

**DEPARTMENT OF TRADE AND INDUSTRY
DEPARTEMENT VAN HANDEL EN NYWERHEID**

GENERAL EXPLANATORY NOTE:

- [] Words in bold type in square brackets indicate omissions from the existing programme.
- _____ Words underlined with a solid line indicate insertions in the existing programme.

No. R. 1065

27 October 2006

MANUFACTURING DEVELOPMENT ACT, 1993

**INDUSTRIAL DEVELOPMENT ZONE PROGRAMME:
AMENDMENT**

I, Mandisi Mpahlwa, Minister of Trade and industry, under section 10 of the Manufacturing Development Act, 1993 (No. 187 of 1993), on recommendation of the Manufacturing Development Board, hereby amend the Industrial Development Zone Programme as set out in the schedule.

SCHEDULE

Definition

1. In this Schedule, "the Regulations" means the Industrial Development Zone programme published by Government Notice No. R1224 of 1 December 2000.

2. In this Schedule, "Permit" means a written aareement entered into between the Department and an IDZ Operator in terms of which rights and obligations ~~of~~ both parties are set out.

**Amendment of Regulation 1 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

3. Regulation 1 of the Regulations is hereby amended -
- a) by the deletion of the definitions ~~of~~ "board" in paragraph (b) and "chairperson" in paragraph (c); and
 - b) by the substitution in paragraph (d) of the definition of company ~~for~~ the following definition:

“ ‘**company**’ shall mean a company incorporated and registered in terms of the Companies Act (Act No. 61 of 1973), a close corporation incorporated and registered in terms of the Close Corporations Act (Act No. 69 of 1984) or an external company registered in terms of Chapter XIII of the Companies Act, (Act No. 61 of 1973). ‘**Company**’ shall exclude any South African Company; association; branch of foreian company that are not for profit or pain.”; and
 - c) by the insertion after the definition of ‘Constitution’ in paragraph (e) of the following definition as paragraph (eA):

“ ‘**Customs controlled area**’ means a Customs Controlled Area or CCA as defined in section 21A(1) of the Customs and Excise Act, 1964 (Act No. 91 of 1964).”; and
 - d) by the deletion of the definitions of "custom secured area" in paragraph (f) and "customs territory" in paragraph (g); and
 - e) by the substitution of the definition of "industries and services area" for the following definition:

“‘**Industries and services area**’ shall mean the area of an Industrial Development Zone that ~~is~~ not designated as a customs **[secured]** controlled area”

- f) by the deletion of the definition of “IDZ customs office” in paragraph (k); and
- g) by the substitution of the definition of “IDZ enterprise” in paragraph (l) for the following definition:

“ ‘**IDZ Enterprise**’ shall mean **[a company holding a valid IDZ enterprise permit issued by the Board]** an enterprise located within the IDZ with the consent of the IDZ operator, which consent shall be subject to and in accordance with the terms and conditions of these Regulations and the IDZ operator permit.”; and

- h) by the deletion ~~of~~ the definition of “IDZ enterprise permit” in paragraph (m); and
- i) by the substitution of the definition of “IDZ operator” in paragraph (n) for the following definition:

“‘**IDZ operator**’ shall mean a company holding a valid **[IDZ provisional IDZ operator permit or]** IDZ operator permit.”; and

- j) by the deletion of the definition of “provisional IDZ operator permit” in paragraph (o); and
- k) by the substitution of the definition of “IDZ operator permit” in paragraph (p) for the following definition:

“‘**IDZ operator permit**’ shall mean the permit granted by the **[Board]** Minister to a company authorising such company to develop and operate a new or existing IDZ under **[this Regulation]** these Regulations.” and

- l) by the deletion of the definition of “manufacture” in paragraph (r); and
- m) by the deletion of the definition ~~of~~ “Minister” in paragraph (s); and
- n) by the substitution of the definition of “new IDZ” in paragraph (t) for the following definition:

“ ‘New **IDZ**’ shall mean an IDZ which has [been designated but not made operational at the time of issue of a provisional or final **IDZ** operator permit or an area which is pending designation as an IDZ at the time of issue of a provisional **IDZ** operator permit] not been previously designated and operated at the time of issue of an **IDZ** operator Permit.”; and

- o) by the insertion after the definition of ‘operate’ in paragraph (w) of the following definition as paragraph (wA):

“ ‘**Port**’ refers to an area commissioned as a port by the Commissioner of the South African Revenue Services.”; and

- p) by the deletion of the definition of “Programme” in paragraph (x).

Amendment of Regulation 2 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

4. Regulation 2 of the Regulations is hereby amended -

- a) by the deletion of paragraph (a); and
b) by the substitution of paragraph (b) for the following paragraph:

“ (b) The [purpose] object of these Regulations is to establish an Industrial Development Zone programme consisting of the development and operation of Industrial Development Zones within the Republic.”;

Amendment of Regulation 3 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

5. Regulation 3 of the Regulations is hereby amended as follows -

- a) by the deletion of Regulation 3 *in toto*; and
b) by the insertion of the following paragraphs as 3, 3A, 3B and 3C

Regulation 3. Industrial Development Zones

- (a) The Minister may identify an area as suitable for development of an Industrial Development Zone by notice in the Gazette if the Minister is satisfied that designation of the area as an industrial Development Zone will –
- (1) facilitate the creation of an industrial complex having strategic economic advantage;
 - (2) Provide the location for the establishment of strategic investments;
 - (3) enable the exploitation of resource-intensive industries;
 - (4) take advantage of existing industrial capacity, promote integration with local industry and increase value-added production;
 - (5) create employment and other economic and social benefits in the region in which it is located: and
 - (6) be consistent with any applicable national policies & law, as determined by appropriate environmental, economic and technical analyses.
- (b) Other criteria and prerequisite procedures for such designation shall be a matter of policy and will be set out in guidelines to this programme.

Regulation 3A. Application for Designation

- (a) Interested parties may approach the Minister to apply for a specified area linked to a port with customs facilities to be considered as an area suitable for development of an Industrial Development Zone.
- (b) The application referred to in paragraph (a) must contain the information set out in the guidelines.

- (c) The application for designation must be accompanied by an application for an IDZ operator Permit by the intended company for the area proposed for development.
- (d) The Minister may request additional information from the applicant when considering the application.

Regulation 3B. Suspension or Withdrawal of Designation

- (a) The Minister may, on recommendation of the Board, by notice in the Gazette suspend or withdraw on such terms and conditions as he or she may determine, any designation of an area as suitable for development as an Industrial Development Zone.
- (b) Nothing contained in these Regulations shall prohibit the Minister from withdrawing an area whose designation has so been withdrawn.
- (c) Except that the designation of the area as suitable for development as an Industrial Development Zone will be suspended or withdrawn, nothing contained in this regulation shall affect any lawful activity carried on by any enterprise that has
- i. Entered into a written agreement with the IDZ operator of the subject IDZ; and
 - ii. If situated in the CCA, has been authorised by any registration or licence issued in terms of the Customs and Excise Act, 1964 (Act No. 91 of 1964).

Regulation 3C. Amendment of The Boundaries of A Designated IDZ

- (a) The Minister may, on recommendation of the Board, by notice in the Gazette increase or decrease the total landmass of the area designated as suitable for development as an Industrial Development Zone.

(b) The criteria and prerequisite procedures for such increase or decrease shall be a matter of policy and will be set out in guidelines to this programme.”

Amendment of Regulation 4 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

6. Regulation 4 of the Regulations is hereby deleted.

Amendment of Regulation 5 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

7. Regulation 5 of the Regulations is hereby amended by the substitution of the paragraph in toto for the following paragraph:

“Regulation 5- Specific Functions Related to this Programme

(a) In accordance with the provisions of section 5 of the Act, the Board shall –

- (1) consider applications for designations and IDZ operator permits, or any matters relating to the designation of an area or an IDZ Operator Permit, and shall make recommendations to the Minister on such applications or related matters;
- (2) monitor compliance by the IDZ operator with the terms and conditions of the permit;
- (3) monitor the development and operation of the Industrial Development Zones, including receiving periodic reports from IDZ operators;
- (4) perform any other function Prescribed by these regulations.

**Amendment of Regulation 6 of Government Notice No. R1224 of 11
December 2000 issued under section 10 of Act 187 of 1993**

8. Regulation 6 of the Regulations is hereby amended -
- a) by the substitution of paragraph (a) for the following paragraph:

“(a) In performing functions related to the IDZ programme, the Board and its **[employees]** secretary shall serve the public impartially and carry out its powers and duties in good faith and without favour, bias, or prejudice.”; and
 - b) by the substitution of paragraph (b) for the following paragraph:

“(b) In performing their functions related to the IDZ programme, no member of the Board or **[employee]** secretary of the Board shall-“; and
 - c) by the substitution of sub paragraph (2) of paragraph (b) for the following paragraph:

“(2) participate in the **[adjudication]** consideration of any application to or any function of the Board or any other matter **related** to the board’s work in which they have a direct financial interest or any similar personal interest;”

**Amendment of Regulation 7 of Government Notice No. R1224 of 11
December 2000 issued under section 10 of Act 187 of 1993**

9. Regulation 7 of the Regulations is hereby amended -
- a) by the substitution of paragraph (a) for the following paragraph:

“(a) The **[Board]** Director General may conclude a cooperation agreement with any organ of state concerning the **efficient** and effective exercise by that organ of state of its functions in respect of Industrial Development Zones.”; and

b) by the substitution of sub paragraph (1) of paragraph (b) for the following paragraph:

“(1) the manner in which the [Board and the organ of state] parties to the agreement shall cooperate;”;

and

c) by the deletion of paragraph (d).

Amendment of Regulation 8 of Government Notice No. **R1224** of 1 December **2000** issued under section **10** of Act **187** of **1993**

10. Regulation 8 of the Regulations is hereby deleted in toto.

Amendment of Chapter IV of Government Notice No. **R1224** of 1 December **2000** issued under section **10** of Act **187** of **1993**

11. Chapter IV of the Regulations is hereby deleted.

Amendment of Regulation 15 of Government Notice No. **R1224** of 1 December **2000** issued under section **10** of Act **187** of **1993**

12. Regulation 15 of the Regulations is hereby amended-

a) by the substitution of paragraph (a) for the following paragraph:

“(a) [Subject to that provided for in regulation **9**,] An IDZ operator permit shall be required in order to:

- (1) develop and operate a new IDZ;
- (2) assume the responsibility to develop and operate an existing IDZ, whether or not the Industrial Development Zone is fully or partially developed, if the [license] permit of the previous operator has been withdrawn or transferred to the new operator with the permission of the [Board] Minister.”

**Amendment of Regulation 16 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

13. Regulation 16 is hereby amended-

a) by the substitution of paragraph (a) for the following paragraph:

“(a) Any party interested in obtaining an IDZ operator permit shall, in the Prescribed manner, submit a completed IDZ operator permit application to the **[Board] Minister**. **[The application shall be made in the form and manner prescribed by the Board and shall be submitted to the board together with the correct application fee.]**

(1) In case of a new IDZ, the application for an IDZ operator permit must accompany the application for designation of an area for which the IDZ Operator Permit is sought.

