



**Western Cape
Government**

Economic Development
and Tourism

FOR YOU



EXPORT RESOURCE MATERIAL GUIDE

Department of Economic Development and Tourism

CONTENTS

Section 1: Introduction	1
Section 2: Preparing to Export	3
Why should you export?	3
Is your company export-ready?	3
Section 3: Planning for Export Success Why planning is important	9
Section 4: Finding Your Export Market	13
Market entry choices	13
Distribution channels	15
Section 5: Using the Export Marketing Mix	35
Export marketing is a management process	35
Section 6: Getting to grips with Logistics	51
Understanding transport issues: modes of transport	51
Section 7: Export Resource Directory	65
Section 8: Annexures	68
Annexure 1: Glossary of Export Trade and Marketing Terms	68
Annexure 2: List of Export Councils	81
Annexure 3: List of Industry Associations	83
Annexure 4: List of Government Departments that have a role in exports	88
Annexure 5: Government agencies that have a role in exports	89
Annexure 6: Government incentive schemes	90
Annexure 7: International agencies that support exports	91



SECTION 1: INTRODUCTION

SECTION 1: INTRODUCTION

Through the Growth for Jobs Strategy, the Western Cape province is strategically focused on expanding its export sector in a bid to increase economic growth. The Department of Economic Development and Tourism is therefore committed to meeting its mandate for growth, and specifically its main strategic imperative, which is to promote and enable exports.

Most small and medium-sized businesses have relatively less experience exporting goods other than traditional primary commodity exports, such as processed food and natural products and beverages. They also have limited knowledge and understanding of export markets. As a result, businesses may fail in their early attempts to export because they underestimate what is involved in exporting and do not have sufficient information and resources.

This Export Manual is designed to provide existing and potential exporters with the knowledge and understanding of the export planning process and its complexities. The manual comes with practical information necessary to help them to develop export business plans and execute export operations on a sustained basis. The export guidebook is intended for both experienced and upcoming exporters at the same time those who have exported only a little and would like to increase their export business will find it helpful.

The manual aims to enhance managers' decision-making skills to enable them to progress through the exporting process, become more strategy-oriented in their thinking and help them understand the need to develop the competencies that will not only prepare them to plan and implement sustainable exporting activities, but will also advance their general management and marketing skills. The manual is designed for Western Cape growth-oriented enterprises, interested to learn about the process of developing international markets, and it aims primarily at the company's senior managers and marketing directors, export managers and export marketing people and other sales and marketing staff who are involved in day-to-day export functions and provides support to export managers. The manual consists of several sections containing information on the fundamental components of successful export market development and information resources and references necessary to support your learning and export activities.

The financial support provided by the Department of Economic Development and Tourism to ensure the success of the Export Manual Resource Guide Material.

The purpose of this guide is quite simple: to provide enough information for the average small and medium-sized company to understand the steps in the process of selling goods and services to buyers in foreign countries.



SECTION 2: **PREPARING TO EXPORT**

SECTION 2: PREPARING TO EXPORT

Why should you export?

You might give many reasons for exporting, but they probably will mean one thing – you want to make a bigger profit.

- Many businesses – of all sizes – move into exports almost by accident. They receive a few orders from neighbouring countries, perhaps, or from further afield without making a conscious decision to export and without thinking through the consequences. At some stage, they are faced with the need to rationalise this “extra” business and bring it into their business planning.
- Most businesses, though, move into exports because they have reached a certain stage in their growth and exporting is the logical way for them to grow further and increase their profits.

Is your company export-ready?

Companies may fail in their early attempts to export because they underestimate what is involved in exporting and do not have sufficient resources. Resources include money, materials, equipment and labour, as well as management, technical and administrative skills.

Time and budget allocation

- Developing a foreign market – identifying potential buyers, researching vital information and promoting your product to potential buyers – means you must set a specific export budget. How big it must depend on your product and your potential market.
- You will have to make at least one visit, probably more, to your target market – this gives an indication of the minimum cost involved.
- In addition, you may need to improve your product and introduce a quality management system. This has additional budgetary implications although it usually leads to cost savings in the medium term.

The time required and the budgetary requirements are only part of the picture. You might fail because you are not export-ready in other ways. An export-ready company has:

Clear export objectives and commitment

- Clear objectives and export commitment mean:
 - You allocate specific company resources – production capacity, management and executive time, and money – to developing your export business.
 - You set measurable export targets.

- You do not neglect your hard-won export markets because the domestic market suddenly picks up and looks promising in the short-term.
- Without such clear objectives you may become discouraged and give up, resulting in wasted time, effort and money.

A senior manager to devote time to export development

This is linked to export commitment. Export service providers can help you, but someone in your enterprise must drive and manage your company's export development.

Sufficient production capacity

Can you produce enough of your product for it to be worthwhile selling in foreign markets? It may make sense to sell small quantities on the local market, but transport costs to a foreign market will usually make it unrealistic for you to export very small quantities.

Consistent and acceptable quality

Your foreign buyer wants to be sure of getting the same quality every time. To do this, you must manage your production processes very closely and have a formal quality management system with accurate records. For many markets, you will find that you have to comply with an international quality management standard such as the ISO 9000 series to ensure that you are able to meet whatever specific product standards are required.

- Storage space for materials and finished products

More orders received mean more materials coming in and more products being stacked prior to shipment out. You will therefore need to ensure that there's enough storage capacity to be able to supply both the domestic and the international markets.
- Business experience and an understanding of business practices
 - Doing business in South Africa is often complex enough – you will find out in later sections of this book how many extra issues you have to deal with when you export. It is therefore important that you have some business knowledge, either in your own company or someone else's.
- Good financial, administrative, office systems and equipment
 - Are you, or the people handling your administration, computer-literate?
 - Do you have your own e-mail facilities, or do you at least have access to e-mail?
 - Do you have good basic business systems, are your business correspondence and company records filed in an orderly way and can you find any important document when you need it?
 - Are your financial transactions properly recorded and audited?

- Additional administrative work is one of the side effects of exporting; if you cannot handle the current administrative details of your business, you are not yet ready to export.
- Access to extra working capital

Exporting successfully will increase your profits. But you will have to spend money first in order to develop your foreign markets and you will need bridging finance to be able to produce export orders. Explore all possible sources of funds, including banks, business development organisations, national government and other organisations involved in the development of small and medium-sized businesses. Be aware that whomever you approach will need to see your business plan, financial statements and offtake agreements.

What makes exporting different?

Exporting your goods and services means that you sell them across national boundaries. As a result, you will find that there are many differences between exporting and selling locally.

These are just some of the differences that you will experience:

Different cultures, languages, laws and business customs

You are aware of cultural differences between South Africans. You will find even greater cultural differences in other parts of the world. These differences affect how people behave in their social and business life, what products they choose and what language they speak.

English is almost the universal language of business, but English usage and vocabulary vary widely around the world.

The Incoterms® 2021 are universal and overcome language problems when quoting for export – see “Section 6: Getting to grips with Logistics”

Get good legal advice on contracts.

Different currencies

- Your buyer will probably want you to quote in a currency he understands.
- Quoting in foreign currencies carries risks if the value of the rand changes; see “Section 6: Getting to grips with logistics”.
- You need to comply with South Africa’s regulations concerning foreign currencies.

Different consumer or user preferences or needs

- Meeting customer needs is at the heart of marketing; see “Section 3: Finding your export market” and “Section 5: Using the export marketing mix”
- Distance from South Africa

- Your product has to be transported long distances to your foreign market; see “Section 6: Getting to grips with logistics”.

Different product standards and specifications

- Export certificates are often required by an importing country when an exporting company is engaging in international trade.
- Find out whether your product is affected by different standards and ensure that you comply with requirements; see “Section 5: Using the export marketing mix”.

Different labeling and packaging requirements

- Developed countries have strict laws governing the labeling of consumer products and the type of packaging materials that can be used; see “Section 5: Using the export marketing mix”.
- Consumer preferences also dictate how your product should be packaged.

Safety, health and sanitary regulations

- Similar to product standards and specifications, you have to comply with these requirements if they affect your product.
- Import duties
- Import duties on your product will affect your price competitiveness – you need to know what they are.
- You also want to know if your product benefits from any trade agreements between South Africa and other countries; see “Section 4: Finding your export market”.

Different competitors

- When you export, you will face a wider range of competitors than you face in your local market.

Paperwork

- Sending goods from one country to another increases the amount of paperwork involved.

What makes a successful exporter?

- Senior management commitment is vital to export success.
- Companies must monitor their own and their competitors' performance.
- Companies need to know their own costs to be able to compete on price.
- Successful exporters manage many sources of information.
- Trade fairs are regarded as important for success in exports.
- Visiting export markets is the most important way of obtaining export business.
- Successful exporters enter foreign markets in stages.

Register as an exporter

Before you do anything else, you should register as an exporter with your local Customs Office. For more information, visit the website of the SA Revenue Service (www.sars.gov.za)



SECTION 3:
PLANNING FOR EXPORT
SUCCESS

SECTION 3: PLANNING FOR EXPORT SUCCESS

Why planning is important

This section on planning is orientated towards marketing planning, rather than full business planning because export marketing and logistics are part focus of this guide. It is important for you to plan your business, especially to plan your export development, for some very simple reasons:

- When you plan properly you gain a deep insight into:
 - Your own business, your strengths and your weaknesses.
 - The environment in which you operate.
 - Your market and your competitors.
- You realise what economic conditions might affect your business, either for better or for worse.
- By planning to achieve your business objectives you test whether those objectives are realistic.
- Your business plan helps you to:
 - Use your resources efficiently
 - Set realistic objectives
 - Work out a strategy for achieving your objectives
- Check your progress so that you can prevent problems from arising or take action to solve them at an early stage.
- Identify opportunities as they present themselves.
- Improve your decision-making because you have gained a deeper insight into your business
- Obtaining finance to support exporting.

A PRACTICAL APPROACH TO MARKETING PLANNING

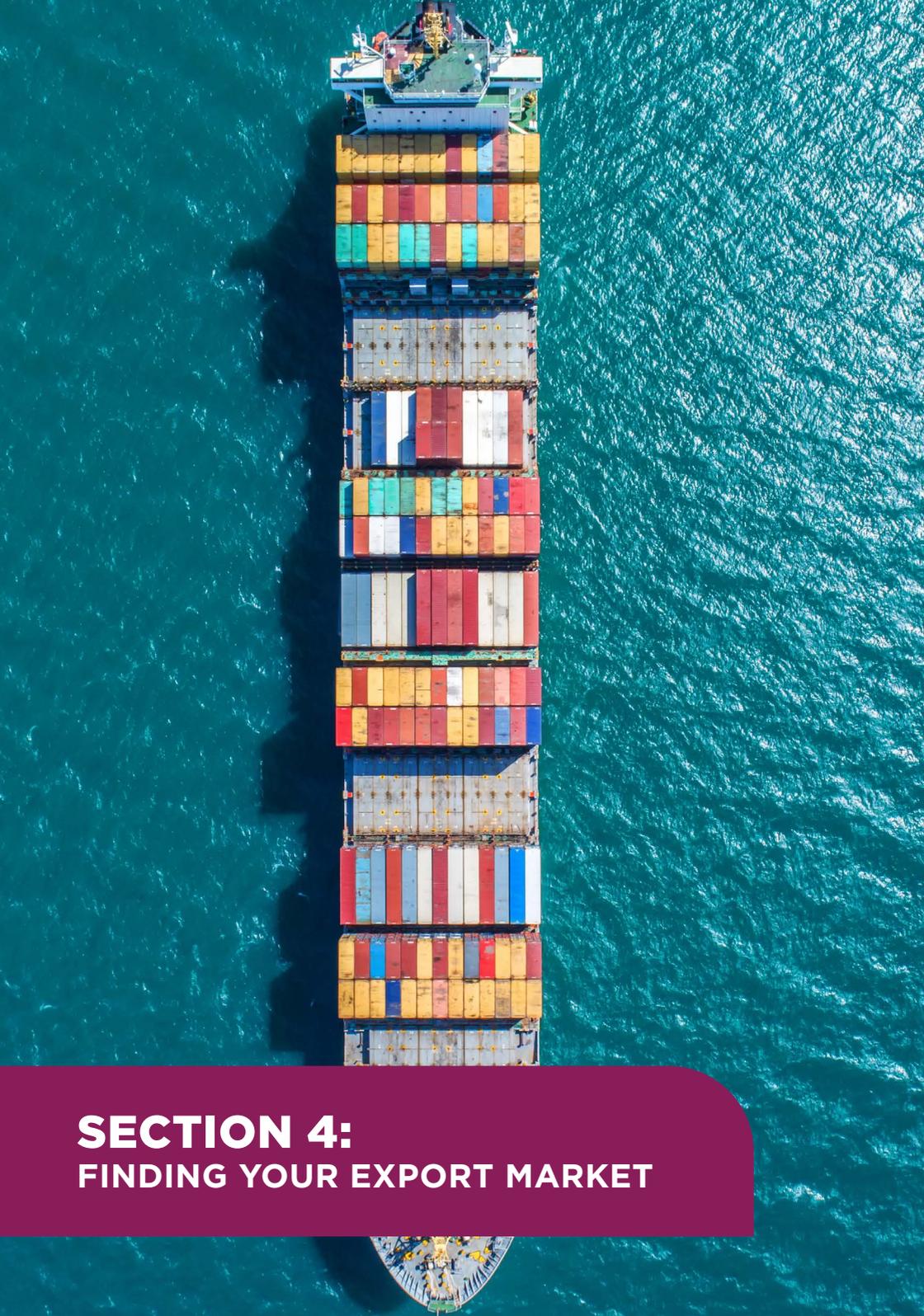
Five elements of a marketing plan

- A marketing plan is like a route map for a journey. You can see where you
- are, you can see where you want to be, and you can identify how you are going to get there. The marketing plan, therefore, consists of five main elements:
 - Situation analysis: your company's present position, your present markets and your business environment.

