

**DEPARTMENT OF TRADE  
AND INDUSTRY**

**Department of Trade and Industry  
Policy Support Programme**

**Export Information Strategy  
Code: A.3.003**

**D5  
FINAL REPORT**

**SUBMITTED JUNE 2000**

prepared by  
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**DEPARTMENT OF TRADE AND INDUSTRY POLICY SUPPORT PROGRAMME  
PROGRAMME MANAGEMENT UNIT**

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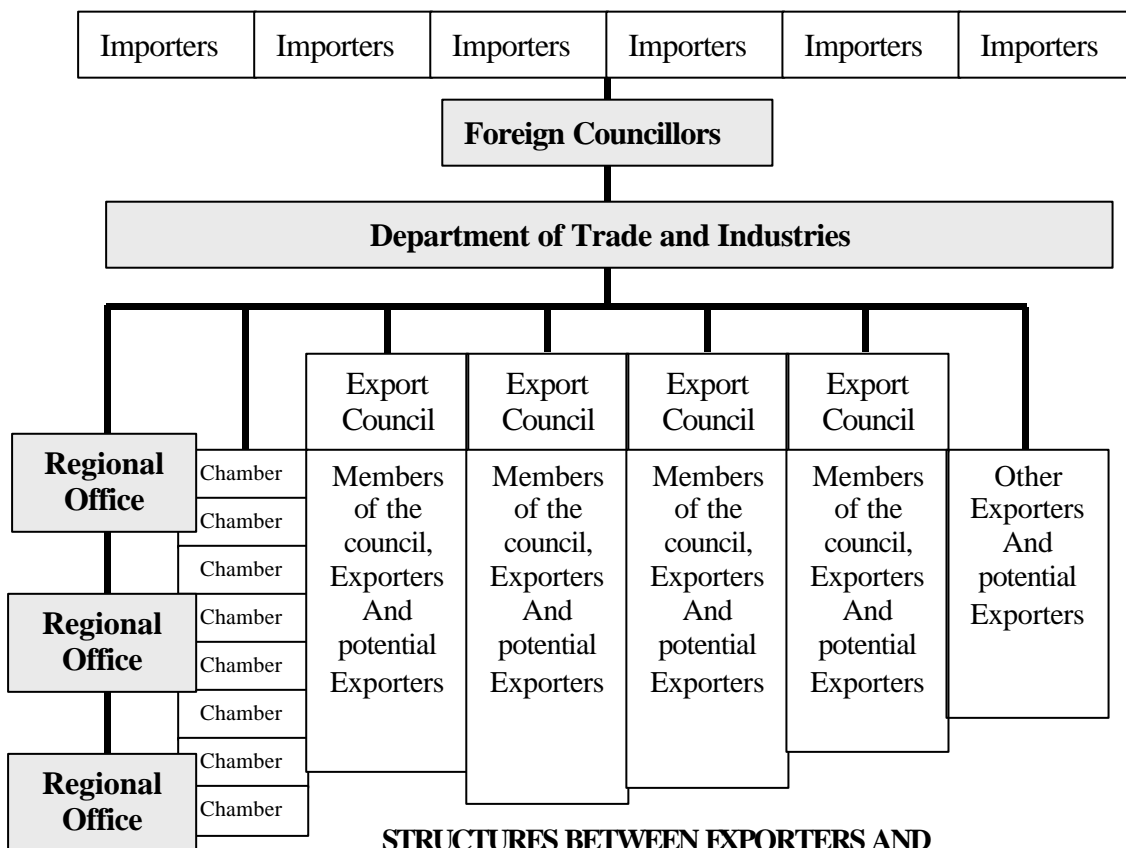
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## 1. EXECUTIVE SUMMARY

The purpose of this document is to present the findings of the Export Information Strategy. It was funded by the European Union / DTI Policy Support Programme and was executed over a three-month period. During the first month, April 2000, the project unofficially looked at the potential for gain in conducting a commercially orientated study between May and June.

Broadly the study considered the information strategy with respect exclusively “export initiatives”, and to a limited extent investment as they relate to the activities of exports. Within this context the following areas were considered:

1. Internal transaction and operational systems supporting export initiatives
2. Internal and external skills available and potentially needed to effect and support the strategy
3. Management of external stakeholders, which in a commercial environment would be loosely referred to as suppliers and clients. In the context of DTI these would be South African exporters and foreign Importers.



**STRUCTURES BETWEEN EXPORTERS AND IMPORTERS**

## **1.1 INTERNAL TRANSACTION AND OPERATIONAL SYSTEMS**

There are nearly no technical systems providing any form of transaction, operational or unique advantage in this area. Typically a high impact study conducted over a two-month period would identify the top 5 to 7 knowledge-based systems drawing from internal and external systems resulting in an evolutionary improvement. We have identified more than 20 projects that would provide significant improvement!

Based on the relative lack of technical infrastructure, the recommendations focus on providing a roadmap that will provide the most immediate gains in multiple areas. In such an endeavour it is strongly recommended to adhere strictly to de facto industry standards that will over time evolve collectively to enable end-to-end integration.

Technology recommended is Web based – and can be outsourced limiting the need to purchase physical network nodes and the ongoing expense of creating an export Information Technology department. It is however recommended that technical liaison staff be engaged to ensure the information deployed aligns with the export initiatives. This will provide for the annual corporate governance process of analysing the external costs relative to other suppliers and other options, while providing a linear cost of scaling the system to accommodate new initiatives.