(2) In case of an existing IDZ, the provisions of Regulation 20 regarding transfer of an IDZ Operator permit, must be complied with.”; and

b) by the deletion of paragraph (b) in toto; and

d) by the insertion of the following paragraph as paragraph 16(b):¹³

“(b) An applicant for an IDZ operator permit must:

(1) show its control of the land within an existing **IDZ** or within the area under application designated for development as an IDZ or within a new IDZ pertinent to its application in the detail and manner as indicated in the guidelines;

(2) submit a comprehensive feasibility study in the detail and manner as indicated in the guidelines;

(3) Indicate its ownership structure through the submission of a shareholders’ agreement of the intended IDZ Operator indicating shareholders, percentages of shareholding,

requirements for transfer of shares, requirements for distribution of assets upon liquidation or dereaistration;

(4) Comply with such other criteria and Drereausite Procedures as is set out in auidelines to this programme"; and

e) by the deletion of paragraph (c) *in toto*; and

9 by the substitution of paragraph (d) for the following paragraph:

"d) Each applicant shall submit 4 (four) copies of the application to the **[Board] Minister**, 1 (one) copy of which must be an original."; and

g) by the substitution of paragraph (e) for the following paragraph:

"e) The **[Chairperson of the Board] Minister** shall be entitled to return incomplete applications to applicants for subsequent completion or request further information regarding an applicant's application prior to its consideration by the **[Board] Minister**.

Amendment of Regulation 17 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

14. Regulation 17 is hereby amended –

a) by the deletion of paragraph (b) *in toto*; and

b) by the insertion of the following paragraph as paragraph (b)

"(b) In considerina the application, the Board shall have regard to the reauirements contained in these regulations and the guidelines to this Droaramme."; and

c) by the substitution of paragraph (d) for the following paragraph:

"(d) Provided that the Board shall have been satisfied as to the content and compliance of an application for designation and an IDZ operator Dermit, the Board shall **[issue a IDZ operator permit to the successful applicant, which shall henceforth**

be deemed to be an IDZ operator] make a recommendation to the Minister –

(lii) case of a new IDZ, on the issuing of an IDZ operator permit and the designation of the proposed area;

(2) in case of an existing IDZ, on the transfer or granting of an IDZ operator permit”

d) by the substitution of paragraph (e) for the following paragraph:

“(e) An IDZ operator permit shall contain the duties, term and conditions for development and operation of the Industrial Development Zone by the IDZ operator, including:-

- (1) the requirements and timetable for the planning, construction, supply of infrastructure and utilities within the IDZ;
- (2) the security measures that the IDZ operator is required to install and maintain in or around the customs **[secured]** controlled area;
- (3) the facilities that the IDZ operator must provide to enable the Board to exercise its functions **within** the Industrial Development Zone;
- (4) the duration of the IDZ operator permit;
- (5) the date by which the IDZ operator must exercise an option to buy or lease land in the **IDZ [in terms of regulation 6 sub-section (b) of this Regulation]**; and
- (6) the construction timetable and milestone schedule which the Board, in its discretion, deems appropriate to assess the progress required of the **IDZ** operator between the issue date of the IDZ permit and the date upon which IDZ enterprises are able to take occupation of the IDZ;

~~(7)~~ Any special requirements that the Minister may impose upon the IDZ operator.”; and

e) by the substitution of paragraph (9) for the following paragraph:

“(f) Should the Board deem the application to be non-compliant with the requisite criteria contained in this sub-section of the regulations, the Board shall **[notify the applicant in writing by registered mail that its application has been declined]** ~~accordingly recommend to the Minister-~~

(1) ~~in case of a new IDZ, not to designate an IDZ nor to issue an IDZ Operators permit.~~

(2) ~~In case of an existina IDZ, not to approve of the transfer or the granting of the IDZ Operators Permit.”; and~~

f) by the substitution of paragraph (g) for the following paragraph:

“(g) Such **[notification]** ~~recommendation~~ in terms of **[sub-section]** ~~sub-paragraph~~ (9) shall contain the reasons for the application’s failure ~~to comply~~.”; and

g) by the deletion of paragraph (i) ~~in fofo~~; and

h) by the substitution of paragraph (j) ~~in toto~~ for the following paragraph:

“(j) The **[Board]** ~~Minister~~ may withdraw ~~or suspend~~ an IDZ operator permit, ~~on the recommendation of the Board,~~ should the IDZ operator:

(1) fail to accomplish any of the milestones set in their business plan;

(2) contravene this Regulation or any law of the Republic;

(3) **[contravene the customs and excise rules and procedures applicable to an IDZ operator by means of this Regulation]** ~~by notification from the Commissioner of the South African Revenue Services to the Minister, be in contravention of or failed to comply with the customs and excise rules and procedures applicable to an IDZ operator;~~
and

(4) the applicant request that withdrawal.”.

**Amendment of Regulation 18 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

15. Regulation 18 is hereby amended-

a) by the substitution of paragraph (a) for the following paragraph:

”(a) After obtaining an IDZ operator permit from the **[Board]**
Minister, a IDZ operator may:-

b) ~~By~~ the insertion into paragraph (a) of the following sub-paragraph:

“(13) in accordance with this Regulation, the IDZ operator permit,
section 21A of the Customs and Excise Act, 1964 (Act no. 91
of 1964) and any rules made there-under, a move or
disapprove of any IDZ enterprise locating within the subject
IDZ.”; and

c) by the substitution of paragraph (b) for the following paragraph:

“(b) A rule made in terms of Regulation, 18 sub-section (a) (**[10]**
11) shall be invalid if it is not in compliance with any applicable
law or standard or the IDZ operators permit.”

**Amendment of Regulation 19 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

16. Regulation 19 is hereby amended-

a) by deleting sub-paragraph (1) in paragraph (a); and

b) by deleting sub-paragraph (2) in paragraph (a); and

c) by the substitution of sub-paragraph (3) for the following paragraph

“(3) comply with **[this Regulation]** these reaulations, all other
applicable legislation and standards and the terms of the
operator permit;”; and

d) by the insertion into paragraph (a) of the following sub-paragraph:

“(7) register with the South African Revenue Services as an IDZ Operator in terms of the Customs and Excise Act, 1964 (Act no. 91 of 1964) and any rules made there-under.”;

Amendment of Regulation 20 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

17. Regulation 20 is hereby amended-

a) by the substitution of paragraph (a) for the following paragraph:

“(a) An IDZ operator may transfer its interests in an IDZ to another company, provided that such a company is a holder of a valid **[IDZ provisional or]** IDZ operator permit.”; and

b) by the substitution of sub-paragraph (1) of paragraph (b) for the following paragraph:

“(1) Comply with the requirements contained in **[regulations 5 and]** regulation 16 of this Regulation;”; and

c) by the substitution of sub-paragraph (4) of paragraph (b) for the following paragraph:

“(4) **[Notwithstanding the contents of regulation 17, subsection (b)(6) of this Regulation]**, be required to hold financial resources **[equal to]** of at least 20% (twenty percent) of the remaining total development costs of the subject IDZ at the time of issue of **[a provisional or final]** the IDZ operator permit.”; and

9 by the insertion into paragraph (b) of the following sub-paragraph:

“(5) register with the South African Revenue Services in terms of the Customs and Excise Act, 1964 (Act no. 91 of 1964) and any rules made there-under.”.

**Amendment of Regulation 21 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

18. Regulation 21 is hereby deleted *in toto*.

**Amendment of Regulation 24 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

19. Regulation 24 is hereby deleted *in toto* and substituted with the following paragraph:

"Regulation 24- *Physical Security and Safety Requirements*

- (a) All matters pertaining to the movement of vehicles, goods and persons in and out of, as well as within the CCA, shall be subject to the Customs and Excise Act, 1964 (Act No. 91 of 1964) and the rules promulgated there under.
- (b) The CCA infrastructure must comply with all security requirements as stipulated by the Customs and Excise Act, 1964 (Act No. 91 of 1964) and the rules promulgated there under.
- (c) Access into the developed area of the IDZ and the CCA shall be strictly controlled by the IDZ security personnel, which security personnel shall be employed or contracted to the IDZ operator and by such other measures as are necessary to ensure physical security and the safety and control of goods and persons in the IDZ.
- (d) Non compliance by the IDZ Operator with this regulation 24 may entitle the Minister to suspend the IDZ operator permit and for IDZ operator to bear all costs that may be incurred by any person as a result of the non-compliance."