- Marketing objectives: what you believe your company can achieve in total sales and to different market segments.
- Marketing strategies and plans: how you are going to achieve your objectives, taking into account your customers and their needs, your product, your price, your distribution channels and your promotional activities.
- Budget: what it is all going to cost and what sales and profit you are aiming for.
- Monitoring and corrective action: making sure your plan is working
- In many cases, your plan cannot be finalised immediately because you need more information. You may find that you even need more information about your company.

If this is the case, you do not postpone planning - getting the information you need and, for example, putting in simple systems to tell you how much you are selling to individual customers is part of planning





SECTION 4: FINDING YOUR EXPORT MARKET

SECTION 4: FINDING YOUR EXPORT MARKET

Market entry choices

There are two aspects to getting your product from your factory to your foreign market.

- The first is how your foreign market is developed and your product is handled from South Africa to the market – this is called market entry channels.
- The second is how the product is handled within the foreign market to reach the final user – this is called distribution channels.

Neither concept should be confused with the method by which your product is transported.

● Foreign Market

South Africa is well-served by a sizeable body of experienced and competent international traders: it is estimated that export traders handle at least 30 per cent of South Africa's total exports.

- In many cases, a close relationship builds up between the producer and the trader:
 - The trader advises the producer on product development
 - The trader will sometimes take the producer on foreign market visits with him to meet his buyers
- Through his knowledge of foreign markets and of the complexities of international trade, the trader reduces the “hassle factor” for both producer and buyer and therefore adds value to the whole transaction.
- This choice will succeed for you only if the trader you select is sufficiently experienced and has good foreign market contacts relevant to your product.
- In practice, unless your product is outstanding in its appeal, it may not be easy for you to identify an experienced trader willing to handle it.
- If you choose to develop your foreign sales through a South African trading house, your relationship with the trader should be governed by a formal contract.
- Such an agreement does not need to bind you irrevocably to the trading house under all circumstances but will serve to protect you against loss.
- It will also help to prevent misunderstandings from arising between you and the trading house and will demonstrate to the trader that you are serious in your intent to supply products.

Sell your product to a buyer in the foreign market

This is known as direct exporting.

- If you produce a consumer product, there is a difference between your buyer and your market.
- If you produce an industrial product (if your product is used by another producer) then your buyer might be your market, or your buyer might be an intermediary.

Your buyer and your market: industrial

- Because your foreign market is some distance from South Africa, it is likely that you will appoint an agent in the market to act on your behalf.
- Your agent will negotiate sales for you but does not buy the product from you – you still sell and deliver your product to the buyer in the export market.

Using a foreign market agent: industrial product

- There can be many variations on these linkages, and we explain more later in this section (see “Distribution channels”).
- The type of market entry channels and distribution channels you will use depend on:
 - Usual practice in your foreign market.
 - Your product.
 - Your market segment.
- When you decide to export directly to your foreign market you are responsible for all aspects of the export process.
- If you are unable to identify a suitable trading house in South Africa to develop exports for you. In this case, you might consider building up your resources and postponing your move into exports until you are in a better position to succeed.

Licensing, franchising or contracting in the foreign market

You arrange for a company in the foreign market to manufacture your product under license or sub-contract. This would avoid the need to export directly or indirectly from South Africa.

- This method of penetrating a foreign market avoids some risks, but it does entail others:
 - If your licensee or contractor does not perform well, you do not obtain the royalty income you expect.
 - Your reputation in that market could suffer. This would make it more difficult for you to enter that market again at some future stage.

- You would not choose this method of market entry if you want to export in order to use your factory capacity more effectively and to create additional employment
- You might consider this form of market entry:
 - To avoid high import duties in a foreign market.
 - To overcome strong cultural differences that make direct exporting difficult
- To take your foreign market sales to higher levels at a future stage when you are already exporting directly to a number of markets.

Manufacturing in the foreign market

This is a step further than merely licensing someone else to manufacture your product for you.

- With this market entry method, you can:
 - Establish your own manufacturing operation in your foreign target market.
 - Set up a factory in partnership with another party or company as a joint venture.
 - Buy out a manufacturer already operating in the foreign market.
- This method of market entry carries more risks:
 - You will own assets in a foreign country.
 - You need to understand the business environment in that country.
 - You need to understand tax, labour and business law.
- You will have to manage staff from a different culture.
- You would consider this form of market entry if:
 - You needed to expand production capacity in a lower-cost location.
 - You were prepared to take the additional risks involved.
 - It represented the most advantageous way to grow your international business and support the sustainability of your entire company.

DISTRIBUTION CHANNELS

The natural extension to market entry channels

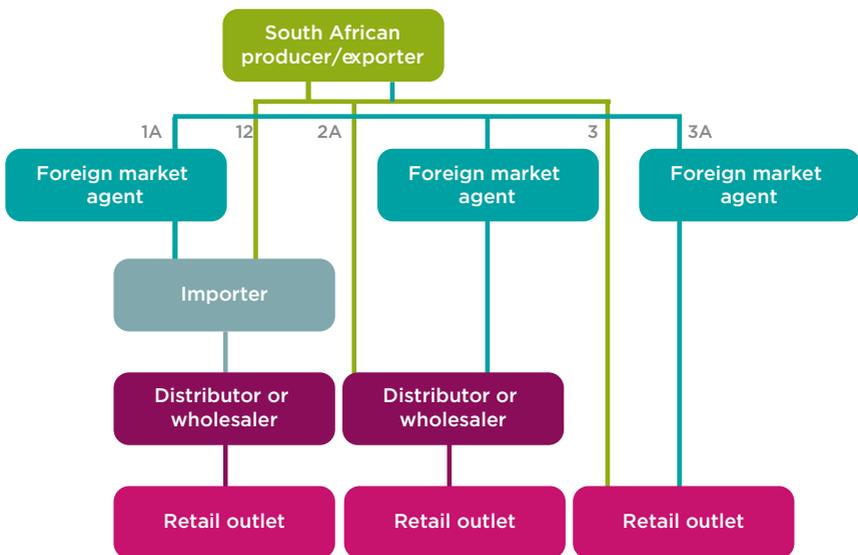
Distribution channels describe how your product – once it gets to the foreign country – reaches the consumer or end user. Distribution channels are therefore a natural extension of market entry channels.

- You are not concerned about distribution channels in the foreign market if you export indirectly through a trading house in South Africa.
- If your market entry choice is through any other channel you want to understand how your product will finally reach the end user.
- Distribution channels are usually discussed in marketing textbooks along with other factors in the “marketing mix” (see “Section 5: Using the export marketing mix”), but we have chosen to discuss certain aspects here because:
 - Distribution channels are a natural extension to the market entry channel.
 - Distribution channels are closely linked to niche marketing, which is a strongly recommended approach for medium-sized and small exporters.
- Other aspects of distribution channels, such as foreign market agents and selecting agents and/or distributors, are dealt with in “Section 5: Using the export marketing mix”.

Consumer products

If you are selling a consumer product, there might be a number of channels of distribution in the foreign market.

Foreign market distribution channels: consumer product



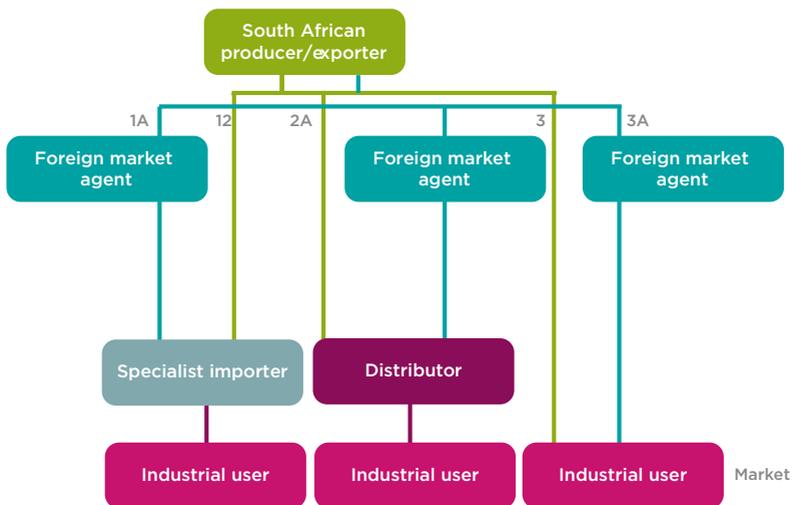
The diagram shows:

- In the first channel, you sell to an importer directly (1) or through your foreign market agent (1A); the importer then sells on to the distributor or wholesaler.
- In the second channel, you sell to a distributor or wholesaler directly (2) or through your foreign market agent (2A).
- In the third channel you sell to a retail store directly (3) or through your foreign market agent (3A).
- You normally would not use these three different channels in the same market, because this would lead to confusion.
- But you could use one channel in one country or region, and another channel in a second country or region, and so forth.

Industrial products

If you are selling an industrial product your channels of distribution could be very much shorter.

Foreign market distribution channels: industrial product



The diagram shows:

In the first channel, you sell to a specialist importer directly (1) or through your foreign market agent (1A); the importer then sells on to the industrial user.

In the second channel, you sell to a distributor directly (2) or through your foreign market agent (2A); the distributor sells on to the industrial user.

In the third channel you sell to the industrial user directly (3) or through your foreign market agent (3A).

Benefiting your buyer

While you want to meet the needs of your market, (the consumer or the industrial user), you also have to provide a benefit to your buyer.

- Your buyer probably wants:
 - A product that sells well.
 - A price from you that gives him a reasonable profit when he sells your product.
 - A reliable source of supply.
 - Efficiency and good service from you.
- Your target market (the consumer or industrial user) determines who your buyer is. Therefore, the first thing you have to do is to determine who will consume or use your product.

Distributing/selling through your website

Online promotion and selling (e-commerce) is becoming common and some small companies find it effective. Important points to remember:

- Your website must be professionally designed (this also applies if the website is used for promotion and communication only).
- All necessary security measures must be in place to ensure safe payment and compliance with South African exchange control regulations.
- If you have established distributors in your markets it is probably best not to sell from your website in order to avoid possible conflict with them.
- Selling from your website means you have to pack and dispatch individual orders. This may work well if your order volumes are relatively small but be aware of the time and effort this will require.
- Your website must state that the price of your product excludes packing and transport, which means that you must be able to accurately determine these costs for each destination before setting the final inclusive price for any buyer. You need to make it clear that the buyer is responsible for customs clearance and payment of any import duty that is required.

IDENTIFYING YOUR EXPORT MARKET

Basic steps

- There is no magic answer to finding a market and a buyer.
- You will have to work step by step to identify the foreign market segments where you might sell your product and to identify and interest the buyers in those segments.

- Promotional activities, such as establishing a website or taking part in a trade fair abroad, will assist the process.
- You need to do a great deal of preparatory research work first to benefit from the money you will have to spend on promotional activities.
- It is a good idea to network, to build up a spread of contacts both in South Africa and abroad that you can use to obtain information.

Identify your South African market

You are successfully selling your product in South Africa, but do you know who buys your product and why?

- Your situation analysis should give you answers to these questions (see Section 3: Planning for export success)
- You need to understand exactly what market niche you enjoy in South Africa because you should look for similar niches in foreign markets.
- It is also important to understand what special needs your product meets, what benefits it gives to consumers or users. Your SWOT analysis should tell you this.

Compile a target market profile

Based on the profile of your South African market, you can compile a list of the characteristics of your target foreign market.

- For a consumer product, you might list:
 - People in upper-income groups, who like modern living environments and are probably in their mid-30s.
 - Children between the ages of 7 and 10 who enjoy active outdoor games and sports.
 - People who consume only Kosher and Halal-certified food products and earn a middle-level income.
- If you are producing an industrial product, you might list:
 - Small companies, with a monthly demand of not more than (whatever amount you feel would be suitable).
 - Companies producing equipment for the bakery, spray painting, woodworking or whatever special niche you are targeting.
- You might also list other features about your target market that are important. These might include:
- Language and culture:
 - Some products just do not cross-cultural lines easily.
 - You may not be comfortable doing your first export business in a foreign language through interpreters.

- Distance from South Africa (perhaps your product does not travel well).
- Climate in foreign markets.
- Expressions of interest in your product from foreign tourists, or even the fact that your product is purchased by foreign visitors, might indicate potential in certain markets.
- However, people on holiday in South Africa often buy souvenirs as a reminder of their holiday; these are not items that they would normally purchase in their home country.

Approach your industry association or an export council

- If you have not done so already, now would be a good time to approach your industry association or an export council, if there is one, and see what guidance you can obtain.
- You have already done quite a lot of work, which will be a good basis for discussion, and the association or an export council may offer you valuable guidance on potential foreign markets.

Research buying patterns

You may have a good idea of some of the countries that you feel would offer you potential. Further information on this is given later in this section.

- If your product is a consumer product you want to know
 - How, when and where your intended consumers in the target countries purchase their products?
 - Do they buy only from large chain stores, or do they buy from small specialist shops?
 - Do such outlets exist only in the big cities, or are they found throughout the country?
- Your specific product will dictate the type of outlets used. Your next step is to identify such outlets, and you should use all your creative abilities in this. Use your network and the information sources listed later in this section.
- You are looking in each case for the names and contact details of suitable retail outlets for your product.
- While some of the well-known retail chain stores in Europe offer good opportunities for exporters from South Africa, in many cases they are highly competitive outlets demanding large volumes and low prices, not unlike the South African situation. The smaller stores might be a better bet for you.
- Now you have your small list of possible outlets, you are ready for the next step. This is to identify the rest of the distribution channel.

- If you are selling an industrial product your research will probably be simpler because it will be easier for you to identify the potential companies in your market segment. Any good business directory will help you and there are several on-line sites.

Identify distribution channels

You have identified the retail outlets for your consumer product, but now you need to determine how your product will reach the stores.

