



Limpopo Legislature

OFFICE OF THE SECRETARY

Physical Address:
Lebowakgomo
Government Complex

Postal Address:
Private Bag X9309
Polokwane
0700

NEGOTIATING MANDATE

To : The Chairperson: Select Committee on Trade and Industry

Name of Bill : Special Economic Zones Bill

Number of the Bill : [B 3B - 2013]

Date of Deliberation : 19 November 2013

Vote of the Legislature : The Committee, having gone through the Bill, recommends to the NCOP Permanent Delegate to vote in favour of the Bill, taking into consideration the amendments as stated in the attached report.

HON. Dr. H.E MATEME
COMMITTEE CHAIRPERSON

19th November 2013

DATE

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NEGOTIATING MANDATE OF THE PORTFOLIO COMMITTEE ON ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM ON THE SPECIAL ECONOMIC ZONES BILL [B 3B-2013]

1. INTRODUCTION

The Special Economic Zones Bill [B 3B-2013] was referred to the Legislature by the NCOP and the Legislature in turn referred it to the Portfolio Committee on Economic Development, Environment and Tourism for consideration.

2. PURPOSE OF BILL

The purpose of the bill is to provide for the designation, promotion, development, operation and management of Special Economic Zones; to provide for the establishment, appointment of members and functioning of the Special Economic Zones Advisory Board; to provide for the establishment of the Special Economic Zones Fund; to regulate the application, issuing, suspension, withdrawal and transfer of Special Economic Zones operator permits; to provide for functions of the Special Economic Zones operator; to provide for transitional arrangements; and to provide for matters connected therewith.

3. CONSIDERATION OF THE BILL

The Portfolio Committee on Economic Development, Environment and Tourism was briefed on the principle and provisions of the Bill by the NCOP Permanent Delegate during a Committee meeting held on 24 October 2013. The Committee conducted public hearings on 13 November 2013 in Sekhukhune District and

Mopani District; on 14 November 2013 in Vhembe District and Waterberg District; and on 15 November 2013 in Capricorn District.

4. RECOMMENDED AMENDMENTS

Establishment of Special Economic Zones Advisory Board (Clause 7)

- i. All nine Provinces should be represented in the SEZ Advisory Board.

Functions of Advisory Board (Clause 11)

- ii. Licensees / investors must be monitored to ensure that they give back to communities where SEZs are located.
- iii. Monitoring and evaluation in the identified SEZ must be conducted continuously.

Support measures (Clause 21)

- iv. There must be specified time frames for distribution of incentives after the application has been submitted.
- v. There must be incentives for investors who are creating jobs for local people.
- vi. There should be a beneficiation and skills transfer plan.

Designation of Special Economic Zones (Clause 24)

- vii. SEZs must also be established in remote rural areas.
- viii. Existing business structures in economically active areas must be developed to become SEZs.

Governance and management of Special Economic Zones (Clause 25)

- ix. Traditional Leaders must form part of the SEZ board especially in areas that will be designated as Special Economic Zones which fall under the Traditional Leaders.
- x. Board membership must have equal representation of women, youth and people with disabilities.

5. NEGOTIATING MANDATE

The Committee, having gone through the Bill, recommends to the NCOP Permanent Delegates to vote in favour of the Bill, taking into consideration the amendments as stated in the attached report.



Hon. Dr. H.E. Mateme

**CHAIRPERSON: PORTFOLIO COMMITTEE ON
ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM**