

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2512 [NW2999E]
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2512. Mr N L Kwankwa (UDM) to ask the Minister of Finance:

Whether, with reference to the current account deficit he has devised plans to improve investor confidence in South Africa to attract the much-needed (a) portfolio investments to help fund the current account deficit and (b) fixed direct investment for job creation; if not, why not; if so, what are the relevant details?

NW2999E

REPLY:

The National Treasury of South Africa is committed to its active investor relations program and it continues to embark on initiatives that are aimed at improving investor confidence in South Africa.

- a) In order to attract portfolio investments, the National Treasury conducts international roadshows and also interacts with investors on a frequent basis. The roadshows covers centres in Europe, US and other major financial centres. The objective of the roadshows is to keep investors informed about important economic, fiscal, political and other developments in South Africa. Over and above the roadshows, National Treasury introduced its investor relations website www.investor.treasury.gov.za aimed at providing timely and relevant information to institutional investors.
- b) Similarly the Government continues to look at various initiatives aimed at improving investor confidence and attracting foreign direct investment, these initiatives include:
- Initiatives to streamline and promote the advantages of our taxation system, which includes, tax modernisation, double tax agreements, bilateral investment treaties, other industry policy initiatives, etc.
 - Creating a framework for the review of complex cross-border investments, though looking at exchange control rules to provide greater certainty for firms investing in RSA and improve the efficiency of regulation.
 - Also simplifying customs and trade with the rest of Africa and reforming the exchange control system, e.g. implementation of one-stop border post with Mozambique.