transport, structural and fabricated metal, as well as the machinery sectors.
Applicability:	Focus areas are: <ul style="list-style-type: none"> • Basic iron, steel and non-ferrous fabricated metal products. • Plant, machinery and equipment. • Motor vehicles, components and accessories. • Diverse transport products such as boats, planes and trains.
Note:	
Preference is given to financing of fixed assets and the fixed portion of growth in working capital requirements and projects/ businesses which have a significant developmental impact (e.g. rural development, empowerment, job creation).	
Minimum investment requirements:	<ul style="list-style-type: none"> • Minimum loan amount is R1 million at a prime linked interest rate. • Minimum equity amount is R5 million at a minimum of 8% real after tax IRR and 30% of upside portion. • Shareholders/owners are expected to make a significant financial contribution.
Benefit:	Competitive, risk-related interest rates based on the prime bank overdraft rate.

(ECA) Technology industry	
<i>(Managed by the IDC)</i>	
Objective:	Development and expansion of technology intensive businesses in information technology (IT), telecommunication, electronic and electrical industries.
Applicability:	Entrepreneurs in the IT, telecommunication, electronic and electrical industries wanting to develop or expand their businesses. New technology ventures with strong local or foreign technology partners and proven technology.
Minimum investment requirements:	<ul style="list-style-type: none"> • Minimum loan amount is R1 million at a prime linked interest rate. • Minimum equity amount is R5 million at a minimum of 8% real after tax IRR and 30% of upside portion. • Shareholders/owners are expected to make a significant financial contribution.
Benefit:	Competitive risk-related interest rates based on the prime bank overdraft rate.
(ECA) Tourism finance	
<i>(Managed by the IDC)</i>	
Objective:	To contribute to Government's strategy for the tourism industry, participate in the establishment of good-quality hotels in South Africa and the rest of Africa and diversify the portfolio into other subsectors such as cultural and heritage products, arts and crafts and business tourism.
Applicability:	Focus on asset-based finance, with the bulk of the portfolio invested in the accommodation sector.
Preference is given to:	<ul style="list-style-type: none"> • Projects that show profitability and sustainable commercial viability. • Financing of fixed assets and capital expenditure. • A product or facility for which there is an identifiable demand from a quantifiable market. • Projects which have a significant developmental impact (i.e. job creation, empowerment and rural development).
Minimum financing requirement:	R1 million.
Benefit:	Competitive risk-related interest rates based on the prime bank overdraft rate.

(ECA) Transportation	
<i>(Managed by the IDC)</i>	
Objective:	Focuses on proactively identifying and developing market opportunities that result in the promotion of entrepreneurship, facilitation of transport links and access to financial services.
Applicability:	<p>Focus areas are:</p> <ul style="list-style-type: none"> • Transport services (road, freight, logistics, maritime, aviation and bus sector). • Financial services (retail banking, acquisitions and commercial micro-finance). • Other (security services, listed retail acquisitions and catering services).
Preference is given to:	<p>Emerging or established entrepreneurs wishing to raise finance for:</p> <ul style="list-style-type: none"> • A minimum loan of R1 million. • A minimum of R500 000 for bridging facilities for specific contracts. • A minimum of R5 million for equity-related transactions.
Benefit:	Competitive risk-related interest rates based on the prime bank overdraft rate.
(CRD) Venture capital	
<i>(Managed by the IDC)</i>	
Objective:	To facilitate the development and commercialisation of technology-rich South African Intellectual Property (IP) that is unique from a global perspective.
Applicability:	<ul style="list-style-type: none"> • IP owned by the company. • Development of IP done in-house. • IP that is patentable (if not patentable, should provide some form of sustainable competitive advantage). • Management teams must include people with all the required key competencies. • Key founding shareholders should be involved in the business on a full-time basis. • Business should display good prospects of being economically viable.
Benefit:	Equity funding of between R1 million and R30 million per project (maximum first round funding of R15 million with the right, but not obligation, to provide follow-on funding up to maximum of R30 million).

Industrial participation

Note:	
The Department of Public Enterprises (DPE) established a Competitive Supplier Development Programme (CSDP), which is responsible for finding innovative ways to leverage state-owned enterprises (SOE) procurement to build local world-class manufacturing capabilities, both to supply the SOE with capital goods in their build programmes and to gain access to the global value chains of the SOEs' first tier multi-national suppliers. This project also coordinates supplier industry support measures across Government, involving the dti , DST and the IDC. Another key component of this project is creating world-class procurement practices in the SOE, through training and certification.	
The ultimate goals of the CSDP are:	<ul style="list-style-type: none"> • To contribute to the AsgiSA aims of increasing economic growth, employment creation, skills development and B-BBEE. • To develop local industries to supply participating SOEs with high-quality, globally-competitive goods and services. • To improve the quality, efficiency and cost-effectiveness of the services provided by the SOEs, as a result of their obtaining more-competitive goods and services from local suppliers. • To improve the competitiveness of the SOEs as a result of savings resulting from their sourcing from innovative, responsive and more competitive suppliers.
(ECA) Defence Industrial Participation Programme (DIP)	
<i>(Managed by the dti)</i>	
Objective:	The process where purchases of the Department of Defence are used as a leverage to oblige a foreign seller of defence commodities/services to do defence-related business in South Africa on a reciprocal basis in order to advance military strategic and defence-related industrial imperatives.
Applicability:	Mandatory on all foreign defence purchases above US\$2 million.
Requirements (defence purchases):	<ul style="list-style-type: none"> • Exceeding US\$2 million but less than US\$10 million: Require a DIP obligation of up to 50%. • Exceeding US\$10 million: Require a DIP obligation of at least 50% and a National Industrial Participation obligation of at least 30%.

Social responsibility

(ECA) DANIDA business-to-business programme

(Managed by KHULA Enterprise Finance LTD)

Objective:	To develop and strengthen business opportunities and create jobs for eligible entrepreneurs from previously disadvantaged communities.
Applicability:	Development support is provided to commercially viable businesses, based on the formation of business partnerships between black-owned/controlled South African companies and Danish business enterprises.
Benefit:	Support for expenses relating to the transfer of management and business skills, technology from Danish to South African companies and to provide access to financing for the South African company. Khula may issue up to 100% guarantee to the financial institution that will issue a loan for the procurement of shares, purchase of machinery and capital equipment for the business.

(ECA) DEG Public Private Partnership (PPP)

Objective:	Provides co-financing for private sector activities in developing countries that positively affect sustainable development and social upliftment.
Applicability:	Projects that lead up to or accompany investment, the transfer of technology and entrepreneurial know-how, training of employees and raising social and environmental standards. Companies partnering with, or related to, companies of the European Union, Norway and Switzerland.
Benefit:	Up to a maximum of 50% of the costs of an individual activity not exceeding €200 000 per project.

(ECA) Woman Economic Empowerment Financial Assistance (Incentives)

Bavumile (Bavumile)

(Managed by the dti)

South African women are gifted and talented in both designing and crafting fashionable products for both the local and the international markets, mainly promoting South African "Culture and Heritage". However, one of their greatest challenges is to produce quality products that can easily occupy the shelves of many local and international retail shops, boutiques thus catching the eye of the buyer.

Responding to the above, and further implementing the objectives of interventions proposed by two strategies (being the Engendering AsgiSA and the draft Strategic Framework on Gender and Women's Economic Empowerment), "Bavumile" is being introduced.

Bavumile will ensure the quality production of cultural products that are commercially viable and produced by women. By imparting relevant skills and expertise, various products will be identified; prototypes developed, with the manufacturing processes placed in the most efficient order and product developed, thus made ready to different retail shops for consumption.

Objective:	The primary objective is to upgrade the basic skills of woman with home-based enterprises to produce quality, commercially viable, crafts and other culturally-based products.
Applicability:	Find and recruit woman currently involved in creative, clothing and textile industries, with skills in embroidery, weaving, netting, sewing and beading.
Benefit:	Provide specialist skills training and additional training in packaging, customer service, basic bookkeeping and establishing an enterprise or co-operative.

Tax incentives

Preferential corporate tax rate for small business	
<i>(Managed by the South African Revenue Service)(ECA)</i>	
Objective:	To encourage small/medium business development in South Africa.
Applicability:	Qualifying small/medium businesses with a turnover for the year of assessment that does not exceed R14 million are eligible (for years of assessment commencing on or after 1 April 2012).
Benefit (taxable income):	<ul style="list-style-type: none"> • R0 – R63 556 = 0%. • R63 557 - R350 000 = 7%. • Over R350 001 = R20 051 + 28% of amount greater than R350 000.
(CRD) Research and development	
<i>(Managed by the South African Revenue Service and the Department of Science and Technology)</i>	
Objective:	To stimulate scientific or technological research and development.
Applicability:	Expenditure incurred in the discovery of novel, practical and non-obvious information or devising, developing or creating any invention, design or computer programme or any knowledge essential to the use of the invention, design or computer programme.
Benefit:	Deduction increased to 150% for expenditure incurred on or after 2 November 2006. Accelerated allowance on research and development assets.

(CEI) Depreciation	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	To stimulate investment in capital assets.
Applicability:	<ul style="list-style-type: none"> • Plant and machinery. • Manufacturing or similar process (new or unused). • Hotel equipment. • Farming. • Buildings: <ul style="list-style-type: none"> - Industrial (manufacturing or similar process). - Hotels. - Hotel refurbishments.
Benefit:	<ul style="list-style-type: none"> • New or unused (Plant and Machinery): <ul style="list-style-type: none"> - 40% per annum - 1st year. - 20% per annum - 2nd to 4th years. • Used (Plant and Machinery): <ul style="list-style-type: none"> - 20 % per annum. • Hotel equipment: <ul style="list-style-type: none"> - 20% per annum. • Farming and production of renewable energy: <ul style="list-style-type: none"> - 50% - 1st year. - 30% - 2nd year. - 20% - 3rd year. • Hotel refurbishment: <ul style="list-style-type: none"> - 5% per annum for external refurbishments. - 20% per annum for internal refurbishments.
Special depreciation allowances on manufacturing buildings vary between 2% per annum and 10% per annum. Wear and tear rates vary for assets not used as part of the manufacturing process.	

(ECA)Urban development allowances <i>(Managed by the South African Revenue Service)</i>	
Objective:	To counter decay and stimulate urban regeneration.
Applicability:	All taxpayers refurbishing a building within a designated urban development zone or taxpayers constructing a new commercial or residential building in such a zone.
Benefit:	<p>The following allowances are available:</p> <ul style="list-style-type: none"> In the case of the erection of new buildings or extensions or additions thereto, the allowance is equal to 20% of the cost incurred, which is deductible in the year of assessment the building is brought into use solely for the purposes of the taxpayer's trade; and 8% of that cost in each of the 16 succeeding years of assessment. <p>The total cost can, therefore, be claimed over 11 years.</p> <ul style="list-style-type: none"> In the case of improving an existing building, the allowance is equal to 20% of the cost incurred; deductible for the first time in the year of assessment the improved part is brought into use solely for the purposes of the taxpayer's trade, and 20% for each succeeding year of assessment. <p>The total cost can therefore be claimed over five years.</p>



(ECA)Infrastructural development <i>(Managed by the South African Revenue Service)</i>	
Objective:	To encourage investment in infrastructure.
Applicability:	Taxpayers involved in the erection of pipelines, transmission lines and railway lines.
Benefit:	<p>A tax deduction is granted in respect of any new or unused affected assets owned by the taxpayer. The allowances are as follows:</p> <ul style="list-style-type: none"> Pipelines used to transport natural oil: 10% of the cost per annum. All other affected assets.
(ECA)Public private partnerships <i>(Managed by National Treasury)</i>	
Objective:	Encouragement of the private sector to invest in infrastructure in partnership with the public sector.
Applicability:	Grants received by the Government and utilised by the taxpayer to effect improvements to state-owned property, in pursuance of the terms of the relevant lease agreement with the state.
Benefit:	<p>The receipt of qualifying Government grants is exempt from tax. In addition, a tax allowance is available in respect of such improvements actually effected by the taxpayer. The allowances are as follows:</p> <ul style="list-style-type: none"> 25 years; or Spread over the period of the lease, whichever is shorter.
(ECA)Rolling stock depreciation <i>(Managed by the South African Revenue Service)</i>	
Objective:	Encouragement of infrastructural development of rail transportation.
Applicability:	Rolling stock, this is understood to mean trains, carriages and the like.
Benefit:	Deduction of 20% per annum of the cost incurred in respect of rolling stock brought into use on or after 1 January 2008.

(ECA) Environmental expenditure deductions	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	Provide relief for the depreciation of environmental expenditure.
Applicability:	Environmental treatment and recycling assets and environmental waste disposal assets ancillary to a manufacturing process.
Benefit:	<ul style="list-style-type: none"> • Environmental treatment and recycling assets: <ul style="list-style-type: none"> - 40% per annum 1st year. - 20% per annum 2nd to 4th year. • Environmental waste disposal assets: <ul style="list-style-type: none"> - 5% per annum.
(ECA) Commercial buildings depreciation	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	Provide relief in respect of commercial buildings.
Applicability:	Buildings (and improvements) used wholly or mainly in the production of income, where building is owned by the taxpayer.
Benefit:	<ul style="list-style-type: none"> • 5% depreciation per annum on new or unused buildings (and improvements). • Specifically excludes buildings used in the provision of residential accommodation.
(ECA) Carbon-reducing charges	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	To take advantage of the Clean Development Mechanism (CDM) opportunities of the Kyoto Protocol.
Applicability:	Companies that receive revenue from Certified Emission Reductions (CERs).
Benefit:	Revenue derived from primary CERs (from CDM projects) is tax exempt. This applies to all revenue received in respect of disposals on or after 11 February 2009.

(ECA) Energy expenditure allowances	
<i>(Managed by the Department of Energy)</i>	
Objective:	To provide relief for the depreciation of energy-efficient equipment.
Applicability:	Energy-efficient equipment.
Benefit:	Energy-efficient equipment to be given an additional allowance of up to 15%, subject to conditions. Effective date still not determined.
(ECA) Oil and gas income tax incentives	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	To provide tax incentives to oil and gas companies involved in incidental trades in South Africa.
Applicability:	Oil and gas companies.
Benefit:	Tax incentives to be provided to oil and gas companies that are involved in incidental trades inside South Africa.
(ECA) Underwater telecommunication cable allowances	
<i>(Managed by the South African Revenue Service)</i>	
Objective:	To provide relief for the depreciation of underwater telecommunication cables.
Applicability:	Underwater telecommunication cables.
Benefit:	5% depreciation allowance over 20 years.
(ECA) Film rebate subsidies	
<i>(Managed by the dti)</i>	
Objective:	To provide tax exemptions to investor-owner film producers.
Applicability:	Investor-owner film producers.
Benefit:	Tax exemptions to be granted to investor-owner film producers.

(CRD) Support Programme for Industrial Innovation (SPII)	
Objective:	Promote technology development in South Africa through provision of financial assistance to all South African registered enterprises in manufacturing or software development that engage in development of innovative, competitive products and/or processes.
(CRD) SPII matching scheme <i>(Managed by the IDC)</i>	
Applicability:	<p>The Matching Scheme is available to all South African registered Small and Medium Enterprises (SME): (employees < 200, turnover < R51 million, assets < R19 million) in the private sector that are engaged in a manufacturing or an information technology related project.</p> <p>The Matching Scheme is also available to large companies. A large company is as defined in the Small Business Act of 2003.</p>
Benefit:	<ul style="list-style-type: none"> For SMEs: A grant of between 50% to 75% of the qualifying cost incurred during the technical development stage up to a maximum of R3 million per project. For enterprises with <25% black shareholding - the grant amount is 50%, for enterprises with >25% ≤50% black shareholding or women/ physically challenged shareholding - the grant amount is 65%, and for enterprises with black shareholding >50% - the grant amount is 75%. For large companies: A grant of 50% of the qualifying cost incurred during the technical development stage up to a maximum of R30 million per project. The incentives for B-BBEE and women participation provided under both the Product Process Development (PPD) and Matching Schemes do not apply to large companies.

(CRD) SPII - Partnership scheme <i>(Managed by the IDC)</i>	
Applicability:	All private sector enterprises engaged in a manufacturing or an IT-related project.
Benefit:	A conditional repayable grant of 50% of the qualifying cost incurred during development activity with a minimum grant amount of R3 million per project, repayable on successful commercialisation of the project.
(CRD) SPII - Product process development scheme <i>(Managed by the IDC)</i>	
Applicability:	All small and micro private sector enterprises (employees less than 50, turnover less than R13 million, total gross assets less than R5 million) whose members are actively involved in the management of a business that is engaged in a manufacturing or an information technology-related project.
Benefit:	A grant of between 50% and 85% of the qualifying cost incurred during the technical development stage with a maximum grant amount of R1 million per project. For enterprises with <25% black shareholding - the grant amount is 50%. For enterprises with >25% ≤50% black shareholding or women/ physically challenged shareholding - the grant amount is 75%. For enterprises with black shareholding >50% - the grant amount is 85%.

(CRD) Technology and Human Resources for Industry Programme (THRIP) <i>(Managed by the National Research Foundation and the dti)</i>	
Objective:	To boost South African industry by supporting research and technology development, and by enhancing the quality and quantity of appropriately skilled people.
Applicability:	THRIP supports all companies undertaking science, engineering and technology (SET) research in collaboration with educational institutions and will consider the support of projects in which the primary aim is to promote and facilitate scientific research, technology development, and technology diffusion, or any combination of these.
Benefit:	THRIP will contribute between 30% and 50% of the funds invested by a company in research projects. For all SMME and all SMME and B-BBEE partners the THRIP funding will contribute between 100% and 200% of the funds invested. The maximum level of THRIP funding per grant holder will be set at R8 million across any number of projects per annum.

(CRD) Innovation Fund (IF) <i>(Funded by the Department of Science and Technology)</i>	
	<ul style="list-style-type: none"> • Advancement Programme (TAP): Invests in research and development from proof-of-idea/science to proof-of-concept, and is open to publicly funded institutions (including higher education institutions and science councils), small and medium-sized businesses, and any consortia consisting of these. • Missions in Technology Programme (MiTech): A public-private partnership programme for the development of technology platforms. • Seed Fund: Invests in early commercialisation/start-up activities to take a technology that is at proof-of-concept / prototype to the market. • Patent Support Fund for SMEs: To assist in absorbing the cost of protecting their intellectual property through patent registration. • Patent Support Fund-Technopreneur: This fund supports the filing of at least a South African provisional patent application in respect of technological inventions by individuals, so-called techno-entrepreneurs, where such inventions have commercial merit and a prototype can be developed in under 12 months. • Patent Support Fund for Research Institutions: Provides subsidy to publicly funded institutions (higher education institutions and science councils) for costs incurred in filing and prosecuting patent applications, and maintaining patents. • Patent Incentive Scheme: A scheme to encourage patent protection through cash incentives to inventors in publicly funded institutions (higher education institutions and science councils) who obtain patents for their inventions.
Benefit:	The IF uses a flexible returns structure be it royalty, equity, convertible loans or combinations thereof, structured as appropriate for each investment.

(CEI) Manufacturing Competitive Enhancement Programme (MCEP) <i>(Managed by the Department of Trade and Industry (the dti))</i>	
Objective:	To provide a credible support package to stabilise and grow output, employment and confidence in the manufacturing sector in the of face or uncertain local and export market conditions arising from the global economic crisis.
Applicability:	Providing assistance for participants in the manufacturing and engineering sector, including conformity assessment agencies. Please note that this incentive programme will not be available to start-ups or companies without at least one year's manufacturing track record. It is, however, important that all enterprises that are in the manufacturing value chain should take cognisance of MCEP as it may affect them, whether directly or indirectly.
Benefit:	<p>Applicants will be assigned a benefit ceiling based on entity level manufacturing value add, which the applicant will have to claim through the seven sub-programmes of the MCEP within a two-year period. MCEP consists of two categories, a production incentive and industrial financing loan facilities. The two categories have seven components in terms of which an applicant can benefit from MCEP. These are:</p> <ol style="list-style-type: none"> 1. Production Incentive: <ul style="list-style-type: none"> • Capital Investment. • Green Technology and Resource Efficiency Improvement. • Enterprise Level Competitiveness Improvement. • Feasibility Studies. • Cluster Competitiveness Improvement. 2. Industrial Financing Loan Facilities: <ul style="list-style-type: none"> • Pre- and Post-dispatch Working Capital Facility. • Industrial Policy Niche Projects Fund. <p>The cash benefit, based on the MVA, which is available through the above listed nine components will amount to the following percentages of the calculated MVA:</p>

Asset Value	MVA Benefit
100% Black Shareholding	15%
< R5 million	15%
> R5 million but < R30 million	12%
> R30 million but < R200 million	10%
> R200 million	7%

It is also important to note that an applicant can apply for a combination of the seven components of MCEP and that the benefits can be substantial. As example, benefits for capital investment and green technology and resource efficiency improvements are capped at R50 million per component.