- The quickest way to find out how products pass through the distribution chain to the retail outlet in the case of a consumer product is to contact the retail outlet. And the quickest way to do that is by telephone.
- The same applies if you sell an industrial product: in this case you will telephone the industrial companies that might use your product.
- The purpose of your call is to:
 - Check that your information is correct, that the store or company does handle your type of product
 - Determine whether it handles any imported merchandise.
 - Find out whether it buys directly from suppliers or from a distributor and if so which one
- The primary purpose of the contact is not to sell, but if the store or company does buy direct from suppliers, you have identified a potential buyer and would like to follow that up.
- Instead of contacting the outlets by telephone, you could write, enclosing a leaflet describing your product and asking for the information you require. However, the store would have to make an effort to reply to you, whereas responding to telephone questions would be easier.
- Your next step depends on what happens when you contact the stores or industrial users:
 - Possibly you have already identified your potential buyers and can proceed to negotiations.
 - Possibly you need to contact the distributors whom you have now identified with the help of the retail outlets.

Handling incoming leads and enquiries

You might be surprised and initially very excited at how quickly you receive unsolicited enquiries from foreign markets.

- These enquiries might come from genuine potential buyers or distributors. However, they are quite likely to come from a variety of unsuitable individuals or companies who, at best, will waste your time and, at worst, might cost you money if you engage in an unwise business arrangement with them.

- You need to be able to distinguish the leads with potential for business from the ones that you can safely discard.
- Respond to all leads, briefly, courteously and quickly. If the enquirer has not been specific about who he is and what he wants, ask for details:
 - What is the nature of his business, is he an importer, wholesaler, retailer, manufacturer, trader or agent?
 - What range of products does he handle and does he purchase from any other suppliers in South Africa? (You can then check with those companies as a reference.)
 - What product is he interested in, in what quantity, what are the specifications (if appropriate) and when does he expect delivery?
 - How did he obtain your details?
- If you hear no more from the enquirer, you can assume that it was not a worthwhile lead.
- If the enquirer has given all the above details initially or responds positively, there is a strong possibility that it is a genuine enquiry. How you reply depends on:
 - Your marketing plan.
 - Your market entry choice.
 - Your decision regarding target markets and distribution channels.
 - Your ability to handle the order that the enquirer might place.
- It is a good idea to have on hand one or two fairly standard responses to incoming leads so that you can reply quickly and efficiently without wasting too much time until there is evidence that the enquiry warrants attention.

Where to find export market information

Unfortunately, there is no central source of market information.

- Even in highly developed countries such as the United States, information is not available from a central source: it is probably to be found somewhere, but with the different levels of government, the sources are fragmented.
- With developing countries, the structure of the country might be a little simpler, but there is usually a lack of funds and infrastructure for the gathering of up-to-date economic and market data.
- The following is a rough guide on how information might be organised and what type of government bodies, associations and private interests, might be able to give you or sell you some of the information you need.

HS code

- Your freight forwarder.
- South African Revenue Services website: sars.gov.za.
- Department of Trade, Industry and Competition (DTIC) 's website: www.thedtic.gov.za
- Your industry organisation or the export council if there's one.

Note that you should consult your freight forwarder if you have no previous experience of classifying your products. The process is not as simple as it seems. Also, the international system extends only to six numerical digits and individual countries, or trading blocs further classify goods for their own purposes. You will need to check the full correct classification of your product in your target markets to be sure of obtaining the correct import duty information.

Country information

Form and extent of government involvement in the economy

- South Africa's trade representatives or embassies abroad.
- Foreign country embassy/consulate in Cape Town.
- Department of Economic Development and Tourism (DEDAT).
- Trade and Investment Agency, i.e., Wesgro.
- Department of Trade, Industry and Competition (DTIC).
- Cape Town Regional Chamber of Commerce and Industry.

General marketing factors

- Your industry association or export council.
- Country profiles from local banks.
- International Trade Promotion Agencies.
- Chambers of commerce in your target markets; try World Chambers Network for addresses at website www.worldchambers.com.
- General news media and trade journals in the target market.
- Market research consultants (watch costs!).

Economic indicators

- International Monetary Fund at website: www.imf.org.
- Foreign embassies and Consulate General offices.

Present structure of the economy

- International Monetary Fund, as above.

- Foreign embassies and Consulate General offices.
- World Bank at website: www.worldbank.org.
- Economic development plans.

Banking infrastructure

- Your bank for basic information.

Transport and communications infrastructure

- Your freight forwarder.
- Foreign trade data.

Market access

General import policy

- Foreign country's embassy/consulate in Cape Town.
- Your freight forwarder.

Membership of GATT/WTO, Customs union or free trade area

- Foreign country's embassy/consulate in Cape Town.
- Cape Town Regional Chamber of Commerce and Industry.
- World Trade Organisation at web site: www.wto.org.

Special trade agreement with South Africa, how it is applied, rules of origin, special documentation

- SARS website: www.sars.gov.za.
- SA's trade office/embassy in foreign country.
- DTIC website.
- Industry body for product-specific details.

Import licensing and import tariff system

- Foreign country's embassy/consulate in Cape Town.
- Your freight forwarder.
- Cargo Info, as above.

Special customs provisions

Advanced rulings on Customs classifications; entry regulations and procedures

- Your freight forwarder; check information with Customs officials in the market when you visit.

Use of free ports and bonded warehouses; appeals and penalties

- Your freight forwarder can obtain this information if you really need it.
- Commercial samples, advertising matter and postal packages.
- Cape Town Regional Chamber of Commerce and Industry.
- Foreign country's embassy/consulate in Cape Town.

Other regulations

Technical, food, health and safety standards

- South African Bureau of Standards (SABS) in South Africa.
- National Regulatory for Compulsory Specifications (NRCS).
- Department of Agriculture.
- Department of Health.
- South African Health Products Regulatory Authority (SAHPRA)
- Foreign country standards body (info from SABS)

Packaging and labelling regulations

- Foreign country's standards body or trade regulatory body.
- Industry organisation.
- Environmental organisations.

Patents, trade marks and copyright

- If you need this information, contact one of South Africa's specialist patent attorneys.

Taxation

- Auditing firms in South Africa.
- South Africa Revenue Services (SARS).

Agency legislation

- Start with your own legal advisor, but also seek information in the foreign market (check costs!).

Documentary requirements

- Your freight forwarder should assist.
- Your buyer/agent should inform you of foreign market requirements.

Environmental legislation

- Foreign environmental policies and requirements.
- Check with CSIR and SABS in South Africa.

EXPORT MARKET OPPORTUNITIES FOR WESTERN CAPE EXPORTERS

What does the Western Cape export and where to?

Western Cape exports in the national context

- The broad composition of exports from the Western Cape clearly reflects the Province's main business sectors and is very different from the national export pattern.
- We can see how important the agricultural sector and its downstream products, such as processed foods and wine, are to the Western Cape's export earnings.

Where do the Westerns Cape's exports go?

- The regional spread of exports from the Western Cape is broadly similar to the national pattern. Europe is by far the largest regional buyer of products from the Western Cape and from South Africa as a whole.
- Africa and the Americas each take a similar proportion from the Western Cape and from the whole country. And so, do Asia and Oceania (Australia, New Zealand and Pacific Ocean island states).

Trade agreements give you better market access

South Africa has a number of international trade-related agreements, but the following are those that are most likely to have a beneficial impact on your export business.

World Trade Organisation/General Agreement on Tariffs and Trade

- The World Trade Organisation (WTO) administers the General Agreement on Tariffs and Trade (GATT).
- South Africa was a founder member of GATT in 1948 and our membership has continued unbroken since then.
- WTO/GATT is the major international forum in which issues such as tariff reductions and removal of non-tariff trade barriers as well as trade dispute settlements are negotiated.
- For you, the practical importance of the WTO/GATT is that, because South Africa is a member, any country that has special most-favored-nation import duties must extend those preferential duties to South African products. You will want to check whether or not your product would benefit from such a preference when imported into other countries.
- However, note that a bilateral trade agreement between South Africa and another country, or any special duty status accorded to South Africa as a developing country, will usually be more beneficial.

South Africa/European Union Agreement on Trade, Development and Co-operation: this agreement provided for the development over a number of years of a Free Trade Area between South Africa and the European Union countries.

- Current EU members are: Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and the Sweden.
- In July 2014, the EU and South Africa, Botswana, Lesotho, Swaziland, Namibia and Mozambique signed an Economic Partnership Agreement (EPA), which provides – amongst other things – for improved market access for South Africa’s agricultural exports to the EU.
- The EU and South Africa have progressively reduced import duties. This means that you need to check (perhaps with your freight forwarder) the duty status of your product in the European Union.
- If you have any imported content in your product, you need to also check the country of origin requirements that will govern whether or not your product qualifies for the preferential duty.

Southern African Development Community (SADC) free trade agreement

This agreement gives South Africa duty-free entry into 10 of the 15 SADC members, namely, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Tanzania, Swaziland, Zambia and Zimbabwe.

Southern African Customs Union

South Africa, Botswana, Lesotho, Namibia and Swaziland form this union, which allows for duty-free movement of goods between the five countries and a common external tariff on goods entering from outside the union.

Africa Continental Free Trade Agreement (ACFTA)

The Africa Continental Free Trade Agreement (ACFTA) was founded through negotiations, working towards the liberalisation of trade in goods and services on the African continent. The agreement should present major opportunities to boost intra-African trade, however, there are inherent challenges including transport infrastructure and energy supply, which has to be transformed. Five operation instruments will govern the AfCFTA namely:

- Rules of Origin (instructions which sets out what qualifies as a locally manufactured product).
- an online negotiating forum.
- monitoring and elimination of non-tariff barriers.
- a digital payments system.
- the African Trade Observatory.

Other trade agreements

- South Africa, through SACU, has an agreement with Mercosur that has not yet been ratified
- Also through SADC, South Africa has a free trade agreement with EFTA, providing for duty-free entry into Norway, Switzerland, Liechtenstein and Iceland
- South Africa has individual agreements with:
 - Malawi, Mozambique and Zimbabwe
 - India
 - Republic of China (Taiwan)
 - People's Republic of China

In some cases, these agreements allow for limited duty preferences on products entering South Africa, but do not confer substantial, if any, duty benefits on South African products into those markets.

The agreements are important, however, in setting a favourable environment for the development of two-way trade.

Binational commissions

There are a number of binational commissions between South Africa and other countries – Australia, the United States, France and the United Kingdom are examples – some of which might in future incorporate certain trade aspects.

Bilateral tax agreements

South Africa has a number of bilateral tax agreements with other countries designed to avoid companies being double-taxed on the same income when they conduct business across international boundaries.

Africa Growth and Opportunity Act (AGOA)

AGOA is a non-reciprocal and unilateral preference program that provides duty-free, quota-free access to the U.S. market for qualifying goods from eligible Sub-Saharan African (SSA) countries. Beneficiary countries are expected to meet specific eligibility requirements to qualify for AGOA.

- This is not a trade agreement but a schedule of import duty concessions allowed by the United States on imports of certain products from countries in Africa, including South Africa.
- The Act requires periodic renewal by the US Congress.
- AGOA could well give you a valuable duty advantage into the United States. You need to check whether your product is listed for duty-free entry.

- If your product contains any imported content, you must also check the rules of origin governing the concession. You need to take into account the specific documentation required.

General System of Preferences (GSP)

- This also is a concession, not an agreement. A number of developed countries allow South African products to enjoy GSP on a wide range of products.
- The countries that extend this benefit are:
 - Canada.
 - EU (runs at the moment parallel to SA-EU trade agreement; check which applies to your product)
 - Japan
 - Martinique
 - Norway
 - Reunion
 - Switzerland
 - USA (runs at the moment parallel to AGOA; check which applies to your product)
- As with other duty preferences, you must check to see if your product is listed and what regulations govern these concessions.

BRICS

- BRICS, consisting of Brazil, Russia, India, China and South Africa is not a trade agreement or any formalised grouping although high-level meetings take place fairly regularly to discuss matters of common interest.

Rules of origin

- Rules of origin determine the “nationality” of a product and whether it is covered by a particular trade agreement or concession.
- Rules of origin set out the conditions under which your product qualifies for the duty concession. They usually state whether your product may incorporate any imported content and, if so, to what extent. The rules might also specify the degree of manufacture that is required.
- The general regulations governing the concessions also state what documentary evidence of South African origin is needed for your goods and who the authorising body is in South Africa.

- It is vital that you not only check to see if your product is listed for a concession, but that you understand the details of how the concession operates. In this way, you will be able to take full advantage of any duty benefit due to your product, thus helping it to be more competitive in your target market.

THUMBNAIL SKETCHES OF MARKET REGIONS

Western Europe, including the EU

- This is a traditional regional trading partner for South Africa and the Western Cape. The EU countries are especially attractive because of the advantage that the SA/EU trade agreement and the SADC/EU EPA provide. You will possibly have this as a priority target region.
- A wide range of Western Cape goods is established in the region, including manufactured consumer and industrial products.
- Buyers in the region place emphasis on quality, price and service. You will have to comply with a recognised international quality management system and meet specific technical product standards and safety and health requirements.
- Consumer preferences in each country reflect the national culture to some extent. You will probably find individual country markets beyond your supply capacity, but the region offers great scope for niche marketing.

Eastern Europe

- Countries in the region have been traditional buyers of South African raw materials.
- Opportunities are opening up for other types of products such as processed foods, fresh fruit, and some industrial goods. Free market structures and conditions are not yet fully established in many countries in the region.
- You may encounter language and cultural difficulties in this region and you will need to ensure that your payment method is secure.

North America

- This is a major consumer and industrial market with hugely diverse demands: if a product or service sells anywhere, it will probably also sell in the United States – at the right price.
- The Canadian and United States markets have distinct differences, especially in consumer preferences, and you should approach them individually if this is your target region.
- The Africa Growth and Opportunity Act has created many additional opportunities for Western Cape exporters in the United States market.

However, you may still find potential American buyers doubt the reliability of any company located on the African continent.

- The large volumes frequently ordered by American buyers are no myth: as a relatively small, or very small, supplier, your only practical approach to this region is through niche marketing, possibly even to specific individual outlets.

South America

- This region has been somewhat neglected by South African exporters in general, although selected South African products are well established.
- In the region, there is widespread interest in Southern Africa and political leaders see parallels between South American and Southern African integration objectives.
- Over the past decades, many countries on the sub-continent have introduced more liberal trade regimes and opened up their markets to imports. Their economies remain fragile, however, and you need to keep informed about current growth and foreign exchange conditions.
- You will find marked language and cultural differences in the region. Niche marketing again is the best option for you, and you also might consider a joint marketing venture with an appropriate local partner.

Far East

- South Africa's and the Western Cape's trade with the Far East has grown rapidly over the past 20 years and many businessmen in the region are familiar with some of the potential for further trade growth.
- Western Cape exporters seem to have been especially successful in increasing their sales to China and to Taiwan, while Hong Kong is an important market.
- The region, and especially Japan, is an established market for South African raw materials and for some industrial inputs.
- Japan grants GSP concessions to certain South African products.
- You will need unique product features and an aggressive marketing drive to succeed in this region.

Australia

- South Africa's trade with Australia and New Zealand has grown rapidly over the past decade, and Australia is quite prominent among the Western Cape's trading partners.
- You will find many similarities between Australia and South Africa – and they extend further than wine and sport!

- The South African and Australian business sectors compete in many markets. However, there is a synergy between the two that creates opportunities for two-way business in both consumer and industrial products.
- Australia thinks of itself as a gateway for South Africa to the Pacific Rim. South Africa, and the Western Cape, might be a gateway for Australia into Southern Africa.
- Australia and New Zealand are competitive markets well served by suppliers in the Far East. You will need to offer distinct product benefits and a keen price.

Africa

- Africa is South Africa's major market for manufactured goods as well as services of all types. Western Cape companies are active in the region across a wide product and service range. Angola features among the province's fastest-growing export markets.
- Aid-funded projects are common and can offer the good business potential for appropriate products.

The region is a natural first target region for South African firms and holds good prospects for entrepreneurs. Your product must be appropriate to the region, however.





SECTION 5:
USING THE EXPORT
MARKETING MIX

STEAM

SECTION 5: USING THE EXPORT MARKETING MIX

Export marketing is a management process

It has been mentioned said that export marketing is the management process by which you identify and satisfy the requirements of customers in foreign markets at a profit.

Export marketing: a management process

- The four major elements of your marketing strategy in any market, whether local or foreign, are:
 1. Your product, including the packaging.
 2. Your price.
 3. The distribution channels you choose.
 4. Your promotional activities.
- These are known as the four Ps of marketing and together they are referred to as the marketing mix. You need to manage these elements if you are to be successful in exporting your product or service.

Product factor

The product factor covers:

- Your product: its design, quality, materials, compliance with international specifications or standards and all other features.
- The product packaging, the labeling, and the brand name.
- The service that you provide with the product. This might be in the form of:
 - Instructions on the product's use and care.
 - Servicing or repair of the product (if relevant).
 - How efficient you are in manufacturing and delivering your product.
- In considering your product strategy you take these aspects into account to see if any of them can give you a competitive advantage over other products like yours.
- Several issues will affect your product's acceptability in a market.

Consumer and user preferences

Consumer and user preferences differ from country to country and even from region to region.

- Consumer differences can differ within a country according to culture, religion, age, income level and many other characteristics.

- These differences can help you to target your product at very specific niches within a market.
- If you are selling an industrial product, user preferences are usually dictated by the performance required of the product. A machine must be capable of producing a certain output, and a raw material must meet certain specifications. A component must be of exact dimensions.
- It is common for buyers in developed countries to require suppliers of all types of consumer and industrial goods to comply with a recognised international quality management standard, such as the ISO 9000 series. Retailers in the EU have developed common standards for certain types of products, such as Global GAP for fresh produce.
- You will find, too, that the issues of environmental awareness and social responsibility are frequently given greater priority in developed countries than they are in developing regions. You may be questioned by potential buyers on the impact of your company's activities in South Africa in these areas of concern.
- All consumers and users want to see value for money and all are looking for a certain quality. Product quality is evaluated at two levels:
 - Physical quality, as in dimensions, the standard of workmanship, materials used, and so forth
 - Perceived quality, which concerns whether the product meets expectations
- Market research can help you to identify those countries, regions or market niches where your product most closely matches consumer or user needs.

Government regulations

In many countries, especially in highly developed economies, products must meet specifications laid down by law.

- The purpose is usually to protect users and both locally produced and imported items have to be tested against the required standards.
- The types of products most affected are:
 - Household electrical and gas appliances.
 - Food products, including fresh produce as well as processed foods.
 - Medicines and certain chemical products.
 - Children's toys and clothing.
 - Household fabrics (upholstery fabrics, carpets).
- In addition, a number of countries, notably the United States and Australia, allow the entry of vegetable materials only after fumigation. This means that some products as well as packing materials must be certified as having been fumigated before they leave South Africa (speak to your freight forwarder in this connection).

- Furthermore, all packing material made of unprocessed raw wood exported from or imported into South Africa must have been treated and marked according to the International Standard on Phytosanitary Measures “Guidelines for Regulating Wood Packaging Material in International Trade” (ISPM 15).
- The South African Bureau of Standards (SABS) represents South Africa at the International Standards Organisation (ISO). As well as having details of all the ISO standards that have been drawn up, SABS can provide information about specific standards laid down by different countries or trading blocs.
- Most of the standards applied in South Africa, those that give the SABS mark, are based on international standards. However, even though your product carries the SABS mark:
 - It may not automatically be approved for sale in your target export market
 - Your product may still have to undergo testing and approval in the country concerned
- This is often a lengthy and costly procedure, but you may qualify for some assistance from the Department of Trade, Industry and Competition (DTIC) EMIA scheme.
- Bringing your production processes to a point where you meet the regulated standards of your target export market is not a one-off action:
- If your product is a processed food, for example, your production process must be audited regularly by a body such as the Council for Scientific and Industrial Research (CSIR)
- These audits are to ensure that you are entitled to a HACCP certificate (Hazard Analysis and Critical Control Points) showing your compliance with basic standards of health and hygiene
- Exporters of fresh produce face a range of conformity regulations in the European Union (EU). Your export consignments to the EU are inspected by the South African Perishable Products Export Control Board (PPECB), which is authorised to implement EU regulations in this respect.
- Any food product, whether processed or not, is now subject to traceability legislation in the EU.
- In most cases your potential buyer will know what standards, if any (remember, not all products are subject to legislated standards), your product must comply with. However, you will be in a stronger position to negotiate with potential buyers if you know in advance what standards apply and whether your product complies with them.

- In the EU and the United States, the issue of product standards is complex:
 - Many items are covered by EU standards, which are common to all member countries
 - In some cases, there is no common standard, so there are differences from one EU member to another
 - You should always check the position for your product in the specific EU country or countries you are targeting
 - In the United States, your product might be affected by federal and state legislation
 - You should check on the position in the specific state or states you are targeting
- To be able to consistently meet the requirements of product standards and regulations you will, as much as anything else, need to keep meticulous records of each production stage. This emphasizes again the need for effective supervision and administration throughout your company, no matter how small you are.

EUROPEAN UNION REGULATIONS AND MARKET REQUIREMENTS

European Union Regulations

Health and hygiene e.g. HACCP Safety and Environment.

Climate

You will need to consider the possible effects of climate and the physical environment on your product.

Consumer products

- Clothing, foods, household items, and many other types of products are influenced by different climatic conditions.
- Is the packaging of your product suitable for a different climate?

Industrial products

- Will different climatic and geographic conditions affect the use of your product?
- Will it operate equally well in different temperature ranges? Can it withstand extremely dry or very wet conditions or rough terrain?

Packaging and labeling regulations

Most industrialised countries have implemented laws governing the type of packaging materials that can be used for all products:

- In broad terms, packaging materials must be reusable, recyclable, or biodegradable.
- South Africa's packaging suppliers are generally well-informed on the requirements of foreign markets in this respect.
- If your target buyer is a retail outlet, you may find that your product will have to be packaged to suit the way it will be displayed in the store.
- Legal requirements may dictate how you label your product:
- Industrial countries usually demand more information on product labels than is common in South Africa.
- You may need to have the information translated into the language or languages of the market concerned.
- Product packaging and labeling are often affected by consumer preferences regarding colour, illustrative materials and other design elements.

Branding

The essence of branding your product is that the brand name or brand symbol conveys the whole concept of your product and the benefits it provides to the consumer or user.

- Registering your brand name gives you some protection internationally against other interests "stealing" your brand name.
- Your brand name may be affected by consumer preferences in your export markets:
 - A name that suits your home market may be quite inappropriate for a foreign market
 - Find out if your brand name is suitable by asking contacts in the target market
- Use your brand name and your symbol consistently in all your communications – this is one of the ways in which you build up recognition of your brand:
 - Packaging
 - Product labels
 - Letterhead
 - Business cards
 - Brochure
 - Web site
 - Invoices could carry your brand name and symbol

Customer service

- The service component of your product might be intangible, but it is nonetheless always important.
- Does your product require after-sales service support? If it does, how will you provide this?
 - Even if your product does not require such technical support, there is a service element to your product:
 - The way you respond to your buyer's enquiries.
 - The efficiency with which you dispatch orders.
 - Your overall reliability as a producer and supplier.

Distribution channels

Market entry and distribution channels and how to identify them have been described in the previous section, "Section 5: Finding your market and your buyer". These are some other important aspects of your distribution channels.

Do you need a foreign market agent?

The answer to this depends on the market, the product, your distribution channels, and other factors.

- It may be better to work through an agent if:
 - You expect to sell to a number of buyers in a market.
 - Your product requires a lot of personal promotion to potential buyers.
- A good agent will:
 - Add value to your export business.
 - Grow your sales in the market.
 - Strengthen your relationship with your buyers.

Difference between your agent and your distributor

Your relationship with your agent will differ from that with a distributor.

- Your agent:
 - Represents you and your interests.
 - Receives payment from you in the form of commission on sales.
 - Does not set the price, nor sign the final sales agreement with the buyer.
 - Is not a principal to the transaction.
 - Does not usually provide any technical support for the product.
 - Should give you regular information about market conditions.

- Your distributor:
 - Is independent and buys on his own account.
 - Carries stocks of your product.
 - Sets the price to the retailer or user, although often in consultation with you.
- Usually provides the technical service back-up for a product that requires it.

Appointing your foreign market agent or distributor

You will be able to negotiate a better arrangement with a potential agent or distributor if you know what you want beforehand.

- Compile a profile of your ideal agent/distributor:
 - Where located and region to be covered.
 - Experience and years in business as an agent or distributor.
 - Products handled.
 - Technical knowledge.
 - References.
 - Other essential features.
- Prioritise this list: you may not find all the attributes you want, so decide which are the 'must haves'.
- Check potential agents and distributors against the list:
 - Ask for the information you want.
 - Check out the references.
 - If possible, visit them at their own premises, especially if your product requires their technical support.

Managing your agent

The agency agreement lays the foundation for your relationship with your agent but nonetheless, the relationship needs to be managed. You can do this by:

- Regular communication: informing your agent of developments in your business, especially product development and production up-grades.
- Regularly reviewing your agent's performance against the agreement.
- Ensuring you receive the market feedback requested and reports on buyers visited, and so forth.
- Visiting your agent regularly in the foreign market.

Relationship with your distributor or buyer

As a small or medium-sized South African company you will possibly find yourself dealing with much larger distributors or buyers. In such a relationship, it is easy for the “power” to lie with the other party.

- In order to prevent this from happening, or to at least maintain some management over the relationship, it is important for you to be proactive from the start.
- Take steps to build a close relationship with your buyer or distributor so you fully understand what motivates him to buy. He may say that it is price, but usually, it is a blend of price and other factors, and you want to know what they are.
- You need to build a relationship over time, but you can speed up the process by setting specific areas of co-operation, perhaps relating to penetrating a certain market sector, developing a new product, modifying packaging to meet a certain market need.

Price Factor

Price is usually regarded as the most important factor in marketing. Your buyer will usually tell you that it is.

- In fact, however, price is only one factor: your buyer and consumers or end users are not looking only for a low price, but rather for value-for-money.
- Only in basic commodities where there is no product differentiation is the price the only factor to be considered – and even with commodities, on-time delivery is usually important.

Price setter or price taker?

Your status as a supplier to your chosen market determines this and is an important reason for identifying a special niche market to serve.

- Price setters dominate their market and therefore dictate prevailing product prices.
- Most South African producers find it difficult to be price setters in global markets because of the extent of competition from producers in countries where production costs are lower than they are in South Africa.

Price and product differentiation

- Special features that add value and increase demand for your product will allow you to set a higher price.
- If your product cannot be directly compared with other products, you have greater control over setting your price.
- You can make your product unique, or appear unique, by:
 - Its design; quality

- Its efficiency in performing a function
- Presentation – packaging, labeling
- Range of models, sizes or colours you offer
- Promoting it to fit special needs: dietary, sports, health, specific industries (industrial product)
- Brand name: an identifiable product is often perceived to have greater value than a 'no name brand'
- Distribution: making it accessible
- Technical support and product information
- High-level service to your buyer

Price policy

Even before you have identified a buyer, decide on certain pricing issues.

- One global price or different pricing structures for different regions? Information flows so freely around the world that you are wise to have one pricing structure. However, prices quoted to individual buyers might vary according to:
 - Modifications to the product, packaging or packing.
 - Term of delivery (Incoterms®).
 - Other special factors.
- Discount for volume? It is a common request from a buyer and appears logical. However, if you are a small producer with a labour-intensive production process, you probably have limited opportunity to achieve cost savings through supplying a large order. Do your sums well before agreeing to a volume discount.
- Discount for prompt payment? This depends on the method of payment. Check out the figures very carefully with your accountant or financial advisor before agreeing.

