

PROSPECT

SOUTH

INDIA & SOUTH AFRICA

Industry and Commerce

key points for inclusion:

Government: *The new constitution of S.A.*

India: recently emerged (1991) from 40 years of socialist economic policies.

Economy: The effects of the above on the climate in S.A.

The change in India's economy from self reliance (high tariffs, no foreign investment) to one embracing the International market place. This has resulted in large foreign investment programmes, the majority of which have come from the states.

This opening of doors has had little effect on local business. Why?

Delegations moving b/t two nations.

Signing of the general trade agreement (most favoured nation)

Macro trade agreements: G.A.T.T., Pacific rim agreement and their implications.

Finance for export: Credit facilities available for export of goods and services from both countries. (interest rates attached to these facilities)

Export marketing assistance.

Exchange controls: What controls exist? What are the incentives in place to allow the free movement of funds between the two countries.

Trade Financing: TIDE aid. Preferential trade arrangements through commercial banks to certain goods.

Rebate of duties on importation of raw materials and components.

Export opportunities: Specific areas of comparative advantage. Areas for potential export.

Projected areas of development : Analysis of the RDP as an investment precursor.

Employment - Looking at India's small scale industry and the need for such a structure in S.A.

Monopolies commission planned to allow such growth.

Housing - India's approach, can the model be applied to S.A.

Currency: Status of R/ Rs. What is the projection for these two currencies?
Essential in providing guidelines for investors.

Investment: Opportunities of equity investment in both nations.

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- Industry:** Structure. eg: light industrial parks in India
Industrial development incentives: tax, lease premiums, grants.
Economic development organisations providing assistance.
Areas of Industrial significance: diamonds, gold, mining, steel, information technology, pharmaceuticals, chemicals, textiles, rural technology, paper and pulp, low cost housing, etc.
- Transportation:** State of infrastructure. Plans to improve certain links.
Links existing between the two countries: air and sea (freight and travel)
- Property:** State of the property market and the investment opportunities that exist within both nations: commercial, industrial and residential.
- Hints on doing business:** Agencies, Govt. departments (eg: Ind. dev. Corp. of S.A.) that are able to provide help and advice to the Indian and South African businessman.
- Major Articles:** Message - Mandela
Ela Gandhi
Jay Naidoo (Minister without Portfolio)
Trevor Manuel (Minister Trade and Industry)
Mr Zavareh Rustomjee (Deputy Minister of Trade and Industry)
Pik Botha (Energy and Minerals)
Alec Irwin (Deputy minister Finance)
Ms S. Nkhondo (Minister of Housing)
Mr Cobbett (Director of Housing)
Ms. Frenie Ginwala (Speaker of the House)
Mr Walter Sisulu.
- Additional information:** Distribution: This has been increased from 15 000 to 20 000 - split equally between India and South Africa.
- Channels:** Directed through Ministries of Trade and Industry, Chambers of Commerce with main thrust being handled by Diners Club.
- Diners S.A.:** Target group being key corporate executive members engaged in active travel between India and South Africa.
- Diners India:** Handled by Citibank who hold the Diners Club franchise distribution will target the equivalent corporate executive readership.