Contacts in South Africa

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www.nefcorp.co.za

Development Bank of Southern Africa (DBSA)

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Tel: +27 11 313 3911
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www.dbsa.org

Industrial Development Corporation (IDC)

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Small Enterprise Development Agency (Seda)

Box 56714, Arcadia, 0007
Tel: +27 12 441 1000
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www.seda.org.za

Business Leadership

P O Box 7006, Johannesburg, 2000
Tel: +27 11 356 4650
Fax: +27 11 726 4705
www.businessleadership.org.za

Banking ⁸⁷

Registered banks - Locally controlled

Institution	Telephone
1. ABSA Bank Limited	+27 11 350 4000
2. African Bank Limited	+27 11 256 9000
3. Capitec Bank Limited	+27 21 809 5900
4. FirstRand Bank Limited	+27 11 282 8000
5. Imperial Bank Limited	+27 11 372 6500
6. Investec Bank Limited	+27 11 286 7000
7. Marriott Merchant Bank Limited (acquired by Grindrod)	+27 31 333 6600
8. MEEG Bank Limited (deregistered)	+27 43 702 9600
9. Nedbank Limited	+27 11 294 4444
10. Peoples Bank Limited	+27 11 669 3265
11. Rennies Bank Limited	+27 11 407 3000
12. Sasfin Bank Limited	+27 11 809 7500
13. UBank Limited	+27 11 518 5000
14. The Standard Bank of South Africa Limited	+27 11 636 9111

Registered banks - Foreign controlled

Institution	Telephone
1. Albaraka Bank Limited	+27 31 364 9000
2. Habib Overseas Bank Limited	+27 11 834 7441
3. HBZ Bank Limited	+27 31 267 4400
4. Mercantile Bank Limited	+27 11 302 0300
5. The South African Bank of Athens Limited	+27 11 634 4300

Registered branches

Institution	Telephone
1. ABILLION AMRO Bank N.V (sold to Sanlam)	+27 11 685 2000
2. Bank of Baroda	+27 21 784 0715 0133
3. Bank of China Johannesburg Branch	+27 11 520 9600
4. Bank of Taiwan South Africa Branch	+27 11 880 8008
5. Barclays Bank Plc, South Africa Branch	+27 11 772 7000
6. Calyon (trading as Calyon Corporate and Investment Bank) (now, Crédit Agricole)	+27 11 448 3300
7. China Construction Bank (Johannesburg Branch)	+27 11 520 9400
8. Citibank N.A.	+27 11 944 1000
9. Commerzbank Aktiengesellschaft	+27 11 486 0565
10. Deutsche Bank AG	+27 11 775 7000
11. HSBC Bank International Ltd (Johannesburg Branch)	+27 11 6764216
12. JPMorgan Chase Bank (Johannesburg Branch)	+27 11 507 0300
13. Société Générale	+27 11 778 4380
14. Standard Chartered Bank (Johannesburg Branch)	+27 11 217 6600
15. State Bank of India	+27 11 778 4500

Registered mutual banks

Institution	Telephone
1. GBS Mutual Bank	+27 46 622 7109
2. VBS Mutual Bank	+27 15 516 3542 or +27 15 516 4410

⁸⁷ www.reservebank.co.za

Foreign banks - Representative offices

Institution	Telephone
1. American Express Limited	+27 11 294 444
2. Banca di Roma	+27 11 784 7758
3. Banco BPI, SA	+27 11 622 4376/86
4. Banco Espírito Santo e Comercial de Lisboa	+27 11 616 5382/9
5. Banco Privado Português, S.A.	+27 11 666 1605
6. Banco Totta & Açores SA	+27 11 616 3156/7
7. Bank Leumi Le-Israel BM	+27 11 328 1700
8. Bank of America, National Association	+27 11 305 5555
9. Bank of Cyprus Group	+27 11 784 3941
10. Barclays Private Bank Limited	+27 11 772 7000
11. Bayerische Hypo-und Vereinsbank Aktiengesellschaft	+27 11 5604900
12. Belgolaise Bank	+27 11 883-3861 or +27 11 884 6931
13. BILLIONP Paribas Johannesburg	+27 11 0882100/1
14. China Everbright Bank, South African Representative Office	+27 11 440 3941
15. Commerzbank AG	+27 11 486 0565
16. Crédit Industriel et Commercial	+27 11 646 0930/47
17. Credit Suisse First Boston (Europe) Limited sold to First South securities (Pty) Ltd	+27 11 505 0003
18. Credit Suisse (South Africa) (Pty) Ltd	+27 21 415 7880
19. Dresdner Bank AG (sold to Commerzbank)	+27 11 380 0600
20. Dresdner Kleinwort Wasserstein Limited (sold to Commerzbank)	+27 11 380 0600

Foreign banks - Representative offices

Institution	Telephone
1. First Bank of Nigeria	+27 11 784 9922 or +27 11 784 9925
2. Fortis Bank (Nederland) N.V .Deregistered	+27 11 883 3861 or +27 11 884 6931
3. Gerrard Private Bank (Isle of Man) Limited Deregisterd (Fairbairn Private Bank now owned by Nedbank)	+27 11 480 1691
4. Gerrard Private Bank Deregistered (now Fairbairn Private Bank Limited owned by Nedbank(Jersey) Limited	+27 11 480 1698
5. Hellenic Bank Limited	+27 11 783 0155
6. Kredietbank SA Luxembourgeoise	+27 21 905 4958
7. Millenium BCP	+27 11 622 0847 or +27 11 622 0857

Banks in liquidation

Institution	Telephone
1. Islamic Bank Limited (in final liquidation)	+27 11 484 7860
2. Regal Treasury Private Bank Limited (in liquidation)	+27 12 344 4315 or +27 11 839 3920

Chambers of commerce and industry

Afrikaanse Handelsinstituut (AHI)

P O Box 35100, Menlo Park, 0102
Tel: +27 12 348 5440
Fax: +27 12 348 8771
www.ahi.co.za

Foundation for African Business and Consumer Services (FABCOS)

P O Box 8785, Johannesburg, 2000
Tel: +27 11 036 6348
Fax: 086 639 2956
www.fabcos.co.za

National African Federation of Chambers of Commerce (NAFCOC)

P O Box 784880, Sandton, 807 5063
Tel: +27 11 807 9816
Fax: +27 11 268 2942
www.nafcoc.org.za

South African Chamber of Commerce and Industry (SACCI)

P O Box 213, Saxonwold, 2132
Tel: +27 11 446 3800
Fax: +27 11 446 3804
www.sacci.org.za

Business Unity South Africa (BUSA)

P O Box 652807, Benmore, 2010
Tel: +27 11 784 8000/1/2/3
Fax: +27 11 784 8004/086 609 8248
www.busa.org.za

Investment promotion agencies

Trade and Investment South Africa (TISA)

Private Bag X84, Pretoria, 0001
Tel: +27 12 394 3014 / for enquiries 0861 843 384
Fax: +27 12 394 4016
www.thedti.gov.za

Durban Investment Promotion Agency (DIPA)

P O Box 1203, Durban, 4000
Tel: +27 31 336 2540/40
Fax: +27 31 336 2641
www.dipa.co.za

City of Johannesburg

P O Box 1049, Johannesburg, 2000
Tel: 086 056 2874
Fax: +27 11 339 3677
cjis@joburg.org.za
www.joburg.org.za

Free State Development Corporation (FDC)

P O Box 989, Bloemfontein, 9301
Tel: +27 51 400 0800
Fax: +27 51 447 0929
www.fdc.co.za

Gauteng Economic Development Agency (GEDA)

P O Box 2200, Saxonwold 2132 Johannesburg, 2107
Tel: +27 11 327 2000
Fax: +27 11 327 7000
www.geda.co.za

Investment North West

P O Box 6352, Rustenburg, 0300
Tel: +27 14 594 2570
Fax: +27 14 594 2575/6
www.inw.org.za

Mpumalanga Investment Initiative

P O Box 3881, Nelspruit, 1200
Tel: +27 13 752 5384
Fax: +27 13 752 5385
<http://tbc-world.com> or www.mii.co.za/ (site still being tested)

Trade and Investment KZN (TIK)

P O Box 4245, Durban, 4000
Tel: +27 31 368 9600
Fax: +27 31 368 5888
www.tikzn.co.za

Trade and Investment Limpopo

P O Box 3490, Polokwane, 0700
Tel: +27 15 295 5171
Fax: +27 15 295 5197
www.til.co.za

Wesgro

P O Box 1678, Cape Town, 8000
Tel: +27 21 487 8600
Fax: +27 21 487 8700/5
www.wesgro.co.za

Eastern Cape Development Corporation (ECDC)

P O Box 11197, Southernwood, East London, Eastern Cape, South Africa, 5213
Tel: +27 43 704 5600
Fax: +27 43 704 5700
www.ecdc.co.za

Northern Cape Department of Economic Affairs & Tourism

Private Bag X5054, Kimberley, 8300
Tel: +27 53 839 4000
Fax: +27 53 832 9464
<http://economic.ncape.gov.za>

Government departments

Department of Home Affairs Republic of South Africa

Private Bag X114, Pretoria, 0001
Tel: 0800 2044 76 (Hotline) (local)
+27 12 432 6648
www.dha.gov.za

Department of International Relations and Cooperation

Private Bag X152, Pretoria, 0001
Tel: +27 12 351 0002
Fax: +27 12 388 7384
www.dirco.gov.za

The Department of Trade and Industry (*the dti*)

Private Bag X274, Pretoria, 0001
Tel: 0861 843 384/+27 12 394 1568
International: +27 12 394 0337
Local: +27 11 341 1600
Fax: 0861 843 888
Email: contactus@thedti.gov.za
www.thedti.gov.za

International Trade Administration Commission of South Africa (ITAC)

Private Bag X753, Pretoria, 0001
Tel: +27 12 394 3590/0861 843 384
Fax: +27 12 394 0597
Customer Contact Centre: 0861 843 384
Email: info@itac.org.za
www.itac.org.za

Companies and Intellectual Property Commission (CIPC)

P.O.Box 429, Pretoria 0001
Companies Call Centre: 086 100 2472
Tel: +27 12 394 9500
Fax Number: 086 517 7224
International Fax: +27 12 394 9501
Email: info@cipc.co.za
www.cipc.co.za

Acronyms and abbreviations

The Commissioner of South African Revenue Services (SARS)

Private Bag X923, Pretoria, 0001

Tel: (+27 12) 422 4000

Fax: (+27 12) 422 6848

www.sars.gov.za

The South African Reserve Bank (SARB) (Exchange Control and Securities)

P O Box 427, Pretoria, 0001

Tel: (+27 12) 313 3911

Fax: (+27 12) 313 3197/3929

www.resbank.co.za

Deloitte

Johannesburg

Deloitte Place, The Woodlands, 20 Woodlands Drive, Woodmead, Sandton 2052, South Africa

Private Bag X6, Gallo Manor, Johannesburg 2052

Tel: (+27 11) 806 5000

Fax: (+27 11) 806 5003

Cape Town

1st Floor, The Square, Cape Quarter, 27 Somerset Road
Green Point, Cape Town 8005, South Africa

Tel: (+27 21) 427 5300

Fax: (+27 21) 674 3076

Regional offices

Pretoria: (+27 12) 482 0000

Durban: (+27 31) 560 7000

East London: (+27 43) 721 1336

Pietermaritzburg: (+27 33) 347 0362

Port Elizabeth: (+27 41) 398 4000

Richards Bay: (+27 35) 789 1912

ACSA	Airports Company South Africa
AEC	African Economic Community
AEO	Authorised Economic Operator
AGOA	Africa Growth and Opportunity Act
AHI	Afrikaanse Handelsinstituut
AIS	Automotive Incentive Allowance
AltX	Alternative Exchange
ANC	African National Congress
APDP	Automotive Production and Development Programme
AsgiSA	Accelerated and Shared Growth - South Africa
ATM	Autoteller Machine
AU	African Union
AV/av	Average
B-BBEE	Broad-Based Black Economic Empowerment
BBSDP	Black Business Supplier Development Programme
BCEA	Basic Conditions of Employment Act
BEE	Black Economic Empowerment
BLNS	Botswana, Lesotho, Namibia and Swaziland Member States
BILLION/billion	Billion
BOP	Balance of Payments
BPO&O	Business Process Outsourcing and Offshoring
BRICS	Brazil, Russia, India, China and South Africa (Developing Country Grouping)
BUSA	Business Unity South Africa
CC	Close Corporation

CCA	Customs Controlled Area
CCMA	Commission for Conciliation, Mediation and Arbitration
CDM	Clean Development Mechanism
CEO	Chief Executive Officer
CERs	Certified Emission Reductions/carbon credits
CFA	Commission for Africa
CFC	Controlled Foreign Company
CGT	Capital Gains Tax
CIP	Critical Infrastructure Programme
CIPC	Companies and Intellectual Property Commission
CIS	Cooperation Incentive Scheme
CITES	Convention on International Trade in Endangered Species
CMA	Common Monetary Area
COP15	UN Conference of the Parties in Copenhagen
COP17	Conference of the Parties
COSATU	Congress of South African Trade Unions
CP	Cost Plus
CPA	Consumer Protection Act
CPT	Consumer Protection Tribunal
Corp	Corporation
CPI	Consumer Price Index
CPIX	Consumer Price Index Excluding Mortgage Interest Payments
CTCIP	Clothing and Textile Competitiveness Improvement Programme
CUP	Comparable Uncontrolled Price

DANIDA	Danish South African Business to Business Programme
DBSA	Development Bank of Southern Africa
DEA	Department of Environmental Affairs
DEG -	Deutsche Investitions- und Entwicklungsgesellschaft mbH.
DEPP	Developmental Electricity Pricing Programme
DFA	Duty-free Allowance
DFIs	Development Finance Institutions
DIPP	Defence Industrial Participation Programme
DPE	Department of Public Enterprises
DRC	Democratic Republic of Congo
DSL	Digital Subscriber Line
DT	Dividend Tax
the dti	The Department of Trade and Industry
DTT	Deloitte Touche Tohmatsu
ECD	Early Childhood Development
ECDC	Eastern Cape Development Corporation
ED	Estate Duty
EEA	Employment Equity Act
EEC	Equity Equivalent Contributions
EFTA	European Free Trade Area
e.g.	For example
EIA	Environmental Impact Assessment
EIU	Economic Intelligence Unit
EMIA	Export Marketing and Investment Assistance
et al.	et alii (and others)
EU-ETS	European Emissions Trading System
EU / SA FTA	European Union / South African Free Trade Agreement

FABCOS	Foundation for African Business and Consumer Services
FAX/fax	Facsimile
FEDUSA	The Federation of Unions of South Africa
FDI	Foreign Direct Investment
FIFA	International Federation of Football Association/ Fédération Internationale de Football Association
FIG	Foreign Investment Grant
FMCG	Fast Moving Consumer Goods
FTA	Free Trade Agreement
FTSE	"Footsie" Share Index
GAAP	Generally Accepted Accounting Practice
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GEAR	Growth Employment and Redistribution Strategy
GES	Global Employment Services
GHG	Greenhouse Gas
GNI	Gross National Income
GMT	Greenwich Mean Time
GSP	General System of Preferences
G7	Group of Seven Industrialised Nations (France, Germany, Italy, Japan, United Kingdom, United States and Canada)
G8	Group of Eight (formerly the G6 or Group of Six)

G8+5	Group of Eight plus Five (Group of leaders consists of the heads of government from the G8 nations (Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States), plus the heads of government of the five leading emerging economies (Brazil, China, India, Mexico and South Africa)
G20	Group of Twenty Finance Ministers and Central Bank Governors (Argentina, Australia Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, Republic of Korea, Turkey, United Kingdom, United States and European Central Bank)
HDEs	Historically Disadvantaged Entities / Entrepreneurs
HDI	Historically Disadvantaged Individuals
HDPs	Historically Disadvantaged Persons
HR	Human Resources
hr	hour(s)
IAS	International Accounting Standards
ICT	Information and Communication Technology
IDC	Industrial Development Corporation of South Africa Limited
IDZs	Industrial Development Zones
i.e.	id est (that is)
IF	Innovation Fund
IFRS	International Financial Reporting Standards
IIA	Industrial Investment Allowance
IOR-ARC	Indian Ocean Rim Association for Regional Cooperation
IMF	International Monetary Fund
IPAP	Industrial Policy Action Plan

IPCC	Intergovernmental Panel on Climate Change
IPPs	Independent Power Producers
ISO	International Organisation for Standardisation
IRBA	Independent Regulatory Board of Auditors
IRCCs	Import Rebate Credit Certificates
IRR	Internal Rate of Return
IT	Information Technology
ITAC	International Trade Administration Commission
ITED	International Trade and Economic Development Division
IRCC	Import Rebate Credit Certificate
IWF	Isivande Women's Fund
JI	Joint Implementation
JHB	Johannesburg/Joburg
JSE	Johannesburg Securities Exchange SA
km	Kilometres
LAA	Local Assembly Allowance
LED	Local Economic Development
LRA	Labour Relations Act
LSE	London Stock Exchange
LSU	Legal Services Unit
MBA	Master of Business Administration Programme/Degree
MDGs	Millennium Development Goals
MEIBC	Metal and Engineering Industry Bargaining Council

MFN	Most Favoured Nation principle
MiTech	Missions in Technology Programme
MIDP	Motor Industry Development Programme
MIG	Municipal Infrastructure Grant
MIGA	Multilateral Investment Guarantee Agency
NAFCOC	National African Federation of Chambers of Commerce
NAM	Non-Aligned Movement
NACTU	National Council of Trade Unions
NDPG	Neighbourhood Development Partnership Grant
NEF	National Empowerment Fund
NEPAD	New Partnership for Africa's Development
NIP	The National Industrial Participation
NIPF	National Industrial Policy Framework
NIPP	National Industrial Participation Programme
OECD	Organisation for Economic Cooperation and Development
PAA	Productive Asset Allowance
PAYE	Pay-As-You-Earn
PBO	Public Benefit Organisation
PBRs	Plant Breeders Rights
PI	Production Incentive
PII	Partnership for Industrial Innovation
PN 2	Practice Note No.2
PN 7	Practice Note No.7
Pop.	Population

PPP	Purchasing Power Parity
Prasa	Passenger Rail Agency of South Africa
PS	Profit Split
PSOM	Programme for Cooperation with Emerging Markets
PTI	Preferred Trader Initiative
PTIF	Public Transport Infrastructure
QSAPE	Qualifying South African Production Expenditure
RAND	South African Rand Currency
R&D	Research and Development
REFIT/REBID	Department of Energy's Renewable Energy Feed in Tariff
RFI	Retail Financial Intermediaries
RISDP	Regional Indicative Strategic Development Plan
ROO	Rules of Origin
RP	Resale Price
RSA	Republic of South Africa
SA	South Africa
SAA	South African Airways
SABS	South African Bureau of Standards
SACOB	South African Chamber of Business
SACU	Southern African Customs Union
SADC	Southern African Development Community
SAICA	South African Institute of Chartered Accountants
SANRAL	South African National Roads Agency
SAP	Systems Application Protocol

SAPS	South African Police Service
SARB	South African Reserve Bank
SARS	South African Revenue Service
SACP	South African Communist Party
SDL	Skills Development Levy
SDP	Supplier Development Programme
SET	Science Engineering and Technology
SFFP	Staple Food Fortification Incentive Scheme
SIP	Strategic Investment Programme
SITE	Standard Income Tax on Employees
SMEDP	Small Medium Enterprise Development Programme
SMEs	Small Medium Enterprises
SMME	Small, Medium and Micro Enterprises
SOE	State-owned Enterprises
SPII	Support Programme for Industrial Innovation
SPS	Phyto-sanitary measures
SSAS	Sector-Specific Assistance Scheme
SSP	Skills Support Programme
STC	Secondary Tax on Companies
STT	Securities Transfer Tax
TAP	Advancement Programme
TAX/tax	Taxation
TBT	Technical Barriers to Trade
TCIDP	Textile and Clothing Industry Development Programme
TD	Transfer Duty
TDCA	EU-South Africa Trade, Development and Cooperation Agreement

Addendums: Indicative costs and other practical aspects of doing business and living in South Africa

Addendum 1: Telecommunication costs

Telkom call rate charges⁸⁸

The following tables provide an overview of the new Telkom rates for 2012 (effective 1 August 2012).

Postpaid call charges (0-50km) Local:

	2011 Rates		2012 Rates (with effect from 1 August 2012)	
	Standard time	Callmore time	Standard time	Callmore time
Minimum charge	57.0 c	57.0 c	unchanged	
Per minute rate *	42.0 c	20.7 c	unchanged	
Talktime for minimum charge	81 seconds	166 seconds	unchanged	

* Actual calls are charged per second with a minimum charge per call.



TEP	Tourism Enterprise Support Programme
TEL/tel	Telephone
T-FTA	SADC-EAC-COMESA Tripartite FTA
THRIP	Technology and Human Resources for Industry Programme
TIDCA	Trade, Investment and Development Cooperation Agreement
TIFA	Trade and Investment Framework Agreement
TISA	Trade and Investment South Africa
TNMM	Transactional Net Margin Method
UIF	Unemployment Insurance Fund
UK	United Kingdom
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNFCCC	United Nations Framework Convention on Climate Change
UNISA	University of South Africa
UPOV	International Convention for the Protection of New Varieties of Plants
US	United States
USA	United States of America
USAID	US Agency for International Development
USTR	US Trade Representative
VAT	Value Added Tax
VET	Value Extraction Tax
WEF	World Economic Forum
WCO	World Customs Organisation
WHC	Widely Held Company
WTO	World Trade Organisation
ZAR	South African Rand Currency (International Notation)

⁸⁸ <http://mybroadband.co.za/news/telecoms/53803-telkoms-new-prices-full-details.html>

Postpaid call charges (>50km) Long distance:

	2011 Rates		2012 Rates	
	Standard time	Callmore time	Standard time	Callmore time
Minimum charge	57.0 c	57.0 c	unchanged	
Per minute rate *	57.0 c	28.5 c	unchanged	
Talktime for minimum charge	60 seconds	120 seconds	unchanged	

* Actual calls are charged per second with a minimum charge per call.

PrepaidFone call charges (0-50km) Local:

	2011 Rates		2012 Rates	
	Standard time	Callmore time	Standard time	Callmore time
Minimum charge	79.0 c	79.0 c	83.0 c	83.0 c
Per minute rate *	57.3 c	27.3 c	60.2 c	28.7 c
Talktime for minimum charge	83 seconds	174 seconds	unchanged	

* Actual calls are charged per second with a minimum charge per call.

* The surcharge for PrepaidFone Waya-Waya increase from 63c to 66c per call.



PrepaidFone call charges (>50km) Long distance:

	2011 Rates		2012 Rates	
	Standard time	Callmore time	Standard time	Callmore time
Minimum charge	87.5 c	87.5 c	unchanged	
Per minute rate *	R1.08	54.0 c	unchanged	
Talktime for minimum charge	49 seconds	97 seconds	unchanged	

* Actual calls are charged per second with a minimum charge per call.

* The surcharge for PrepaidFone Waya-Waya increase from 63c to 66c per call.