Distribution channels and price

Each stage in the distribution channel – importer to distributor to retailer – adds to the price of the product.

- This addition to the price is justified if you have chosen your distribution channel well, because each stage is adding value by taking your product one step closer to your consumer or user and possibly adding some other service element to your product.
- A complex distribution channel, however, makes it difficult for you to assess your price competitiveness merely by looking at the prices for which products like yours sell in retail outlets. You do not know the margins that have been added at each stage.

- Identifying typical “mark-ups” for your product along the distribution channel is one of the important objectives of your market research. This will place you in a better negotiating position, especially when your buyer is an importer or distributor.

Accurate costing is vital

Your price has to be related to costs.

- You cannot hope to set a price that will bring you a profit unless you know what it costs you to produce your product and to deliver it to your buyer at the agreed point.
- An effective costing system, giving up-to-date information on all variable and fixed costs, is essential if you want to export profitably.

Currency fluctuations

Because you usually have to quote for export business in a foreign currency, the value of the South African rand against other currencies, especially against the US dollar, British pound and the Euro, has a strong bearing on your competitiveness in export markets.

- Information on foreign currencies and your foreign exchange risk for specific transactions is given in “Section 6: Getting to grips with logistics”.
- However, the question of how to account for changing exchange rates also affects your pricing policy and requires you periodically to review your export prices in the light of changing rand exchange rates.
- You cannot move your export prices up and down every few weeks, so you need to try to take a longer view of the exchange rate you should use. This becomes one of the most difficult aspects of export pricing when exchange rates fluctuate significantly over short periods. If the rand is steadily moving down (or up) against the US dollar, it is relatively easy to forecast future levels.
- Unfortunately, there is no easy answer – like many other factors that affect your export success, the better informed you are, the less likely you are to suffer loss. Keep in touch with your bank, read the financial news media and learn to study underlying trends that can affect the exchange rate.

PROMOTING YOUR PRODUCT IN YOUR EXPORT MARKET

Who is your audience?

The term promotion covers all forms of advertising, publicity, and product promotion in your foreign market.

- If you are selling a consumer product it is unlikely that you will advertise and promote your product directly to consumers. Your audience will therefore be your potential buyers.

- If you are selling an industrial product your audience would be your potential buyers, who might also be your end users.

Decide on your message

You need a strong message that your target audience can relate to.

- What consumer or user needs does your product meet? These are the points you should promote.
- What special competencies do you have? Check your mission statement and your SWOT analysis.
- Do you have a special 'identity' that adds value to your product?
- What symbols, illustrations and visual themes support your message?
- Be consistent with your message in all promotional tools you use.

Practical promotional tools for medium and small exporters

There are relatively few promotional tools you are likely to use in practice, mainly because of budgetary limits. Some of the more practical ones are:

Promotional mailshots, printed and electronic

- Direct mail sent by the postal service is still used, although the response rate is low.
- E-mail is widely used for direct mail, but messages are easily confused with 'spam'; it is useful only if you know the e-mail address of the individual you want to approach. Rather use this form of communication when some initial contact has been established.
- Direct mail has limitations but is worth considering, providing you take the following into account:
 - Your objective would be to establish useful contacts, hopefully with potential buyers, whom you would later meet during your visit to the market.
 - You should not try to conclude sales through direct mail.
 - It is a relatively low-cost tool.
 - You can tailor and target your approach quite specifically.
 - You need to develop a good mailing list.
 - Your promotional letter must be fairly short, attractive and professionally designed; you can include your promotional leaflet.
 - You should use a direct mail approach as part of a campaign, whereby you follow up your letter with a reminder and then possibly with a telephone call for maximum impact.

Leaflets or brochures, printed and electronic

- The term leaflet or brochure is used generically to cover material in printed or electronic format.
- Leaflets are useful as extended visiting cards that provide information about your product, preferably in visual form.
- They need not be excessively expensive but must be professionally designed.
- Use pictures, illustrations and diagrams and a minimum of words. Try to avoid copying that 'dates' your leaflet (such as a reference to a specific trade show or event).
- Include any international standards you comply with.
- Give full contact details.
- Do not include prices.
- You can get the best value from your leaflets if they are suitable for distribution at trade fairs, by mail and during market visits.

Samples

- Samples are an essential form of promotion in certain trades, for example, with food products.
- Samples are, however, an expensive form of promotion, not only in the cost of the sample but in the cost of getting the sample to your prospective buyer.
- Do not confuse a request for a sample of your product with "sample orders", which a potential buyer might try to obtain free of charge. Reputable buyers who want such "sample" or "trial" orders will pay for them.

If a sample will help to arouse interest in your product, see if it is possible to produce a miniature – it might be less expensive to produce and transport.

Outgoing trade missions

- This is a well-recognised promotional tool to create awareness in selected markets.
- If you plan to participate in a trade mission, check that:
 - Precise objectives are set.
 - The organiser is experienced and has good contacts in the selected markets.
 - Preliminary research shows that the selected markets are appropriate for your product
 - Both group and individual appointments will be set up.

- Some 'free' time will be included for you to follow your own leads.
- Make sure that you are prepared:
 - Know what you expect to achieve, whether you are looking for an agent, a distributor, or an end user
 - Identify your own leads to follow up – don't rely on the organiser.
 - Be an expert in your product, able to answer any technical question
 - Ensure you have sufficient promotional material with you – leaflets, business cards, and samples if feasible
 - Know your product pricing, the terms of delivery you can quote, payment terms and method you want, and lead times for shipment
- Following up after a trade mission can be as important for you as your actions during the visit
- Keep informed about Wesgro's outgoing trade mission programme.

Incoming trade missions

- Incoming trade missions usually consist of businesspeople who are wanting to sell their products in South Africa, but there may be some buyers among the members.
- Meeting an incoming trade mission can give you a networking opportunity and open the way to useful contacts in a target country.
- You can learn some fundamentals about conditions in a target market from mission members.
- It usually costs you nothing to attend the functions!

Advertising or listings in South African export directories distributed abroad

- Several directories are compiled in South Africa, published on the Internet and printed and distributed in major export markets.
- Your costs are incurred in South Africa, in rands.
- It is a more passive form of promotion and may not bring you direct orders.
- It could be a useful tool to support other promotional methods if your budget allows.

Internet website

- Advantages of a website:
 - The Internet enables you to reach a far greater and more diverse audience than any other promotional tool.
 - It enables potential buyers to see your product range quickly, in detail and at their own leisure.

- Points to be careful of:
 - Set your exact objectives for establishing a website: saying to promote my product' is not specific enough. Your objectives will dictate the form and design of your website.
 - Have your website professionally designed, make sure it is quick to download, and is up-dated very regularly – every two weeks is not too often!
 - Find an appropriate host for your website to ensure that it receives the visitors you want.

Company stationery

- Your company stationery also has a promotional impact – or otherwise!
- This is often where you first present the image of your company and your products.
- Ensure that your letterheads, business cards, compliment slips and all other office documents carry the same professional appeal as your promotional material.

Making the marketing mix work for you

This section so far has explained the major elements that you can control in marketing your product or service:

- The product or service, its presentation and packaging, services supporting it, including how efficient you are in managing the export process.
- The place at which you offer your product or service to the user – how it is distributed within your target market.
- The price you charge for it.
- The way you promote it, raise user awareness and the image you create of your product or service.
- It is the interplay of these four factors that makes your buyer decide to buy, or your consumer decide to use your product or service.
- Only when there is no difference between your product and the others on offer is the price the single deciding factor. Whenever there is a discernible difference in quality, design, distribution or ease of access to your product or service, price ceases to be the only consideration.

- Successful and profitable marketers – both at home and abroad – are those who manipulate all four factors in such a way that they enjoy lasting sales at acceptable prices. This is why these four factors are called the “marketing mix”.



SECTION 6:
GETTING TO GRIPS
WITH LOGISTICS

SECTION 6: GETTING TO GRIPS WITH LOGISTICS

Understanding transport issues: modes of transport

Your goods will move from the Western Cape to a foreign market by sea, by rail, by road or by air or by a combination of these modes. The method you choose will depend on the nature of your product, the cost of transporting it, your preference and your buyer's needs.

Air transport

- Air transport has many advantages. Although expensive, it is fast and generally more secure (against damage and theft) than other transport methods.
- You would consider air transport for your goods if your product is of low mass and high value, such as jewelry, or if you are exporting perishable products such as fresh flowers, live lobsters and crayfish.
- Even if none of these situations applies, it is still worthwhile asking your freight forwarder to help you to do a total cost comparison with other possible modes of transportation.

Sea transport

- Because South Africa is situated a long way from major markets of the world, the greatest proportion of our exports move by sea.
- If you are targeting countries in the Far East, Europe, North and South America and Australia, and even some countries on the African continent, your goods will travel by sea for at least part of the journey.
- These are some features of sea transport:
 1. Your goods will travel more slowly by sea than by air, but this is nonetheless a good transport mode for consignments crossing oceans and seas.
 2. Sea transport is very suitable for moving large-volume goods, whether they are shipped as bulk or breakbulk cargo or as full container loads (FCLs).
 3. If your export consignments are not large enough to fill a container, they can still be shipped cost-effectively if they are packed into a container with goods from other exporters going to the same destination. The other export consignments do not have to be going to the same buyer, just to the same container depot in the foreign country.
 4. This service of consolidating consignments of different exporters to make up a full container load is called an LCL (less-than-container-load) service or groupage.

Road transport

- If you are shipping your goods by air, road transport will be used to take your goods to the airport.
- If your goods are going by sea (FCL, LCL or groupage), the container will usually travel by road to Cape Town port.
- If you are exporting to other countries to the north of us, road transport may be important for you.
- You should consider the following points about road transport:
 1. It can be used whether your consignments are large or small in volume.
 2. A road transporter can offer you door-to-door service. This means they collect the consignment from your premises and deliver it to the buyer's premises or a depot in the buyer's country.
 3. The cost and reliability of the road transport service vary from one haulier to another.

Rail transport

- If your Western Cape factory or production facility is relatively close to Cape Town and you are not shipping bulk or breakbulk consignments, it is unlikely that rail will feature in your transport options in South Africa.
- However, if you are located some distance from Cape Town port, or if you are shipping goods in bulk or breakbulk, then it is possible that your consignments will travel by rail to Cape Town port.
- Whether your exports are containerised, bulk or breakbulk, when they reach the foreign market, they might be transported by rail from the port of entry closer to the final destination.
- Other considerations of using rail include lowering the level of carbon footprint carried by your consignment specifically if it is destined for export markets.

Multimodal transport

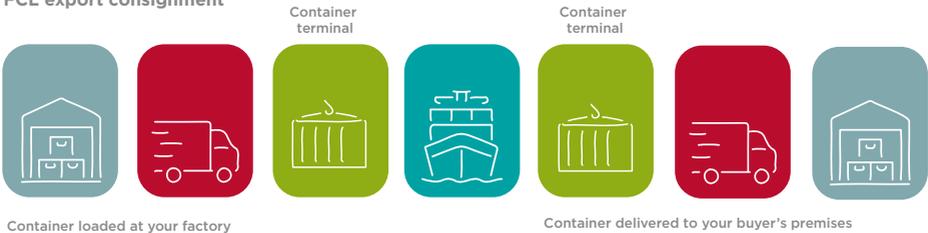
- Most small exporters learn that their export consignments move by multimodal transport. The concept is quite easy to understand:
- The term is used when your goods are transported by a combination of road, rail and sea or road and air modes.
- A multimodal transport operator will offer you, in one contractual agreement, a complete transportation service to suit you and your buyer, no matter how many different transport modes are required to get your goods to where you and your buyer want them to be.
- Containerisation and courier services are typical examples of multimodal transportation.

- The following explains the procedures for FCL, LCL and groupage shipments:

FCL (full-container-load) shipment

- Road haulier collects full containers from your factory for transportation to Cape Town port.
- The container is loaded into the ship for transportation to the port of destination.
- The container is off-loaded from the ship onto railway wagon or road truck for transportation to the inland terminal.
- The road haulier delivers the container to the buyer's premises.

FCL export consignment



LCL (less-than- container-load) shipment

- You deliver your consignment by road to a container depot appointed by the shipping line, or the container depot collects the consignment.
- Your products are consolidated into a container with products from other exporters
- Depot delivers the container to the port terminal by road.
- The container is loaded onto a ship for transportation to the port of destination.
- The container is off-loaded from the ship onto railway wagon or road truck for transportation to the shipping line's depot.
- The container is unpacked at the depot and the road haulier delivers your consignment to the buyer's premises.

Groupage shipment

- The Groupage operator collects your consignment by road from your factory, or you deliver the consignment to the operator.
- Groupage operator consolidates goods into a container with consignments of other exporters for transportation to Cape Town port.

- The container is loaded onto a ship for transportation to the port of destination.
- The container is off-loaded from the ship onto railway wagon or road truck for transportation to the operator's depot.
- The container is unpacked at the depot and the road haulier delivers your consignment to your buyer's premises

Groupage export consignment



Courier service

- The courier collects the small parcel from your premises by road for transportation to the courier's depot.
- The small parcel is sorted for a place of destination and transported to the o airport by road.
- The small parcel is loaded onto the aircraft for transportation by air to the airport of the destination.
- The small parcel is off-loaded from the aircraft and transported to the courier's depot by road in the town area of your buyer's premises.
- After parcels have been sorted according to town suburbs or areas, the small parcel is delivered to your buyer by road

Marine insurance

When your export consignment is being transported to a foreign destination it is exposed to various kinds of risks.

- It may be damaged by fire, explosions or poor handling.
- It may be lost because the ship sinks or the aircraft crashes.
- Items may be missing because of theft.
- Delivery may be prevented because of war or strikes.
- You can cover such risks by taking out marine insurance.

