

uMngeni Municipality



INVESTMENT ATTRACTION AND INCENTIVES POLICY

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2. DEFINITIONS

For the purpose of this policy, unless otherwise stated, the following definitions shall apply:

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|--------------------------|---|
| Agri industry | means buildings in excess of 400m ² used for the intensive production in any form whatsoever, of poultry, game birds, livestock, vegetables, fruit and allied products; on or close to the land unit where these agricultural products are grown and where processing in such proximity is necessary due to the nature, perishability and fragility of such agricultural products, and includes a winery and distillery cheese making industry, butcheries, feedlots, chicken hatcheries, but excludes an abattoir and a service trade |
| Commercial | means a building wherein the primary purpose is the selling of goods or services by retail, and where the processes are operated specifically in conjunction with a shop or office to which the public, as customers, have access, and may include a watch repairer, shoe repairer, radio/television repairer, and electrician, and may include a jobbing printer, but excludes a motor garage or petrol filling station. Such uses shall not be of such scale or nature that the amenity of other uses on the property or adjacent properties is affected by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust, grit, traffic generation, or other such causes. |
| Council | Means the municipal council of uMngeni Municipality established in terms of the Municipal Systems Act, Act No. 32 of 2000 |
| Incentive | Any measurable advantage accorded to specific enterprise or categories of enterprise by or at the direction of government. |
| Manufacturing | The process of raw material or parts into finished goods through the use of tools, human labour, machinery and chemical processes. |
| Transportation terminals | To provide and use land or buildings for the purpose of air, road and rail transportation. This also includes parking buses, taxis aircrafts, trains and/or as a transport depot and associated parking for the use of transportation and all that is ancillary thereto. |
| High density residential | A development of multi-unit residential units, each dwelling unit being for occupation by either a single family or a group of guests. Hotels and other residential uses are permitted. The minimum erf size is 1 800 m ² . It provides for a wide range of services and activity mixes to cater for broader community needs, or the needs within a residential estate or similar development. |
| Education and training | This means a building used as a university, school, college, technical institute, academy, research laboratory, lecture hall, convent, monastery, public library, art |

| | |
|--|---|
| | gallery, museum, gymnasium or for other instruction, and includes ancillary residential buildings and other ancillary buildings but does not include a reformatory. |
|--|---|

3. INTRODUCTION

Local governments are becoming increasingly involved in facilitating local economic development programmes. Local economic development is arguably affected by all local government activities. However, local economic development policy is usually defined more narrowly as special activities, undertaken by public or private groups, to promote economic development.

Investment strategies are a crucial component of local economic planning as the attraction, creation, or retention of business activities is regarded as the most effective way of establishing or maintaining a healthy local economy. Investment strategies aim to attract new investment, retain existing investment and support the growth of local business. Growing competition between towns and cities for investment, and the growing relevance of business interests in the decision-making process, are increasingly shaping the policies and programmes of localities.

Towns and cities across the globe are playing an increasingly proactive role in promoting their local resources as a means of encouraging investment to the area. Local authorities focus on their unique characteristics in an attempt to promote themselves as an ideal location for economic development. As the drivers of economic development programmes, municipalities are required to help local businesses to compete nationally and globally. This requires a unique marketing effort which ensures the promotion of the region as a viable, spatial and socio-economic location for economic development. One component of this marketing effort may come in the form of incentives programmes, which is described in the following sections.

The uMngeni Local Municipality has recognised the need for an Investment Incentives Programme as a means of marketing the area as a suitable location for economic development. The Investment Incentives Programme will form part of the overall Local Economic Development Strategy for the uMngeni Municipality.

4. BACKGROUND

The uMngeni Local Municipality is an administrative area in the uMgungundlovu District of KwaZulu-Natal in South Africa. The municipality is named after the Umgeni River that runs through the municipal area. The municipality is a Category B local government organisation and one of seven municipalities that make up the uMgungundlovu District. The municipality comprises the former Transitional Local Council areas of Mpophomeni, Howick and Hilton, Worlds View Area, and a substantial amount of farmland. It is centrally situated within uMgungundlovu District and shares a boundary with Impendle Local Municipality to the southwest, to the north and Northwest is Mpofana Local Municipality and to the southeast is the Msunduzi

Local Municipality which is the capital of the province and an economic hub of the district. To the east of the municipality is uMshwati Local Municipality and to the west are the former District Management Areas of the Drakensberg that fall under the Transfrontier Development Initiative related to the World Heritage Site. The municipality is covered by 13 wards of which 1, 2, 7, 8, 10, 11, 12 and 13 cover the majority of Howick, Merrivale, Mpophomeni, Hilton and Worlds View and are substantially urban in nature. The remaining wards include some urban components but are mainly rural in nature.