International outgoing calls:

Calls to some popular International fixed line destinations

	2011 Rates		2012 Rates	
	Peak Time	Global Off-peak time	Peak Time	Global Off-peak time
Minimum charge:	R0.57	R0.57	unchanged	
	2011 Rates		2012 Rates	
Price per minute:	Peak Time	Global Off-peak time	Peak Time	Global Off-peak time
UK	R0.60	R0.60	unchanged	unchanged
USA	R0.60	R0.60	unchanged	unchanged
Canada	R0.70	R0.70	unchanged	unchanged
France	R0.80	R0.80	R0.75	R0.75
Australia	R0.80	R0.80	R0.75	R0.75
Portugal	R1.04	R0.80	R0.97	R0.72
Germany	R1.20	R0.90	R1.12	R0.81
Botswana	R1.52	R1.30	R1.43	R1.17
India	R1.37	R1.11	R1.16	R0.93
Namibia	R1.31	R1.13	R1.17	R1.01
Zimbabwe	R1.68	R1.55	R1.58	R1.46

* These charges are also applicable to PrepaidFone and WorldCall; actual calls are charged per second with a minimum charge per call.

Other charges:

	2011 Rates		2012 Rates	
	Residential	Business	Residential	Business
Installation (new line)	R520.46	R520.46	R551.69	R551.69
Monthly rental (analogue line)	R139.97	R191.84	R148.37	R203.35
ISDN 2a (per month)	R255.08	R354.29	R270.39	R375.55
Fast DSL (up to 1 024 kbps per month)	R152.00	R152.00	R165.00	R165.00
Faster DSL (up to 2 048 kbps per month)	R289.00	R289.00	R299.00	R299.00
Fastest DSL (up to 4/10 mbps per month)	R413.00	R413.00	R425.00	R425.00
DSL Installation	R665.29	R665.29	R705.20	R705.20
Do broadband bundles:			Monthly rental	
Do Basic – Fast DSL + 5GB			R219.00 – unchanged	
Do Advanced – Faster DSL + 10GB			R395.00 – unchanged	
Do Premium – Fastest DSL + 20GB			R554.00 – unchanged	
Product Bundle Name	do Uncapped Standalone Incl. VAT	DSL Price Incl. VAT	*Bundle Discount Incl. VAT	Bundle Price Incl. VAT
do Uncapped Basic 1024 kbps	R219.00	R165.00	R35.00	R349.00
do Uncapped Advanced 2048 kbps	R369.00	R299.00	R89.00	R579.00
do Uncapped Premium 4Mbps	R699.00	R425.00	R95.00	R1,029.00
do Uncapped Premium Plus 10Mbps	R1 399.00	R425.00	R125.00	R1 699.00

* do Bundle discounts apply only to associated ADSL line speeds in a bundle.

Telkom Closer:

Closer 1 (Weekender Plan)	Closer 2 (Evening and Weekend Plan)	Closer 3 (Anytime Plan)
Line rental; Call Answer or IdentiCall; RingBack; Contact Me	Line rental; Call Answer or IdentiCall; RingBack; Contact Me	Line rental; Call Answer or IdentiCall; RingBack; Contact Me
Std time: 49c per minute; 49c minimum local & LD; 1st 30 local minutes free	49c per minute; 49c minimum local & LD; 1st 30 local minutes free	1 300 free minutes; per-second billing for fixed-to-mobile calls
Callmore time: R1.40 per call local & LD up to an hour on weekdays; Free weekend calls local & LD up to an hour; 60 free local Internet minutes	Unlimited local & LD calls up to an hour; 60 free local Internet minutes	Free up to 1 hour; per-second billing for fixed-to-mobile calls
A 10% fixed discount to the 30 most popular international fixed-line destinations	A 10% fixed discount to the 30 most popular international fixed-line destinations	A 10% fixed discount to the 30 most popular international fixed-line destinations
Current: R158.00	Current: R177.00	Current: R333.00
New: R167.00	New: R185.00	New: R341.00

PrepaidFone:

	2011 Rates	2012 Rates
Installation (new line)	R300.00	R318.00
Installation (Waya-Waya)	R300.00	R318.00
Monthly rental	R72.07	R76.39
Weekly rental	R16.63	R17.62
Annual rental (Waya-Waya)	R152.90	R168.20

Outgoing calls to mobile/cellular services from postpaid and PrepaidFone:

To Vodacom, MTN, Cell C & 8.ta

	2011 Rates		2012 Rates	
	Peak time	Off-peak time	Peak time	Off-peak time
First minute	R1.40	R1.12	R1.35	R1.08
Every 30 seconds thereafter	R0.70	R0.56	R0.68	R0.54

Public payphone call charges: coin and cardphones:

	2011 Rates		2012 Rates	
	Standard time	Callmore time	Standard time	Callmore time
Unit charge	R0.50		unchanged	
Local (0-50km)	46.7 seconds	82 seconds	unchanged	
LD (>50km)				
Mobile/cellular	13.9 seconds	18.4 seconds	14.5 seconds	19.1 seconds

Vodacom Business Call package information⁴⁰

Business Call

Contract package

Subscription Fee (per month)	R185.00
Connection Fee	R97.00
SIM Fee	R99.00
Domestic Calls	
Vodacom to Vodacom (peak)	R1.76
Vodacom to Vodacom (off-peak)	R0.95
Vodacom to Other (peak)	R2.30
Vodacom to Other (off-peak)	R1.15
General Service Calls (peak)	R1.76
General Service Calls (off-peak)	R0.95
Happy Hours	R1.49
International Calls	
Telkom Rate (peak)	R1.76
Telkom Rate (off-peak)	R0.95
Value Added Services	
Value Added Services (peak)	R2.15
Value Added Services (off-peak)	R1.15
Inclusive Minutes	None
MORE Minutes	Low
SMS and MMS	
SMS (peak)	R0.80
SMS (off-peak)	R0.35
MMS (all-day)	R0.80 per 300KB
Premium Rated SMS	R0.90 - R50.15
International SMS	R1.74
International OPCO SMS	R1.00
Video Calls	
Video calls to Vodacom (peak)	R1.60
Video calls to Vodacom (off-peak)	R0.95

⁴⁰ Source: <http://www.vodacom.co.za>.

Cell C Business Chat Package ⁸⁹

	Business Chat standard	Business Chat 400	Business Chat 700	Business Chat 1000
Contract length (months)	1.12 or 24	1.12 or 24	1.12 or 24	1.12 or 24
Connection fee	R114	R114	R114	R114
Monthly fee	R185	R650	R1100	R1500
Included monthly airtime	none	400 anytime	700 anytime	1000 anytime
Peak call per month				
Cell C to Cell C	R1.65	R1.43	R1.43	R1.43
Cell C to other mobiles	R2.00	R1.79	R1.75	R1.70
Cell C to Telkom	R1.15	R1.15	R1.15	R0.99
International calls*	R1.15 + Telkom peak - 20%	R1.75 + Telkom peak - 20%	R1.75 + Telkom peak - 20%	R1.75 + Telkom peak - 20%
SMS per message	R0.80	R0.80	R0.80	R0.80
Off-peak call per month				
Cell C to Cell C	R0.95	R0.90	R0.90	R0.90
Cell C to other mobiles	R1.10	R1.10	R1.10	R1.10
Cell C to Telkom	R0.95	R0.90	R0.90	R0.90
International calls*	R0.95 + Telkom off-peak - 20%	R0.95 + Telkom off-peak - 20%	R0.95 + Telkom off-peak - 20%	R0.95 + Telkom off-peak - 20%
SMS per message	R0.36	R0.36	R0.36	R0.36

⁸⁹ <http://www.cell.co.za/packages/businesschat>.

Addendum 2: Fuel costs

Latest fuel prices: 2012⁹⁰

2012 (RSA c/litre)	South African Fuel Price History						
	2012 Prices (RSA c/litre)						
	Petrol 93 Unleaded	Petrol 95 Unleaded	Diesel 0.05% Sulphur	Diesel 0.005% sulphur	Illiumium Paraffin	Average Exchange Rate Rands/US\$	Dated Brent Crude
2012							
Jan	590.550	598.550	681.630	687.030	669.128	8.2122	107.96
Feb	624.5506	632.550	680.630	685.030	666.128	8.0841	110.42
Mar	648.170	656.170	686.630	690.030	670.128	7.6790	126.39
Apr	687.570	694.570	706.630	712.030	691.128	7.6193	125.42
May	711.170	718.170	711.630	716.030	700.128	7.8536	120.18
Jun	653.990	660.990	684.630	689.030	679.128	8.1031	110.27
July	571.570	582.570	628.630	634.030	621.128	8.4189	95.22
Aug	597.950	608.950	647.630	654.030	636.128	8.2657	102.04



World-wide fuel price comparison ⁹¹

1 American gallon = 3.785 litres

1 Imperial gallon = 4.540 litres

Currency converter = <http://www.oanda.com/convert/classic>

World- Wide Fuel List								
Country	Leaded Petrol		Unleaded Petrol		Diesel	LPG	Currency	Per
	Price	Octane Rating	Price	Rating				
Argentina	-	-	6.189	95	5.639	-	ARS	litre
			6.739	97				
Australia	-	-	1.489	95	1.530	-	AUD	litre
Germany	-	-	1.642	95	1.469	-	EUR	litre
			1.668	98				
India	-	-	77.93	91	43.31	33.37	INR	litre
Japan	-	-	147.46	90	127.29		JPY	litre
			158.17	100				
Kenya	-	-	121.13	93	108.44	-	KES	litre
Mozambique	-	-	47.52	-	36.81	-	MZM	litre
Russia	-	-	28.1429.5032.14	92	26.64	14.70	RUB	litre
				95				
				98				
South Africa (Coastal)	11.92	95	11.87	93	10.78	-	ZAR	litre
	LRP		11.92	95				
South Africa (Gauteng)	12.05	93	12.05	93	11.03	-	ZAR	litre
	LRP		12.22	95				
United Kingdom	-	-	1.384	95	1.443	0.776	GBP	litre
			1.461	98				
United States of America	-	-	3.666	87	3.964	-	USD	Am. gal
			3.834	89				
			3.973	91				
			3.211	E85				

Addendum 3: Water tariffs

The national and regional water tariffs/charges for 2011/12 for the Western Cape, Eastern Cape, Free State and Gauteng can be obtained directly from the Department of Water Affairs or alternatively accessed on their website at:

www.dwaf.gov.za/Projects/WARMS/Revenue/charges2011.aspx.

Addendum 4: Cost of living comparison⁹²

The tables below provide a price comparison of groceries (food, drinks and household items) and fuel/gas in South Africa compared to the USA, UK and Germany.

Table 1

Groceries: Food, drinks and household items

Household product	Lean beef mince	Chicken breasts(1kg)	Cherry tomatoes (400g)	Swiss cheese/emmental (100g)	Plain flour	White bread toast (700g)	Large free range eggs (6)	Full cream milk (2l)
South Africa	R59.95	R52.90	R16.99	R21.99	R9.69	R10.45	R12.95	R17.95
USA	\$6.50	\$4.99	\$4.99	\$2.19	\$2.69	\$1.00	\$2.79	\$3.29
SA equiv.	\$8.69	\$7.67	\$2.46	\$3.19	\$1.40	\$1.51	\$1.88	\$2.60
UK	£4.79	£9.90	£0.93	£1.54	£1.48	£1.35	£1.78	£1.66
SA equiv.	£5.41	£4.78	£1.53	£1.99	£0.88	£0.94	£1.17	£1.62
D/A	6.99€	7.49€	0.99€	2.29€	0.49€	0.70€	2.49€	1.98€
SA equiv.	6.27€	5.53€	1.78€	2.30€	1.01€	1.09€	1.35€	1.88€

⁹¹ AIT/FIA Information Centre - OTA.

⁹² ExpatCapeTown.com. Cost of Living Comparison - updated 15 March 2012.

Household product	South Africa	USA	SA equiv.	UK	SA equiv.	D/A	SA equiv.
Tuna chunks in brine	R9.99	\$1.90	\$1.45	£1.00	£0.90	1.49€	1.04€
Nutella hazelnut chocolate spread (400g)	R35.99	\$5.29	\$5.21	£1.40	£3.25	1.95€	3.76€
Palmolive/l'oreal shower gel (250ml)	R24.29	\$2.40	\$3.52	£1.00	£2.19	1.15€	2.54€
Dishwashing powder (2kg)	R95.99	\$4.99	\$13.91	£4.60	£8.67	5.55€	10.04€
Toilet paper (9 rolls)	R53.99	\$8.69	\$7.82	£3.89	£4.88	2.99€	5.65€
Pampers active fit 4, 62-66pc	R173.99	\$22.99	\$25.21	£9.99	£15.71	12.99€	18.20€
Local spring water (5l)	R15.99	\$1.50	\$2.32	£1.00	£1.44	1.50€	1.67€
12 Coca-cola cans (330ml)	R26.79	\$5.39	\$3.88	£6.18	£2.42	3.99€	2.80€
Nescafe gold blend (200g)	R79.99	\$6.99	\$11.59	£5.99	£7.22	9.49€	8.37€
Absolut vodka (70cl)	R161.99	\$21.95	\$23.47	£16.89	£14.63	14.99€	16.94€
Dog food (1.5kg)	R60.99	\$5.99	\$8.84	£2.96	£5.51	3.79€	6.38€

Table 2

Fuel and gas/petrol

Household product	South Africa	USA	SA equiv.	UK	SA equiv.	D/A	SA equiv.
Diesel (1l)	R9.18	\$0.59	\$1.33	£1.38	£0.83	1.43€	0.96€
Petrol unleaded/normal (1l)	R9.48	\$0.61	\$1.37	£1.32	£0.86	1.61€	0.99€



Overall, it is difficult to calculate an average cost of living in South Africa, as it depends on an individual's circumstances and lifestyle. Food costs in South Africa are similar to those in most other western European countries, although you may need to modify your diet. A budget of R2 000 to R3 000 (€200 to €310) feeds two adults well for a month, excluding fillet steak, caviar and alcohol (other than a moderate amount of inexpensive beer or wine). On the other hand, it is possible to live frugally in South Africa if you are willing to forego luxuries and "live off the land".

A list of the approximate minimum monthly major expenses for an average single person, couple and family of four is shown in the table below. If you work in South Africa, you need to deduct the appropriate percentage of your salary for income tax and social security contributions. The numbers in brackets refer to the notes following the table.

Item	Monthly Costs (R)		
	Single	Couple	Family Of Four
Housing (1)	3 500	4 500	6 000
Food (2)	1 750	2 500	4 000
Utilities (3)	300	400	700
Leisure (4)	800	1 250	2 000
Transport (5)	700	800	1 100
Insurance (6)	400	600	1 000
Clothing	300	600	1 200
Totals	7 750	10 650	16 000

Notes:

(1) Rent or mortgage payments for a modern or modernised apartment or house in an average suburb, excluding major cities and other high-cost areas. The properties envisaged are a studio or one-bedroom apartment for a single person, a two-bedroom property for a couple, and a three-bedroom property for a family of four. (2) Doesn't include luxuries or expensive alcoholic drinks. (3) Includes electricity, gas, water, telephone, and pay (e.g. satellite) TV and heating costs. (4) Includes all entertainment, restaurant meals, sports and holiday expenses, plus newspapers and magazines. (5) Includes running costs for an average family car, plus third party insurance, annual taxes, petrol, servicing and repairs, but excludes depreciation or credit purchase costs. (6) Includes "voluntary" insurance such as supplementary health insurance, household, third party liability, travel, car breakdown and life insurance, equipment, electrical and electronic goods, computers and photographic equipment) abroad can also yield savings.

Addendum 5: Education costs

South Africa has a single national education system, organised and managed by the National Department of Education. South Africa also has numerous private schools. The table below provides an indicative cost of private schooling in South Africa.

For further information regarding schools (private, public and boarding schools) and schooling fees, contact:

- The National Department of Education: 0800 202 933
Tel: +27 12 357 3000 or www.education.gov.za
- The South African Schools Network: www.southafricanschools.net/

The American International School of Johannesburg ⁹³

Tuition schedule (2012/13 school years)

The Board of Directors has approved the following tuition and fee rates for the 2012/13 academic year:

	Plan A		Plan B		
	Annual schedule		Semester schedule		
	100% due before Aug 1, 2012	60% due before Aug 1, 2012	40% due before Jan 1, 2013	Total semester schedule	
Pre-K	\$6 148+	\$3 873+	\$2 582+	\$6 455+	
	79 613	R50 156	R33 437	R83 594	
Elementary K- 5	\$8 197+	\$5 164+	\$3 443+	\$8 607+	
	106 151	R66 875	R44 583	R111 459	
Middle school 6 - 8	\$9 581+	\$6 036+	\$4 024+	10 060+	
	R124 072	R78 165	R52 110	R130 276	
High school 9 - 12	\$10 646+	\$6 707+	\$4 471+	\$11 178+	
	R137 858	R86 851	R57 900	144 751	

Notes:

1. Advance deposit

For each returning student, an advance deposit of \$1 000 must be paid by 1 June. The deposit will be adjusted against the tuition invoice

2. Application fee - New students only

All students applying to attend AISJ must pay a non-refundable fee of R2 500 (or the US Dollar equivalent on the day of payment). No application will be processed until this fee has been received.

3. Capital fee - New students and students entering kindergarten

This is a non-refundable, one-time fee of R60 000, which must be paid before new students attend school. Payment of this fee is necessary to secure a seat for the student at AISJ. This fee is applicable to all new students in Kindergarten through Grade 12.

4. Capital fee - Returning students only

All returning students pay a non-refundable, non-proratable annual fee of R56 500 which must be paid in full before 1 August 2012, and is applicable to students in Grade 1 through Grade 12. Students who are returning to AISJ after an extended absence and have previously paid the one-time New Students Capital Fee are considered returning students for purposes of the Capital Fee.

5. Tertiary education⁴⁷

Higher education institutions are autonomous; the Government subsidises institutional funding on the basis of research output and student population. The Department of Education provides a national framework for the implementation of the Government's educational policies. Four South African universities, Cape Town, Witwatersrand, KwaZulu-Natal, and Tshwane rank among the top 500 in the world, with the University of Cape Town judged the best of the four.

⁹³ Source: www.aisj-jhb.com.

The University of South Africa (Unisa) offers distance learning.

Their fees are depicted in the tables below: ⁹⁴

Distance learning: Unisa

Description	Semester	Total	Minimum amount payable on registration	Due by 15 March 2012	Due by 15 May 2012	Due by 15 August 2012
Subjects in Education, Law, Libraries, Museums, Psychology, Administration and Social Services						
Half module	Year	R807.00	R360.00		R220.00	R227.00
Module	S1	R1 614.00	R750.00	R864.00		
	S2	R1 614.00	R750.00			R864.00
	Year	R1 614.00	R750.00		R434.00	R430.00
Full-year course/paper	Year	R3 228.00	R1 460.00		R888.00	R880.00
Full-year course/paper 36 SAQA	Year	R4 842.00	R2 200.00		R1 322.00	R1 320.00
Description	Semester	Total	Minimum amount payable on registration	Due by 15 March 2012	Due by 15 May 2012	Due by 15 August 2012
Subjects in Business; Commerce and Management Sciences; Computer Science and Data Processing; Language, Linguistics and Literature; Philosophy; Religion and Theology; and Social Sciences Studies						
Half module	Year	R759.00	R360.00		R199.00	R200.00
Half module	S1	R1 518.00	R750.00	R768.00		
	S2	R1 518.00	R750.00			R768.00
	Year	R1 518.00	R750.00		R378.00	R390.00
Full-year course/paper	Year	R3036.00	R1 460.00		R796.00	R780.00
Full-year course/paper 36 SAQA	Year	R4 554.00	R2 200.00		R1 177.00	R1 177.00

Description	Semester	Total	Minimum amount payable on registration	Due by 15 March 2012	Due by 15 May 2012	Due by 15 August 2012
Subjects in Architecture and Environment Design; Engineering and Engineering Technology; Home Economics; Industrial Arts, Trades and Technology; Mathematical Sciences; and Physical Education, Health Education and Leisure						
Module	Year	R723.00	R360.00			R363.00
	S1	R1 446.00	R750.00	R696.00		
	S2	R1 446.00	R750.00			R696.00
	Year	R1 446.00	R750.00		R350.00	R346.00
Full-year course/paper	Year	R2 892.00	R1 460.00		R722.00	R710.00
Full-year course/paper 36 SAQA	Year	R4 338.00	R2 200.00		R1 038.00	R1 100.00
Description	Semester	Total	Minimum amount payable on registration	Due by 15 March 2012	Due by 15 May 2012	Due by 15 August 2012
Subjects in Agriculture and Renewable Natural Resources; Arts, Visual and Performing Arts; Health Care and Health Sciences and Life Sciences and Physical Sciences						
Half module	Year	R665.00	R360.00		R155.00	R150.00
	S1	R1 330.00	R750.00	R580.00		
	S2	R1 330.00	R750.00			R580.00
	Year	R1 330.00	R750.00		R300.00	R280.00
Full-year course/paper	Year	R2 660.00	R1 460.00		R600.00	R600.00
Full-year course/paper 36 SAQA	Year	R3 990.00	R2 200.00		R890.00	R900.00

⁹⁴ www.unisa.co.za

Addendum 6: Cost of office space and industrial land

The Rode Report analyses most property transactions and reports on most sectors of the property market in the major, and some secondary cities in South Africa. It covers, inter alia, trends and levels of rentals and standard capitalisation rates by property type, grade, node/township, the listed real estate market, building construction costs and building activity. The following excerpts from the 2012 Rode Report provide an indication of the cost of office space and industrial land in South Africa:

Addendum 6.1: Market rental rates for office buildings ⁹⁵

Market rental rates for office buildings Quarter 2011:4 Rands per rentable m ² , gross leases (excl. VAT)				
Location	Grade A+	Grade A mean	Grade B mean	Grade C mean
Johannesburg CBD		77.50	62.50	43.00
Braamfontein		77.50	77.50	65.00
Sandton CBD	180.00	148.33.33	94.50	85.33.00
Dunkeld West	128.20	120.00	93.00	87.67.00
Wierda Valley	132.00	109.75	95.50	84.00
Randburg Ferndale	83.00	73.00	68.00	64.00
Rivonia	115.00	98.08	88.60	77.00
Rosebank	158.33	111.33	91.60	82.00
Ilovo	131.33	116.00	98.00	82.00
Ilovo Boulevard	133.00	117.33	104.75	84.00
Chiselhurst	114.50	110.00	96.75	84.00
Parktown	96.00	89.33	80.25	68.00
Richmond/Millpark	-	79.00	77.50	65.50
Bedfordview	110.00	110.50	95.00	80.00
Bruma	-	105.00	87.50	75.00
Meadowbrook	-	-	-	-
Woodmead	117.67	110.50	93.20	84.00
Sunninghill	110.33.00	97.60	87.20	78.75

Market rental rates for office buildings Quarter 2011:4 Rands per rentable m ² , gross leases (excl. VAT)				
Location	Grade A+	Grade A mean	Grade B mean	Grade C mean
Bryanston/ Epsom	133.33	118.33	93.00	83.00
Fourways	133.75	118.33	93.00	83.00
Houghton	115.67	106.00	90.67	86.75
Melrose Arch	189.00			
Hydepark	124.67	121.67	101.67	78.33
Eastgate		80.00	56.00	53.00
Ormonde	88.50	79.00	69.50	69.00
Midrand	96.33	88.50	75.25	71.75
Hendrik Potgieter Corridor		88.00	79.00	71.33
Pretoria		80.00	75.00	60.00
Lynnwood Glen		90.00	80.00	70.00
Lynnwood	94.00	87.00	77.50	67.50
Lynnwood Manor	105.00	100.00	82.50	60.00
Lynnwood Ridge	120.00	115.00	86.50	75.00
Faerie Glen	115.33	104.67	85.00	60.00
Val de Grace		72.00	68.00	
Menlyn	137.50	117.33	97.50	75.00
Menlo Park	125.00	110.00	92.50	70.00
Brooklyn/ Waterkloof	142.50	117.00	93.33	75.00
Nieuw Muckleneuk	130.00	123.33	95.00	70.00
Hatfield	124.50	120.00	91.00	60.00
Centurion	112.00	102.50	93.33	60.00
Highveld Technopark	145.00	120.00	95.00	70.00

⁹⁵ Rode's Report 2012(pp.30 – 31). www.rode.co.za.