Amendment of Regulation **25** of Government Notice No. **R1224** of **1** December **2000** issued under section **10** of Act **187** of **1993**

20. Regulation 25 is hereby deleted *in toto*.

Amendment of the heading of Chapter **VII** of Government Notice No. **R1224** of **1** December **2000** issued under section **10** of Act **187** of **1993**

21. The heading of Chapter VII is hereby substituted for the following:
“Chapter VII – [PERMITTING AND FUNCTIONS OF] IDZ
ENTERPRISES”

Amendment of Regulation **26** of Government Notice No. **R1224** of **1** December **2000** issued under section **10** of Act **187** of **1993**

22. Regulation 26 is hereby deleted *in toto*.

Amendment of Regulation **27** of Government Notice No. **R1224** of **1** December **2000** issued under section **10** of Act **187** of **1993**

23. Regulation 27 is hereby deleted *in toto*.

Amendment of Regulation **28** of Government Notice No. **R1224** of **1** December **2000** issued under section **10** of Act **187** of **1993**

24. Regulation 28 is hereby amended by the deletion of regulation 28 *in toto* and the substitution of Regulation 28 for the following:

“Regulation 28- Location of IDZ Enterprises

(a) No enterprise shall be allowed to locate or operate as a trading concern within the IDZ unless:

- (1) There is a written agreement between the enterprise and the IDZ operator to locate and operate in the IDZ in terms of R18(a)(13);
 - (2) It will not engage in any activity that is prohibited within the IDZ by this regulation, the IDZ Operators permit, or any other applicable law;
 - (3) it has the licenses or permits required under any law to undertake its operations or business;
 - (4) It is aligned to the industrial focus and approved plans for the designation and development of the IDZ;
 - (5) It has a good record of credit worthiness and no criminal record in respect of economic or related offences;
 - (6) In the case of the CCA, it has also complied with the provisions of section 21A of the Customs and Excise Act, 1964 (Act No. 91 of 1964) and the rules promulgated there under.
- (b) The agreement contemplated in paragraph (a) (1) must amongst others include the following
- (1) The economic operation or activities which the IDZ enterprise will undertake and the terms and conditions for undertaking such operations or activities;
 - (2) The manner in which these operations or activities may be amended;
 - (3) Whether the IDZ enterprise may locate within the customs controlled area;
 - (4) The duration of the agreement with the IDZ enterprise, in case of leased premises, the duration will match the length of the lease agreement.
- (c) The IDZ Operator shall notify the dti of every agreement entered into with an IDZ Enterprise and must file a copy with the dti, prior to any announcements to third parties."

**Amendment of Regulation 29 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

25. Regulation 29 is hereby deleted *in toto*.

**Amendment of Regulation 30 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

26. Regulation 30 is hereby amended-

a) by the substitution of paragraph (a) for the following paragraph:

“(a) After **[receiving an IDZ enterprise permit from the Board]**
entering into an agreement with the IDZ operator, and subject to
the agreement with the IDZ Operator, these Regulations and the
IDZ Operator Permit, an IDZ enterprise shall have the right to:”;
and

b) by the substitution of sub-paragraph (1) in paragraph (a) for the
following:

“(1) conduct within the IDZ, the economic activities and ancillary
activities incidental thereto for which it has been authorised **[by**
means of an IDZ enterprise permit] to in the agreement with
the IDZ Operator.”; and

c) by the substitution of sub-paragraph (5) in paragraph (a) for the
following:

“(5) subject to the provisions of the Customs and Excise Act, **1964**
(Act No. 19 of 1964), its **[regulations]** rules and **[this**
Regulation] any other law relating to the production or
manufacture or importation or exportation of goods, produce
and/or manufacture and/or import and/or export goods.”; and

d) by the deletion of paragraph (b) *in fofo*.