The municipality serves a total population of 105,609 people based on the 2016 Community Survey by Stats SA. The municipality is the third largest by population in the district of uMgungundlovu and is comprised of 51 percent females and 49 percent males. Only 30 percent of the total population have completed matric with those with a higher education at 15 percent. The working population accounts for approximately 67 percent of the total population and with an unemployment rate of 22 percent. The youth (15-34) unemployment rate is currently at 32 percent. In terms of the Independent Electoral Commission 2019 records, the municipal area has 53,415 registered voters up from 51,564 in 2016. In 2019 national elections, the municipal area had a 77 percent voter turnout up by 10 percent in the 2016 local government elections.

The municipality's key economic sectors contributing to the municipal economy includes community services (23%); manufacturing (16%); finance (15%); trade (14%); agriculture (12%); transport (9%); electricity (5%); construction (5%); and mining (1%) respectively. Although the community services sector is the largest contributor, uMngeni has an abundance of high potential agricultural land making it ideal for further growing this economy through the forward and backward linkages of the agricultural sector to other sectors of the economy especially the manufacturing sector through agro-processing. Presently, the municipality has a range of processing plants within the locality including dairy, wood, and meat processing plants.

5. PROBLEM STATEMENT

uMngeni Municipality faces the challenge of addressing unemployment, particularly amongst young people, income inequality and shortfalls in education and training. Compounding the challenge is the stagnating levels of public revenue, mainly generated through rates collection. These challenges work to decrease the competitive edge of the municipality and diminish its ability to attract new investors in order to address the challenges mentioned above. Some of the challenges are highlighted below.

- Unreliable electricity supply:
- Limited bulk wastewater treatment capacity.
- Deteriorated road network
- Limited municipal funds:

The main challenge facing the uMngeni Municipality is a severe shortage of funds and a small revenue base to fulfil these core functions.

The Municipality has limited finance to initiate new capital investments for industrial and tourism development. As a result, some industrialists have had to resort to paying for road improvements and the upgrading of sewerage lines.

While the uMngeni economy is subject to certain unique problems that inhibit growth and development. However, the area has specific competitive advantages that can be mobilised to overcome local problems and stimulate growth.

- Strategic location along the N3 highway, allowing access to Durban and Gauteng.
- Abundance of natural resources and agricultural land and potential to establish forward linkages with manufacturing initiatives.
- Suitable industrial land available for development.
- Availability of skilled and unskilled low-cost labour.
- High quality of life.
- Aesthetically pleasing surroundings

6. PURPOSE

The purpose of the uMngeni Municipality's Investment Incentives Policy includes the following:

- To attract development to the municipality by offering incentives;
- Creating an attractive and investor friendly environment;
- Create a platform for inclusive investment;
- Stimulate local employment and local procurement;
- Establish processes and procedures for incentives;

The Incentives Programme will focus on the following sectors of the economy:

- Agri- industry
- Tourism
- Manufacturing
- Commercial
- Urban renewal

7. POLICY AND LEGISLATIVE CONTEXT

The regulatory context for this policy emphasizes the growth of the economy through attracting investment, increasing employment and reducing poverty and inequality and they are as follows:

- Constitution of the Republic of South Africa
- National Development Plan
- National Industrial Policy Framework
- National Investment Promotion and Facilitation Strategy
- Industrial Policy Action Plan
- KZN Provincial Growth & Development Strategy
- KZN Investment Strategy
- uMgungundlovu District Development Model
- uMngeni Municipality Local Economic Development Strategy
- Municipal Finance Management Act
- Municipal Property Rates Act
- uMngeni Municipality Integrated Development Plan

8. INVESTMENT TOOLS AND TARGETS

8.1 INVESTMENT TARGETS

Multiple investment tools and strategies can be adopted to promote local economic development. There are generally three types of investment tools used by municipalities to influence the local economy, namely:

