



This sub-programme has **two workstreams**:

- *Economic Regulatory Bodies*
- *Continental and International Interface*

Economic Regulatory Bodies

In addition to the generation of ideas and the leveraging of development finance institutions, the state is also able to make strategic use of economic regulatory bodies to influence the trajectory of economic development. Together, these instruments provide EDD with the influence to deliver on its mandate. In particular, economic regulatory bodies have the potential to play a central role in ensuring appropriate, effective and efficient government oversight of and intervention in private sector economic activity.

Key bodies that perform this function in South Africa include the Competition Commission, the Competition Tribunal and the International Trade Administration Commission of South Africa (ITAC). Whereas the first two bodies were both established in terms of the Competition Act 89 of 1998, ITAC was established in terms of the International Trade Administration Act 71 of 2002.

The purpose of this workstream is thus to provide oversight of and policy and strategic direction to these three competition and trade institutions. In addition to taking responsibility for the ongoing review and development of the bodies' policy frameworks and mandates, EDD will also become their reporting authority.

In respect of a number of operational matters relating to competition and trade, the dti will continue to play a key role. In complementing the dti's work, EDD will also identify trends in competition and trade institutions and policies internationally so that it is able to promote alignment and coherence between these bodies' policies and strategic plans and those of the state.

The economic regulatory bodies are:

(a) Competition Commission

The Competition Commission was established in terms of the Competition Act (1998). It is responsible for promoting competitive market conditions through investigating and prosecuting anti-competitive activities, reviewing and approving mergers and acquisitions and exemption applications, doing research, and disseminating information to businesses, consumers and other stakeholders.

(b) Competition Tribunal

The Competition Tribunal was established in terms of the Competition Act (1998) and adjudicates disputes referred to it by the Competition Commission or by parties.

(c) International Trade Administration Commission of South Africa (ITAC)

The aim of ITAC is to foster economic growth and development, raise income levels, and promote investment and employment in South Africa and the Southern African Customs Union area by establishing an administration system for international trade. ITAC's core functions are: custom tariff investigations, trade remedies, and import and export control.

Continental and International Interface

In order to foster a developmental growth path, appropriate domestic and global conditions have to be nurtured and developed. Domestic conditions require strong economic institutions, the capacity to provide information as quickly as possible, the sequencing of business licensing and employment processes, healthy intergovernmental relations to promote the effectiveness and efficiency of the state, and a consistent approach to global dialogue on economic development issues. Furthermore, South Africa's development trajectory plays an important role in the African continent, and is shaped by South Africa's relations with global economic blocs. South Africa's development strategy must, therefore:

- strengthen south-south relations to generate sufficient support for South Africa's developmental agenda;
- promote Africa's economic integration and industrial development as a means of promoting equitable and reciprocal development on the African continent; and
- ensure that a consistent policy is applied especially in relation to the attraction of foreign investment.

Moreover, as we engage with the powerful economies of China, Brazil, India, Japan, the EU and the United States, South Africa needs to leverage more jobs from these economic relationships and ensure that trade and investment is structured to maximise the local jobs dividend. These do not automatically flow from the normal market transactions that make up our trade relations, but require careful thought, goal-setting and effective execution. Currently, no single department is responsible for the total economic relations with key economic blocs. For example, the dti is responsible for manufacturing exports, the mining department for mineral exports and the agriculture department for agricultural exports. One department must deal with the aggregate economic development concerns in order to avoid an unbalanced or skewed relationship.

The purpose of this workstream is threefold:

- to promote African and regional economic development and policies, including in respect of the African Union (AU) and other regional groupings;
- to contribute to the work of other lead departments responsible for international economic agencies and multilateral institutions;
- to pursue, together with other departments and state entities, economic opportunities and outcomes in relation to major economic groupings such as such as China, India, Brazil, the European Union (EU) and the United States of America (USA).