

TRADE AND INVESTMENT LIMPOPO

Trade and Investment Limpopo (TIL) was established in September 1996 as the official trade and investment promotion and facilitation agency of the Limpopo Provincial Government. TIL is the leading business development network for Limpopo companies seeking to expand operations locally, into Africa and other foreign markets, by offering investors a comprehensive one-stop service to support and facilitate investment and expansion.

Our Vision

Making the province a major recipient of investment and trade in Southern Africa

Our Mission

To promote the province as the preferred investment and trade location in Southern Africa through marketing the competitive advantages of establishing and maintaining a business in Limpopo

Our Services

Trade and Investment Limpopo offers a one stop service to local and international entrepreneurs and investors interested in setting up business in Limpopo. We invite prospective investors to take advantage of our range of services which include:

- Marketing Limpopo's potential and investment opportunities to local, national and international business communities.
- Participating in joint marketing initiatives with the National Department of Trade and Industry through its organization, Trade and Investment South Africa (TISA) and with other provincial agencies.
- Facilitating investments by applying for national government incentives, assisting in negotiations between investors and provincial and local authorities, and providing after-care service to investors.
- Identifying and facilitating joint ventures and facilitating local community participation in investments where appropriate.
- Promoting Limpopo and its potential products at trade and investment exhibitions in South Africa and abroad.
- Seeking and establishing new markets for Limpopo's products and promoting trade.
- Maintaining contact with foreign and prospective investors through personal meetings during missions abroad.
- Disseminating information through TIL publications which report on investment opportunities and current investments.

Investment Incentives:

It is the policy of the South African government which includes various investment and other incentives offered to investors to encourage economic development through private sector initiatives. Foreign and local investments in all business sectors are welcomed. The injection of international investment capital is essential to ensure proper utilisation of the province's vast natural resources, which will in turn enhance the continued development and advancement of the provincial population.

Small Medium Enterprise Development Programme (SMEDP)

This programme was introduced in September 2000. It provides incentives to new projects or the expansion of existing projects in manufacturing, high value agricultural, agro-processing, aqua-culture, bio-technology, tourism, information and communication technology, arts and culture. The maximum incentive limit qualifying asset is \$15 million, although total qualifying assets of the project may exceed \$15 million. The investment grant is payable for the first two years on approved qualifying assets. An additional investment grant can be payable in the third year on the ratio of Human Resource remuneration expressed in terms of manufacturing cost, and must be a minimum of 30%.

Qualifying assets are:

Owned land and building at cost :100%	Leased land and buildings (cap.at 15%):100%	Owned land and building at cost :100% Leased machinery and equipment:100%
Leased machinery and equipment:100%	Commercial vehicles owned and/or leased :100%	





Benefits

Approved entities may receive a **tax free cash grant** on total investment in qualifying assets on the following scale:

Level of Investment	Cumulative Grant receivable (as a % of investment)
First \$770 000 investment	10% p.a.
Next \$1.5m (\$770 000- \$2.3m)	6% p.a.
Next \$2.3m (\$2.3m - \$4.6m)	4% p.a.
Next \$3.0m (\$4.6m - \$7.7m)	3% p.a.
Next \$3.8m (\$7.7m - \$11.5m)	2% p.a.
Next \$3.8m (\$11.5m - \$15.0m)	1% p.a.

Foreign Investment Grant (FIG)

Approved qualifying foreign entities may qualify for the Foreign Investment Grant (FIG) up to a maximum of \$460 000. The grant is available once-off to new qualifying investments, to any foreign single entity. The grant will be lower of the actual cost of 15% of the value of new machinery and equipment relocated from overseas and may not exceed \$460 000 per project. The foreign investor must at least have 50% shareholding in a South African registered entity. This grant is not available to foreign investors from the Southern African Customs Union (SACU) and the Southern African Development Community (SADC). The FIG is only available to registered incorporated legal entities in South Africa.

Skills Support Programme (SSP)

The SSP is an incentive scheme that supports enterprises in developing and delivering training to their employees. It encourages enterprises to invest in training, improve industrial training systems and introduce new and advanced skills to their workforce. Enterprises receive a cash grant to cover 50% of their approved training costs. The maximum assistance an enterprise may receive is 30% of its annual wage bill.

Export Marketing and Investment Assistance (EMIA)

EMIA is a scheme designed to aid South African exporters in developing markets for their products, while attracting foreign investment into South Africa. Enterprises registered as exporters with the Department of Trade and Industry (**the dti**) may qualify for any one of the following schemes:

- Primary export market research;
- Exhibition assistance;
- Inward buying trade missions;
- Assistance to industry-specific sectors;
- Outward investment recruitment missions;
- Foreign direct investment research;
- Inward investment missions;
- Outward selling trade missions.

Strategic Industrial Programme (SIP)

Qualifying projects:

Maximum allowance of 50% of the cost of the industrial assets, not in excess of \$46 million

Preferred status:

100% of the cost of industrial assets, however, not in excess of \$92 million