- Cost reduction tools: these tools are designed to encourage investment by reducing the costs to potential developers and business. Subsidies and financial incentives are common cost-reduction tools. These tools are often utilised by municipalities to assist businesses in lowering the costs of relocation, or the establishment of new plant facilities. Examples include deferred rates payments and donation/ leasing of land or unused property to developers.
- Capacity improvement tools: these tools are aimed at streamlining the development process. Addressing inefficiency, which can be a strong disincentive, is one of the less costly capacity improvement measures that municipalities can adopt. Examples include infrastructure improvements, shortened approval times, gathering market information to establish local business needs, one-stop business centre.
- Market expansion tools: these tools are designed to assist municipalities in promoting those attributes of a particular area that are attractive for investment. Market expansion increasingly goes beyond the domestic market, and into the international realm. Examples include advertising, marketing strategies, export assistance, promotional missions.

The combination of investment tools used by a municipality, depends on a number of factors:

- Municipal population size: The size of the population has implications for local economic demand. In general, larger cities use more tools more extensively than smaller towns or rural areas;
- Region: The use of investment tools differs significantly between regions, reflecting the differences in approach by regional authorities. Urban and rural locations also differ with regards to the investment tools offered.
- Level of distress: The level of economic distress of a location influences the choice of policy, and the level of investment tools offered.
- Local economic structure: Certain investment strategies are more conducive to particular conditions than others. For example, cities with economies largely based on manufacturing tend to focus on the diversification of their industrial mix. Cities largely based on retail tend to use investment tools mainly for infrastructure improvements, and marketing.

However, the most important factors that influence the choice of investment tools for a municipality are the development and investment targets of the municipality

8.2 INVESTMENT TARGETS

Investment tools are utilised as a means of achieving specific development objectives and investment targets. Below are examples of the different targets that can be adopted.

- Geographic targets: This is when an area within the municipality is demarcated as a location for further development and investment.
- Entrepreneurial targets: This entails focusing on specific types of enterprises as a means of encouraging certain kinds of investment to an area.
- Business targets: This involves identifying the most relevant sectors of the economy and addressing both the flow and maintenance of business activity within a community.
- Occupational targets: This concerns economic development within the context of employment. This does not involve the targeting of a specific area, enterprise or sector.

9. POLICY PRINCIPLES

9.1 Achievable and relevant performance criteria

Incentives must be tied to achievable and relevant performance criteria with clear and unambiguous mechanisms for monitoring and enforcement.

Examples of conditions for the granting of incentives range from compliance with basic regulations to job creation and training targets. Failure to meet these conditions or targets will result in a loss of incentives or duty to repay their equivalence value.

9.2 Public Access

All investment incentives should be listed each year in one published public document. This should be available on-line before it is available in printed format. Further, all approved incentives and beneficiaries thereof should be published to ensure transparency and thus ensuring proper management of Public funds.

9.3 Legality and compliance

Tax incentives must comply with all relevant policy and legislation. Incentives should not be provided to companies which are not in compliance with the law. Incentives should align with core labour, health and safety and environmental standards. The investment incentives policy must be in line with national and provincial planning guidelines.

9.4 Low administrative complexity and clear criteria for granting incentives

Transparent and objective eligibility criteria must be used to grant access to incentives. Unless incentives are tied to pre-defined system, they become vulnerable to corruption and investor confusion. Eligibility for incentives provided by law should be clearly defined, easy to understand and have a clear application and implementation criteria. Qualifying criteria should be consistently applied to all businesses applying for incentives without prejudice. Ascertaining whether a business is eligible for an incentive and subsequently obtaining an incentive should be a simple task for investors and be based on the submission of a pre-determined criteria. Evidence of eligibility should be provided upon request. This approach ensures prompt decision making and quick turnaround times for investors.

9.5 Monitoring and Control of incentives

It must be possible to monitor all incentives. Tax incentives should be used only for the incentive based purpose of lowering the cost of doing business for a new investor and not as an excuse to avoid tax.

9.6 Employment Creation

uMngeni Municipality just like many other municipalities is facing a challenge of unemployment, particularly youth unemployment. As a principle behind this policy, job creation is thus paramount in investment incentives allocation. Investments that demonstrates and ensures mass employment opportunities, particularly for young people should be offered better incentives.

9.7 Affordability and sustainability

In the implementation of investment incentives affordability becomes key. Full financial costs of incentives should be recorded, and such information be made available upon request. Further, investment incentives should be offered on sliding scales to ensure that, the greater the costs, an even greater benefits, and thus ensuring that the costs of incentives are outweighed by the benefits that comes with the development.