Market rental rates for office buildings Quarter 2011:4 Rands per rentable m ² , gross leases (excl. VAT)				
Location	Grade A+	Grade A mean	Grade B mean	Grade C mean
Sunnyside	105.00	95.00	80.00	60.00
Arcadia	100.00	88.33	75.00	65.00
Murrayfield	100.00	85.00	71.50	55.00
Nelspruit		120.00	100.00	80.00
Polokwane	160.00	125.00	95.00	80.00
Bloemfontein				
CBD		97.50	75.00	55.00
Westdene	115.00	106.67	77.67	63.33
Durban CBD		82.50	52.50	40.00
Durban Berea		105.00	90.00	72.50
Essex Terrace	95.00	91.67	81.67	71.67
Westway	122.50	116.67	105.00	
La Lucia Ridge	125.00	122.50	105.00	
Westville	120.00	00.00	87.50	75.00
Pinetown	80.00	70.00	60.00	50.00
Port Elizabeth				
East London		75.00	50.00	41.12
East London dec.	11.00	87.50	65.00	42.50

Rands per rentable m ² , gross leases (excl. VAT)				
Location	Grade A+	Grade A mean	Grade B mean	Grade C mean
Cape Town CBD	127.50	98.75	78.00	60.00
Sea Point	100.00	83.33	76.25	57.67
V&A Portsworld Ridge	141.67	115.00	100.00	80.00
Granger Bay	155.00	102.50		
Salt River	100.00	90.00	56.00	40.00
Woodstock	102.50	88.75	75.00	60.00
Observatory	87.50	80.00	67.50	61.67
Mowbray	112.50	81.67	70.00	70.00
Kenilworth (Racecourse)	120.00	95.00	81.67	60.00
Rondebosch/Newlands	116.67	93.75	75.00	65.00
Wynberg	100.00	76.67	66.67	57.50
Westlake	113.00	96.00	78.33	67.50
Tokai	100.00	87.50	71.67	65.00
Claremont Lower	110.00	88.33	72.50	62.50
Claremont Upper	120.00	96.67	73.33	
Hout Bay	90.00	80.00	62.50	60.00
Noordhoek (Sun Valley)	90.00	70.00	50.00	40.00
Pinelands	100.00	80.00	65.00	50.00
Athlone	90.00	70.00	50.00	40.00
Milnerton	90.00	82.50	50.00	40.00
Century City	127.50	100.00	85.00	75.00
Maitland	90.00	67.50	60.00	40.00
Goodwood (N1 City)	100.00	78.33	65.00	50.00
Tygerberg Hills	115.00	93.33	77.50	62.50
Bellville CBD		87.50	70.00	50.00
Tyger Valley area	105.00	95.33	82.50	70.00
Durbanville	110.00	90.00	80.00	80.00
Airport	120.00	100.00	85.00	
Kuils River				40.00
George	65.00	55.00	47.50	45.00

Addendum 6.2: Mean market values for serviced and level industrial stands⁹⁶

Mean market values for serviced and level industrial stands Quarter 2011:4 (R/m ² excl. VAT)					
Location	Area: in m ²				
	1 000	2 000	5 000	10 000	Vacancy
Central Witwatersrand	719	703	692	687	1.8
West Rand	696	696	685	642	1.0
East Rand	708	731	732	711	1.4
Pretoria	675	619	671	627	1.7
Nelspruit	900	895	775	588	2.8
Durban	1.157	1.128	1.068	1.007	2.0
Cape Peninsula	1.168	1.092	986	928	2.5
George	-	-	-	-	-
Port Elizabeth	630	632	5719	523	2.4
Bloemfontein	304	290	237	157	1.4



⁹⁶ Rode's Report 2012 (pp. 94 - 105). www.rode.co.za.

Addendum 6.3: Typical gross outgoings (costs) for prime office buildings⁹⁷

Typical gross outgoings for prime office buildings (As reported by brokers) Quarter 2011:4 R/rentable m ² per month			
Location	Mean	SD	n
Johannesburg decentralised nodes:			
Sandton	26.50	6.24	4
Dunkeld West	24.00	5.29	3
Wierda Valley	24.00	5.29	3
Randburg Ferndale	21.00	3.61	3
Rivonia	20.20	0.45	5
Rosebank	27.25	4.27	4
Illovo	27.00	7.21	3
Illovo boulevard	28.33	5.77	3
Chiselhurst	28.67	7.09	3
Parktown	25.50	4.93	4
Richmond/Milpark	19.25	8.50	4

⁹⁷ Rode's Report 2012. www.rode.co.za.
Rode's Report 2012 (pp. 38-40). www.rode.co.za.

Typical gross outgoings for prime office buildings (As reported by brokers) Quarter 2011:1 R/rentable m ² per month			
Location	Mean	SD	n
Bedfordview	19.67	1.530	3
Bruma	19.67	1.530	3
Meadowbrook	N/A	N/A	N/A
Woodmead	20.75	1.50	4
Sunninghill	20.50	1.00	4
Bryanston/epsom	24.00	1.73	3
Fourways	23.00	2.45	4
Houghton	28.33	8.50	3
Melrose Arch	36.00	1.73	3
Hydpepark	24.00	1.73	3
Eastgate/Kramerville	19.67	1.53	3
Ormonde	20.00	N/A	N/A
Midrand	20.00	0.00	3
Hendrik Potgieter Corridor	20.67	1.15	3
Pretoria decentralised nodes:			
Lynnwood Glen	13.50	2.12	2
Lynnwood	12.50	3.54	2
Lynnwood Manor	17.50	3.54	2
Lynnwood Ridge	15.00	0.00	2
Faerie Glen	12.50	3.54	2
Val de Grace	15.00	N/A	1
Menlyn	25.00	14.14	2
Menlo Park (Brooks St.)	13.50	2.12	2
Brooklyn/Waterkloof	14.25	6.01	2
Nieuw Muckleneuk	14.25	6.01	2
Hatfield	12.50	3.54	2
Centurion	11.00	3.61	3
Highveld Technopark	12.50	3.54	2

Typical gross outgoings for prime office buildings (As reported by brokers) Quarter 2011:4 R/rentable m ² per month			
Location	Mean	SD	n
Arcadia	12.00	0.00	2
Murrayfield	8.00	n/a	1
Nespruit	20.00	n/a	1
Polokwane	17.00	n/a	1
Bloemfontein CBD	11.83	1.59	3
Westdene	17.50	3.54	2
Durban decentralised nodes:			
Durban Berea	28.00	0.00	2
Essex Terrace	28.00	2.65	2
Westway	30.00	0.00	3
La Lucia Ridge	33.50	2.12	2
Westville	29.33	1.15	3
Pinetown	23.50	4.95	2
Hillcrest-Kloof (Upper Highway)	n/a	n/a	0



Typical gross outgoings for prime office buildings (As reported by brokers) Quarter 2011:4 R/rentable m ² per month			
Location	Mean	SD	n
Port Elizabeth CBD	11.50	n/a	1
East London CBD	n/a	n/a	0
East London decentralised	n/a	n/a	0
Cape Town CBD:			
Sea Point	28.33	2.89	3
V&A Portsworld Ridge	30.00	0.00	3
Granger Bay	30.00	0.00	3
Salt River	20.00	5.00	3
Woodstock	21.67	5.77	3
Observatory	25.00	0.00	2
Mowbray	24.33	6.03	3
Kenilworth (Racecourse)	25.00	n/a	1
Westlake	25.00	n/a	1
Tokia	22.00	n/a	1
Claremont Lower	21.00	5.66	2
Claremont Upper	n/a	n/a	2
Hout Bay	25.00	0.00	2
Noordhoek (Sun Valley)	22.00	n/a	1
Pinelands	21.67	5.77	3
Athlone	20.00	n/a	1
Milnerton	20.00	n/a	1
Panorama	22.00	n/a	1
Rondebosch/ Newlands	22.00	n/a	2
Wynberg	25.00	n/a	1
Maitland	22.50	3.54	2

Typical gross outgoings for prime office buildings (As reported by brokers) Quarter 2011:4 R/rentable m ² per month			
Location	Mean	SD	n
Goodwood (N1 City)	17.00	7.07	2
Tygerberg Hills	25.00	n/a	1
Bellville CBD	17.50	10.61	2
Tyger Valley area	19.50	7.78	2
Durbanville	22.00	n/a	1
Mitchell's Plain	n/a	n/a	n/a
Airport	n/a	n/a	0
Kuilsriver	n/a	n/a	0
George	4.4	0.85	2

Addendum 6.4: Flat rentals for standard units⁹⁹

Flat Rentals: Standard Units Quarter 2011:4 Average Rands per month				
Location	Bachelor	1-Bed	2-Bed	3-Bed
	Mean	Mean	Mean	Mean
Johannesburg average	R2.584	R3.306	R4.222	R4.954
Germiston average	R1.699	R2.115	R2.850	R2.811
Pretoria average	R2.454	R2.807	R3.504	R4.066
Nelspruit average	R1.600	R3.153	R3.894	R4.951
Durban average	R2.830	R3.337	R4.148	R5.124
Cape Town average	R2.568	R3.220	R4.105	R5.255
Port Elizabeth average	R2.256	R2.582	R3.128	R3.791
East London average	R2.347	R2.490	R2.996	R3.358
Bloemfontein average	R1.779	R2.360	R3.008	R3.744

⁹⁹ Rode's Report 2012 (pp.102 - 113). www.rode.co.za.

Addendum 6.5: Flat rentals for upmarket units ⁹⁸

Flat Rentals: Upmarket Units Quarter 2011:4 Average Rands per month				
Location	Bachelor	1-Bed	2-Bed	3-Bed
	Mean	Mean	Mean	Mean
Johannesburg average	R3.001	R4.298	R5.326	R6.045
Germiston average	R1.850	R2.392	R2.796	R3.250
Pretoria average	-	-	-	-
Centurion average	R3.588	R4.133	R4.986	R6.264
Nelspruit average	R2.000	R3.472	R4.379	R5.735
Durban average	R3.238	R4.152	R5.200	R7.049
Cape Town average	R3.414	R4.223	R5.549	R7.380
Port Elizabeth average	R2.610	R3.066	R3.563	R4.320
East London average	R2.658	R2.906	R3.356	R3.813
Bloemfontein average	-	-	-	-



⁹⁸ Rode's Report 2012 (pp.102 - 113). www.rode.co.za.

Addendum 7: Other costs in South Africa ¹⁰⁰

SA Rands		
Cape Town		
Accommodation		
5-star hotel	per person sharing	R2 000
3-star hotel	per person sharing	R400
Standard Holiday Inn,		
3-star hotel	per person sharing	R350
Guest house/B&B (5-star)	per person sharing	R550
Budget accommodation	per person sharing	R200
Backpacking/youth hostel	per person	R70
Drink		
Premium red wine	Bottle: 750ml	R130
Good quality everyday red wine	Bottle: 750ml	R30
Premium white wine	Bottle: 750ml	R85
Good quality everyday		
White wine	Bottle: 750ml	R25
Local beer	Can: 375ml	R5
Imported beer (Heineken)	Can: 375ml	R8
Scotch Whisky (Bells, J&B)	Bottle: 750ml	R130
Soft drinks (Coca-Cola)	Bottle/can: 375ml	R5
Hotel/restaurant wine	Bottle	add 100%+
Hotel/restaurant wine	by the glass	R12+
Hotel/restaurant beer	375ml local can/bottle	R8
Hotel/restaurant beer	500ml local draft	R10
Hotel/restaurant Scotch Whisky	tot	R15+
Hotel/restaurant Soft drinks	Bottle/can: 375ml	R7+
Food		
Top restaurant	starter, main, dessert: p/p	R200
A memorable meal	main, starter/dessert: p/p	R120
Steakhouse rump steak	500g	R70
Family restaurant: fish		R60
Family restaurant: Pasta/Pizza	p/p	R45
Coffee Shop breakfast	"English" breakfast	R30
Sandwich take-out	a variety of fillings	R12

¹⁰⁰ <http://capeinfo.com/costs-in-cape-town> (Last updated 3 June 2012).

SA Rands		
Cape Town		
Main attractions		
Table Mountain Cableway Buy online	adult: child (under 18): child (under 4)	R180 R90 Free
Robben Island	adult: child (under 18):	R220 R110
Kirstenbosch Buy online	adult: child (6 - 17):	R37 R10
Cape Point	adult: child (under 11):	R80 R20
Chapman's Peak Drive	toll road: per car	R30
Entertainment and leisure		
Cinema tickets	per person	R35
Round of golf	per person, from	R100+
Transport		
Airport Shuttle	one way, per person	R130
Direct Transfer	Wide range of economical options	
Taxi	per km	R9
Car rental	per day	R250
Tours		
Full day peninsula tour	per person	R700
Full day winelands tour	per person	R700



SA Rands		
Johannesburg		
Accommodation		
5-star hotel	per person sharing	R2 000
3-star hotel	per person sharing	R400
Standard Holiday Inn, 3-star hotel	per person sharing	R350
Guest house/B&B (5-star)	per person sharing	R550
Budget accommodation	per person sharing	R200
Backpacking/youth hostel	per person	R70
Drink		
Premium red wine	Bottle: 750ml	R130
Good quality everyday red wine	Bottle: 750ml	R30
Premium white wine	Bottle: 750ml	R85
Good quality everyday white wine	Bottle: 750ml	R25
Local beer	Can: 375ml	R5
Imported beer (Heinecken)	Can: 375ml	R8
Scotch Whisky (Bells, J&B)	Bottle: 750ml	R130
Soft drinks (Coca-Cola)	Bottle/can: 375ml	R5
Hotel/restaurant wine	Bottle	add 100%+
Hotel/restaurant wine	by the glass	R12+
Hotel/restaurant beer	375ml local can/bottle	R8
Hotel/restaurant beer	500ml local draft	R10
Hotel/restaurant Scotch Whisky	tot	R15+
Hotel/restaurant Soft drinks	Bottle/can: 375ml	R7+
Food		
Top restaurant	starter, main, dessert: p/p	R200
A memorable meal	main, starter/dessert: p/p	R120
Steakhouse rump steak	500g	R70
Family restaurant: fish		R60
Family restaurant: Pasta/Pizza	p/p	R45
Coffee Shop breakfast	"English" breakfast	R30
Sandwich take-out	a variety of fillings	R12

SA Rands		
Johannesburg		
Main attractions		
Apartheid Museum	adult: child (under 18):	R40 R25
Gold Reef City	adults and scholars: toddlers (under 1.3m):	R150 R100
Constitutional Court		Free
Liliesleaf		Free
Cradle of Humankind	Maropeng Visitors' Centre: Adults Children 4 - 14 Combination - Maropeng and Sterkfontein Caves: Adults Children 4 - 14	R115 R65 R190 R110
Entertainment and leisure		
Cinema tickets	per person	R35
Round of golf	per person, from	R100+
Transport		
Gautrain	OR Tambo - Sandton, single	R100
Direct Transfer	Wide range of economical options	
Taxi	per km	R9
Car rental	per day	R250

Note:

The prices quoted are average prices throughout the year. Peak season (Christmas/ New Year) in coastal cities can be much higher, but Johannesburg doesn't have a peak season at all. And suburbs can be cheaper while rural areas are frequently much cheaper. In addition the costs chosen are middle-of-the-road costs within the different parameters.

Addendum 8: National remuneration data¹⁰¹

National remuneration guide	
Job category	National salary range (per annum)*
Cleaner	R73 640 - R90 994
Messenger/Driver	R110 120 - R135 910
Telephonist - Level 1	R120 213 - R148 999
Telephonist - Level 3	R159 363 - R196 710
Receptionist - Level 1	R117 425 - R145 452
Receptionist - Level 2	R134 604 - R166 308
Secretary - Level 1	R164 165 - R202 829
Secretary - Level 3	R218 951 - R270 519
Personal Assistant - Level 1	R221 293 - R273 401
Personal Assistant - To CEO	R362 552 - R448 120
Human Resources (HR) Manager - Level 1	R604 696 - R746 396
Human Resources (HR) Manager - Level 2	R759 378 - R939 994
Graphic Artist / Designer - Junior	R254 149 - R313 803
Graphic Artist / Designer - Senior	R420 406 - R519 346
Clerk (General) - Level 1	R108 992 - R134 523
Clerk (General) - Level 3	R167 569 - R207 019
Chartered Accountant (Qualified) - Level 3	R554 598 - R684 493
Chartered Accountant (Qualified) - Level 5	R741 213 - R915 392

*The range of figures provided relate to guaranteed pay (viz. basic plus all benefits).

¹⁰¹ Based on data provided by Deloitte Human Capital (February 2012).

Regional differences in remuneration					
Regional variances from the national norm*					
Region	Mid-managerial/ high level specialist	Specialised/ skilled senior supervisory	General staff/ clerical supervisory	Lower skilled/ hourly rated	Overall average
National	100	100	100	100	100
Cape Town and Environs	102	100	101	100	101
Durban and Environs	101	96	102	99	100
East Rand	107	106	104	106	106
Eastern Cape	94	93	93	92	93
Free State	92	91	90	88	90
Johannesburg	109	108	107	105	107
Limpopo Province	93	90	91	93	92
Midrand	106	105	106	102	105
Mpumalanga	99	94	97	95	96
Northern Cape	90	89	94	89	91
North West Province	96	92	92	94	94
Other KwaZulu-Natal	95	101	95	97	97
Pretoria	105	104	103	101	103
Vaal Triangle	100	103	99	104	102
West Rand	103	97	100	96	99
Western Cape	98	99	98	98	98

*Regional variances from the national norm (indexed at 100).

Regional differences in remuneration (comparative ratios)*	
Region	National (100)
Cape Town and Environs	101
Durban and Environs	100
East Rand	106
Eastern Cape	93
Free State	90
Johannesburg	107
Limpopo Province	92
Midrand	105
Mpumalanga	96
Northern Cape	91
North West Province	94
Other KwaZulu-Natal	97
Pretoria	103
Vaal Triangle	102
West Rand	99
Western Cape	98

*Regional variances from the national norm (indexed at 100).

Addendum 9: Transportation costs for goods

Addendum 9.1: Rail ¹⁰²

Transnet freight rail, rail charge levy

Note:

The Transnet freight rail, rail charge levy information is made available here to enable Transnet freight rail customers to verify amounts on their statements.