Determine the risk

- Before you consider taking out marine insurance you need to first determine what risks you face on what leg of the transport journey.
- The term of delivery that you have agreed with your buyer sets out who is responsible for the risk of loss of, or damage to, the goods. For example:
 - Under the FCA term your risk ends when the goods have been handed to the carrier in South Africa.
 - Under the term DDP your risk extends to a place of delivery in your buyer's country.

Types of marine insurance cover

- You can take out a marine insurance policy for just one shipment, or for all your export shipments during a year.
- The policy forms the basic outline of the full contract but incorporates separately the type of risk cover you require.
- The scope of risk cover is set out in a number of standard clauses, called "Institute Cargo Clauses", designed by The Institute of London Marine Underwriters.
- These clauses are used worldwide and include the following:
 - Clauses A, which cover your goods for "all risk" of physical loss or damage except for certain exclusions – check with your insurance broker.
 - Clauses Air, which are similar to Clauses A except that they have been specifically designed for airfreight. They also have the same exclusions as Clauses A and do not cover airmail post.
 - Clauses B and C, which provide cover against some nominal risks and are mainly used for certain goods shipped as bulk cargo. They also have the same exclusions as the other two sets.

Risks not covered

- Your standard marine insurance policy will not provide cover against certain risks and you should ask your insurance broker to explain these to you.
- Although wars, strikes, riots and civil commotions are exclusions, you can cover separately against loss arising from these risks through the Institute War Clauses and Institute Strikes Clauses.

Transit risk

- Marine insurance usually covers the international movement of cargo warehouse to warehouse (from premises to premises).

- However, if you are selling on, for example, the FCA term of delivery it is possible that you are not covered for the risk of damage to your goods or for their loss while they are in transit from your factory to the point of delivery in the Western Cape.
- Your insurance broker can arrange cover for this risk.

Marine insurance premium and the insured value

- The premium is calculated as a percentage of the insured value of your export consignment but subject to a minimum flat fee.
- This percentage depends on the type of product you are exporting, the mode of transport and other circumstances influencing the degree of risk involved. It is usually lower when airfreight, rather than other forms of transport, is used because the risks of damage or loss are less.
- The minimum insured value of your export consignment must be based on CIF/CIP + 10% unless you and your buyer have agreed upon a different percentage.
- The additional 10% covers costs such as import duties, inland transport in your buyer's country and other possible costs.

Your freight forwarder/clearing agent

A freight forwarder specialises in arranging land, sea, and air transportation of goods, and also offers expertise in other fields related to the international movement of cargo.

The role of the freight forwarder

Your freight forwarder can help you in the following basic ways:

- He can act as an agent for you in transport-related matters.
- He can act as a transport operator offering:
 - Groupage container services where the international transport mode is the sea.
 - Consolidation services where the international transport mode is air.

The freight forwarder as your agent

- When the freight forwarder acts as your agent we do not mean that he is your marketing agent. In this context, he is your agent in transport and related matters, and his services can therefore cover a range of activities in this field:
 - Advising on the best and most economical mode of transport and transport routes; this would include carrying out the total cost comparison of sea versus air transportation that we mentioned earlier in this section.

- Advising on schedules and transit times.
- Booking cargo space and arranging inland transport to the carrier in the Western Cape and, if required by the term of delivery, from the carrier in the foreign country.
- Arranging or advising on packing and marking of your export consignments according to requirements; this is very important if you are exporting goods classified as dangerous.
- Offering warehousing for cargo before shipment as well as the packing of containers if you do not have adequate facilities or knowledge.
- Preparing, obtaining, or advising you on all the documentation required for your export consignments to move from the Western Cape to the foreign market.
- Arrange for your goods to be cleared through your nearest customs office before shipment and also customs-cleared into your export market if the term of delivery requires it.
- Facilitate in obtaining marine insurance for your shipment.
- Your freight forwarder is entitled to charge you for services he provides, and it is best for you to discuss his fee tariff with him early on in your relationship so that you can take these costs into account.

Your freight forwarder as a transport operator

Where your freight forwarder fills the role of a groupage operator or air consolidator, you should take note of certain things:

- Your forwarder is entitled to levy his own tariffs and charges. However, because he places regular business with carriers, he receives very competitive rates from them. Using the groupage or airfreight consolidation services of your freight forwarder is often cheaper than other options that might be available to you.
- You need to remember that it may take your forwarder a while to fill a container. The delay in your export consignment being shipped might be only a few days but might be a couple of weeks, depending on the country of destination.
- Considering the two previous statements, groupage and airfreight consolidation are very cost-effective and should be considered if the speed of delivery to your buyer is not a critical issue.
- Your forwarder is legally responsible (within certain trading terms) for the transportation of your goods from the place where they accept them from you to the place where they deliver them to your buyer.

What should you do?

- We advise small and even medium-sized exporters to use the services of a reputable freight forwarder. Even large exporters, with their own shipping departments, use some of the services provided by freight forwarders.

- You will find that it will cost you more to try to do it all yourself than if you pay your freight forwarder for doing most of the transport-related work for you.
- However, you still need to manage your export process. Therefore, you need to know enough about export logistics to give your freight forwarder the correct information at the start and to check the documents as well as the invoice that your freight forwarder gives you later.

QUOTING FOR EXPORT

Costing base

Factory price

- When starting your costing for export it is a good idea to use the concept of “factory cost” and “factory price” – the difference between the two being your profit margin.
- Your final export price will be your factory price plus all the export delivery costs according to the Incoterm® you and your buyer agree on.
- INCOTERMS®
- Incoterms® are a set of international delivery terms devised by the International Chamber of Commerce (ICC), based in Paris, France.
- Their purpose is to set out clearly the responsibilities of the seller and the buyer, the costs each must bear and the risks each carries according to the specific conditions of an international trade transaction.
- The Incoterms® define:
 - The obligations of both you and your buyer regarding the delivery of your consignment.
 - The costs you and your buyer must bear.
 - The point of delivery where the risk of loss or damage to the goods passes from you to your buyer.

EXW: Ex Works (named place)

- Delivery takes place and risk is transferred to the buyer.
- You must make the goods available, packed and ready for collection, at your premises or at another named place such as a factory or warehouse.
- In addition to your factory cost you may need to add:
 - Inspection costs, e.g. checking of quality, weight and measures, if applicable.
 - Packing and marking.

- Thereafter, your buyer bears all risk and costs in taking the goods to the required destination, including the costs of export and import customs clearance.



Dealing with foreign currencies

International currencies and rates of exchange

Because you are doing business internationally:

- Will be expected to quote in foreign currencies, and you, therefore, need to understand the risk of fluctuating exchange rates and to know what you can do to minimise such risks.
- The term “foreign exchange” means to exchange the currency of one country, say the South African rand, for the currency of another country, say the US dollar.
- Foreign exchange is often used to mean the same as foreign currency and is often abbreviated to “forex”.
- The rate of exchange is the amount of one currency that you can exchange for another currency. An exchange rate changes constantly as a result of trading in the currencies concerned in the same way that the prices of shares quoted on stock exchanges change.

Forex risk

- When you quote a price in a foreign currency, you have to use a certain exchange rate of the rand against that currency at a certain time.
- When you receive payment in foreign currency, it will be converted into rand but not necessarily at the exchange rate that you used in the first place.
- You can protect yourself against the forex risk by taking out “forward cover” (forward exchange contract - FEC) with your bank.
- This is a written/signed contract in which you and your bank agree to exchange the foreign currency you will receive in the future (when you receive payment) at a rate fixed today.
- You must discuss forward cover fully with your bank so that you understand the procedure and what you have to do and when.

South African exchange control regulations

- In practice, the day-to-day implementation of exchange control is handled by authorised dealers, mostly commercial banks.
- Speak to your bank's exchange control specialist regarding possible payment options.

GETTING PAID FOR YOUR GOODS

Methods of payment

Factors influencing how and when you are paid

A number of factors influence the payment methods and terms – the how and when of payment – you negotiate with your buyer.

- The creditworthiness of your buyer. If you have no previous experience with this buyer, your foreign market agent or a credit bureau (such as TransUnion) can give you information. If there is any doubt you will want to insist on the most secure form of payment possible (see following paragraphs for guidance).
- The value of the export order. You might be more flexible with a relatively small amount, but you cannot afford payment risk with a large order.
- Your cash flow and your ability to grant credit. Small companies, especially, need to protect their cash flow.

Security of payment methods

- The following are the basic methods of payment used in international trade listed in their order of security for you as the exporter:
- Pre-payment (payment in advance/cash with order)
- Documentary credits (documentary letters of credit or L/Cs).
- Bank collections.
- Open account.
- Credit insurance

What is credit insurance?

- Credit insurance covers your risk of not being paid, as opposed to covering the risk of loss of, or damage to, the goods in transit (marine insurance).
- The degree of risk of not being paid depends primarily on your method of payment. There is no risk if you receive payment in advance, and very little risk if payment is by irrevocable letter of credit confirmed by a bank in South Africa. Your risk can be much higher if you are being paid on open account and you should certainly consider credit insurance for such transactions.

Handling the paperwork

Why the emphasis on documents?

As you will have seen from the previous parts of this section, transporting your goods from your factory to your buyer in a foreign country involves many different parties each of whom has a specific role.

- Each party needs specific information about what to do and when so that the process flows smoothly. This information is provided in the form of documents.
- You will raise some documents:
- The commercial invoice.
- Packing list.
- It will probably be better if your freight forwarder arranges to have the other documents issued because of the need for accuracy.

Types of export documents

Always discuss your requirements and details of your product with your freight forwarder to ensure that you are informed of any special documents that may also be required.

- **A pro forma invoice** is not a request for payment but a pre-advice of the amount due to you for your goods if the sale takes place.
- **A commercial invoice** is your statement showing the goods you have supplied to your buyer and the amount that is due to you as payment.
- **An inspection certificate** is a document relating to pre-shipment inspection.
- **A fumigation certificate** may be required if your product or your packing materials are made of wood:
- **An export permit** is the South African government's authorisation that goods may be exported but is required for only a few products. You can check with your freight forwarder whether your product requires a permit.
- **Bill of entry export** is a Customs declaration: Known as the SAD500, it's required for all exports from South Africa.
- **Export cargo dues order** is required only if your goods are going by sea freight:
- **Bill of lading** is a transport document used only if your goods are transported by sea.
- **The air waybill** is a standard document used if your goods travel internationally by air.

- **A road consignment note** or waybill is used if your goods go by road to neighbouring countries, or if you appoint a road haulier to carry your goods to a port. Road hauliers design their own documents but they all follow a similar format.
- **A marine insurance policy/certificate** is documentary proof that your goods are covered by marine insurance.
- **A certificate of origin** may be required by the importing country to monitor certain import products or to grant preferential duties.
- **A packaging list** gives details of the type and number of packs, the marks, numbers and contents of each pack, as well as the individual weights and volumes. It is always one of the documents stipulated when payment is by L/C. Because of the nature of the information it carries, you have to complete this document.
- **Other documents** may be required to comply with statutory regulations in your foreign market. Depending on your product, such documents might be a health or phytosanitary certificate.





SECTION 7: EXPORT RESOURCE DIRECTORY

SECTION 7: EXPORT RESOURCE DIRECTORY

Engaging in exports and managing any successful export enterprise, requires an adequate amount of aid and understanding from the industry leaders and stakeholders.

A successful exporter needs to be aware of all regulations which govern the sector that they participate in, this includes trade regulations, trade barriers, certificate of conformity, etc. Furthermore, the basic understanding of international trade begins with formularizing yourself with the domestic harmonized system (HS) or the tariff book, to anticipate the customs and levies on applied on goods.

The international harmonized system has a standard 6-digit product but varies as we increase to eight digits as different countries give different direct descriptions to their products. The following link explains the [South African Tariff Book](#) at a 6 to 8-digit level.

You can also access the South African tariff book and gain context of its schedules to the Customs & Excise Act 1964 on this link SARS-Tariff. Also, here are the links to tariff books of global major markets:

- [Brazil](#)
- [China](#)
- [India](#)
- [Japan](#)
- [United Kingdom](#)
- [United States of America](#)

South African Export Resources

Maintaining a competitive position globally, economic strength and political fairness is a sophisticated mission. The [Department of Trade-Industry and Competition](#) Offers a range of support in exports for a variety of sectors and these include investment promotion, export marketing and investment assistance, etc.

The DTIC offers financial assistance through the export marketing and investment assistance scheme to entrepreneurs who want export in the form of a grant.

- [Export Marketing and Investment Assistance](#)
- [Small Enterprise Development Agency](#) (SEDA) is an agency of the Department of Small Business which promotes develop and promotes small businesses in South Africa. There is a programme for export development to assist export ready small businesses. For more details on the programme click on the link below:
- [Export Development Programme](#)

Provincial Export Resources

To explore exporters and the diversity of goods & services of the Western Cape, you can visit the Wesgro [Cape Trade Portal](#).

The Western Cape has an agency called [Wesgro](#) which is mandated with growing the value of exports from Cape Metro and the province at large. It supports exporters from the western cape to reach new markets by facilitating trade opportunities. Furthermore, you can visit the [Wesgro trade facilitation programme](#) to connect to the Western Cape's industries and international trade missions every year.

Export Tools

These are the following free tools that can make your exporting journey as simple as possible. Find the links below:

1. To check if everything regarding your exports is in order before sending shipment please click [Export Prohibited and Regulated Items](#).
2. To ensure your goods reach the export market in good standard visit the [packaging guidelines](#).
3. To facilitate in determining the feasibility of an opportunity, please click [Market Research Resource](#).
4. To correctly complete a SADC certificate please [SADC certificate guide](#).
5. To access the latest South African HS 2022 pdf, please click [SARS Part 1- Ordinary customs duty](#).



SECTION 8: ANNEXURE 1

Glossary of export trade and marketing terms

The following list is not a comprehensive dictionary of export trade and marketing terms but covers most of those that are in general, everyday use and includes terms specific to the South African environment.