9.10 Applicability

This policy is applicable to all types of investments and developments, irrespective of whether they are greenfield or brownfield investments. All developments and projects handled through this policy must meet the minimum value threshold in order to qualify for incentives.

9.11 Eligibility

The following provides criteria in terms of eligible developments which the municipality will consider for incentives applications.

Potential investors must qualify for at least 1 of the following classifications. If an investor qualifies for both, they will be rebated according to the highest classification. The potential investor must be the owner of the business and the owner of the land/ building in order to be eligible for consideration. In instances where this is not the case, the investor must be in possession of a lease with a minimum period of 10 years.

9.11.1 Classification per investment

Eligibility in qualifying for any of the below classes will be calculated in terms of the actual current investment and not on any proposed future commitments. In cases where a future commitment is proposed, a supplementary application will have to be submitted to the municipality.

| Classification according to investment | Class 1 | Class 2 | Class 3 | Class 4 | Class 5 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Industry | Minimum Ratable Investment | Minimum Ratable Investment | Minimum Ratable Investment | Minimum Ratable Investment | Minimum Ratable Investment |
| Tourism | R1m | R2m | R5m | R10m | R20m |
| Agri-industry | R5m | R10m | R25m | R50m | R100m |

| Classification according to investment | Class 1 | Class 2 | Class 3 | Class 4 | Class 5 |
|--|---------|---------|---------|---------|---------|
| Manufacturing | R5m | R10m | R25m | R50 | R100m |
| Urban Renewal | R5m | R10m | R20m | R35m | R50m |
| Commercial | R10m | R20m | R50m | R100m | R250m |
| Education and Training | R5m | R10m | R50m | R100m | R150m |
| Transportation terminals | R10m | R20m | R50m | R100m | R150m |
| High density residential | R20m | R50m | R100m | R150m | R250m |

9.11.2 Classification per bulk contribution

In instances where the developers/ applicants propose upgrading bulk infrastructure to ensure the implementation of the project, they can be eligible for an incentive, subject to the following conditions:

- The proposed upgrades should not be outlined as part of the conditions of establishment on the record of decision.
- The applicant should be able to demonstrate the public benefit of the proposed upgrades.

All bulk infrastructure upgrades/ contributions will be applicable, regardless of whether or not it falls under the powers and functions of uMngeni local municipality, namely:

- Electricity
- Roads and storm water
- Bulk water and wastewater treatment works
- Sustainable infrastructure.

Any investment made towards bulk infrastructure (subject to the conditions outlined above) will be added to the minimum ratable investment and form part of the total amount which will determine the class that the project qualifies for.

The municipality may also consider entering into an agreement with a developer or private property owner who wishes to upgrade existing infrastructure for the benefit of the community, local industry or local commercial activity. Such agreement must be approved by the Accounting Officer and must consider legislation applicable to:

- Public participation
- Fair and transparent competitive bidding processes
- Municipal Systems Act and Municipal Financial Management Act

The purpose of such a bulk infrastructure incentive is to speed up capital investment into existing or new infrastructure for the benefit of the municipality. The incentive shall be in the form of an agreed upon monthly discount on monthly rates accounts where such agreement does not adversely affect the financial viability of the municipality (more especially cash flow), nor does it transgress any other legislation.

9.11.3 Classification per employment

| Number of permanent, direct employment opportunities added | | | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Industry | Class 1 minimum | Class 2 Minimum | Class 3 minimum | Class 4 minimum | Class 5 Minimum |
| All industries | 40 | 50 | 65 | 80 | 100 |

It must be noted that any undertaking for employment must be done within two years from the official date of operation. Any failure in meeting this requirement may result in the rebate being revoked. As a requirement, in the calculation of employment created, all unskilled labour must reside within the municipality whilst a minimum of 30% skilled labour must be residents of the municipality. It is a condition of this incentive that only employment opportunities filled by South African residents will count towards the minimum number of employment opportunities created in relation to unskilled labour.

9.12 Implementation team

For incentives to be effective, a team needs to be established to ensure immediate response. This policy proposes that General Manager Economic Development and Planning heads the team, with the Local Economic Development manager playing the registrar role. He / she shall be given the authority establish instant ad-hoc teams depending on the envisaged investment or development. It must be noted that such ad-hoc teams transcends departmental functions, and as such becomes multi-disciplinary in nature. The team head shall report to the Municipal Manager.