Transnet freight rail, rail charge levy %

	Levy Components	Effective date	Effective date	Effective date
		2012-04-01	2012-04-01	2012-05-09
Diesel	Diesel fuel price adjustments	0.000%	0.000%	0.000%
Electricity	Electrical Energy price adjustments	0.000%	0.000%	0.000%
Exchange	Foreign Currency exchange rate adjustments	0.000%	0.000%	0.000%
Steel	Steel price adjustments	0.000%	0.000%	0.000%
Total levy applicable 2 nd Wednesday of month		0.000%	0.000%	0.000%

Detail for levy components

Constants	Diesel-price examples	Effective date	Effective date	Effective date
		2012-04-01	2012-04-01	2012-05-09
R	Energy (Diesel) Component of Rail price (P1 to P3)	8.000%	8.000%	8.000%
NP	New Diesel price Diesel Levy	R1088.970	R1088.970	R1098.370
BPx	Diesel Basis price adjusted yearly as on 1 April YYYY	R1088.970	R1088.970	R1088.970
Ix	Diesel Levy Applicable 2nd Wednesday of month	0.0000%	0.0000%	0.0000%
Constants	Electricity % examples	Effective date	Effective date	Effective date
		2012-04-01	2012-04-01	2012-05-09
RP	Energy (Electricity) component of rail price	7.8000%	7.800%	7.800%
S	Cumulative electricity increase/decrease margin	0.000%	0.000%	0.000%
Sbe	Electricity price increase	0.000%	0.000%	0.000%
	Electricity levy			
Ax	Electricity basis adjusted yearly as on 1 April YYYY	0.000%	0.000%	0.000%
Ix	Electricity levy applicable 2nd Wednesday of month	0.000%	0.000%	0.000%

¹⁰² Source: <http://www.spoornet.co.z>

Constants	Foreign currency exchange rate adjustment examples	Effective date	Effective date	Effective date
		2012-04-01	2012-04-01	2012-05-09
R	Currency component of rail price (P1 to P3)	1.500%	1.500%	1.500%
S	Cumulative currency increase/decrease margin	0.80	0.80	0.80
NR	New USD RAND (USD ZAR) currency exchange Energy levy	7.5924	7.5924	7.8285
BRx	Base currency rate adjusted yearly as end March YYYY	7.5924	7.5924	7.5924
C	Monthly Effective currency adjustment	0.0000	0.0000	0.0236
Ix	Currency levy applicable 2nd Wednesday of month	0.000%	0.000%	0.000%
Constants	Steel price examples	Effective date	Effective date	Effective date
		2012-04-01	2012-04-01	2012-05-09
R	Steel component of rail price (P1 to P3)	3.500%	3.500%	3.500%
NP	Basic metals (Unit: Index: 2000=100; Source: P0142.1 - Table 8) Energy Levy	264.2000	264.2000	260.8000
BSx	Basis metals price index adjusted yearly as in Feb YYYY	264.2000	264.2000	264.2000
Ix	Steel Levy applicable 2 nd Wednesday of month	0.000%	0.000%	0.000%
Total levy applicable 2 nd Wednesday of month		0.000%	0.000%	0.000%

Addendum 9.2: Road ¹⁰³

Toll tariffs

N1 toll road tariffs

(Effective 23 March 2012)

N1: Johannesburg - Cape Town		Operator	Class I	Class II	Class III	Class IV
Grasmere	Main line Armadale - Louissrus	Intertoll	R14.00	R41.00	R48.00	R63.00
	S ramp Grasmere - Louissrus	Intertoll	R7.00	R20.50	R24.00	R31.50
	N ramp Grasmere - Armadale	Intertoll	R7.00	R20.50	R24.00	R31.50
Vaal	Main line Louissrus - Kroonstad	Intertoll	R45.00	R85.00	R103.00	R137.00
Verkeerdelei	Main line Kroonstad - Bloemfontein	Intertoll	R39.00	R78.00	R117.00	R164.00
Huguenot	Main line Rawsonville - Paarl	Tuncor	R27.00	R75.00	R117.00	R190.00

¹⁰³ www.nra.co.za/live/content.php?Item_ID=202

N1: Pretoria - Beit Bridge (Great North Rd)			Operator	Class I	Class II	Class III	Class IV
Stormvoël	Ramp	Local destinations	Bakwena	R6.40	R16.00	R18.50	R22.00
Zambesi	Ramp	Local destinations	Bakwena	R7.60	R19.00	R22.00	R27.00
Pumulani	Main line	Pretoria - Hammanskraal	Bakwena	R8.00	R20.50	R24.00	R29.00
Wallmannsthal	Ramp	Local destinations	Bakwena	R3.80	R9.50	R11.50	R13.00
Murrayhill	Ramp	Local destinations	Bakwena	R7.60	R19.00	R23.00	R26.00
Hammanskraal	Ramp	Local destinations	Bakwena	R17.50	R61.00	R66.00	R76.00

N1: Pretoria - Beit Bridge (Great North Rd)			Operator	Class I	Class II	Class III	Class IV
Carousel	Main line	Pretoria (N4) - Wambaths	Bakwena	R38.00	R102.00	R113.00	R130.00
Maubane	Ramp	Local destinations	Bakwena	R16.50	R44.00	R49.00	R56.00
Kranskop	Main line	Warmbaths - Naboomsprt	Intertoll	R31.00	R78.00	R104.00	R128.00
	Ramp	Warmbaths - Nylstroom	Intertoll	R8.50	R23.00	R27.00	R40.00
Nyl	Main line	Naboomspruit - Pietersburg	Intertoll	R39.00	R74.00	R89.00	R120.00
	Ramp	Naboomspruit - Potgietersrus	Intertoll	R12.00	R23.00	R27.00	R35.00
Sebetiela	Ramp	Potgietersrus - Pietersburg	Intertoll	R12.00	R23.00	R29.00	R38.00

N1: Pretoria - Beit Bridge (Great North Rd)			Operator	Class I	Class II	Class III	Class IV
Capricorn	Main line	Pietersburg - Louis Trichardt	Intertoll	R32.00	R87.00	R102.00	R127.00
Baobab	Main line	Louis Trichardt - Beit Bridge	Intertoll	R31.00	R83.00	R115.00	R138.00

N2 toll road tariffs (Effective 23 March 2012)

N2: Durban - Port Shepstone (Sth Coast Rd)			Operator	Class I	Class II	Class III	Class IV
Umtentweni	Ramp	Hibberdene - Umtentweni	Intertoll	R8.50	R15.00	R21.00	R35.00
Oribi	Main line	Hibberdene - Southbroom	Intertoll	R20.00	R36.00	R50.00	R81.00
	S ramp	Marburg - Southbroom	Intertoll	R9.50	R17.00	R23.00	R36.00
	N ramp	Marburg - Hibberdene	Intertoll	R11.00	R19.00	R27.00	R50.00
	S ramp	Izotsha - Southbroom	Intertoll	R6.50	R11.00	R16.00	R27.00

N2: Durban - Empangeni (North Coast Rd)			Operator	Class I	Class II	Class III	Class IV
K Shaka Aport	Ramp		Tolcon	R4.00	R8.50	R13.00	R17.00
Tongaat	Main line	Umdloti - Ballito	Tolcon	R8.00	R16.00	R21.00	R31.00
	S ramp	Tongaat - Umdloti	Tolcon	R4.00	R8.50	R11.00	R16.00
	N Ramp	Tongaat - Ballito	Tolcon	R4.00	R8.50	R11.00	R16.00
Mvoti	Main line	Ballito - Stanger	Tolcon	R9.50	R26.00	R35.00	R52.00
Mandini	S ramp	Mandini - Stanger	Tolcon	R5.00	R9.50	R12.00	R16.00
Dokodweni	S ramp	Gingindlovu - Stanger	Tolcon	R13.00	R27.00	R31.00	R42.00
Mtunzini	Main line	Stanger - Empangeni	Tolcon	R32.00	R61.00	R72.00	R108.00
	N ramp	Mtunzini - Empangeni	Tolcon	R6.00	R12.00	R14.00	R22.00
	S ramp	Mtunzini - Stanger	Tolcon	R25.00	R4.00	R59.00	R86.00

N2: Garden Route			Operator	Class I	Class II	Class III	Class IV
Tsitsikamma	E Ramp	Elansbos River - Platbos	Concor	R36.00	R91.00	R217.00	R307.00
	W Ramp	Elansbos River - Salt River	Concor	R36.00	R91.00	R217.00	R307.00
	Main line		Concor	R36.00	R91.00	R217.00	R307.00

*N3 toll road tariffs
(Effective 14 March 2011)*

N3 Johannesburg - Durban			Operator	Class I	Class II	Class III	Class IV
De Hoek	Main line	Heidelberg - Villiers	Tolcon	R34.00	R53.00	R80.00	R115.00
Wilge	Main line	Villiers - Warden	Tolcon	R47.00	R81.00	R108.00	R153.00
Tugela	Main line	Warden - Frere	Tolcon	R50.00	R78.00	R123.00	R180.00

Tugela East	Ramp	Harrismith - Ladysmith	Tolcon	R31.00	R51.00	R76.00	R106.00
Bergville	Ramp	Ladysmith - Escourt	Tolcon	R15.00	R18.00	R33.00	R50.00
Mooi	Main line	Frere - Cedara	Tolcon	R35.00	R86.00	R120.00	R163.00
	N ramp	Mooi River - Frere	Tolcon	R11.00	R26.00	R36.00	R49.00
	S ramp	Mooi River - Cedara	Tolcon	R25.00	R60.00	R84.00	R114.00
Mariannhill	Treverton		Tolcon	R11.00	R26.00	R36.00	R49.00
	Mainline			R8.00	R15.00	R19.00	R28.00
	Key Ridge - Paradise Valley						
Intertoll							

*N4 toll road tariffs
(Effective 23 March 2012)*

N4 Pretoria - Lobatse (Botswana Border)			Operator	Class I	Class II	Class III	Class IV
Quagga	Main line	Magalies Eastern section	Intertoll	R3.00	R5.50	R8.00	R11.00
Pelindaba	Main line	Magalies Western section	Intertoll	R4.00	R7.50	R11.00	R14.00
Doornpoort	Main line	Pretoria - Brits	Bakwena	R10.00	R25.00	R29.00	R35.00
K99 interchange	Ramp	Local destinations	Bakwena	R10.00	R25.00	R29.00	R35.00
Brits	Main line	Brits - Mooiooi	Bakwena	R9.50	R33.00	R37.00	R43.00
Buffelspoort	Ramp	Local destinations	Bakwena	R10.00	R24.50	R27.00	R32.00
Marikana	Main line	Mooiooi - Rustenburg	Bakwena	R15.00	R36.00	R41.00	R49.00
Kroondal	Ramp	Local destinations	Bakwena	R10.00	R24.50	R27.00	R32.00
Swartruggens	Main line	Rustenburg - Zeerust	Bakwena	R71.00	R177.00	R215.00	R253.00

N4 Pretoria - Maputo (Mocambique)			Operator	Class I	Class II	Class III	Class IV
Diamond Hill	Main line	Pretoria - Mpumalanga border	TrAC	R26.00	R36.00	R67.00	R111.00
Donkerhoek	W ramp		TrAC	R8.50	R12.00	R18.00	R34.00
Cullinan	W ramp		TrAC	R11.00	R18.00	R26.00	R43.00
Valtaki	E ramp		TrAC	R20.00	R28.00	R41.00	R92.00
Ekindustria	E ramp		TrAC	R15.00	R23.00	R32.00	R64.00
Middelburg	Main line	Western section Mpumalanga	TrAC	R43.00	R92.00	R140.00	R183.00
Machado	Main line	Middle section Mpumalanga	TrAC	R64.00	R176.00	R256.00	R366.00
Nkomazi	Main line	Eastern section Mpumalanga	TrAC	R48.00	R97.00	R141.00	R203.00

*N17 toll road tariffs
(Effective 23 March 2012)*

N17: Krugersdorp - Oshoek (Swaziland Border)			Operator	Class I	Class II	Class III	Class IV
Gosforth	Main line	Rosettenville Rd - Heidelberg Rd	Intertoll	R8.50	R23.00	R25.00	R35.00
	E ramp	R Airport Rd - Heidelberg Rd	Intertoll	R4.00	R14.00	R16.00	R21.00
	W ramp	R Airport Rd - Rosettenville Rd	Intertoll	R4.50	R9.50	R13.00	R17.00
Dalpark	Main line	Dalpark - Ancor Rd	Intertoll	R8.00	R16.00	R21.00	R29.00
Brakpan	Main line	Brakpan Interchange - Ancor Rd	Intertoll	R6.50	R13.00	R17.00	R23.00
Leandra	Main line		Intertoll	R25.00	R63.00	R94.00	R125.00
	Ramp		Intertoll	R15.00	R38.00	R56.00	R75.00
Trichardt	Main line		Intertoll	R14.00	R35.00	R53.00	R70.00
Ermelo	Main line		Intertoll	R25.00	R63.00	R94.00	R125.00

Addendum 9.3: Sea

For international and domestic shipment costs refer to: Transnet - National Port Authority Tariffs (effective 1 April 2012), www.transnetnationalportsauthority.net.



Addendum 9.4: Air ¹⁰⁴

Domestic and International airfreight costs can be obtained directly from South African Airways, SAA Cargo Services.

Contact SAA Cargo Services at:

Tel: +27 11 978 1119

Toll Free: +27 800 002 869

Domestic Airfreight Tariffs*

*Effective 1 April 2012 till 31 March 2013

Passenger flights SAA**

- General freight: R64.50 - min charge: common rated R5.30 (excl. JNB-DUR-JNB, R3.46 per kg).
- Express freight: R93.91 - min charge: common rated R18.65 (excl. JNB-DUR-JNB, R10.14 per kg).
- Valuable cargo: R301.00 - min charge: 200% of Express Rate (express rates X 2).
- Motor vehicles: on request: DGR fees apply.
- Motorbikes: on request: DGR fees apply.

**Minimum charges will not be included in the calculation of discounts.

SA Express

Minimum charges as per passenger flights: General freight rate R7.48 (excl. George* George R5.30*) Day express rate R18.65.

Class commodities

Human remains	200% of express rates
Livestock	100% of express rates
Day old poultry	150% of express rates
Dangerous goods	200% of express rates
Valuable cargo	200% of express rates
Vulnerable cargo	Express rate plus R268.75 handling fee

Starlight Express rates

BFN/GRJ road feeder available: R3.66 (PLZ-GRJ) and R9.40 (JNB-BFN)

	CPT	DUR	ELS	JNB	PLZ
CPT		R26.35	R25.11	R21.93	R12.57
DUR	R26.35		R12.57	R12.31	R26.84
ELS	R25.11	R12.57		R25.11	R12.57
JNB	R21.93	R12.31	R25.11		R22.96
PLZ	R12.57	R26.84	R12.57	R22.96	

¹⁰⁴ http://www.flysaa.com/Journeys/cms/ZA/Saa_Cargo_new/flysaa_cargo_customer_service.html.

Additional charges

- AWB amendment fee (after acceptance): R172.00.
- Airline security charge per kg: R0.15 (all customers, all cargo, non-commissionable).
- Part 108 Screening: R0.16 per kg, min R11.00 (applicable to all non-regulated agents).
- AWB fee - all services: R40.31 (not applicable to customers spending more than R500 000 per month domestically).



AWB fee

Styaight express: R118.25 per AWB (not applicable to customers spending more than R500 000 per month domestically).

Discount structure***

Addendum 10: Cost of electricity in major centres

Cape Town ¹⁰⁵

Proposed schedule of electricity tariffs for 2012/13 *

* All tariffs below are exclusive of VAT and based on a proposed increase of 11%.

1 Domestic tariffs			
1.1	Domestic (>450 kWh received per month)	Block 1 (<= 600kWh)	118.06
	Energy Charge (c/kWh)	Block 2 (> 600kWh)	137.98
1.2	Lifeline (<450 kWh average received) Energy Charge (c/kWh) (Any FBE received forms part of the Block 1 receipt)	Block 1 (0 - 150 kWh)	64.93
		Block 2 (150.1 - 350 kWh)	89.95
		Block 3 (350.1 - 600 kWh)	118.06
		Block 4 (> 600 kWh)	137.98
2 Commercial tariffs			
2.1	Small Power		
2.1.1	Small Power 1 (>1000 kWh average per month)		
	Service Charge (Rand per day)		19.16
	Energy Charge (c/kWh)		103.40
2.1.2	Small Power 2 (<1000kWh average per month)		
	Energy Charge (c/kWh)		161.68
2.2	Large Power		
2.2.1	Low Voltage		
	Service Charge (Rand per day)		31.91
	Energy Charge (c/kWh)		54.21
	Demand Charge (R/kVA)		161.31
2.2.2	Medium Voltage		
	Service Charge (Rand per day)		31.91
	Energy Charge (c/kWh)		50.39
	Demand Charge (R/kVA)		150.03
2.3	Time of Use -MV		
	Service Charge (Rand per day)		5 210.00
	Energy Charge - High Demand (c/kWh)	Peak	255.46
		Standard	67.55
		Off-Peak	36.77
	Energy Charge - Low Demand (c/kWh)	Peak	72.53
		Standard	45.00
Off-Peak		31.91	
Demand Charge (R/kVA)		81.03	

¹⁰⁵ www.capetown.gov.za/.../Cityadvisesresidentsofelectricity1July2012....

Between R20 000 and R50 000 per month	5%:
Between R50 000 and R150 000 per month	10%:
Between R150 000 and R250 000 per month	15%
Between R250K and R500K per month	20%
Over R500K per month	Negotiable

***Discounts are based on domestic spend only and exclude minimum shipments and surcharges per company per month (provided that the account is settle within term).

International/regional rates

International/regional rates can be made available on request.

2.4	Time of Use –HV (new)		
	Service Charge	Rand per day	5 210.00
	Energy Charge - High	Peak	247.80
	Demand (c/kWh)	Standard	65.52
		Off-Peak	35.67
	Energy Charge – Low	Peak	70.35
	Demand (c/kWh)	Standard	43.65
		Off-Peak	30.95
	Demand Charge (R/Kva)		81.03
3	Lighting tariffs		
3.1	Street Lighting and Traffic Signals	R/100W/burning hour	0.1134
3.2	Private Lights	R/100W/burning hour	0.1238
4	Other tariffs		
4.1	Wheeling tariff (c/kWh)	Firm	14.07
		Non-firm	8.64

All figures exclude VAT.

Johannesburg ¹⁰⁶

The following charges shall be effective from 1 July 2012:

Description		2011/12	2012/13
Domestic Life-line 1 - Energy (c/kWh)	0 < 300 kWh	70.52	78.28
Domestic Life-line 2 - Energy (c/kWh)	301 < 500 kWh	70.52	78.28
Domestic Life-line 1 - Conventional(c/kWh)	0 < 300 kWh	74.28	82.45
Domestic Life-line 2- Conventional (c/kWh)	301 < 500 kWh	74.28	82.45
Domestic 2 - prepaid	500 < 1 000 kWh	94.82	107.15
Domestic 3 - prepaid	1001 < 2000 kWh	96.75	109.33
Domestic 4 - prepaid	2001 < 3000 kWh	99.09	111.97
Domestic 5 - prepaid	> 3001 kWh	100.33	113.37
Domestic single phase - Service Charge (R/m)	60 A	307.04	322.39
Domestic single phase - Service Charge (R/m)	80 A	321.24	337.30
Domestic single phase - Energy (c/kWh)	0 < 500 kWh	79.31	89.62
	501 < 1 000 kWh	80.65	91.13
	1001 < 2000 kWh	81.99	92.65
	2001 < 3000 kWh	83.98	94.90
	> 3001 kWh	84.99	96.04
Domestic three phase - Service Charge (R/m)	60 A	353.34	371.01
Domestic three phase - Service Charge (R/m)	80 A	377.13	395.99
Domestic three phase - Energy(c/kWh)	0 < 500 kWh	79.31	89.62
	501 < 1 000 kWh	80.65	91.13
	1001 < 2000 kWh	81.99	92.65
	2001 < 3000 kWh	83.98	94.90
	> 3001 kWh	84.99	96.04
Domestic single phase-(Seasonal) - Service charge(R/m)	60 A	307.04	322.39
Domestic single phase-(Seasonal) - Service charge(R/m)	80 A	321.24	337.30
Domestic single phase-(Seasonal) - Energy(c/kWh)	Summer		
	0 < 500 kWh	83.19	94.00
	501 < 1 000 kWh	84.47	95.45
	1001 < 2000 kWh	85.77	96.92

¹⁰⁶ www.sapra.org.za/index.php?...id...electricity-tariffs

Description		2011/12	2012/13
	2001 < 3000 kWh	87.05	98.37
	> 3001 kWh	88.33	99.81
	Winter		
	0 < 500 kWh	125.19	141.46
	501 < 1 000 kWh	127.13	143.66
	1001 < 2000 kWh	129.06	145.84
	2001 < 3000 kWh	131	148.03
	> 3001 kWh	132.95	150.23
Domestic three phase-(Seasonal) - Service charge(R/m)	60 A	315.48	331.25
Domestic three phase-(Seasonal) - Service charge(R/m)	80 A	336.72	353.56
Domestic three phase-(Seasonal) - Energy(c/kWh)	Summer		
	0 < 500 kWh	83.18	93.99
	501 < 1 000 kWh	84.47	95.45
	1001 < 2000 kWh	85.76	96.91
	2001 < 3000 kWh	87.05	98.37
	> 3001 kWh	88.34	99.82
	Winter		
	0 < 500 kWh	125.18	141.45
	501 < 1 000 kWh	127.12	143.65
	1001 < 2000 kWh	129.07	145.85
	2001 < 3000 kWh	131.01	148.04
	> 3001 kWh	132.95	150.23
Agricultural - Service Charge (R/m)	<50 kVA	461.1	530.27
	>50 kVA	539	619.85
Agricultural - Energy (c/kWh)	Summer	75.1	86.37
	Winter	113.1	130.07
Robot Intersections - Energy (c/kWh)		133.97	152.73
Streetlight and Billboard per luminaire		150.19	171.22

Description		2011/12	2012/13
Business - prepaid 1 (<50 kVA) Flat		122	137.86
Business - prepaid 2 (<100 kVA) Flat		122	137.86
Business - Service Charge (R/m)	<50 kVA	426.9	482.40
Business - Service Charge (R/m)	<100 kVA	516.5	583.65
Business - Service Charge (R/m)	<500 kVA	693.8	783.99
Business - Service Charge (R/m)	>500 kVA	1 025.6	1 158.93
Business - Energy (c/kWh)	Summer		
	0 < 500 kWh	106.4	120.23
	501 < 1 000 kWh	111.36	125.84
	1001 < 2000 kWh	114.02	128.84
	2001 < 3000 kWh	115.58	130.61
	> 3001 kWh	116.38	131.51
	Winter		
	0 < 500 kWh	168.88	190.83
	501 < 1 000 kWh	170.22	192.35
	1001 < 2000 kWh	174	196.62
	2001 < 3000 kWh	176.7	199.67
	> 3001 kWh	177.8	200.91
Reactive energy for LPU (c/kVAh)		11.56	12.95
LPU Low Voltage - Service Charge (R/m)		1 241.5	1 390.48
kWh LPU Low Voltage - Energy (c/kWh)	Summer	57.56	64.47
	Winter	85.15	95.37
kVA LPU Low Voltage - Demand Charge (R/kVA)	Summer	168.67	188.91
kVA LPU Low Voltage - Demand Charge (R/kVA)	Winter	177.12	198.37
LPU Medium Voltage - Service Charge (R/m)		2 484.1	2 782.19
kWh LPU Medium Voltage - Energy (c/kWh)	Summer	53	59.36
	Winter	78.39	87.80
kVA LPU Medium Voltage - Demand Charge (R/kVA)	Summer	168.67	188.91
kVA LPU Medium Voltage - Demand Charge (R/kVA)	Winter	177.12	198.37
Time Of Use			
LPU Low Voltage - Service Charge(R/m)		9 095.2	10 186.62

kWh LPU Low Voltage - Energy (c/kWh)	Summer		
	Peak	84.94	95.98
	Standard	62.69	70.84
	Off-peak	51.94	57.13
	Winter		
	Peak	184.43	208.41
	Standard	87.49	98.86
	Off-peak	54.84	60.32
kVA LPU Low Voltage - Demand charge (R/m)	Summer	145.24	162.67
	Winter	153.51	171.93
LPU Medium Voltage - Service Charge (R/m)		11 185.3	12 527.54
kWh LPU Medium Voltage - Energy (c/kWh)	Summer		
	Peak	75.39	85.19
	Standard	56.42	63.75
	Off-peak	46.72	51.39
	Winter		
	Peak	177.15	200.18
	Standard	68.52	77.43
	Off-peak	49.32	54.25
kVA LPU Medium voltage - Demand charge	Summer	130.66	146.34
kVA LPU Medium voltage - Demand charge	Winter	138.08	154.65
LPU High Voltage - Service Charge (R/m)		11 278	12 631.36
kWh LPU High Voltage - Energy (c/kWh)	Summer		
	Peak	60.39	68.24
	Standard	44.55	50.34
	Off-peak	36.93	40.62
	Winter		
		137.15	154.98
	Standard	54.38	61.45
	Off-peak	38.98	42.88
kVA LPU High Voltage - Demand charge (R/m)	Summer	108.01	120.97
kVA LPU High Voltage - Demand charge (R/m)	Winter	113.4	127.01

Durban¹⁰⁷

Business tariffs

Commercial Time Of Use (CTOU)*

*This tariff is designed for business and industrial customers with a notified maximum demand of 100 kVA and below. (Prices are effective 1 July 2012 and exclude VAT).

