



**HOME AFFAIRS
& INVESTMENT FACILITATION
-
KWAZULU NATAL INVESTMENT
CONFERENCE
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home affairs

Department:
Home Affairs
REPUBLIC OF SOUTH AFRICA



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EXECUTIVE SUMMARY

- The DHA supports the APEX priority of economic growth and job creation and the economic reconstruction and recovery plan of Government through the:
 - Issuance of strategic visas and permits such as critical skill visas, business and general work visas as well as permanent residence permits for selected categories.
 - Implementation of visa waiver agreements with specific countries and issuing of long- term multiple entry visas to promote migration, business, investment and tourism into South Africa and movement within the continent.
 - The publication of the critical skills list - occupations which are in high demand and priority occupations earmarked for fast tracking of recruitment into South Africa - is a key enabler for the attraction of critical skills to facilitate economic growth.



HOME AFFAIRS & THE NDP

- ❑ A major focus of the National Development Plan (NDP) is to confront the triple challenge of poverty, inequality and unemployment by achieving higher growth rates.

- ❑ Home Affairs has a critical contribution to make to the achievement of the NDP 2030 objectives as outlined below:
 - The inclusion of all citizens in democracy and development is enabled by providing them with a status and an identity that gives them access to rights and services. This must be done in an efficient, effective, professional and secure manner.

 - An additional priority for the DHA is to facilitate the acquisition of the critical skills needed for economic growth as determined by the Department of Higher Education and Training (DHET) to build our own skills base.



HOME AFFAIRS & THE NDP

- ❑ The DHA, through the BMA, continues to drive integrated and coordinated border management to ensure our borders are effectively protected, secured and well-managed.
- ❑ The DHA plays a key role in enabling regional development and integration by working with the Southern African Development Community (SADC) countries through the Department of International Relations and Cooperation (DIRCO) to establish efficient, secure and managed migration.
- ❑ The DHA is central to harnessing the fourth (4th) industrial revolution and building a capable state. The modernisation programme of the DHA can reduce fraud and the cost of doing business by enabling e-government and thus attract more investment.



HOME AFFAIRS & THE NDP

- For the 2019 to 2024 Medium Term Strategic Framework (MTSF), the following seven **(7) APEX** priorities were identified to achieve the objectives of the NDP.
 - A capable, ethical and developmental state
 - **Economic transformation and job creation**
 - Education, skills and health
 - Consolidating the social wage through reliable and quality basic services
 - Spatial integration, human settlements and local government
 - Social cohesion and safer communities
 - A better Africa and world



HOME AFFAIRS & ECONOMIC GROWTH

- ❑ Independent research commissioned by the Reserve Bank and the International Food Policy Research Institute shows that growing the number of high-end skills as a share of the total South African population by just 0.02%, can boost annual economic growth by up to 1.2%.
- ❑ The same research projects that an enhanced Visa regime can create seven new jobs for every additional skilled worker attracted into the economy.
- ❑ The comprehensive review of the work visa system is underway to explore new visa categories that could enable economic growth, such as a start-up visa and a remote working visa as pronounced in the State of the Nation Address by the President.
- ❑ In this regard, certain process and policy recommendations proposed by the Vulindlela Task Team are being implemented by the DHA. These recommendations are aimed at establishing a visa regime that will attract skills and promote tourism.



THE CORPORATE ACCOUNTS UNIT

Established in 2008, the purpose of the Directorate: CAU is to facilitate the fulfillment of visa applications to enable movement of skilled workers into the country and to support the attraction of investments into the country.

FUNCTIONS:

- The determination of scarce skills and business sectors that are in National interest in conjunction with other Departments and Institutions.
- Ensure proactive and cooperative liaison and partnering with the key account representatives and stakeholders.
- Ensure effective needs assessment and solution design that is flexible and tailor made within legislative and policy requirements.
- Ensure accurate and timely service delivery to key large accounts.
- Provide education, awareness and compliance to key large accounts.
- Building and maintenance of effective partnerships with internal and external stakeholders.
- Conduct analysis of key customer requirements within a designated sector of the market segment, and ensure that the sector receives excellent service delivery from the Department.



CAU SUPPORT TO BUSINESS SINCE 2019

- As part of the National Development Plan to adopt a more open approach to immigration in order to expand the supply of high skills in a manner that contributes to economic growth, and to facilitate visa applications for investment purpose, DHA established a partnership with Gauteng Provincial Government's Gauteng Growth and Development Agency (GGDA) to serve corporate clients at the DHA Premium Visa & Permit Services Centre, at GGDA's Gauteng Investment Centre (GIC) in Sandton.
- DHA is also a member of the ***National One Stop Shop*** that was opened by the then President at The DTI Campus in Pretoria on 17 March 2017, as part of efforts by government to ease the way of doing business in South Africa, and to attract investors. This service was also extended to the Western Cape in September 2017 with a dedicated ***One Stop Shop*** and this service is also at the Trade & Investment KZN in Durban.
- DHA contributes to the *'one-stop-shop' centres by offering* investors and their families reduced turnaround times for visas by establishing a dedicated centre at DHA's back office to deal with applications received from the centres and offer immigration-related advice by the Department's Corporate Accounts Unit.