The following officials shall form part of this multidisciplinary team:

- General Manager Economic Development and Planning
- Chief Financial Officer
- General Manager Technical services
- Manager Communications
- Manager: Local Economic Development
- Manager: Town Planning
- Manager: Electricity
- Manager: Revenue
- Manager: Roads

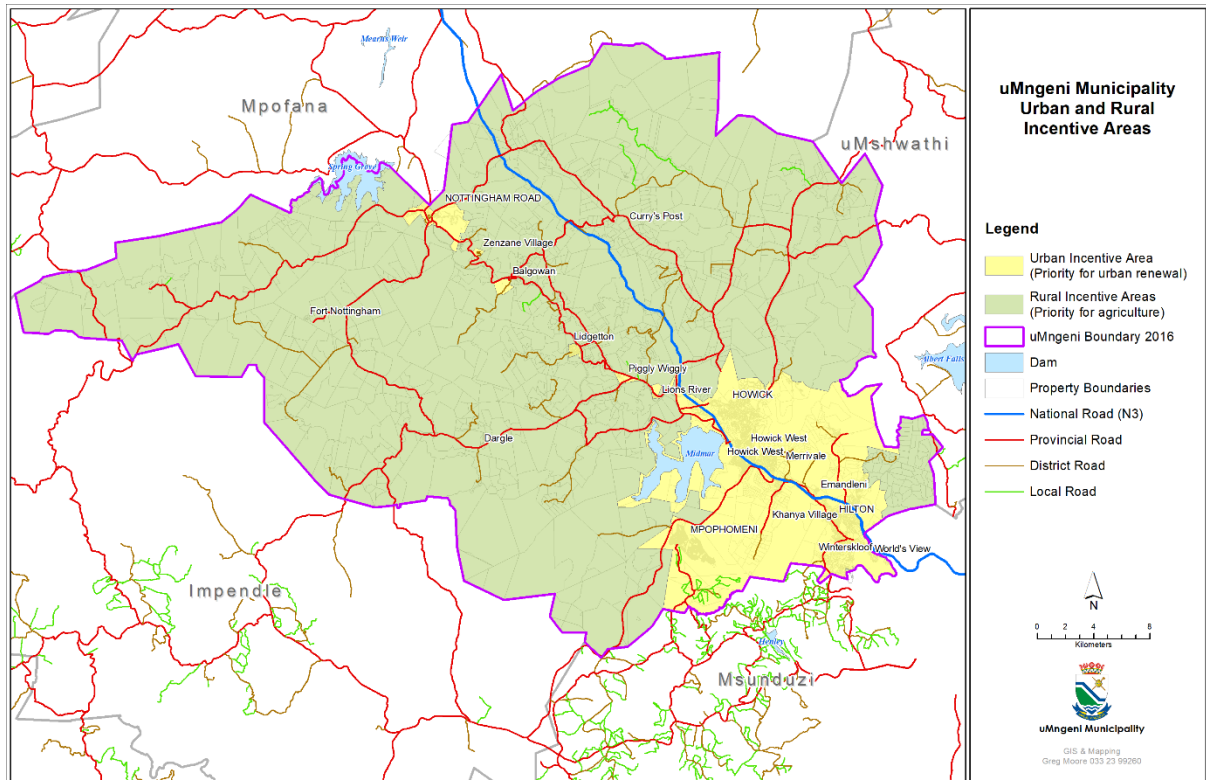
The implementation team will also be comprised of the chairperson of the Economic Development and Portfolio committee, as well as the Mayor (or delegated Councillor.)

10. LOCATION CRITERIA AND TYPES OF BUSINESS

The type of industry (as outlined in 6. Above) will determine the development areas that will be applicable for the proposed development as outlined in the table below. Businesses that intend locating outside of these areas, could also benefit and may apply, but will depend strictly on the type of business and its potential impact on the economy as per the classification criteria of this policy.

| Industry | Applicable area |
|--------------------------|---|
| Agri- industry | Will be applicable in the rural parts of the municipality as defined by the town planning scheme as well as in the urban part of the municipality as defined by the town planning scheme. |
| Tourism | Throughout the municipality |
| Manufacturing | Throughout the municipality |
| Commercial | Throughout the municipality |
| Urban renewal | Will be applicable in the urban part of the municipality as defined by the town planning scheme. |
| Education and Training | Throughout the municipality |
| Transportation terminals | Throughout the municipality |
| High density residential | Throughout the municipality |
| Medical | Throughout the municipality |

The map below outlines the rural and urban areas of the municipality as defined in the Town Planning scheme.