Commercial Time of Use (CTOU)	High season (c/kWh)			Service charge (Rands)
	Peak	Std	Off-peak	
For customers with notified max demand less than 100kVA only	242.68	101.38	46.53	205.00
	Low season (c/kWh)			Service charge (Rands)
Peak	Std	Off-peak		
	99.48	78.51	44.04	205.00

Business and general credit tariffs (Scale 1)

Typical customer	Commercial and Industrial		
Service charge	The service charge is fixed and is payable per month to recover related costs		
Service charge	Energy costs		
Service charge (R)	149.69	Energy charge (c/kWh)	114.08
VAT	20.96	VAT	15.97
Total	170.65	Total	130.05

Business and general (Scale 005/006/007) – now discontinued

Typical customer	Commercial and industrial		
Service charge	The service charge is fixed		
Energy charge	This energy charge is a flat rate charge		
Energy charge (R)	149.69	Energy charge (c/kWh)	116.17
VAT	20.96	VAT	16.26
Total	170.65	Total	1

¹⁰⁷ www.durban.gov.za/Tariffs

Large power user tariffs

Industrial Time Of Use (ITOU)

This tariff is designed for customers with an notified maximum demand greater than 100kVA. Customers opting for this tariff benefit if they can shift their energy usage away from peak periods and towards standard/off-peak periods.

(Prices are effective 1 July 2012 and exclude VAT).

Industrial Time of Use (ITOU)		Amount
Peak	High demand season (June - August)	205.38 (c/kWh)
Standard		59.48 (c/kWh)
Off Peak		35.58(c/kWh)
Peak	Low demand season (September - May)	63.25 ((c/kWh)
Standard		42.02 (c/kWh)
Off Peak		31.75 (c/kWh)
Network demand charge (R/kVA)		61.69 (based on actual demand)
Network access charge (R/kVA)		18.72 (based on notified max demand)
Service charge		R2 158.32
Voltage surcharge	Voltage	% Surcharge
	275 kV	0
	132 kV	2.25
	33 kV	3.00
	11 kV	10.5
	6.6 kV	12.75
	400 V	22.5

Residential tariffs

Residential Time Of Use (RTOU)* (Prices are effective 1 July 2012 and exclude VAT)

Residential Time of Use (RTOU)	Non-seasonal (c/kWh)		Service charge	
	Peak	Std	Off-peak	(Rands)
	150.79	75.32	55.80	80.48

*This tariff allows residential customers, typically with a consumption greater than 1 000 kWh per month, to benefit from lower energy costs should they be able to shift their loads away from peak periods and towards standard/off-peak periods.

Free Basic Electricity (FBE)* Energy Costs		
Energy Charge (c/kWh)	75.41	65 kWh free per month
VAT	10.56	
Total	85.97	

* This tariff is currently available to indigent customers who consume less than 150 kWh per month. All customers on this tariff will be eligible to 65 kWh of free electricity on a monthly basis. An online monitoring system is currently in place that identifies customers who qualify for FBE based on their average electricity usage. Customers who consume more than an average of 150 kWh per month will not be eligible for FBE. FBE tokens must be collected on a monthly basis.

Addendum 11: Immigration – Permits and visas¹⁰⁸

1. Where to apply for a residence permit

Any foreigner who wants to enter South Africa must apply for the appropriate residence permit at:

- The South African diplomatic representative in his/her country of normal residence, or
- At a South African diplomatic representative in an adjoining or nearby foreign country if there is no South African diplomatic representation in the applicant's country of normal residence.

Applications for residence permits are processed and finalised at the foreign offices of the Department of Home Affairs. Arrangements to travel to South Africa must only be made once the temporary residence permit has been issued.

The Immigration Act makes provision for a foreigner to apply to the Director-General in the prescribed manner and on the prescribed form (DHA 1740) to change his or her status or the conditions attached to his or her temporary residence permit, or both such status and conditions, as the case may be, while in the Republic.

Applications for permanent residence may be lodged at South African diplomatic representatives abroad or at regional offices of the department

inside the country provided that such an applicant is in possession of a valid temporary residence permit.

All applicants must:

- Have a valid passport. The passport must be valid for a minimum of 30 days after the intended stay.
- Ensure the temporary residence permit is valid at all times.

2. Price list

Temporary residence permits

Visitor's permit	R425
Business permit	R1 520
Work permits (quota, general, exceptional skills, intra-company transfer)	R1 520
Corporate permits	R1 520
Study permits	R425
Exchange permits	R425
Retired persons' permits	R425
Relatives' permits	R425
Medical treatment permits	R425

3. Permanent residence permits

	R1 520
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Note:

Applications for Spouses of South African Citizens, dependent children and recognised Refugees do not require payment of the processing fee.

4. Forms

Visas	
BI-84 – Visa application	
Photo specifications	
Types of visas	
BI-1784 - Visas for medical treatment	
BI-1738 - Visas for working in the entertainment industry, Visas for compliance of Treaty conditions	
Visas for cultural / economic / social exchange programmes, Extending your visa	
BI-84 - Visas for attending a conference	
Visas for crew (maritime)	
Temporary residency	
BI-1738 – Temporary residence application	
Types of temporary residence permits	
BI-1738 - Work Permits, Study Permits, Exchange Permits, Retired Persons' Permits, Relatives' Permits, Medical Treatment Permits	
Permanent residence	
BI-947 - Direct Residency Permits, Residency-on-Other-Grounds Permits	
Refugee status & asylum	
BI-1590 - Applying for refugee / asylum-seeker status	

¹⁰⁸ Source: Department of Home Affairs. <http://www.home-affairs.gov.za>. Retrieved August 2012.

5. Exempt persons (from visas for South Africa)

The citizen who is a holder of a national passport (diplomatic, official and ordinary) of the foreign countries / territories / international organisations listed below, are not required to hold a visa when reporting to an immigration officer for an examination at a South African port of entry, subject to the terms and conditions set out in this list, including *inter alia*, the intended period of stay in the Republic.

- The holder of a national South African passport, travel document and document for travel purposes.
- The citizen who is a holder of a national passport (diplomatic, official or ordinary) of the following countries / territories / international organisations is not required to hold a visa in respect of purposes for which a visitor's permit may be issued or by virtue of being a person contemplated in section 31(3)(b) [accredited in SA] for an intended stay of 90 days or less and when in transit:

African Union Laissez Passer	Italy	United Kingdom of Great Britain and Northern Ireland
Andorra	Jamaica	British Islands Bailiwick of Guernsey and Jersey, Isle of Man. British Overseas Territories namely: Anguilla, Bermuda, British Antarctic Territory, British Indian Ocean Territory, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, St Helena and Dependencies (Ascension Island, Gough Island and Tristan da Cunha), Pitcairn, Henderson, Ducie and Oeno Islands, the Sovereign Base Areas of Cyprus South Georgia and South Sandwich Islands and the Turks and Caicos Island.
Argentina	Japan	Uruguay
Australia	Liechtenstein	Venezuela
Austria	Luxemburg	United States of America (except in diplomatic staff due to assume duty at the Embassy and Consulates of the USA in SA)
Belgium	Malta	Zimbabwe
Botswana	Monaco	
Brazil	Namibia (only ordinary passport holders)	
Canada	Netherlands	
Chile	New Zealand	
Czech Republic	Norway	
Denmark	Paraguay	
Ecuador	Portugal	
Finland	San Marino	
France	Singapore	
Germany (except in diplomatic staff due to assume duty at the Embassy and Consulates of Germany in SA)	Spain	
Greece	St Vincent & the Grenadines	
Iceland	Sweden	
Ireland	Switzerland	
Israel	Tanzania (90 days per year)	
	Trinidad & Tobago (only ordinary passport holders)	
	Zambia (90 days per annum)	

- The citizen who is a holder of a national passport (diplomatic, official and ordinary) of the following countries / territories / international organisations is not required to hold a visa in respect of purposes for which a visitor's permit may be issued or by virtue of being a person contemplated in section 31(3)(b) [accredited in SA] for an intended stay of 30 days or less and when in transit:

Antigua and Barbuda	Hong Kong [only with regard to holders of Hong Kong British National Overseas passports and Hong Kong Special Administrative Region passports]	Maldives
Bahamas (only ordinary passport holders)	Hungary	Mauritius
Barbados	Jordan	Mozambique
Belize	Lesotho	Namibia
Benin	Macau [only with regard to holders of Macau Special Administrative Region passports (MSAR)]	Peru
Bolivia	Malaysia	Poland
Cape Verde	Malawi	Seychelles
Costa Rica		Slovak Republic
Cyprus		South Korea
Gabon		Swaziland
Guyana		Thailand
		Turkey

- Agreements have also been concluded with the following countries for holders of diplomatic and official passport holders.

Citizens who are holders of **diplomatic, official and service passports** of the following countries do not require visas in respect of purposes for which a visitor's permit may be issued or by virtue of being a person contemplated in section 31(3)(b) [accredited in SA] for the **period indicated** and transit:

Albania (120 days)	Egypt (30 days)	Paraguay (120 days)
Algeria (30 days)	Ghana (90 days)	Poland (90 days)
Angola (90 days)	Guinea (90 days)	Romania (90 days)
Belarus (90 days)	Hungary (120 days)	Russian Federation (90 days)
Bulgaria (90 days)	India (90 days)	Rwanda (30 days)
China (PROC) (30 days) (only diplomatic passport holders)	Ivory Coast (Cote d'Ivoire) (30 days)	Slovak (90 days)
Cyprus (90 days)	Kenya (30 days)	Slovenia (120 days)
Comoros (90 days)	Mexico (90 days)	Thailand (90 days)
Croatia (90 days)	Madagascar (30 days)	Tunisia (90 days)
Cuba (90 days) (diplomatic, official & service)	Morocco (30 days)	Vietnam (90 days)
	Mozambique (90 days)	
	Namibia (30 days)	

- Notwithstanding this Schedule, a foreigner whose visa exemption has been withdrawn shall comply with the visa requirements until notified by the department that his or her visa exemption has been re-instated by the department on petition or of its own accord.
- Visas are not required by passport holders of Lesotho, Swaziland, Botswana, Namibia, Zambia and Malawi who are entering the Republic as commercial heavy-duty vehicle drivers, provided their visits do not exceed 15 days and on condition that they can produce a letter confirming their employment with a transport company on entry.

relatives and other members of the households are exempt from visa requirements when visiting the Republic for periods not exceeding 90 days for purposes for which a visitor's permit may be issued, and for official business purposes and transits and when accredited for placement at a UN mission in the Republic for the duration of their accreditation, provided they are in possession of the relevant letters or identification documents to identify themselves at ports of entry as personnel of a UN agency.

- o Holders of UN Laissez-passers.
- o Volunteers attached to the UN.
- o Persons involved in any UN agency.
- o Persons performing services on behalf of the UN.

The same principle applies to Zimbabwean commercial heavy-duty vehicle drivers, except that their sojourn may not exceed 30 days at a time. The aforementioned does not apply to commercial heavy-duty vehicle drivers who transport goods for a South African transport company. Such drivers must be in possession of a valid work permit.

- Staff members of the Southern African Development Community (SADC) who travel on SADC laissez-passers are exempt from visa requirements for bona fide official business visits up to 90 days and transit.

The following categories of the UN, as well as their spouses, dependent

Members of military forces attending any military related matters with the South African National Defence Force are exempt from visa and study permit requirements, irrespective of their duration of stay provided they are in possession of letters of invitation from the SANDF as well as letters of consent from the military force of which they are members.

6. Frequently Asked Questions (FAQs)

Questions	Answers
Can the capital requirements for a business permit be reduced or waived?	<p>The capital requirements above may be reduced or waived in respect of the following types of industries/businesses:</p> <ul style="list-style-type: none"> Information and Communication Technology. Clothing and textile manufacturing. Chemicals and bio-technology. Agro-processing. Metals and minerals refinement. Automotive manufacturing. Tourism. Crafts.
What must I do if my qualifications are in a foreign language?	If the qualifications are in a foreign language, you must have the documents translated into one of the official languages by a sworn translator (and provide proof of registration of the translator).
What are the specifications for an advertisement?	<p>The original advertisement of the post/position as it appeared in the national printed media. The advertisement must comply with regulation 16(5):</p> <ul style="list-style-type: none"> Reflect the full particulars of the relevant newspaper or magazine as well as date on which the advertisement was published. Stipulate the minimum qualifications and experience required to fill the position. Clearly define the position and the duties to be performed. Measure at least 60mm by 60mm. State the closing date for applications. Should not be older than three months at the time of application for a work permit. This period is calculated from the closing date of advert.

Addendum 12: Customs and excise regulations – Practical guidelines for immigrants and travellers ¹⁰⁹

Note:

Whether arriving in South Africa by air, sea or land, all travellers (including immigrants) will have to pass through customs control. If found with undeclared, restricted or prohibited goods; you could be fined or even face prosecution. Below is a quick guide to bringing goods in and out of the country.

1. Duty-free goods

You can bring the following goods into South Africa without paying customs duty or VAT:

Consumable goods in accompanied baggage

- Cigarettes - up to 200 per person.
- Cigars - up to 20 per person.
- Cigarette or pipe tobacco - up to 250g per person.
- Perfume - up to 50ml per person.
- Eau de toilette (scented liquid lighter than cologne) - up to 250ml per person.
- Wine - up to 2 litres per person.
- Spirits and other alcoholic beverages - up to 1 litre in total per person.

People under 18 can claim this

duty-free allowance on consumable goods - with the exception of alcohol and tobacco products - provided the goods are for their personal use.

Medicines

You are allowed to bring in one month's supply of pharmaceutical drugs or medicines for your personal use. Any other pharmaceutical drugs or medicines must be accompanied by a letter or certified prescription from a registered physician, and have to be declared.

Personal effects, sport and recreational equipment

You can bring in personal effects, sport and recreational equipment, either as accompanied or unaccompanied baggage, for your own use during your visit. In the case of very expensive articles, you may be required to lodge a cash deposit to cover the potential duty/tax on their re-export. The deposit will be refunded on departure after a customs officer has inspected the items and verified that they are being re-exported. You should notify the customs office at which the deposit was lodged at least two days before departure to ensure that the refund is ready.

If you are departing from a different port, the inspection report will be forwarded to the office where the deposit was lodged, and a cheque will be posted to the address you provided.

Additional goods

In addition to the personal effects and consumables duty-free allowances, you are allowed to bring in new or used goods in accompanied baggage to the value of R3 000. (This is valid only once per person per 30-day period.)

2. Once over duty-free limit

Once the above limits are exceeded, all goods brought into South Africa are subject to the payment of customs duty and VAT – including goods bought duty-free on aircraft or ships or in duty-free shops.

- For goods of up to R12 000 in value, you will have the option of paying customs duty at a flat rate of 20%. Flat-rated goods are also exempt from payment of VAT. This is valid only once per person per 30-day period.
- People under 18 can opt for the flat rate assessment, provided the goods are for their personal use.
- Once you're over the additional R12 000 limit - or if you waive the flat rate option - then duty will be assessed and paid on each individual item you're carrying, and an additional 14% VAT will be charged.
- Goods that do not qualify for the flat rate assessment include:
 - Firearms.
 - Goods for commercial purposes.

- Consumable goods in excess of the quantities detailed above.
- Goods or gifts carried on behalf of other people. Not only are these are subject to duties and taxes, but they may also require an import permit.

3. Goods that have to be declared

Certain goods are restricted, and may only be brought into South Africa if you have the necessary authority or permit, and these must be declared on arrival. They include any firearms, as well as:

- Currency - South African bank notes in excess of R5 000, gold coins, coin and stamp collections, and unprocessed gold.
- Endangered plants and animals - Species of plants or animals that are listed as endangered, whether they are alive or dead, as well as any parts of or articles made from them.
- Food, plants, animals and biological goods - All plants and plant products, such as seeds, flowers, fruit, honey, margarine and vegetable oils. Also animals, birds, poultry and products thereof, such as dairy products, butter and eggs.
- Medicines - You are allowed to bring in one month's supply of pharmaceutical drugs or medicines for your personal

use. Any other pharmaceutical drugs or medicines must be accompanied by a letter or certified prescription from a registered physician, and have to be declared.

4. Goods prohibited

It is illegal to bring the following goods into South Africa:

- Narcotics - Any narcotic or psychotropic substances, including drugs such as cannabis, heroin, cocaine, mandrax or ecstasy; or any paraphernalia relating to their use.
- Any fully automatic, military or unnumbered weapons, as well as explosives, fireworks or weapons of mass destruction.
- Any poison and other toxic substance.
- Cigarettes with a mass of more than 2kg per 1 000.
- Any goods to which a trade description or trade mark is applied in contravention of any law (e.g. counterfeit goods).
- Unlawful reproductions of any works subject to copyright.
- Any prison- or penitentiary-made goods.

5. Which channel to choose through South African customs control: Red or green?

Green channel

Choose the green channel if:

- You have nothing to declare.
- Your goods qualify for the duty-free allowances detailed above.
- You are not carrying goods or gifts on behalf of others.
- You are not carrying restricted or prohibited goods.
- You are not carrying commercial goods (goods brought in for trade purposes).

Red channel

If you can't tick all the above, then choose the red channel. If you are in any doubt, still choose the red channel and ask the customs officer for assistance.

Note:

Where the red/green channel system is not in operation, report directly to a customs officer and declare all the goods in your possession.

6. To be on the safe side

- Always declare all goods in your possession.
- Produce receipts for goods purchased abroad (including goods bought duty-free on aircraft or ships or in duty-free shops).
- If you are unsure of the value of goods which you should declare, ask for assistance from the customs officer on duty.

Note:

If in any doubt as to whether the goods you intend to bring into South Africa are restricted, contact your nearest South African embassy or High Commission abroad.

7. Travellers in transit

- Travellers in transit to countries outside the Southern African Customs Union (SACU) do not have to comply with customs formalities in South Africa. This applies only if you have been booked from an airport outside the SACU, and you are not travelling to your final destination by road.
- These passengers may not leave the transit area of the airport between flights. Their baggage will automatically be transferred from their international flight.

Note:

Customs officials may still search travellers in transit and their baggage for any illegal drugs or counterfeit goods. Anyone found with such goods will be detained and handed over to the SAPS for prosecution.

8. VAT refunds for tourists

- VAT at a rate of 14% is levied on the purchase of most goods in South Africa. However, as a foreign visitor you may apply for a refund of the VAT you pay while in the country – provided you apply before you depart.
- To apply, make sure you get tax invoices for your purchases which you can present to VAT Refund Administrators at your point of departure. If he/she is not available, present your goods to a customs officer, who will inspect the goods, stamp your invoices and deliver them to the VAT Refund Administrator, who will correspond with you on the matter.

For full information on how and where to apply for VAT refunds, visit: www.taxrefunds.co.za.

9. How much money can be brought in/taken out?

- As a foreign visitor, you can bring in up to R5 000 in South African currency (Rands), plus an unlimited amount in foreign currencies and traveller's cheques, provided you declare this on arrival.
- On departure, you can also take out R5 000 in South African currency (Rands), and up to the amount in foreign currencies and traveller's cheques that you declared when you arrived (provided you didn't stay more than 12 months).

10. Duty-free temporary imports

- South Africa acceded to the ATA Convention in 1975. Foreign visitors (companies and individuals) can therefore approach their local chambers of commerce for advice regarding the issuing of an ATA Carnet for the temporary import of certain goods in a simplified method, for example, in the case of broadcasters or sponsors of international sporting events taking place.

Addendum 13: South African business practices and etiquette¹¹⁰

General aspects

- On the whole, Western business rules and etiquettes are generally adhered to in South Africa. Nevertheless, African business practices are important and play an important role in shaping South Africa's business culture and practices.
- Generally speaking, money is looked upon differently in African culture. Africans see it as something that is necessary for sustenance, but anything beyond what can suffice is seen as unnecessary, although with the continued integration of Western values and norms this is changing. In the West, the business world encourages accumulation of possessions and of wealth.
- Another important difference in the business cultures of the two areas is planning. Western cultures carefully chart and examine moves months or even years ahead of schedule. Whereas, African culture prefers that a final decision be preceded by full consultation of all parties before being implemented.
- Greetings in South Africa vary from culture to culture. In most cases, a firm handshake will do the trick, but every culture has its own preference. Note, that

English-speakers, on the whole, are likely to be more formal and polite, while black South Africans embrace informality and more personal greetings.