**Amendment of Regulation 31 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

27. Regulation 31 is hereby amended by the deletion of regulation 31 *in toto* and the substitution of Regulation 31 for the following:

“Regulation 31. Responsibilities of an IDZ Enterprise

- (a) An IDZ enterprise must operate its business in compliance with this Regulation; other applicable legislation; standards and rules established for the IDZ; and the conditions contained in the IDZ Operator permit relating to IDZ Enterprises in the subject IDZ;
- (b) An IDZ Enterprise located in the CCA must register with the South African Revenue Services in terms of the Customs and Excise Act, 1964 (Act no. 91 of 1964) and any rules made there-under.”

**Amendment of Regulation 32 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993**

28. Regulation 32 is hereby amended-

- a) by amending the heading of the regulation as follows:

“Regulation 32. Transfer of interest in an IDZ by an IDZ Enterprise
[Permit]; and

- b) by substituting paragraph (a) for the following paragraph:

- (a) An IDZ enterprise may transfer its interests in an IDZ to another company, provided such company **[is the holder of a valid IDZ enterprise permit]** complies with the requirements of regulation 28.”; and

- c) by the deletion of paragraph (b) *in toto*.

Amendment of Regulation 33 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993

29. Regulation 33 is hereby amended-

a) by substituting paragraph (b) for the following paragraph:

“(b) All IDZ operators and enterprises conducting business in the customs [secured] controlled area shall also enjoy the benefits and incentives attaching to businesses in the [CSA] CCA in terms of this Regulation and other applicable law and as prescribed from time to time by the Minister.

Amendment of Regulation 35 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993

30. Regulation 35 is hereby amended-

a) by amending the heading as follows:

“Regulation 35. [One Stop Center] Single Window Service”; and

b) by substituting the paragraph under regulation 35 for the following:

The IDZ operator, in co-operation with the Director General and the relevant organs of state, and within the framework of cooperative agreements provided for in regulations 3 and 7, will [establish a one-stop center at a central location within the Industrial Development Zone for receiving all applications and declarations by IDZ enterprises, ensuring their processing by the appropriate authorities and distributing **all** permits and approvals] facilitate the establishment of a single window service into relevant organs of state.”

Amendment of Regulation 36 of Government Notice No. R1224 of 1
December 2000 issued under section 10 of Act 187 of 1993

31. Regulation 36 is hereby amended-

- a) by the substitution of the paragraph preceding paragraph (a) for the following:

“The following import/export incentives shall apply within each customs **[secured]** ~~controlled~~ area subject to the rules provided in this Regulation and other applicable law –“

- b) by the deletion of paragraph (a) *in toto*; and
 c) by the deletion of paragraph (b) *in toto*; and
 d) by the deletion of paragraph (c) *in toto*; and
 e) by the substitution of paragraph (d) for the following:

“(d) Sales from the customs territory to a customs **[secured]** ~~controlled~~ area shall be deemed to be exports from South Africa, and as such, shall be governed by the Customs and Excise Act and related legislation and subject to normal customs policy. Such sales **[shall]** ~~may~~ receive benefits and incentives granted to exporters under South African law provided that such sales shall not qualify for support within the Export Marketing and Investment Assistance Scheme.”