11. PROPOSED INCENTIVES PACKAGES

11.1 Non-Financial Incentives

The municipality will make the following non-financial incentives/ commitments available to all businesses willing to make an investment in the municipality.

| No. | Category | Commitment by UMngeni Municipality |
|-----|-----------------------|---|
| 1. | Stable infrastructure | Ongoing public infrastructure development and maintenance through appropriate budget allocations to improve reliability of services. Efforts will be made by the municipality where service provision falls outside through established Intergovernmental structures. Where the investor will improve municipal infrastructure (roads, wwtw, solar) rebates will be looked at in conjunction with other eligibility criteria. |
| 2. | Rezoning processes | In terms of SPLUMA, Act 13 of 2016, rezoning processes are to be finalized within a maximum of 180 days. |

| | | |
|----|----------------------------------|--|
| 3. | Building plans approvals | In terms of the National Building Regulations & Building Standards Act, Act 103 of 1977 local authorities are mandated to decide on building plans within a maximum period of 30 days for developments of up to 500 sqm and maximum period of 60 days for developments ranging from 500 sqm and above. As an incentive, UMngeni Municipality commits to communicate a decision on all building plans in less than 60 days. |
| 5. | Electricity connections | Commitment to facilitate electricity connections within two months of receiving an application. |
| 6. | Business & development enquiries | UMngeni Municipality commits to respond and acknowledge all formal business queries and enquires within a maximum of ten (10) days from date of enquiring. |
| 7. | Market & economic information | Facilitate the sourcing of recent and available market and economic data and statistics within a maximum period of two (2) weeks from date of request, provided the information is availed by government agencies and departments such as Trade & Investment South Africa, Trade & Investment KZN, KZN Department of Economic Development, Tourism & Environmental Affairs, South African Tourism and Tourism KwaZulu-Natal. |