Working practices

- Schedule business appointments as far in advance as possible, and always confirm the appointment by calling the day before.
- Formal meetings and appointments usually begin and end on time.
- Use titles and surnames to address people.
- South Africans are transactional and do not need to establish long-standing personal relationships before conducting business.
- Appointments should generally be made starting at 9am.
- Do not rush deals. South Africans are very casual in their business dealings.
- Business cards have no formal exchange protocol.
- Dress conservatively, particularly for initial meetings with new business associates.

Working relationships

- For the most part, South Africans prefer to do business with those they have met previously.
- A vital part of African culture is respect for one's ancestors and elders. It is deemed highly offensive to most South Africans if the proper respect for an elder is not shown, especially in more rural areas.
- If your company is not known in South Africa, a more formal introduction may help you gain access to decision-makers and not be shunted off to gatekeepers.
- Networking and relationship building are crucial for long-term business success.
- Most businessmen are looking for long-term business relationships.
- There are major differences in communication styles depending upon the individual's cultural heritage.
- Most South Africans, regardless of ethnicity, prefer face-to-face meetings to more impersonal communication mediums such as e-mail, letter or telephone.

¹¹⁰ <http://www.initiateimmigration.com/working-in-south-africa/business-practices/>

Business practices

- On the whole, titles are not used in South African business settings. However, some honorary doctorates may wish to be addressed in this way.
- Initial meetings for South African companies are about establishing personal rapport and developing mutual trust, two vital elements in South African business culture.
- The overall aim during business negotiations in South Africa is to reach a general consensus. South Africans prefer to see a fair, win-win situation where all sides gain something from the deal.
- Don't be surprised if your South African business colleagues ask what may seem to be personal questions about your way of life after a relatively brief period of time.

Business meeting etiquette

- Appointments are necessary and should be made as far in advance as possible.
- It may be difficult to arrange meetings with senior level managers on short notice, although you may be able to do so with lower-level managers.
- It is often difficult to schedule meetings from mid-December to mid-January or the two weeks

surrounding Easter, as these are prime vacation times.

- After a meeting, send a letter summarising what was decided and the next steps.

Business negotiations

- It is imperative to develop mutual trust before negotiating.
- Do not interrupt a South African while they are speaking.
- South Africans strive for consensus and win-win situations.
- Include delivery dates in contracts. Deadlines are often viewed as fluid rather than firm commitments.
- Start negotiating with a realistic figure. South Africans do not like haggling over price.
- Decision-making may be concentrated at the top of the company and decisions are often made after consultation with subordinates, so the process can be slow and protracted.

Dress etiquette

- Business attire is becoming more informal in many companies. However, for the first meeting, it is best to dress more conservatively.
- Men should wear dark-coloured, conservative business suits.

- Women should wear elegant business suits or dresses.
- South Africans of urban cultures generally wear Western dress.
- Dress well in public, it will be expected by your South African host.

Addendum 14: How to apply for a police clearance certificate (PCC) ¹¹¹

Note:

This service is available to people who require confirmation on their criminal status for emigration purposes or for working abroad. A certificate will be issued stating whether any criminal offences are recorded against the applicant. The taking of the fingerprints is performed at the nearest police station, prior to the analysis thereof and the issuing of the certificate. The issuing of a clearance certificate is the sole responsibility of the SAPS Criminal Record Centre in Pretoria.

Process

- The applicant must provide a full set of their fingerprints, preferably taken at their nearest police station.
- The applicant's full name, surname, date of birth, place of birth and identity number (if

available) must also be recorded on the fingerprint form.

- A copy of the applicant's ID document/passport must accompany the application. The applicant must present their ID at the police station as proof of identity will be required.
- South African citizens living outside the Republic may apply at any police station in that country or at the South African embassy. Fingerprints should be taken on the official fingerprint forms of the specific country. The fingerprint form must be signed by the person who took the fingerprints. The application must be accompanied by a completed set of fingerprints and a copy of the applicants ID or passport.
- If the applicant provides his/her cell phone number (currently only South African) on the application for a PCC he/she will be provided with an sms indicating that application was received and the reference number that will be allocated to his/her certificate. The applicant can then determine, by making use of the reference number provided, when his/her PCC has been finalised at the Police Clearance office by making use of the facility on the SAPS website.

¹¹¹ http://www.saps.gov.za/_dynamicModules/internetSite/faqBuild.asp?myURL=272

- The police station where the applicant applied will forward the complete application to the Criminal Record Centre. Alternatively, the applicant may deliver the completed application in person or mail the application to:

The Head of the South African Criminal Record Centre
(For attention: Police Clearance Certificates)
Private Bag X308
Pretoria
Gauteng
South Africa
0001

The application may also be delivered by courier to:

The Head of the South African Criminal Record Centre
(For attention: Police Clearance Certificates)
Bothongo Plaza West
CRC Client Service Centre
1st Floor, Room 14
271 Schoeman Street
Pretoria
Office Hours 7:30 - 16:00 (Monday - Friday)

Cost

- This service is rendered at R59 per application payable by bank guaranteed cheques bankers draft or electronic payment into the SAPS account (ABSA cheque account number 4054522787; Branch code 632005; Swift code ABSA ZAJJ) in the favour of the National Commissioner of SAPS.
- In the case of an electronic payment, the initials and surname of the applicant should be indicated as the reference. The letters PCC must be added as reference, which will indicate that the payment is for a PCC.
- An applicant who prefers to make an electronic payment abroad, can approach any bank who can make a telegraphic transfer and request that the relevant fees be paid into above mentioned bank account. Proof of payment must be sent to this office before the processing of the application will take place.
- On completion, the certificate will be mailed to the applicant by post. Individuals abroad are responsible for their own postage. Applicants can arrange for the certificate to be collected via courier service at their own expense. A PCC can be reissued within six months of the original application yet an additional cost of R59 will be required. After six months of the date of the original application a new application must be submitted.

Contact information:	
Tel South Africa:	+27 12 393 3928
Tel International:	+27 12 393 3928
Fax number South Africa:	+27 12 393 3909
Fax number International:	+27 12 393 3909
E-mail addresses:	crc-nameclear@saps.org.za
	crc.clientserv.sec@saps.org.za
	crc.client@saps.org.za

Note:

The average time to render this service will take approximately 14 working days from the day that the complete application is received at the Criminal Record Centre until the Clearance Certificate is issued.



Addendum 15: Site development procedures in South Africa ¹¹²

Procedure	Agency	Time to Complete	Associated Costs
<p>1. Submit site development/building plans to Municipality for approval.</p> <p>Three copies of all plans are circulated internally among several departments within the municipality (usually zoning, water, structural, land survey, drainage/sewage, fire, and health departments). Site development plans may be approved first, which allows the company to start preliminary work on site. Building plans are usually approved by the time the site is ready for construction. The approved plans are returned to the company with all forms required in the future attached: notification of excavation, concrete work (if applicable), plumbing/sewage, and electrical work. The cost is determined by the municipality based on a sliding scale. The company has the option to call beforehand and request an estimate in about one to two days. By law, the time limit for plan approval is 30 days, but the municipality commonly extends the time, so the procedure can take up to three months to complete.</p>	Municipality	90 days	R6 000

Procedure	Agency	Time to Complete	Associated Costs
<p>2. Submit copy of building plans to Telkom to apply for telephone connection.</p> <p>Telkom reviews the plans and marks its requirements and where the connection is to be made. The application states when the service is required. This procedure can be done simultaneously with the previous one.</p>	Telkom SA Limited	20 days	R600
<p>3. Submit occupational health and safety plan.</p>	Municipality	7 days	No charge
<p>4. Pay road repair deposit*.</p> <p>BuildCo must pay a deposit in case any damage is done to public roads during construction.</p>		30 days	R1 500
<p>5. Submit notification of completion of excavation/foundation work.</p> <p>A notification form is attached to the approved plans.</p>	Municipal Building Inspectorate	1 day	No charge
<p>6. Receive inspection of excavation and foundations work.</p>	Municipal Building Inspectorate	1 day	No charge
<p>7. Submit notification of completion of sewage/plumbing work.</p>	Municipal Building Inspectorate	1 day	No charge
<p>8. Receive inspection of sewage and plumbing.</p> <p>This inspection takes place before closing up.</p>	Municipal Building Inspectorate	1 day	No charge

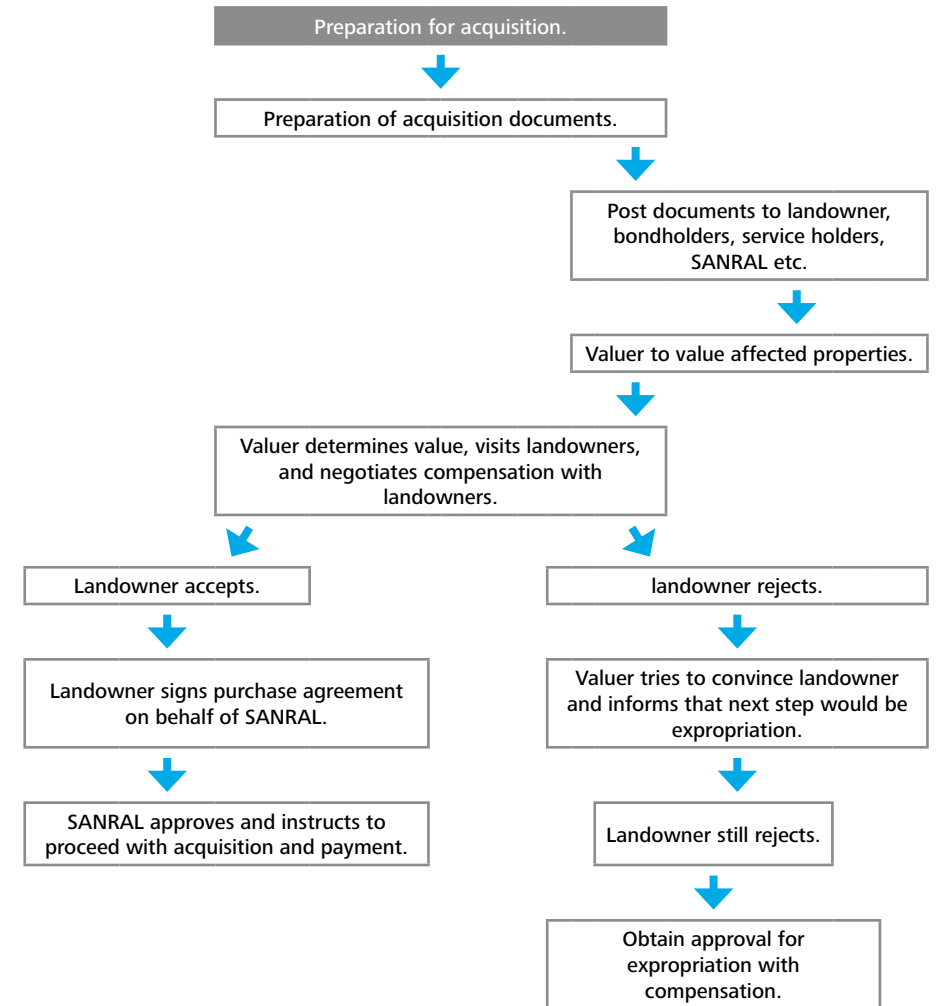
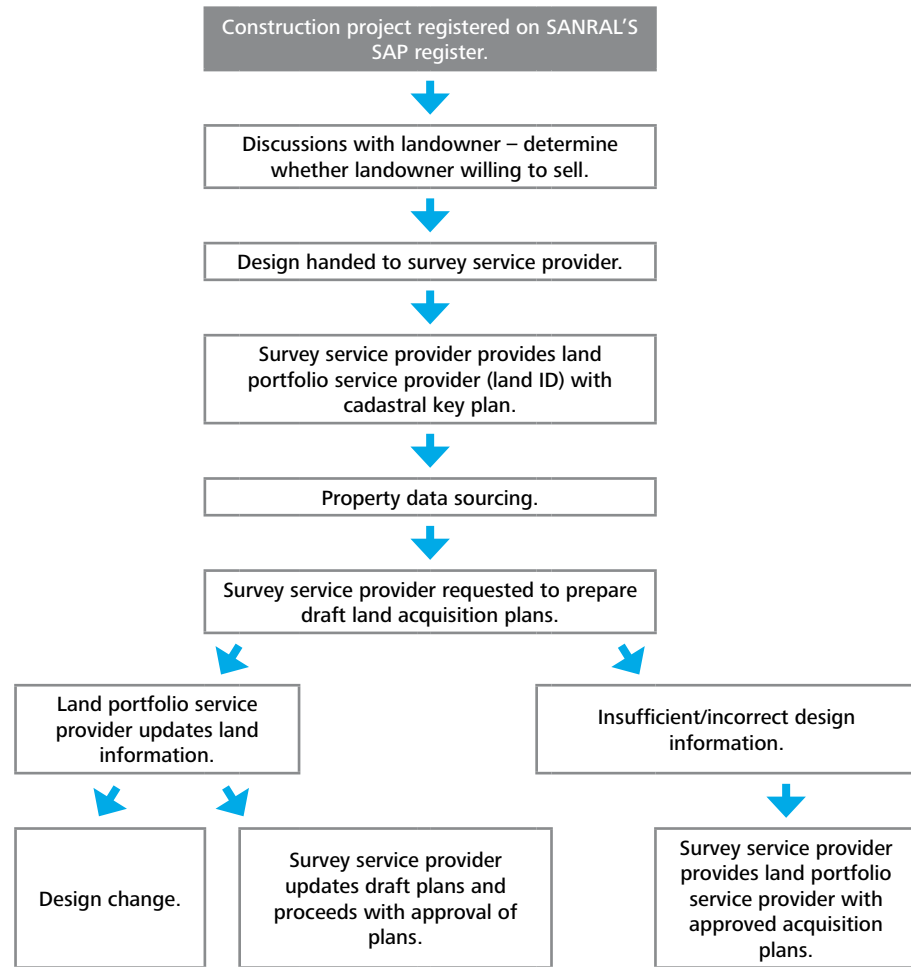
¹¹² <http://www.doingbusiness.org/data/exploreeconomies/south-africa/dealing-with-construction-permits/>

Procedure	Agency	Time to Complete	Associated Costs
<p>9. Submit certificate of compliance (plumbing, sewage).</p> <p>The company is required to submit an official certificate, issued by a registered plumber, confirming that the plumbing work has been completed according to the applicable legislation and standards. Self-certification is done by a certified professional.</p>	Municipality	1 day	No charge
<p>10. Apply for water and sewerage connection.</p> <p>The service should not be provided until the certificate of compliance has been submitted. This procedure can be done simultaneously with the previous one.</p>	Municipal Building Inspectorate	30 days	R1 350
<p>11. Obtain telephone connection*.</p> <p>This procedure can be done simultaneously with previous ones.</p>	Telkom SA Limited	1 day	R1 650

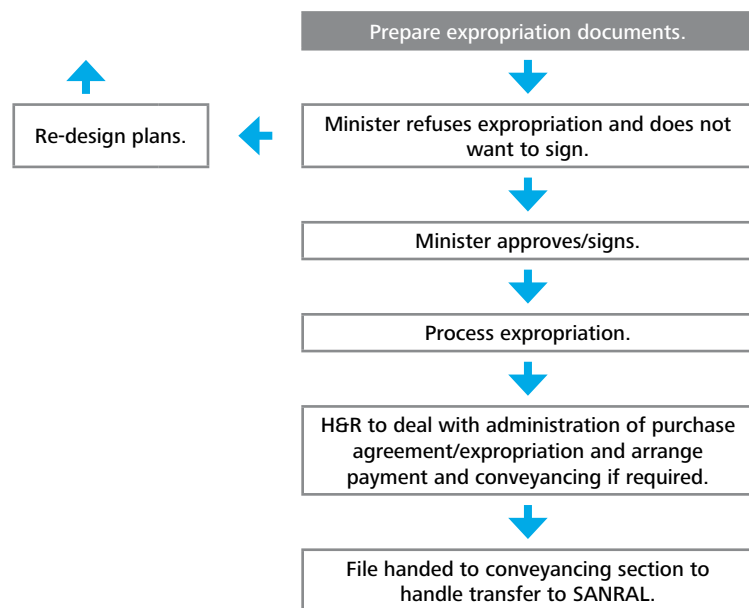
Procedure	Agency	Time to Complete	Associated Costs
<p>12. Receive final inspection by municipal authorities.</p> <p>The inspection is a prerequisite to obtaining the occupational certificate. Usually a preliminary inspection could have taken place shortly before construction is completed, in which case the final inspection is just a formality. Obtaining the occupational certificate would be issued after this process.</p>	Municipality	1 day	No charge
<p>13. Obtain Occupational Certificate.</p> <p>This certificate is issued after the final inspection by the municipal authorities has been carried out and certifies that the building complies with the national and municipal building regulations.</p>	Municipality	1 day	No charge

* This procedure can be done simultaneously with previous ones.

Addendum 16: Land acquisition processes in South Africa ¹¹³



¹¹³ SANRAL Land Acquisition Guidelines. www.nra.co.za/.../Land_Acquisition_Guideline_Manual_for_consulti. Retrieved August 2012.



Addendum 17: Employee rights - Labour Relations Act Schedule 8: Code Of Good Practice: Dismissal ¹¹⁴

Code Of Good Practice: Dismissal Labour Relations Act (ACT 66 OF 1995 as amended)

Schedule 8

This Code of Good Practice is neither published nor sold by the South African Labour Guide. All Codes of Good Practice are available free of charge from the Commission for Conciliation, Mediation and Arbitration at 20 Anderson Street, Johannesburg, or from any of their branch offices.

1. Introduction

- (1) This Code of Good Practice deals with some of the key aspects of dismissals for reasons related to conduct and capacity. It is intentionally general. Each case is unique, and departures from the norms established by this Code may be justified in proper circumstances. For example, the number of employees employed in an establishment may warrant a different approach.
- (2) This Act emphasises the primacy of collective agreements. This Code is not intended as a substitute for the employer's disciplinary codes and procedures where these are the subject of collective agreements, or the outcome of joint decision-making by an employer and a workplace forum.

¹¹⁴ www.labourguide.co.za

- (3) The key principle in this Code is that employers and employees should treat one another with mutual respect. A premium is placed on both employment justice and the efficient operation of business. While employees should be protected from arbitrary action, employers are entitled to satisfactory conduct and work performance from their employees.

2. Fair reasons for dismissal

- (1) A dismissal is unfair if it is not effected for a fair reason and in accordance with a fair procedure, even if it complies with any notice period in a contract of employment or in legislation governing employment. Whether or not a dismissal is for a fair reason is determined by the facts of the case, and the appropriateness of dismissal as a penalty. Whether or not the procedure is fair is determined by referring to the guidelines set out below.
- (2) This Act recognises three grounds on which a termination of employment might be legitimate. These are: the conduct of the employee, the capacity of the employee, and the operational requirements of the employer's business.

- (3) This Act provides that a dismissal is automatically unfair if the reason for the dismissal is one that amounts to an infringement of the fundamental rights of employees and trade unions, or if the reason is one of those listed in section 187. The reasons include participation in a lawful strike, intended or actual pregnancy and acts of discrimination.
- (4) In cases where the dismissal is not automatically unfair, the employer must show that the reason for dismissal is a reason related to the employee's conduct or capacity, or is based on the operational requirements of the business. If the employer fails to do that, or fails to prove that the dismissal was effected in accordance with a fair procedure, the dismissal is unfair.

3. Misconduct

Disciplinary procedures prior to dismissal

- (1) All employers should adopt disciplinary rules that establish the standard of conduct required of their employees. The form and content of disciplinary rules will obviously vary according to the size and nature of the employer's business. In general, a larger business will require a more formal approach to discipline. An employer's rules must create certainty and consistency in the application of discipline. This requires that the standards of

conduct are clear and made available to employees in a manner that is easily understood. Some rules or standards may be so well established and known that it is not necessary to communicate them.

- (2) The courts have endorsed the concept of corrective or progressive discipline. This approach regards the purpose of discipline as a means for employees to know and understand what standards are required of them. Efforts should be made to correct employee's behaviour through a system of graduated disciplinary measures such as counselling and warnings.
- (3) Formal procedures do not have to be invoked every time a rule is broken or a standard is not met. Informal advice and correction is the best and most effective way for an employer to deal with minor violations of work discipline. Repeated misconduct will warrant warnings, which themselves may be graded according to degrees of severity. More serious infringements or repeated misconduct may call for a final warning, or other action short of dismissal. Dismissal should be reserved for cases of serious misconduct or repeated offences.

Dismissals for misconduct

- (4) Generally, it is not appropriate to dismiss an employee for a first offence, except if the misconduct is serious and of such gravity that it makes a continued employment relationship intolerable. Examples of serious misconduct, subject to the rule that each case should be judged on its merits, are gross dishonesty or willful damage to the property of the employer, willfully endangering the safety of others, physical assault on the employer, a fellow employee, client or customer, and gross insubordination. Whatever the merits of the case for dismissal might be, a dismissal will not be fair if it does not meet the requirements of section 188.
- (5) When deciding whether or not to impose the penalty of dismissal, the employer should, in addition to the gravity of the misconduct, consider factors such as the employee's circumstances, including length of service, previous disciplinary record and personal circumstances, as well as the nature of the job and the circumstances of the infringement itself.
- (6) The employer should apply the penalty of dismissal consistently with the way in which it has been applied to the same and other employees in the past, and consistently as between two or more employees who participate in the misconduct under

consideration.

4. Fair procedure

- (1) Normally, the employer should conduct an investigation to determine whether there are grounds for dismissal. This does not need to be a formal inquiry. The employer should notify the employee of the allegations using a form and language that the employee can reasonably understand. The employee should be allowed the opportunity to state a case in response to the allegations. The employee should be entitled to a reasonable time to prepare the response and to the assistance of a trade union representative or fellow employee. After the inquiry, the employer should communicate the decision taken, and preferably furnish the employee with written notification of the decision.
- (2) Discipline against a trade union representative or an employee who is an office bearer or official of a trade union should not be instituted without first informing and consulting the trade union.
- (3) If the employee is dismissed, the employee should be given the reason for dismissal and reminded of any rights to refer the matter to a council with jurisdiction or to the Commission or to any dispute resolution procedures established in terms of a collective agreement.