CAU SUPPORT TO BUSINESS SINCE 2019

- These are large businesses, organizations, and employers who make an important contribution to the economy in infrastructure, manufacturing, energy, retail, professional and financial services, research and development, and knowledge production.
- Some of the clients are: Eskom; automobile manufacturers such as BMW, Toyota, VW and Mercedes-Benz South Africa; all major banks; all universities; oil and gas companies such as Total, BP and PetroSA; professional services firms such as Ernst & Young, Deloitte and KPMG; and consumer goods companies such as Nestle.
- The Visa Facilitation process for investment purpose seeks to identify key investors and businesses in consultation with the DTI and Labour within the inter-governmental framework to ensure that such business persons and prospective investors receive priority services both in South Africa and abroad (for example in China, India, Korea, etc).



INVESTMENT PROJECTS FACILITATED SINCE 2019

- **MURRAY AND ROBERTS PROJECT (PTY) LTD:** contracted to Eskom Holdings SOC Limited for the construction of the Medupi and Kusile power stations, also known as the Eskom Build Project.
- **BMW South Africa:** BMW SA Plant in Rosslyn won a contract after competing with other BMW production plants around the world for the new BMW X3.
- **MERCEDES-BENZ South Africa (MBSA):** production line of the new generation C-Class. MBSA's investment increased its capital expenditure budget for its plant to well in excess of **R3bn** for this new model.
- **TOTAL ENP:** drilling gas offshore. This activity has a huge potential of increasing patronage for Mossel Bay Tourism Industry & Restaurants. Direct economic injection into the local business community by contracting for certain services such as goods, transport, accommodation and containers.
- **Black Mountain Mining (PTY) LTD**
Investment date: July 2015-September 2018 - Country of origin: India - Amount invested: **US\$400 million**
Location of investment (city and province): GamsbergMine, Aggeneys, Khai-Ma, Northern Cape



INVESTMENT PROJECTS FACILITATED SINCE 2019

- **Sappi Limited** - Investment date: 2018 to 2022 - Country of origin: South Africa - Amount invested: R7,7 billion
Location of investment (city and province): Sappi Saiccor Mill, Umkomaas, KwaZulu Natal
- **Mondi Limited** – Investment date: 2018-2023 - Country of origin: UK/SA - Amount invested: estimated R8 billion , Location of investment (city and province): uMhlathuze City and KwazuluNatal/Mpumalanga rural districts
- **Rain** :2018 to continue over the next five years -invested: **R2 billion**, likely to escalate significantly - Location of investment (city and province): Investment wis across the country focused on metro areas.
- **Naspers** -2018 - origin: South Africa - **R4.6 billion** over 3 years to back technology businesses - Location of investment (city and province): National



INVESTMENT PROJECTS FACILITATED SINCE 2019

- **Sumitomo Rubber SA (Pty) Ltd** -2018 to 2019 - Country of origin:Japan -Amount invested: **R970 million** - Location of investment (city and province):Ladysmith, KwaZuluNatal
- **Aspen Pharmacare Holdings** -2018 to 2021 -origin: South Africa -Amount invested: **R3.3 billion** - Location of investment (city and province): Port Elizabeth, Eastern Cape, South Africa
- **McDonald's SA** -2019-2023 - Country of origin: South Africa -Amount invested: **R3 billion** - Location of investment (city and province): Nationwide
- **The In2Food Group (Pty) Ltd** -2019 -origin: SA, with British Shareholding -invested: **R241m** - Location of investment (city and province): Ekurhuleni, Gauteng Province
- **Komatsu SA-** 2019 -Country of origin: Japan -Amount invested: **R800M** - Location of investment (city and province): 17 Brickfield Road, Sunnyrock, Ext 11, Germiston



INVESTMENT PROJECTS FACILITATED SINCE 2019

- **Bidvest Tank Terminals** -2017 -Amount invested: **R1 billion** - Location of investment (city and province): Richards Bay, Kwa-Zulu Natal
- **Bosch Rexroth SA** - 2015 purchase of 'green field' development site for new headquarters, in the past three years various capital injections for expansion in South Africa and the rest of Africa; Location of investment (city and province): Kempton Park, Gauteng (HQ only)
- **Nestlé SA** - 3 Year Initiative -origin: Switzerland -invested: **R663 million** -Location of investment (city and province): Buffalo City (EC), Babelegi (GP); Estcourt (KZN); Maluti-a-Phofong(FS); Mossel Bay (WC)
- **Procter & Gamble** - October 2018 - origin: USA -Amount invested:~ **R300 million**
- Location: Spartan, Kempton Park, Gauteng

Home Affairs has since 2019 facilitated projects in total amount to an excess of **+R63 Billion** through the issuance of work visas.