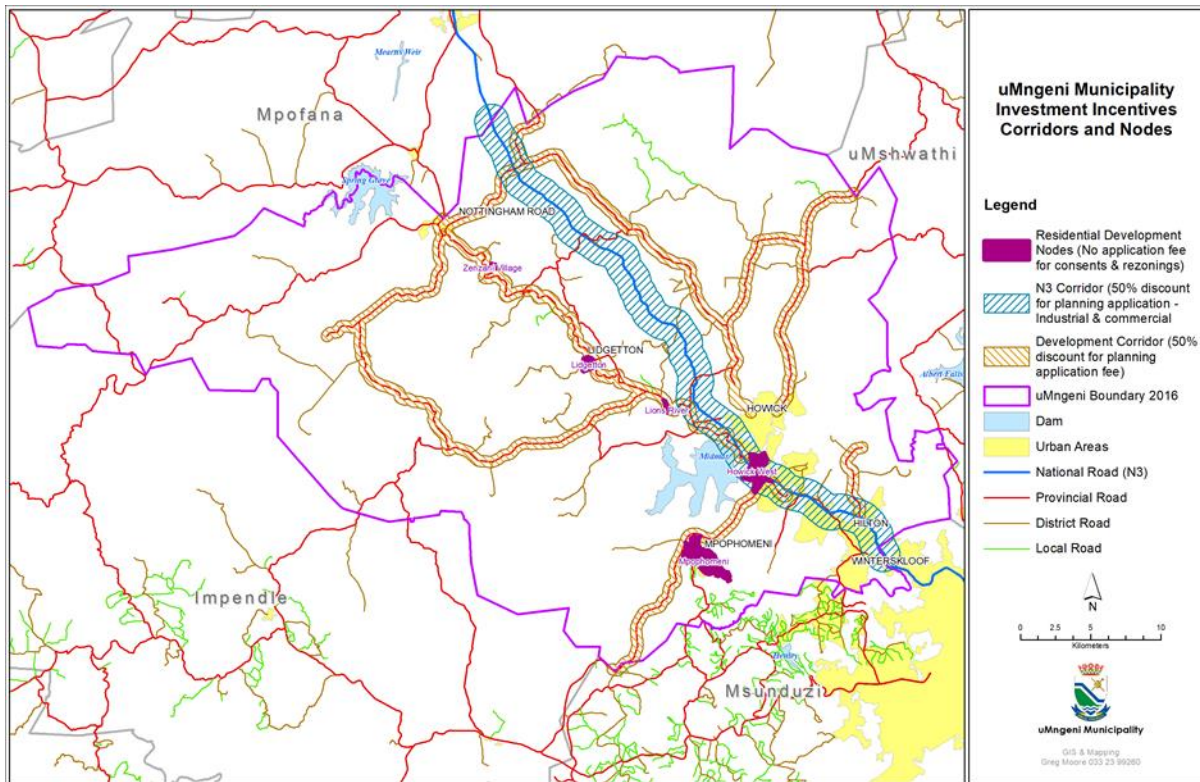
11.2 Financial Incentives

| Financial incentives applicable to all classes on a sliding scale per year | | | |
|---|---------------|---------------|---------------|
| Class | Year 1 | Year 2 | Year 3 |
| Class 1 | 25% | 10% | 5% |
| Class 2 | 35% | 25% | 10% |
| Class 3 | 50% | 35% | 20% |
| Class 4 | 75% | 50% | 25% |
| Class 5 | 100% | 75% | 25% |

| Refuse incentives applicable to all classes on a sliding scale per year | | | |
|--|---------------|---------------|---------------|
| Class | Year 1 | Year 2 | Year 3 |
| All Classes | 15% | 10% | 5% |

11.3 Corridor and nodal incentives

In addition to the financial incentives that will be implemented as outlined under section 10 above, the municipality will also implement additional incentives aimed at reviving residential development nodes and corridors as depicted in the below map.



| Corridor/ nodes | Incentive | Applicable areas |
|-------------------------------|---|---|
| Residential development nodes | No application fee for consents and rezonings. | Mpophomeni Howick West Lions River Lidgetton Zenzani Village Merrivale |
| N3 Corridor | 50% discount for industrial and commercial applications | 500m from the road centre on either side of the N3 primary corridor |
| Development corridors | 50% discounts for consent and rezonings | Karkloof, Curry's post, Dargle, Hilton College, R103. R617 500m from the road centre on either side of the N3 secondary corridor |
| Industrial Zones | 50% discount for industrial applications | Merrivale Industrial area Midmar Industrial area R617 corridor |

11.4 Expansion of existing economic activities

The municipality acknowledges that a number of existing businesses and industries may from time to time wish to expand. In an effort to support and incentivise the growth of existing industries, the municipality will make the following financial incentives/commitments available:

| Number of additional permanent, direct employment opportunities created through expansion | | | | | |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| Industry | Class 1 minimum | Class 2 Minimum | Class 3 minimum | Class 4 minimum | Class 5 Minimum |
| All industries | 20 | 40 | 60 | 80 | 100 |

| Financial incentives applicable to all classes on a sliding scale per year | | | |
|---|---------------|---------------|---------------|
| Class | Year 1 | Year 2 | Year 3 |
| Class 1 | 2% | 1% | 0% |
| Class 2 | 5% | 2% | 1% |
| Class 3 | 8% | 5% | 2% |
| Class 4 | 10% | 7% | 4% |
| Class 5 | 12% | 8% | 5% |

Such incentives will only be applicable to established businesses which have been in operations for a period of 3 or more years.

11.5 Discretionary Incentives

The municipality acknowledges the need for special incentives where a possible investment far exceeds the Class 5 minimum ratable requirements (Table 9.11.1 and 9.11.2) of this policy. Such applications could be dealt with as special cases with unique incentives offered. These types of applications with suggested incentives that should be in line with the broad framework and intentions of this policy, will be considered by the implementation team and recommended to council for approval.

The municipality also acknowledges the need to incentivise unique/ innovative projects that will benefit the municipality and its residents. Regarding such unique projects the municipality will also give consideration towards transformational type projects. This involves, but is not limited to projects where:

- Private land owners avail land for agricultural use by emerging farmers
- Land owners offering support to SMMEs
- Any projects aimed at the betterment of uMngeni residents.

In order to qualify for discretionary incentives, there will need to be proven measurable evidence of sustainable and meaningful benefit, to the residents, more particularly, marginalised groups. Each application will be evaluated on merit and will be recommended to council for approval.