(4) In exceptional circumstances, if the employer cannot reasonably be expected to comply with these guidelines, the employer may dispense with the dismissal procedures.

5. Disciplinary records

Employers should keep records for each employee specifying the nature of any disciplinary transgressions, the actions taken by the employer, and the reasons for the actions.

6. Dismissals and industrial action

(1) Participation in a strike that does not comply with the provisions of Chapter IV is misconduct. However, like any other act of misconduct, it does not always deserve dismissal. The substantive fairness of dismissal in these circumstances must be considered in the light of the facts of the case, including:

- (a) The seriousness of the contravention of this Act.
- (b) Attempts made to comply with this Act.
- (c) Whether or not the strike was in response to unjustified conduct by the employer.

(2) Prior to dismissal the employer should, at the earliest opportunity, contact a trade union official to discuss the course of action it intends to adopt. The employer should issue an ultimatum in clear

and unambiguous terms that should state what is required of the employees and what sanction will be imposed if they do not comply with the ultimatum. The employees should be allowed sufficient time to reflect on the ultimatum and respond to it, either by complying with it or rejecting it. If the employer cannot reasonably be expected to extend these steps to the employees in question, the employer may dispense with them.

7. Guidelines in cases of dismissal for misconduct

Any person who is determining whether a dismissal for misconduct is unfair should consider:

- (a) Whether or not the employee contravened a rule or standard regulating conduct in, or of relevance to, the workplace; and
- (b) If a rule or standard was contravened, whether or not:
 - (i) The rule was a valid or reasonable rule or standard.
 - (ii) The employee was aware, or could reasonably be expected to have been aware, of the rule or standard.
 - (iii) The rule or standard has been consistently applied by the employer.
 - (iv) Dismissal was an appropriate sanction for the contravention of the rule or standard.

8. Incapacity: Poor work performance

- (1) A newly hired employee may be placed on probation for a period that is reasonable, given the circumstances of the job. The period should be determined by the nature of the job, and the time it takes to determine the employee's suitability for continued employment. When appropriate, an employer should give an employee whatever evaluation, instruction, training, guidance or counselling the employee requires rendering satisfactory service. Dismissal during the probation period should be preceded by an opportunity for the employee to state a case in response and to be assisted by a trade union representative or fellow employee.
- (2) After probation, an employee should not be dismissed for unsatisfactory performance unless the employer has:
 - (a) Given the employee appropriate evaluation, instruction, training, guidance or counselling.
 - (b) After a reasonable period of time for improvement, the employee continues to perform unsatisfactorily.
- (3) The procedure leading to dismissal should include an investigation

to establish the reasons for the unsatisfactory performance and the employer should consider other ways, short of dismissal, to remedy the matter.

(4) In the process, the employee should have the right to be heard and to be assisted by a trade union representative or a fellow employee.

9. Guidelines in cases of dismissal for poor work performance

Any person determining whether a dismissal for poor work performance is unfair should consider:

- (a) Whether or not the employee failed to meet a performance standard.
- (b) And if the employee did not meet a required performance standard, whether or not:
 - (i) The employee was aware, or could reasonably be expected to have been aware, of the required performance standard.
 - (ii) The employee was given a fair opportunity to meet the required performance standard.
 - (iii) Dismissal was an appropriate sanction for not meeting the required performance standard.

10. Incapacity: Ill health or injury

- (1) Incapacity on the grounds of ill health or injury may be temporary or permanent. If an employee is temporarily unable to work in these circumstances, the employer should investigate the extent of the incapacity or the injury. If the employee is likely to be absent for a time that is unreasonably long in the circumstances, the employer should investigate all of the possible alternatives short of dismissal. When alternatives are considered, relevant factors might include the nature of the job, the period of absence, the seriousness of the illness or injury and the possibility of securing a temporary replacement for the ill or injured employee. In cases of permanent incapacity, the employer should ascertain the possibility of securing alternative employment, or adapting the duties or work circumstances of the employee to accommodate the employee's disability.
- (2) In the process of the investigation referred to in subsection (1) the employee should be allowed to the opportunity to state a case in response and to be assisted by a trade union representative or fellow employee.
- (3) The degree of incapacity is relevant to the fairness of any dismissal. The cause of the incapacity may also be relevant.

In the case of certain kinds of incapacity, for example alcoholism or drug abuse, counselling and rehabilitation may be appropriate steps for an employer to consider.

- (4) Particular consideration should be given to employees who are injured at work or who are incapacitated by work-related illness. The courts have indicated that the duty on the employer to accommodate the incapacity of the employee is more onerous in these circumstances.

11. Guidelines in cases of dismissal arising from ill health or injury

Any person determining whether a dismissal arising from ill health or injury is unfair should consider:

- (a) Whether or not the employee is capable of performing the work; and
- (b) If the employee is not capable:
 - (i) The extent to which the employee is unable to perform the work.
 - (ii) The extent to which the employee's work circumstances might be adapted to accommodate disability, or, where this is not possible, the extent to which the employee's duties might be adapted.
 - (iii) The availability of any suitable alternative work.

Addendum 18: Dispute resolution procedures in South Africa ¹¹⁵

1. Steps that follow the referral of a labour dispute

- (a) In the event of an unfair dismissal, the dispute must be referred within 30 days of date of dismissal/final decision to dismiss.
- (b) In case of an unfair labour practice, the dispute must be referred within 90 days. Should a referral not be made within the stipulated time limits an application for condonation must be brought, indicating good reasons for the late referral.
- (c) The dispute must be referred to a bargaining council/statutory council with jurisdiction. Should no such council exist, the dispute must be referred to the Commission for Conciliation, Mediation and Arbitration (CCMA).
- (d) The Council or CCMA will then attempt to resolve dispute through conciliation.
- (e) If the dispute remains unresolved or 30 days have passed, then a certificate is issued indicating the nature of the dispute and that the dispute is unresolved.
- (f) The bargaining council/CCMA must arbitrate the matter if it is related to misconduct, incompetence, incapacity,

constructive dismissal, dismissal for an unknown reason, or an unfair labour practice.

- (g) The Labour Court may adjudicate the matter in case of automatically unfair dismissal (including discrimination and sexual harassment), retrenchment, participation in an illegal strike or exercise of freedom of association.

2. Remedies in cases of unfair dismissal

- (a) Reinstatement; and/or
- (b) Compensation: maximum 12 month's remuneration in case of unfair dismissal and maximum 24 months' remuneration should the dismissal be automatically unfair.
- (c) Urgent interim relief (e.g. an interdict).
- (d) In case of automatically unfair dismissal – any order which is appropriate under the circumstances.

3. Consequences of termination of employment

3.1 Rights and duties

- (a) Employees' rights acquired before termination remain intact. e.g. salaries in arrears, accrued leave, medical benefits, retrenchment benefits etc. still remain payable.

¹¹⁵ http://www.law24.com/index.php?option=com_fastcontent&view=layman&Itemid=168&domid=slucb/9kmdb/bteeb/g7mfb/th1rb

3.2 Wrongful/unfair termination

- (a) Should the employer be guilty of a breach of contract, contractual remedies will become available to employee. These include claims for specific performance in terms of the contract and claims for damages. e.g. should an employee be appointed in terms of a fixed-term contract and the employer decide to terminate the contract at any time prior to the termination date agreed upon, such an employee could claim that the contractual stipulations must be adhered to, or otherwise claim that the employer pay the salaries he or she would have been entitled to had the contract run its full course.
- (b) In case of an unfair dismissal (where there was no fair reason for the dismissal or the employer followed an unfair procedure) employees are entitled to the remedies provided in the Labour Relations Act, namely reinstatement and/or monetary compensation.
- (c) A claim in terms of the Labour Relations Act does not abrogate the employee's common law entitlement. Therefore, should the dismissal have been unfair and also constitute a breach of contract, the employee would be entitled to claim on both grounds.

Addendum 19: How to submit your personal income tax return ¹¹⁶

How to submit your return (ITR12)

There are various ways in which you can complete and submit your return.

This tax season you can be good at tax by choosing the option that suits you best:

- eFiling: The most convenient and quickest way to do it.
- Filing electronically at a branch.
- Completing your return in writing and posting it or dropping it off in a SARS drop box.



eFiling

1.	Register at sarsefiling.co.za if you haven't already done so. Join the over 2.3 million people who already enjoy the speed, convenience and ease of SARS eFiling. If you are already registered for eFiling, simply login with your eFiling username and password.	6.	Next, you have to declare your investment income. If you made any local or foreign taxable gains or losses, fill in the taxable capital gains you made. Declare any other income you earned. If you earned business or professional income or even rental income, you need to fill in the "Local business, trade and professional income" section.
2.	Once you have successfully registered or logged on, you will find your Income Tax Return (ITR12) already populated with your personal information if your employer has provided SARS your IRP5 information. If not, you can try again at a later date by clicking on the "Refresh IRP5 Data" button.	7.	Record your annual medical expenses if you paid your own medical scheme contributions from your bank account and/or any other medical expenses that you did not recover from a medical scheme. Declare your retirement annuity and income protection payments. Claim your work-related travel expenses against your travel allowance.
3.	You can then complete a questionnaire on the first page of the ITR12, which will create all the fields you need to complete in your return.	8.	Once you have completed your tax return, click "Save online" and then use our online tax calculator to get an indication of your assessment.
4.	The second page is for your personal details and you should check the pre-populated information and make changes where necessary. Make sure that you complete or verify all mandatory and relevant fields. One of these is the field for banking details. SARS cannot pay a refund (if applicable) if it has incorrect banking details.	9.	When you're ready to submit the return to SARS, just click on the "File" button. If something is incorrect or incomplete, eFiling will prompt you to correct it. An eFiling step-by-step guide to your ITR12 is available on the SARS website www.sars.gov.za to assist you with the completion and submission of your tax return.
5.	The third page has information about your salary and tax deductions.	10.	You will receive your ITA34 Notice of Assessment within 48 hours on your eFiling profile assuming your return was completed correctly and honestly. The notice will indicate what you owe SARS or what SARS owes you by way of a refund.

¹¹⁶ www.sars.gov.za/Tools/Documents/DocumentDownload.asp?FileID

- **Filing electronically at a SARS branch**

Staff at SARS branches are ready to assist taxpayers who prefer to file their returns at their nearest SARS branch.

The following supporting documents are required:

- Your original ID or passport, plus a certified copy or, in the absence of an ID/passport, an affidavit together with a temporary ID/passport.
- Original bank statement with bank stamp that is not older than three months.
- Original proof of residential address not older than three months with your name and residential address (e.g. municipal account).
- Medical aid certificates and receipts/retirement annuity certificates.
- Your IRP5/IT3(a) certificate(s), which you will receive from your employer.
- Travel logbook (if you receive a travel allowance).
- Tax certificates that you received in respect of investment income IT3(b).
- Completed confirmation of diagnosis of disability (ITR-DD) (if applicable).
- Information relating to capital gain transactions (if applicable).
- The approved Voluntary Disclosure Programme (VDP) Agreement between yourself and SARS for years prior to 17 February 2010 (where applicable).
- Financial statements (if applicable, e.g. business income).
- Any other documentation relating to income you received or deductions you want to claim.

Note:

Any changes to banking details will be verified before updating your banking profile. Any refunds due to you (if applicable) will be processed only after your banking details are verified.

Further information on the process to provide banking details is available on the SARS website sars.gov.za.

- **Post or SARS branch drop box**

If you choose manual submission (completing your tax return in writing) then you need to call the SARS Contact Centre on: 0800 00 SARS [7277] or visit a SARS branch and order your Income Tax Return (ITR12). It will then be posted to you.



Addendum 20: South Africa's top 20 listed companies for 2012 ¹¹⁷

	Company	Description
1	Famous Brands	In May 2012, Famous Brands unveiled its financial 2012 results. During the year the group went through the 2 000 barrier in terms of number of outlets and the total at year-end stood at 2 043. Viewed against the backdrop of a consumer still feeling the pinch from higher fuel and food prices, the group did well to increase its headline earnings per share by 15%. An interesting observation in the narrative was that, though the number of consumers increased across the food services category, the frequency of visits declined by 10% to their lowest level in 12 years and in line with 2005. But Famous Brands management isn't capitulating to any of these background pressures. Instead it is centralising its procurement function, allowing it to become an even lower cost producer. It is going into new market segments, identifying new joint venture partnerships and continuing to leverage the synergies from its supply chain.
2	Coronation	In an investment market characterised by nervousness, concern and generally pedestrian returns, Coronation fund managers stand out as an outperformer. In the six months to march 2012, it grew its assets under management by 28% to R296 billion. Net inflows of funds for the period were strong at R19,1billion. At the regular "beauty parades" of fund managers, it once again received a collection of awards, including the Morningstar South Africa's best large fund house.
3	Kumba Iron Ore	Though Kumba is a favourite holding among institutional fund managers, a few negatives continue to hang over this stock. The valuation (P:E ratio of just over 10 times) appears stretched at a time when the global iron ore price is falling. Also, it is exposed to a degree of legal risk in its ongoing dispute with government and arcelormittal South Africa. Only once the court case has been decided will it be possible to make a reasoned assessment of its operational forecast

	Company	Description
4	Mix Telematics	Mix Telematics operates successfully in the niche market of vehicle tracking and fleet management solutions. Its well-known brand from a consumer perspective is matrix vehicle tracking. The group operates in 111 countries, helping customers to reduce risk. At the time of writing, it had released a trading statement for the year ended March 31, 2012, with headline earnings per share expected to rise by between 37% and 42%.
5	EOH	If ever there was a classic case of the old adage that success breeds success, it is shown in EOH. Between 2003 and 2012, headline earnings per share have grown from 15,5c to 126,9c, a compound annual growth rate of 25%. And this earnings growth pattern is reflected in the virtually exponential rise in its share price. No longer a small company in terms of market capitalisation, EOH is now coming up against some of the larger players in the IT industry.
6	Kagiso Media	In the fiercely competitive world of the media, this black-owned and operated company stands out as a lesson in how to do things right, first time every time. Though somewhat more subdued than last year's interim results, it still managed to increase revenue by 15% and pretax profit by 13% for the six months to December 2011. Earlier this year, it made an offer to acquire Juta & Company, which was accepted, subject to regulatory approval.
7	Exxaro	Exxaro remains a firm favourite among local investors. Strong earnings growth in recent years has resulted in the share being rated on a very undemanding P:E ratio of around 10 times. Coal operations are being expanded and Exxaro's 20% stake in Sishen Iron Ore Company provides the group with stable funding for its expansion. It has exchanged its mineral sands businesses for a 38,5% stake in Tronox, a pigment producer based in the US.

¹¹⁷ <http://www.fm.co.za/specialreports/rankings/2012/06/28/fm-top-20-companies>

	Company	Description
8	ARM	Patrice Motsepe's company doesn't disappoint investors and yet ARM doesn't appear to have the kind of institutional following it deserves. Interim results to December 2011 were ahead of expectations. The only real negative was at Nkomati, which produced a loss of R128 million in the first six months of the financial year. ARM believes implicitly in the longevity of the commodity supercycle and continues to expand its commitment to invest in the business.
9	WBHO	WBHO is regarded by many institutional fund managers as the best firm in the construction sector. Until recently, it had an unbroken earnings track record spanning over 15 years. So for its earnings to decline, as they did in the year to June 2011, highlights the parlous state of the local construction industry. For the six months to December 2011, revenue rose by 16,5%, operating profit was down by 15,2% and earnings per share declined by 8,6%.
10	Basil Read	Like its peers in the construction sector, Basil Read has not escaped the problems currently afflicting the industry. For the 12 months to December 2011, revenue rose by 16% to R6.2 billion, but operating profit fell 24% to R281 million and headline earnings per share slumped by 33% to 139,7c. But the order book was up 65% to R14 billion, with the group starting to see significantly more activity in power generation, mining and infrastructure. Also, roads tenders appear to be increasing as provinces are tasked with urgently improving the condition of SA's road network. One of the more interesting contracts awarded to the group last year is a R3,1 billion contract to construct and operate an airport on the island of St Helena in the South Atlantic.
11	Cipla Medpro	Cipla Medpro is one of the fastest growing pharmaceutical companies in SA and is a leading supplier of chronic medications to the public and private sectors. Its genesis goes back to 1993 with the founding of Medpro Pharmaceutica. It arrived on the JSE after merging with JSE-listed Enaleni Pharmaceuticals in 2005. Though its much larger peers in the pharmaceutical sector (Aspen and Adcock-Ingram) are sitting on p/e ratios of almost 22 times and 13 times respectively, its PE is a comparatively lowly nine times. This is perhaps why it has attracted the attention of Cape Town investment house Allan Gray, whose clients now own 10% of Cipla Medpro.

	Company	Description
12	Steinhoff	Steinhoff controls JD Group in SA and is the second largest integrated home furnishings retailer in Europe after Ikea. Group CEO Markus Jooste has achieved much since the group listed on the JSE in the late 1990s and yet the local investor community still seems reluctant to confer a premium rating on this stock. Steinhoff intends listing its European business in London, Paris or Frankfurt soon, and it is possible this may coincide with a capital raising exercise.
13	Litha Healthcare	Litha has been around in various guises for the past 20 years, though only listed under the name "Litha" since 2006. Through a variety of acquisitions, it has bulked up enormously and is now a serious player in the SA healthcare industry. It has interests in the biotechnology, medical devices and consumables and pharmaceutical industries. Its most recent acquisition of Paladin SA's Pharmaplan could have profoundly positive implications for Litha.
14	Capitec	For the past three years, doomsayers have been predicting that Capitec's explosive growth would come to an end. It seems like a big ask to expect the company to keep on delivering, until one delves more deeply into the reasons for its success. By not proliferating its product base and concentrating on a limited range of low-cost banking products, Capitec is growing its client base while reducing its already low cost-to-income range even further.
15	Illovo	Illovo Sugar is arguably the leading African low-cost sugar and downstream products producer. No longer confined to SA, it has 15 operations across six African countries. In the year to March 31 2012, operating profit rose by 31% and headline earnings per share by 18%, even though sales volumes were 5% lower. Notably, besides dampened sales volumes, sales to the European Union increased by 52%. Across the board, prices were firm.



	Company	Description
16	Woolworths	After years of trying to put its clothing business on the same level as its food business, Woolies appears to have finally managed to achieve this goal. During the recession of 2009, Woolies Food cleverly managed to stem the tide of market share loss by selective price promotions and when the economy picked up, so did Woolies Food's market share. Its financial services division has an exceptionally clean book and is poised for significant growth.
17	Clicks	After recording very strong earnings growth for the past few years, Clicks' interim results to February 2012 were somewhat disappointing. Turnover grew by less than 7% and headline earnings per share grew by only 7,5%. Supermarkets have made the health and beauty segment very competitive. Surprisingly, the Musica division managed to hold its own, even though its traditional market is facing stiff competition from the Internet.
18	Oceana	There are few fishing companies around these days, due to significant consolidation in this difficult and volatile industry. There were at least half a dozen listed fishing firms 20 years ago, but today it's just Oceana. Interim results to end March 2012 were strong, with headline earnings up by 21%. All three operating divisions turned in good results. The group is in the process of acquiring the fishing and cold storage businesses of the Lusitania group.
19	Spur Corp	Spur operates mainly in what is referred to as the casual dining market. Apart from the long established Spur Steak Ranches, it also operates Panarotti's, John Dory and the recently acquired DoRego's. It's been battling in the UK, Ireland and Australia, where economic conditions remain challenging. Expansion in the rest of Africa, however, looks promising. For the six months to December 2011, headline earnings per share rose by 20,2%.
20	Spar	Though Spar is more of a distribution company in comparison with its peers Shoprite and Pick n Pay in the food & drug retailers sector, its performance gets compared by investors as if it operated in the same space. In its interim figures to end March 2012, sales grew by 136% but gross margin fell from 8% to 7,9%. Its liquor retailing operation, Tops, was the star performer, recording 19,7% sales growth. Build-It, the home improvement division, also performed well, with turnover growing by 19,2%. Recognising that location is everything in the world of retail, Spar recently took the decision to buy sites from franchisees who wanted to sell, rather than let these sites end up in the hands of their competition.

Beyond auditing

"Deloitte" in South Africa is a name that is synonymous with a dedication to excellence in the fields of auditing, consulting, financial advisory, risk management and tax services.

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A simple statement perhaps, but one that brings together a dedication to solving business issues by adding value to client operations through Deloitte's shared values.

The unassuming Deloitte vision statement:

“Our vision is to be recognised as the best professional services firm in Southern Africa,” recognises simultaneously the local and global nature of the company, which ensures that clients across southern Africa benefit from both the best international and local expertise that is on offer.

This is achieved by being a proud member firm of Deloitte Touche Tohmatsu Limited, a global affiliation that unites thousands of dedicated professionals in member companies across the world. Their common goal is to achieve excellence in the provision of professional services and advice to clients whose activities cross every field of commercial and industrial endeavour.

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They benefit not only through the local, professional advice of Deloitte South Africa, but also through the experience and insights gained by a network of professionals operating and sharing a global strategy in 150 countries across the world.

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National Anthem

Nkosi sikelel' iAfrika,
 Maluphakanyisw' uphondo lwayo,
 Yizwa imithandazo yethu,
 Nkosi sikelela, thina lusapho lwayo.

Morena boloka setjhaba sa heso,
 O fedise dintwa la matshwenyeho,
 O se boloke, O se boloke setjhaba sa heso,
 Setjhaba sa South Afrika - South Afrika.

Uit die blou van onse hemel,
 Uit die diepte van ons see,
 Oor ons ewige gebergtes,
 Waar die kranse antwoord gee.

Sounds the call to come together,
 And united we shall stand,
 Let us live and strive for freedom,
 In South Africa our land.

Author's contact details	Foreword	Contents	Value proposition	Fast facts and quick stats about South Africa	General information about South Africa	South Africa: An economic overview	Foreign trade	Regulatory requirements in South Africa	South African taxation	Incentives and industrial financing	Contacts in South Africa	Acronyms and abbreviations	Addendums: Indicative costs and other practical aspects of doing business and living in South Africa	Beyond auditing	National Anthem
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