Amendment of Chapter IX of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

32. Chapter IX is hereby deleted

Amendment of Regulation 49 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

33. Regulation 49 is hereby amended-

- a) by the substitution of paragraph (c) for the following paragraph:

“(c) **[Companies]** ~~Enterprises~~ who wish to manufacture goods, the manufacture of which requires special permits, license or

legislative consent, shall acquire such special permit, license or legislative consent prior to the commencement of production and shall disclose their intention to manufacture such goods **[within] in** their IDZ enterprise **[permit application] agreement.**"

Amendment of Regulation 50 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

34. Regulation 50 is hereby amended-

a) by the substitution of paragraph (a) for the following:

"(a) IDZ users shall be required to comply with the requirements of the Act and **[this Regulation]** these Regulations as well as all standards, conditions of permit and rules issued in respect of the subject IDZ. The Chairperson shall have the right to appoint an investigating officer to investigate any and all violations of this Regulation and or Act by IDZ users, without prior notice, in terms of powers granted in the Act."; and

b) by the substitution of paragraph (c) for the following:

"(c) The Board shall investigate or cause to be investigated any irregular conduct by an IDZ user, or where such conduct falls within the sphere of another organ of state, refer the matter to such organ of state for investigation.

Amendment of Regulation 51 of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993

35. Regulation 51 is hereby amended-

a) by the substitution of sub-paragraph (3) of paragraph (a) for the following paragraph:

- “(3) be entitled to recommend to the Minister to suspend an **IDZ** user’s permit, pending further investigation of the prima facie misconduct of such **IDZ** user;”; and
- b) by the substitution of sub-paragraph (5) of paragraph (a) for the following paragraph:
- “(5) in its sole discretion, **[be permitted to revoke]** recommend to the Minister to withdraw or suspend an IDZ permit, where such action **is** deemed necessary.”; and
- c) by the substitution of paragraph (b) for the following paragraph:
- “(b) Where the **[Board]** Minister has suspended or revoked an IDZ permit in terms of regulation 51 (a), above, the **[prior holder of such IDZ permit]** affected operator may, within 30 (thirty) days of such suspension or revocation, appeal the **[Board’s]** Minister’s decision in writing and the **[Board]** Minister shall consider such appeal **[within 7 (seven) days of the receipt thereof]** without delay

Amendment of Government Notice No. R1224 of 1 December 2000 issued under section 10 of Act 187 of 1993 to insert Regulation 57

36. Regulation 57 is hereby inserted as follows:

“Regulation 57- Transitional Provisions

- (a) Any designation of an IDZ already made shall not be made void by reason of this amendment, and shall be considered to have been made in accordance with the requirements stipulated in these Regulations.
- (b) Any suspension or withdrawal of a designation already made shall be considered to have been made in accordance with the requirements stipulated in these Regulations.
- (c) Any increase or decrease of the total landmass of the area designated as suitable for development as an Industrial

Development Zone already made shall be considered to have been made in accordance with the requirements stipulated in these Regulations.

- (d) Any provisional IDZ operator permit issued in terms of the Regulations, shall remain valid and enforceable in terms of the applicable terms and conditions.
- (e) The holder of an IDZ provisional permit may at any stage apply for the IDZ operator permit under this regulation and must comply with all regulations regarding the IDZ operator permit.
- (f) An application for designation or any IDZ operator permit which has already been submitted to the Board but has not been approved by the Board or the Minister shall be considered in terms of these amended regulations, and before such consideration is made the applicant shall be given an opportunity to amend its application."

Amendment of Government Notice No, R1224 of 11 December 2000 issued under section 10 of Act 187 of 1993 to insert Regulation 58

37 Regulation 58 is hereby inserted as follows:

"Regulation 58: Provision for matters in terms of Section 10(2)(b) of the Act

(a) Guidelines regarding the matters prescribed by these regulations, and any other matter that is deemed necessary or expedient in order to promote the objects of the programme shall be issued by the Board.

(b) The Minister or the Director General shall pursue the establishment of Intergovernmental and Interdepartmental cooperation on the IDZ programme; designated zones and IDZ Operators through such mechanisms as is provided for through the National, Provincial or Municipal Legislatures, legislation or any other mechanism that will be appropriate to advance and achieve the objectives of the IDZ Programme.