CMA	The common monetary area comprises South Africa, Namibia, Lesotho and Swazi- land; Botswana is not a member.
Combined transport	This involves the combination of more than one mode of transport offered by one party, the combined transport operator.
Consignee	Company or person receiving a consignment.
Consignment	Goods being shipped or dispatched.
Consignor	Company or person sending a consignment.
Container	A standard box or frame used to carry goods on ships, railways, barges and road haulage vehicles. Aircraft containers are of a different volume, construction and shape.
Container depot	A Customs-licensed place where containers and their contents are stored, detained, packed, unpacked and examined by Customs. They are located near container terminals.
Container operator	Defined by Customs as “any person providing international transportation of containerised goods and approved for operating containers in he Republic”.
Container terminal	A Customs-approved location where full containers are landed for transit, de- livery to a container depot or where the containers are shipped for export. Container terminals in South Africa are controlled by Transnet.
Containerisation	The carrying of cargo from the inland place of dispatch to the final inland place of arrival in one article of transport – the container.

Cost and freight	See CFR.
Cost, insurance and freight	See CIF.
CPT	Carriage paid to; one of the Incoterms® 2010.
C.T.O.	Combined transport operator; see combined transport.
C/VO or C.V.O.	Certificate of value and origin.
D/A	Documents against acceptance; a documentary bank collection whereby the im- porter is allowed to have the documents enabling him to take possession of the goods on accepting the obligation to pay at a stated future date. He signals his acceptance by signing the Bill of Exchange.
Delivered at place (DAP)	Delivered at place; this is one of the Incoterms® 2010.
Delivered at terminal (DAT)	Delivered at terminal; this is one of the Incoterms® 2010.
DDP	Delivered duty paid; this is one of the Incoterms® 2010.
Ad valorem duty	Import duty calculated as a percentage of the cargo value. This is the FOB/FCA value in South Africa and the USA and the CIF/CIP value in the European Union (EU).
Agent	See export agent.
AGOA	Africa Growth and Opportunity Act, which allows a wide range of goods from African countries, including South Africa, duty free entry into the United States.
At sight	Usually used in reference to L/Cs and Bills of Exchange and means payable on demand with no credit period.

ATA Carnet	An international Customs document to cover the temporary export and re-import of certain goods (commercial samples, exhibition goods and professional equipment) to countries that are parties to the A.T.A. Convention. In SA the Carnet is issued by SACOB.
AU	African Union.
AWB	Air waybill.
B/E	See Bill of Entry and Bill of Exchange.
BEE	Black Empowerment Enterprise
B/L	See Bill of Lading.
BAF	Bunker adjustment factor a surcharge applied by shipping lines to basic freight rates because rising oil prices increase their fuel costs.
Berth	The area allocated at the quayside for the vessels of a particular shipping service or company.
Bill of Entry	The South African Customs declaration required clearing goods through Customs, either into or out of the country.
Bill of Exchange	Another word is draft. A Bill of Exchange is a payment instrument used with L/ Cs and bank collections.
Bill of Lading	A transport document relating to sea freight only, it is a receipt for goods received and loaded on board a ship. It is signed by the shipping line (or its agent) that has contracted to carry the goods and states the terms on which the goods are carried.
Bond store	See bonded warehouse.
Bonded goods	Goods imported into or in transit within a country, e.g. South Africa, without having been cleared by Customs.

Bonded warehouse	A warehouse under customs surveillance housing dutiable goods which may be stored on importation and removed on payment of the relevant duty and/or taxes.
Breakbulk cargo	Goods packed and shipped in boxes, crates, cases, drums, bags, etc., but not stowed into containers.
Bulk cargo	Unpacked goods, such as ore, grain and coal, usually making up complete ship- loads.
Bunkers	A nautical term referring to the marine and diesel fuels used by ships.
C.A.D.	See cash against documents.
CAF	Currency adjustment factor, a surcharge raised by shipping lines on basic freight rates because of fluctuations in currency exchange rates.
Cargo	Merchandise carried on a ship, aircraft, train or road vehicle.
Cargo dues	Charges raised by a port authority on cargo passing over the quay based on tonnage or a specified unit, e.g. per container.
Carriage and insurance paid to	See CIP.
Carriage paid to	See CPT.
Carrier	The operator who contracts to provide the transport service which may be by sea, rail, road or air.
Cash against documents	A form of export payment in which the buyer agrees to pay upon receipt of the shipping documents that give him access to the goods.
CCT	Common Customs Tariff; the tariff that all members of the European Union apply to goods coming from non-member countries.
CE mark	Marking showing that a product conforms to EU regulations concerning safety, health, environment and consumer protection; required for products covered by the New Approach Directives.

Cellular vessel	A ship designed to carry only containers.
Certificate of origin	A document to prove the place of growth, production or manufacture of goods.
CFC account	Customer Foreign Currency account. A facility of offsetting payables against receivables in the same currency within 180 days on a “first-in/first-out” basis offered by banks.
CFR	Cost and freight; one of the Incoterms®.
CIF	Cost, insurance and freight; one of the Incoterms®.
CIP	Carriage and insurance paid to; one of the Incoterms®.
CKD	Completely knocked down; consignments of articles (e.g. machinery, automobiles) that are assembled at destination and not transported as complete units.
Delivered duty paid	See DDP.
Demurrage	Money paid by the exporter for occupying space at a port beyond a specified time; money paid to the shipowner for a delay in loading/ discharging cargo beyond the agreed time.
Disbursements	A variety of expenses incurred by a freight forwarder on behalf of an exporter.
Distribution channel	The process within the market by which goods reach the end user. A typical distribution channel is from importer to distributor to wholesaler to retailer to consumer.
Documentary credit	See letter of credit.
Documents against acceptance	See D/A.
Documents against payment	See D/P.
D/P	Documents against payment; a documentary bank collection whereby the importer is allowed to have the documents enabling him to take possession of the goods on payment of the Bill of Exchange.

Draft	See Bill of Exchange.
Drawback	A refund of import duties paid on imported inputs used in the manufacture or processing of finished goods for export.
Drawee	The party on whom a Bill of Exchange is drawn.
Drawer	The party who writes out the Bill of Exchange, i.e. who draws the draft.
DTI	Department of Trade and Industry
Dunnage	Loose materials or padding used to prevent damage to cargo.
EDI	Electronic data interchange - transferring documented information electronically.
EMIA	Export Marketing & Investment Assistance; incentives schemes offered by the SA government and administered by DTI.
ETA	Estimated time of arrival of a vessel or aircraft.
ETD	Estimated time of departure of a vessel or aircraft.
ETL	Estimated time of loading of cargo on board a vessel.
ETS	Estimated time of sailing of a vessel
EU	European Union, comprising Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, The Netherlands, Poland, Portugal, Romania, the Slovak Republic, Slovenia, Spain, Sweden.
Euro	The European currency unit and applicable in Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Luxembourg, Malta, The Netherlands, Portugal, Slovakia, Slovenia and Spain and Lithuania.
Ex works	From the factory or warehouse; see EXW.

export agent	An agent responsible for promoting and negotiating the sale of the principal's goods in a foreign market usually in return for a commission based on the FOB/ FCA value of the goods sold.
Export market	A group of buyers or potential buyers of a specific product or service in a foreign market.
EXW	Ex works; one of the Incoterms® 2010.
Factoring	A contractual agreement with a factoring company whereby the exporter cedes the sales ledger to the factor in return for payment when the goods have been shipped.
FAK	Freight all kinds; term used to show that the freight rate charge is not based on the individual goods but on freight of all kinds.
FAS	Free alongside ship; one of the Incoterms® 2010.
FCA	Free carrier; one of the Incoterms® 2010.
FCL	Full container load.
FDA	Food & Drug Administration in the USA; government body regulating imports of all kinds of food and beverage products and drugs.
FEC	See forward exchange contract.
FOB	Free on board; one of the Incoterms® 2010.
force majeure	A clause in a quotation or contractual agreement limiting the responsibilities of an exporter or importer.
Foreign market agent	An agent based in the foreign market responsible for promoting and negotiating the sale of the principal's goods in that market usually in return for a commission based on the FOB/FCA value of the goods sold.

Forward exchange contract	A contract between a customer and his bank whereby a rate of exchange is fixed immediately for the purchase or sale of one currency for another to be delivered on an agreed future date or within a certain period.
Free alongside ship	See FAS.
Free carrier	See FCA.
Free on board	See FOB.
Freight ton	1000 kg or 1m.
GATT	General Agreement on Tariffs and Trade, the implementation of which has been taken over by the World Trade Organisation.
GMT	Greenwich Mean Time, i.e. the standard time at Greenwich, England, which is taken as the base time of the world. International times are expressed as + or - GMT. South Africa is +2 hours.
Gross weight	The weight of the consignment including all packing materials and items such as pallets.
Groupage	The dispatch by a groupage operator of numerous consignments for various consignees under one grouped shipment of one or more containers to a common destination.
GSP	General System of Preferences, which is the system of preferential rates of duty extended by several developed countries to many developing countries, including South Africa.
HACCP	Hazard Analysis and Critical Control Points, a control system to ensure the safety of food products during processing and distribution.
Harmonised System	International customs tariff classification and coding system accepted by most countries.

HDI	Historically disadvantaged individual/business, in the context of EMIA; such a business must be an SMME, owned 51% by black person(s), women or disabled person(s) of South African nationality.
HS	See Harmonised System.
IATA	International Air Transport Association.
ICC	International Chamber of Commerce (located in Paris), responsible, among other things, for compiling the Incoterms®.
IMF	International Monetary Fund.
Incoterms®	International rules for the interpretation of a set of delivery terms used in foreign trade drawn up by the International Chamber of Commerce. The latest version is Incoterms® 2010.
Irrevocable letter of credit	A letter of credit that cannot be cancelled or amended without agreement of the beneficiary (exporter) and all other parties.
ISO	International Standards Organisation.
ISPS	International Security Port Surcharge. A freight component like BAF and CAF and charged as a flat fee in USD.
LCL	Less than a full container load - a consignment of goods too small to fill a container, which is grouped by the shipping line at a container depot with other compatible cargo for the same area, country or region.
Letter of credit	A legally binding written undertaking by a bank to pay a beneficiary (for example, the exporter) provided the exporter presents certain stipulated documents and strictly complies with the terms and conditions of the letter of credit.
Marine insurance policy/certificate	A document confirming the cargo value as declared by the exporter or importer has been insured for the duration of the transit.

Market entry channel	The process by which a product or service reaches the market. A typical market entry channel is producer to buyer (e.g. importer, distributor or wholesaler) in the foreign market.
Market research	The gathering of information about the characteristics of a specific market.
Marketing	The management process, by which customers' needs are identified, anticipated and satisfied at a profit.
Marketing mix	The combining of the four Ps of marketing (product, price, distribution and promotion) in a way that achieves marketing objectives.
Montreal Protocol	This convention on substances that deplete the ozone layer dates from 1991 and is the first international environmental treaty to protect the atmosphere from human impact.
Mercosur	The common market agreement between Brazil, Argentina, Paraguay, Uruguay and Venezuela, with Chile, Bolivia Colombia, Ecuador and Peru as associate members.
Multi modal transport service	A scheduled co-ordinated transport service involving two or more transport modes.
N.E.S.	Not elsewhere specified.
NAFTA	North American Free Trade Agreement, linking United States, Mexico and Canada.
NCV	No commercial value or no customs value.
Niche market	A group of end-users with special distinguishing features setting them apart from other consumers or users; the group is large enough to be profitable but small enough to be served efficiently by a small company.
NVD	No value declared.
NVOCC	Non vessel owner common carrier - usually a freight forwarder acting as a groupage operator and issuing a house Bill of Lading.

OPEC	Organisation of petroleum exporting countries.
Packing list	A document prepared by the supplier to identify the contents and give the gross and net mass and external dimensions of each package.
Pallet	A mounted steel or wooden platform of about one metre square designed to unitise homogenous loose parcels.
Part shipment	A consignment which is not transported in one lot but in two or more separate shipments.
POD	Paid on delivery or place of delivery.
PPECB	Perishable Products Export Control Board. A local organisation, appointed by government, in charge of inspecting at source all perishables exported from South Africa. It also will administer the soon to be introduced "The official export food safety control system for regulated products of plant origin" legislation regarding traceability - this is in line with EU requirements.
Pro-forma invoice	A specimen invoice sent in advance of an export shipment often required by the importer to obtain an import license and/or to have an L/C issued.
Quay	A landing place built of solid materials for loading or unloading ships.
Quotation	A legal offer which, when accepted by the buyer, is binding on the exporter.
R&D	Research and development.
Rebates	A Customs facility granting non-payment of duties on imported products/inputs to be used for certain specific purposes, such as manufacturing goods for export.
Reefer	A refrigerated ISO container - suitable for transport of perishable cargo such as fruit, frozen fish, meat, etc.

Rules of origin	The regulations governing a product's eligibility for preferential import duty when entering a foreign market.
SACCI	South African Chamber of Commerce and Industry (formerly SACOB)
SACD	South African Container Depots, a private company responsible for running container depots in South Africa.
SACU	Southern African Customs Union, comprising South Africa, Botswana, Lesotho, Namibia and Swaziland.
Shrink wrapping	A form of packing in which the goods are placed on a base, such as a pallet, and covered with a film of plastic, which is then by heat treatment 'shrunk' to enclose the items.
SMME	Small, medium and micro enterprise; in the context of EMIA, this means a privately or co-operatively owned/managed business complying with any two of: total annual turnover less than R40 million; total assets excluding fixed property less than R15 million; less than 200 full-time employees.
Spot rate	A currency exchange rate applicable within two working days from the date of the deal.
Stacking dates	The number of days required for containers to be in the terminal prior to loading onto a vessel.
Stuffing	The process of packing a container.
SWIFT	Society for Worldwide Interbank Financial Telecommunications – a kind of closed-loop internet facility (intranet) whereby banks can quickly exchange messages and payment instructions amongst each other. The system is co-operatively owned by banks around the world and all the SA big four commercial banks have been a member from the beginning of introducing SWIFT many years ago.