12. SUBMISSION AND PROCESSING OF APPLICATIONS

12.1 Submission

All enquires and applications must be lodged and submitted to the Municipality and specifically the Economic Development and Planning Department. This Department will facilitate the application process from first enquiry phase up to approval and implementation and assist in providing ease of access to Municipal services.

Online Submissions can be done by emailing Sinenhlanhla.dlamini@umngeni.gov.za and for enquiries call 033 239 9285.

12.2 Incentive Evaluation Committee

The implementation team as outlined in 9.12 above, will also act as the Incentive Evaluation Committee (hereafter refer to as the Committee). They will assess and recommend applications received for final approval by the Municipal Manager or Council. The Committee will consider whether:

- the application meets all the minimum qualifying criteria of this Policy;
- if the economic contribution of the investment is positive; and
- if the contribution is sustainable.

12.3 Incentive contract

A final incentive contract, signed by the Municipal Manager and the investor, shall become the legal binding agreement between uMngeni Local Municipality and the investor. uMngeni local Municipality incentive approvals must comply with the applicable delegated authorities as determined by the Council.

12.4 Implementation of approvals

The respective Directorates shall implement the contracted incentives according to the signed contract. The contract conditions shall be monitored for adherence by the Manager: Local Economic Development.

13. MONITORING AND EVALUATION

The Economic Development and Planning Department will evaluate the impact of the incentive policy and recommend amendments to council when required.

SCHEDULE A

APPLICATION PROCESS FOR INCENTIVES APPROVAL

1.1 Persons who may make an application

An application for incentives approval must be made by –

- (a) the owner of the land that is the subject of an application,
- (b) a person acting with the written consent of the owner of a property that is the subject of the application;

1.2 Lodging of application

An application for incentive approval must be accompanied by

- (a) the application form;
- (b) written motivation by the applicant in support of the application;
- (c) proof of registered ownership and a copy of the property diagram,
- (d) rates statement with no arrears,
- (e) Record of decision approving the activity as per the Municipal Spatial Planning Bylaws (where applicable).
- (f) the written support of the traditional council for the application, if the property is located in a traditional authority area;

1.3 An application for municipal planning approval must be lodged with

- (a) The General Manager Economic development and planning
- (b) another person designated by the General Manager Economic development and Planning to receive applications for incentives approval;

1.4 Records of receipt of application, request for additional information and confirmation that application is complete

A Registrar must –

- (a) record receipt of an application for incentives approval in writing on the day of receipt; and
 - (b) notify the applicant in writing within 14 days after receipt of an application, or such further period as agreed upon with the applicant, which may not be more than 30 days after receipt of the application –
 - (i) that the application is complete; or
 - (ii) of any additional plans, documents or other information required.
- (2) An application for incentives approval is regarded as complete, if the Registrar did not request additional information within 30 days, or a further period as agreed upon with the applicant.

1.5 Confirmation of lodging of complete application, if additional information was required

A Registrar must notify the applicant in writing within 14 days after receipt of the additional plans, documents or information required –

- (a) that the application is complete; or
 - (b) that the additional plans, documents or information do not meet the Municipality's requirements.
- (2) If the time in which the applicant must provide the additional plans, documents or information has not yet expired, the applicant may resubmit the improved plans, documents or information, in which case the procedure in subitem (1) must be repeated.
- (3) An application for incentives approval is regarded as a complete, if the Municipal Planning Registrar failed to notify the applicant in writing within 14 days –
- (a) that the application is complete; or
 - (b) that the additional plans, documents or information do not meet the Municipality's requirements.

1.6 Consideration of the application by the incentive evaluation committee

The Municipal Planning Registrar must compile the documents for consideration by the incentive evaluation committee which must include –

- (a) the application form;
- (b) written motivation by the applicant in support of the application;
- (c) proof of registered ownership and a copy of the property diagram,
- (d) rates statement with no arrears,
- (e) Record of decision approving the activity as per the Municipal Spatial Planning Bylaws (where applicable).
- (f) the written support of the traditional council for the application, if the property is located in a traditional authority area;

The incentive evaluation committee must convene to consider the merits of an application within 30 days after it was deemed complete and provide a recommendation to the Municipal Manager/ Council on whether an application is eligible for consideration of an incentives package.