



Trade and Investment South Africa (TISA)

**Briefing by local financial institutions on
their assistance to South African
Companies in conducting business in
Africa and the other parts of the world.**

Mission



- **TISA's primary mission is to:**
 - Increase South Africa's capability and capacity to promote exports of products and services into targeted high growth markets;
 - Increase and retain the level of direct foreign and domestic investment flow and;

- **TISA's secondary mission:**
 - Management of the Department's network of foreign offices

Purpose



Its mandate is to develop the South African economy by focusing on investment promotion and facilitation; export development and promotion as well as managing its network of foreign economic offices.

To carry out this mandate, Trade and Investment South Africa regularly interacts with its stakeholders, especially industry and sector customers through various forums, advisory bodies, stakeholder meetings, conferences, exhibitions and business missions.

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Foreign and Domestic Direct Investment:



Increasing the quality and quantum of foreign and domestic direct investment by undertaking effective investment recruitment campaigns, providing an efficient facilitation and information service in order to retain and expand investment into South Africa as well as into Africa. This will be a one-stop shop initiative.

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Foreign and Domestic Direct Investment



- Identifying investment opportunities in South Africa
- Packaging investment opportunities
- Identifying potential investors
- Promoting investment opportunities
- Facilitating investment into and in South Africa
- Providing a dedicated aftercare service
- Providing general information on investing in South Africa and the domestic business environment
- Arranging inward and outward investment missions
- Facilitating funding and government support

Export Development and Promotion



Some of the services and offerings provided by the Unit are:

- Gathering of market intelligence
- Identify markets with potential and export opportunities
- Match potential exporters with foreign buyers
- Export Marketing and Incentive Assistance
- Development of exporters especially SMME's
- Export advisory services
- Export market information

Export Development and Promotion



The top 10 export destinations in 2009:

China (R42,5 bn)
United States (33,6 bn)
Japan (R28,3 bn)
Germany (R25,7 bn)
United Kingdom (R21,5 bn)
Switzerland (R17,7 bn)
Netherlands (R16,1 bn)
India (R15,6 bn)
Mozambique (R11,6 bn)
Zimbabwe (R11,3 bn)

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Export Development and Promotion



Export Marketing & Investment Assistance (EMIA) with respect to:

- National pavilions
- Individual exhibitions
- Provision of finance for export skills development capabilities
- Financial assistance for inward and outward missions
- Primary Market Research
- Financial assistance for Patent registration quality mark
- Sector specific funding



Country Prioritization/Criteria



- Countries with large markets, large resource bases, & regional pivots
- Potential to absorb SA manufactured exports, as per IPAP
- Significance of country in global economy, incl. i.t.o economic growth
- Importance of country as source of investment & technology
- Country's development strategy & its 'fit' with SA's
- Openness to external trade & trade relations with SA, esp. on preferential terms
- Political relations imperatives (e.g. Binational Commissions)
- SA's ability to compete effectively in the country's market

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Country Prioritization/Criteria (cont.)



- Key targeted regions & countries:
 - Asia: China, India, Japan & South Korea
 - Europe: Russia, Spain, Central & Eastern EU members
 - Middle East: Saudi Arabia, Kuwait and UAE
 - Americas: Brazil, Argentina, Chile, Mexico, Venezuela, Cuba
 - Africa: Kenya, Tanzania, Zambia, Nigeria, Egypt, Angola, DRC, Uganda
 - Maintain markets: EU and North America

Diversification of Markets & Products



- **Shift focus to new high growth markets**
- Almost 40% of SA exports is destined to EU, EFTA, Eastern Europe & Russia
- Exports to EU to be maintained at current values, vs. **aggressive new comers such as Brazil, Argentina, India, China, Australia**
- **New markets** should be targeted with products & services resulting from **new or increased production**
- Upscale & diversification of products to Asia to reduce high level of raw materials in this basket
- GDP growth of some African countries increased substantially over last several years

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International Operations Business unit



- International Operations Unit is responsible for the effective management and administration of the Department's Foreign Office network countries (46)
- In countries where TISA does not have Foreign Economic Representatives (FER's), TISA works closely with DIRCO (Department of International Relations and Co-operation).

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Export Credit Insurance Corporation Mandate



The ECIC underwrites:

- Bank loans, supplier credits and foreign investments
In order to enable South African contractors to win capital goods & services contracts in other countries.

Insurance cover is provided for losses arising from:

- **Political Risk Events**
Expropriation, transfer restrictions, war & civil disturbance, breach of contract and protracted default
- **Commercial Risk Events**
Insolvency and protracted default

Export Credit Insurance Corporation Mandate



ECIC Products

- Contractors Cover
- Suppliers Credit
- Buyers Credit
- Investment Insurance
- Performance Bond Insurance
- Suppliers/Buyers Credit for Small/Medium Transactions
- Return of Plant Insurance

Co-operation with key organisations



The division works closely with other divisions of the dti, COTII agencies, other national government departments, provincial government departments and their agencies, urban metropolitan councils, chambers of commerce, private sector companies and international counterparts to meet its objectives.

Role players



- IDC
- NEF
- Khula
- Seda Business support for exports