Business Compliance

Business compliance in South Africa involves complying with a variety of legal, regulatory, and industry-specific requirements. South African companies must traverse a broad spectrum of laws and regulations to ensure they operate legally and ethically in the country. These include compliance and registration with Companies Act and related statutes; Companies and Intellectual Property Commission (CIPC); South African Revenue Service (SARS); International Financial Reporting Standards (IFRS); South African Reserve Bank and related banking and financial services requirements.

Legal Compliance

South Africa has an array of legislation in place to protect the integrity of the country, ensure that businesses operate fairly, and well within the boundaries of the law. All businesses are obligated to be registered with the CIPC. This includes registering the business name, incorporating the company, and filing annual returns. Furthermore, businesses must adhere to the Companies Act, which outlines the responsibilities of directors, company meetings, and financial reporting. Businesses further need to comply with Basic Conditions of Employment Act; Labour Relations Act; Employment Equity Act; Occupational Health and Safety Act; Consumer Protection Act; and Environmental Management Act to name but a few.

Through the Trade and Investment Desk's partner, BDO, new and existing investors have access to various corporate and commercial legal services. This includes a wide range of services that go beyond corporate legal advice, providing comprehensive legal guidance and expertise akin to a standalone law firm. This intervention focuses on supporting and empowering businesses that typically face resource limitations when seeking adequate legal support.

Tax Compliance

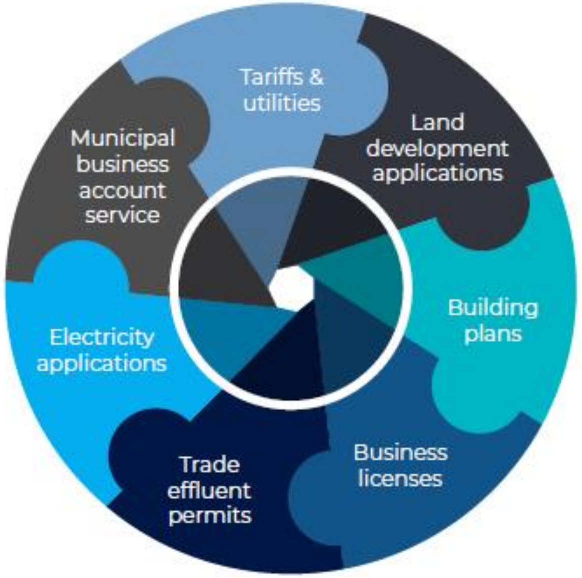
The South African Revenue Service (SARS) is the nation's tax collecting authority. Established in terms of the South African Revenue Service Act 34 of 1997 as an autonomous agency, SARS is responsible for administering the South African tax system and customs service. Large and small businesses play a vital role both as taxpayers and as employers in the country. Listed below are the Tax Obligations of a business and employer:

- Corporate Income Tax (including Capital Gains Tax)
- VAT
- PAYE, Unemployment Insurance Fund and Skills Development Levy
- Dividends tax (applicable to dividends declared and paid on or after 1 April 2012)
- Securities Transfer Tax
- Customs and Excise
- Mineral, Petroleum and Resource Royalty
- Donations Tax
- Turnover Tax
- Transfer Duty

Managing tax affairs and dealings with SARS is administration intensive and can be costly. Risks and penalties mount up if you lose control of proper compliance. It is difficult for a single person or non-specialist department to stay abreast of the changing scope of tax affairs and still deliver effective and efficient strategies and management. The Trade and Investment Desk through its partner BDO, supports new and existing investors with tax registrations and compliance utilising Tax smart services that offer support on the aforementioned essential tax obligations. This ensures ease of business and provides a cost effective mechanism in setting up and operating a business in the Bay.

Permits & Licenses

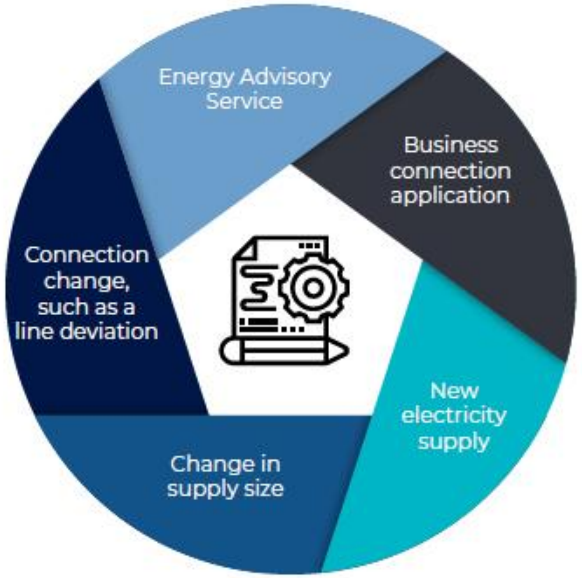
Certain businesses require specific licenses and or permits to operate legally and comply with municipal requirements in the Metro. These encompass trading licenses, health permits, building applications and/or zoning permits. The Nelson Mandela Bay Municipality (NMBM) is the local authority that issues municipal permits and licenses. The Trade and Investment Desk facilitates the application of permits and licenses by new and existing investors. The Desk further facilitates advisory and consultancy services, ensuring a seamless application process.



Eskom

Eskom is a South African public energy provider that generates and distributes electricity to the majority of South Africa and sections of neighbouring countries. The utility is responsible for power generation, transmission and distribution. It runs a mix of coal-fired, hydroelectric, gas and renewable power plants. Services offered by Eskom to new and existing businesses are depicted in the figure.

As a national energy provider, Eskom collaborates with municipalities to deliver energy solutions to communities. While municipalities typically manage primary applications for electricity in their areas, Eskom assumes responsibility for larger-scale projects and investments, leveraging its expertise and resources. With Eskom as a Chamber member, and a strategic investment facilitation stakeholder, the Desk facilitates large-scale projects connections applications.



You can contact the Trade and Investment Desk for business compliance, advisory, registration, application, and subsequent compliance.

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