TARE	The weight of packing in a consignment or the weight of a vehicle/container without contents.
Target market	A particular market that the marketer has chosen to develop.
Tariff	List of duties payable on imported goods; list of freight rates.
TEU	Twenty foot equivalent unit - technique of quantifying ISO containers, i.e. 1x40ft (12m) = 2 TEU; 1x20ft (6m) = 1 TEU.
Trader	See trading house.
Trading house (export)	A company that purchases products from the producer and sells them in the foreign market.
TT	Telegraphic transfer - a bank term for transferring money by telex.
UN	United Nations.
UNCTAD	United Nations Conference on Trade and Development.
UNHCR	United Nations High Commission for Refugees.
UNICEF	United Nations International Children Emergency Fund.
VAT	Value added tax.
Wharf	A landing place by the waterside in a harbour or river for loading or unloading goods.
WHO	World Health Organisation - based in Geneva.
WTO	World Trade Organisation.

SECTION 8: ANNEXURE 2

List of Export Councils

Organization name:	Contact details:
SA Fruit & Vegetable Canners' Export Council	Tel: (021) 871 1308 Fax: (021) 872 5930 E-mail: jill@safvca.co.za Website: https://www.safvca.co.za
Fresh Produce Exporters' Forum / Fruit South Africa	Tel: (021) 526 0474 Fax: (021) 526 0479 E-mail: marletta@fpef.co.za or anton@fpef.co.za Website: www.fpef.co.za
SA Abalone Export Council	Tel: +27 (0)83 529 3538 E-mail: rhomona@southafricanabalone.com
Cosmetic Export Council of South Africa (CECOSA)	Tel: (011) 040 0822 E-mail: mariette@cecosa.co.za or nelisiwe@be-direct.co.za Website: www.cecosa.co.za
Wines of South Africa	Tel: (021) 883 3860 E-mail: sthompson@wosa.co.za Website: www.wosa.co.za
Ostrich Business Chamber South Africa	Tel: +27 (0)44 272 3336 Email: admin@saobc.co.za or ceo@saobc.co.za
South African Flower Export Council	Tel: (021) 870 2900 Email: info@saflower.co.za Website: www.siflower.co.za

Organization name:	Contact details:
Automotive Industry Export Council (AIEC)	Tel: (012) 807 0086 / 0152 082 829 1692 E-mail: norman@naamsa.co.za Website: www.naamsa.co.za
Built Environment Professions Export Council (BEPEC)	Tel: (012)362 0522 Fax: 086 668 7880 E-mail: Con@bepec.co.za or sarah@bepec.co.za Website: www.bepec.co.za
SA Boatbuilders' Export Council	Tel: (072) 460 5587 Fax: (021) 447 6456 E-mail: thina@sabbex.co.za
SA Capital Equipment Export Council	Tel: (011) 849 7388 Fax: (011) 849 7388 E-mail: eric@saceec.com or chris@terrouges.co.za Website: www.saceec.com
SA Electrotechnical Export Council (SAEEC)	Tel: (011) 315 0209 E-mail: chiboni@saeec.org.za Website: www.saeec.org.za
SA Footwear & Leather Export Council	Tel: (031) 266 1472/3 Fax: (086) 516 1076 E-mail: nerisha@saflec.co.za

Organization name:	Contact details:
SA International Steel Fabricators (ISF)	Tel: (082) 339 3393 Fax: (086) 670 8033 E-mail: neels@isf.co.za Website: www.isf.co.za
South African Wire Business Council (SAWA)	Tel: (011) 455 3228 Fax: (011) 455 4277 E-mail: sawa@sawa.co.za or admin@sawa.co.za Website: www.sawa.co.za
Steel Tube Export Association of South Africa	Tel: +27 12 003 2878 E-mail: keitumetse@steasa.com Website: www.steasa.com
SA Aerospace Maritime & Defence Industries	Tel: (012) 752 5880/2 Fax: (086) 247 4788 E-mail: magda@amd.org.za or info@amd.org.za or sandilen@samdec.org.za

ANNEXURE 3

List of Industry Associations

Organization name:	Contact details:
South African Fruit Juice Association	Tel: +27 (0)21 872 4145 Email: info@safja.co.za Website: https://www.safja.co.za
South African Rooibos Council	Email: marthane@skaa.co.za Website: https://sarooibos.co.za
SA Honeybush Tea Association	Email: info@sahta.co.za Website: https://www.sahta.co.za

Organization name:	Contact details:
South African Berry Producers Association	Mobile: +27 (0)82 411 0500 Email: elzette@berriesza.co.za Website: https://www.berriesza.co.za
SA Cherries Growers Association	Tel: +27 (0)21 870 2900 E-mail: karien@hortgro.co.za Website: https://www.cherries.org.za
South African Figs Producer Association	Tel: +27 (0)21 870 2900 E-mail: andriette@hortgro.co.za Website: https://www.safigs.co.za
Cape Flora South Africa	Tel: +27 (0)21 870 2900 Email: capeflorasa@hortgro.co.za Website: https://www.capeflorasa.co.za
South African Table Grape Industry (SATI)	Tel: +27 (0) 21 863 0366 Email: aj@satgi.co.za Website: https://www.satgi.co.za
SA Olive Industry Association	Tel: 27 (0)21 201 8506 / 27 E-mail: info@saolive.co.za or manager@saolive.co.za Website: https://www.saolive.co.za
Western Cape Trout Association	Tel: +27 (0)21 808 2544 or (023) 349 1133 E-mail: hbs@sun.ac.za
AQAU SA	Cell no.: +27 0638160876 Email: johan@southafricanabalone.com
VINPRO - South African Wine Producers and Wineries	Tel: +27 (0)21 276 0429 Email: rico@vinpro.co.za Website: https://vinpro.co.za

Organization name:	Contact details:
SA Wine Industry Transformation Unit (WITU)	Tel: +27 (0)21 276 3210 Email: wendy@witu.co.za Website: www.witu.co.za
Western Cape Bee Industry Association	Tel: 021 870 2900 Email: admin@wcba.co.za Website: www.wcba.co.za
South African Brandy Foundation	Tel: +27 (0)21 887 3157 Email: christelle@sabrandy.co.za Website: https://sabrandy.co.za
HORTGRO	Tel: 021 870 2900 Email: louis@hortgro.co.za Website: https://www.hortgro.co.za
SA Poultry Association	Tel: +27 (0)11 795-9920 Email: christopher@sapoultry.co.za or reception@sapoultry.co.za Website: http://www.sapoultry.co.za
South Africa Liquor Brands Association	Tel: +27 (0)21 887 0117 Email: kmoore@salba.co.za Website: https://salba.co.za
Aloe Council of South Africa	Email: anitan@organicaloe.co.za Website: https://www.aloesa.co.za
Milk South Africa	Tel: +27 (012) 460 7312 Email: admin@milksa.co.za or nico@milksa.co.za Website: https://milksa.co.za
Meat Exporters of South Africa	Tel: (012) 361 4545 E-mail: rudivdw@samic.co.za Website: www.samic.co.za

Organization name:	Contact details:
Aluminum Federation of South Africa (AFSA)	Tel: (011) 455 5553 Fax: (011) 455 5554 E-mail: afsa@afsa.org.za Website: www.afsa.org.za
Plastics SA	Tel: (011) 653 4785 Fax: (086) 612 4365 E-mail: anton.hanekom@plasticssa.co.za
SA Dairy Foundation	Tel: (012) 348 5345 Fax: (012) 348 6284 E-mail: Koos.coetzee@mpo.co.za
SA Iron & Steel Institute (SAISI)	Tel: ((012) 380 0900 Fax: (012) 380 0915 E-mail: JohannN@saisi.org Website: www.saisi.org
South African Print & Packaging Federation	Tel: (011) 794 3810 Fax: (011) 794 3964
South African Stainless Steel Development Association (SASSDA)	Tel: (086) 172 7732 / (011) 883 0119 Fax: (086) 639 4268 E-mail: Lesley@sassda.co.za
Marine Finfish Farmers Association of South Africa	Tel: (043) 702 8268 Fax: (043)702 8268 E-mail: andre@pureocean.co.za or info@mffasa.org
South African Photovoltaic Industry Association (SAPVIA)	Tel: (011) 214 0667 E-mail: moeketsi@sapvia.co.za

Organization name:	Contact details:
Responsible packaging management Association of Southern Africa (RPMASA)	Tel: (032) 947 1145 Fax: (086) 606 2494 E-mail: info@rpmasa.org.za or Liz@rpmasa.org.za
Medical Device Manufacturers Association of South Africa	Tel: (011) 704 2440 E-mail: mdmsasecretariat@mdmsa.co.za
Aerosol Manufacturers Association	Tel: (011) 440 8704 E-mail: execdir@aerosol.co.za
South African Furniture Initiative	Tel: (021) 286 0821/2 and E-mail: bernadette@furniture.org.za or penwell.lunga@kap.co.za
Jewelry Council of SA	Tel: (011) 484 5528 / (011) 544 7958 E-mail: admin@jewellery.org.za and lornal@jewellery.org.za Website: https://www.jewellery.org.za
South African Oil & Gas Association	Tel: 012 425 8840 E-mail AKerr@saoga.org.za Website: https://ww.saoga.org.za
Western Cape Exporters Club	Email: info@ewc.org.za Website: https://ewc.org.za
The South African Association of Freight Forwarders (SAAFF)	Email: saaffcommunications@saaff.org.za Website: https://www.saaff.org.za
Cape Chamber of Commerce	Tel: 0 21 402-4300 Email: info@capechamber.co.za Website: https://capechamber.co.za

ANNEXURE 4

List of Government Departments that have a role in exports.

Department name:	Contact details:
Department of Trade, Industry and competition (DTIC)	Website: http://www.thedtic.gov.za Cape Town office: Tel: +27 (0)21 480 8050 Email: LArchillies@thedtic.gov.za
Department of Agriculture, Land reform and Rural Development (DALRRD)	Website: http://www.dalrrd.gov.za Tel: (012) 319 6000/012 312 8911 Email: queries@dalrrd.gov.za or info@DALRRD.gov.za
Department of Forestry, Fisheries and Environment (DFFE)	Website: https://www.dffe.gov.za Tel: +27 86 111 2468 E-mail: callcentre@environment.gov.za
Western Cape Department of Agriculture	Website: https://www.elsenburg.com Tel: + (0)21 808 5111 or +27 (0)21 808 5008 E-mail: info@elsenburg.com
Department of International Relations and Cooperation (DIRCO)	Email: info@dirco.gov.za Website: https://www.dirco.gov.za
Department of Small Business Development (DSBD)	Tel: (+27) 861 843 384 Email: info@dsbd.gov.za Website: http://www.dsbd.gov.za

ANNEXURE 5

Government agencies that have a role in exports

Entity name:	Contact details:
National Regulator for Compulsory Specifications (NRCS)	Website: https://www.nrcs.org.za Tel: +27 (0)12 482 8700 Email: info@nrcs.org.za
International Trade Administration Commission of South Africa (ITAC)	Website: http://www.itac.org.za Tel: +27 (012) 394 3688 or (012) 394 3590/1
Perishable Produce Export Certification Agency (PPECB)	Website: https://ppecb.com Tel: +27 (0)21 930 1134 Email: info@ppecb.com
South African Bureau of Standards (SABS)	Website: https://www.sabs.co.za Tel: 0861 27 7227 or +27(0)21 681 6700 Email: info@sabs.co.za
South African Revenue Service (SARS)	Website: https://www.sars.gov.za Tel: 0800 00 7277 or +27 (0)12 422 4000 Email: contactus@sars.gov.za
WESGRO (Trade and Investment Promotion Agency for the Western Cape)	Website: https://www.wesgro.co.za Tel: + 27 (0)21 487 8600 Email: exports@wesgro.co.za Cape trade portal: https://capetradeportal.com
International Trade Administration Commission of South Africa (ITAC)	Tel: Tel (012) 394 3590/1 Website: https://www.itac.org.za

Entity name:	Contact details:
Small Enterprise Development Agency (SEDA)	Tel: 0860 103 703 Email: info@seda.org.za Website: http://www.seda.org.za
Industrial Development Corporation (IDC)	Tel: +27 (011) 269 3000 Email: callcentre@idc.co.za Website: https://www.idc.co.za

ANNEXURE 6

Government incentive schemes.

Incentive name:	Contact details:
Agro Processing Support Scheme (APSS)	Website : http://www.thedtic.gov.za/financial-and-non-financial-support/incentives/agro-processing-support-scheme Tel: 0861 843 384 or 012 394 1263 or 012 394 1200 Email: contactus@thedtic.gov.za or APSScontact@thedtic.gov.za
Export Marketing and Investment Assistance (EMIA)	Website : http://www.thedtic.gov.za/financial-and-non-financial-support/incentives/export-marketing-and-investment-assistance Tel: 0861 843 384 Email: contactus@thedtic.gov.za or EMIAContactApps@thedtic.gov.za

Incentive name:	Contact details:
Sector Specific Assistance Scheme (SSAS)	Website link: http://www.thedtic.gov.za/financial-and-non-financial-support/incentives/sector-specific-assistance-scheme Tel: 0861 843 384 / (012)394 -1087 Email: contactus@thedtic.gov.za

ANNEXURE 7

International agencies that support exports

Entity name:	Contact details:
EU Centre for the Promotion of Imports from developing countries (CBI)	Website: https://www.cbi.eu
Swiss Import Promotion Programme (SIPPO)	Website: https://www.sippo.co.za
USAID/ South Africa	Email: Emailpretoriainfo@usaid.gov
International Trade Centre (ITC)	Website: https://intracen.org
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	Email: giz-suedafrika@giz.de Website: www.giz.de/southafrica



DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
ECONOMIC SECTOR SUPPORT (ESS) CHIEF DIRECTORATE

Contact Person

Email: Dedat.SectorSupport@westerncape.gov.za

tel: +27 21 483 9226

www.westerncape.gov.za/economic-sector-support



**Western Cape
Government**