PROVINCIAL ONE STOP-SHOPS (OSS)

- ❑ In 2016/17 The Department of Trade Industry and Competition (DTIC) established the InvestSA division that focuses on investment promotion, facilitation and after care and serve as the Intergovernmental Clearing house, “One Stop Shop” that will coordinate, unblock, fast track and reduce red tape in government Key Government departments and Agencies will be co-located to provide a single window range of services such as specialist advisory and facilitation of permits and business registration and licensing.
- ❑ During the 2016/2017 financial year three National One Stop Shops were established in the provinces of Gauteng, Kwa-Zulu Natal and the Western Cape.
- ❑ As the InvestSA One Stop Shop initiative is a presidential priority it is important that the coordination of the program is done from National Government.



PROVINCIAL ONE STOP-SHOPS (OSS)

- ❑ In all the OSS the Department of Home Affairs provides the following key services to investors:
 - Specialist Advisory on Immigration Policy and Regulations
 - General Work VISA
 - Corporate VISA
 - Business VISA
 - VFS front office (To be included in the One stop shop)
 - Civic matters
 - Liaising and Facilitation with missions and consular officials



NEW INITIATIVES

- ❑ In the Work Visa Review Report, Operation Vulindlela Review proposed a number of interventions to address work visa process challenges. Two of the most prominent interventions are the Trusted Employer Scheme and the Points Based System .
- ❑ **A Trusted Employer Scheme** system allows a country to more easily attract skills and manage immigration, particularly when they process high volumes of applications. Operation Vulindlela recommended that South Africa should introduce a trusted-employer scheme to allow employers to be vetted and approved in advance and reduce the administrative burden for visa applications.
- ❑ **A Points based System (PBS)** determines eligibility for a work visa according to whether the noncitizen is able to score above a threshold of points in a scoring system that might include such factors as education level, professional specialisation, wealth, and language.



TRUSTED TOUR OPERATOR SCHEME (TTOS)

- ❑ In a ground-breaking move to enhance the job creation that flows from increased tourism, the Department of Home Affairs is proud to announce the gazetting of the Trusted Tour Operator Scheme (TTOS), just two months after work began on this scheme.
- ❑ The TTOS was conceptualised following consultations with the tourism sector and the Minister of Tourism about the way in which visa inefficiency and red tape throttles South Africa's ability to attract more tourists from these two burgeoning source markets.
- ❑ Research indicates that boosting tourism by only 10% per year can increase annual economic growth by 0.6% and create thousands of new jobs for South Africans.



TRUSTED TOUR OPERATOR SCHEME (TTOS)

- ❑ To resolve bottlenecks and reposition Home Affairs as an economic enabler, the Department has gazetted a call for expression of interest by established tour operators from South Africa and abroad who wish to sign up to the scheme to bring more tourists from China and India to our country. Chinese tourists made over 100 million outbound trips in 2023, with South Africa receiving only 93 000 of these arrivals.
- ❑ In comparison, a country like Australia attracted over 1.4 million visitors from China in 2023.
- ❑ At the moment, Indian tourists account for only 3.9% of all international visitors to South Africa – and China for only 1.8%.
- ❑ TTOS is designed to overcome concrete problems, including challenges with processing group visa applications from these countries, capacity constraints at foreign missions, and language barriers.



E-VISA PLATFORM

- ❑ In October one news outlet reported that in January 2015, 7.4 million people visited Durban, spending R19.2-billion. Last year, just 800,000 people visited the city, spending R1.6-billion.
- ❑ The Department of Tourism has formed a task team to try to get tourists back to KZN in general and Durban in particular. To support these efforts, the Department rolled out a new visa application platform for tourists to apply online.
- ❑ The Department is currently enhancing the e-visa system to pilot the 3 long term visas (Intra Company Transfer, Business and Study visa) categories to the following 5 countries: Italy, Spain, United Kingdom, Uganda & Kenya



PRIORITY VISAS WITH ECONOMIC IMPACT

In the last 3 years, Home Affairs has processed over 1 487 priority visas with an economic impact for KZN

Visa Type	2021	2022	2023	2024	Grand Total
Business Visa Section 15	3	7	5	4	19
Critical Skills Visa Section 19(4)	293	280	137	53	763
General Work Visa Section 19(2)	64	50	314	277	705
Grand Total	360	337	456	334	1487



CONCLUSION

- ❑ Home Affairs has embarked on very ambitious and significant interim reforms which we are putting in place to enhance the efficiency of Home Affairs while we work towards our five-year vision of delivering Home Affairs @ home through digital transformation.
- ❑ As part of the leadership at Home Affairs I am confident that these new initiatives will make an immediate contribution towards growing the economy and supporting investment facilitation and job creation.
- ❑ I look forward to the deliberations and the insights that will be shared by all stakeholders at this KZN Investment Conference 2024.
- ❑ I thank you.



Ndo livhuwa

Ndiyabulela

Ke a leboga

Thank you

Dankie



Inkomu

Ngiyabonga

Ke a leboha



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