## **1.2 SKILLS AND STAFFING**

The Export related initiatives have been through numerous restructuring processes over the last few years and are now entering a phase of bedding down the new initiatives. It has been noted that there are many posts vacant and that the rule of thumb optimum eight reports to management in certain areas are exceeded – in one example 60 staff report to two managers- it is recommended that this be addressed as a matter of urgency.

Information is only of value if it flows, and adds artefacts through an organisation. Should there not be the capacity to add value either through flow or analysis- which is dependent on appropriate staffing – the knowledge being communicated or intrinsic in the process erodes quickly.

Specifically it is recommended that newly appointed foreign councillors undergo a minimum of a month of computer usage training before being deployed- and undergo a refresher course on the DTI customised systems and specific features every year. Currently the skills vary from advanced power users to almost no computer awareness. A similar exercise is recommended for internal staff, a systematic upgrade of skills across the board would it is believed increase efficiency by marked levels.

### **1.3 EXTERNAL STAKEHOLDERS MANAGEMENT**

The current database of exporters at DTI is of limited value and accuracy. There is no database of foreign importers of South African products and services.

The recommendation is therefore to construct both databases as a matter of urgency and put in place the process to maintain the accuracy and evolution of the data over time.

Almost of equal importance is the generation of supporting data to the export community. The increased numbers of exporters due to the SME initiatives coupled with the recently expanded base of Export councils, Provincial offices, and newly formed Export help desk will generate a greater demand for data. This data will range from foreign country profiles to detailed statistics and databases of potential importers, supported by tariff issues and increased interest in local DTI exports incentive. Therefore generation of this data needs to be planned, gathered, and deployed in an ultra efficient fashion. Without the appropriate systems and processes the current activities will overload, leading to increased frustration levels.

It is recommended that two initiatives be embarked upon simultaneously, namely:

- Upgrade the communications infrastructure between the foreign councillors and local stakeholders. This requires both infrastructure upgrades to equipment, and implementation of software technology in line with the Dept. of Foreign Affairs- and the vast majority of stakeholders.
  - Phase 1; will merely bring the councillors desktop computers up to market standards- this should be quick- 30 days.
  - Phase 2, it is recommended to implement Mobile computing-portable computers that can carry relevant data in an off-line mode.
- Implement a Web based system that will provide a knowledge base for information sharing. Initial focus would be to focus the usage to exporters. This would enhance the evolution of the DTI's overall strategy, i.e. Brain.co.za provides a focused site to assist new businesses in their formation and evolution from SOHO to SME, and The Export Web will further enhance SME's to become exporters. Although the site will benefit existing large exporters, the focus will be to provide predominantly SME assistance. The Export Information strategy recommendations would be different if the focus were to target corporate exporters.

#### **1.4 TIME ALLOCATION FOR PROJECT**

The project was initiated as a high impact snap shot of the information systems required to support Export initiatives. The project environment necessitated a time constraint of two months in order to produce the optimum results. The resultant projects that should be implemented urgently have been completed to project scope stage, while projects requiring further investigation have been highlighted appropriately.

#### **1.5 SCOPE**

Aspects covered include:

- Internal processes to DTI
  - Both local and foreign
- External interfaces
  - Both local and foreign
- Data requirements
  - Internal data sources
  - External data sources
  - Data artefact enhancement
  - Appropriate data granularity
  - Appropriate data aggregation
- Delivery mechanisms
  - Technology
  - Processes
- Discreet stand -alone projects
  - Management level software block diagram
  - System block diagram supporting process's
  - System block diagram supporting Web deployment

Aspects not covered include:

- Detailed Database design- although architecture has been recommended.
- Detailed Information delivery software recommendation.
- Detailed DTI export specific Outlook (Office automation software recommended) customisation.
- Detailed Export Web architecture
- Detailed Export NT architecture.
- Detailed Network design
- Detailed external data normalisation.
- Detailed Cost Justification
- Detailed Financial benefit studies
- Detailed Milestone Measurement metric's per project-

- Budgeted metric (target),
    - Lowest acceptable metric,
    - Metric exceeding Maximum Metric
  - Detailed recommended actions if Metric levels are breached both at
    - Lowest acceptable metric
    - Metric exceeding maximum expectations
  - Detailed Training requirements per project
  - Identifying per project recommended with respect
- ◆ Project sponsor
- Sustaining Sponsor
  - Project Manager
  - Development Team
  - Time to Implement (All should be implemented in under 4 months)

## **1.6 DISCREET PROJECTS**

A number of separate projects have been identified, documented and supported with individual proposals. Brief summaries of these systems supporting business initiatives are listed below in order of expected implementation and projected benefit to the export initiative: -

The following lists of projects have been identified each with their own recommended defining acronym per project- a concept that has proved most effective when the acronym carries inherently in its everyday context, the benefit to the organisation.

### **1.6.1 Export Web (E-WEB)**

Exporters Web deployment, would host all data relevant to assisting exporters and potential exporters. This site would have public access, with security access permitting active exporters the ability to update their own data and access databases gathered by DTI specifically for the benefit of the South African business community. This Web site would also be the primary system used by the Help Desk, Export Councils, Provincial offices, and other structures promoting SA exports. This would facilitate a number of facilities such as:

- Becoming export ready
- Identifying a target markets for product
- Identifying export opportunities/importers
- Export help desk assist
- Tariff concessions available to SA exporters
- Export services
- Services provided by the foreign economic representatives



- Trade enquiries
- Market intelligence
- Export councils
- Foreign and regional economic offices:
- Financial assistance schemes to promote exports
- Application forms and guidelines for the incentive schemes

### **1.6.2 Synchronised Hosting of Allied Resources (SHARE)**

A Project running in tandem with the creation of the Web site is targeted at providing the foreign councillors with a consistent and effective technical foundation. The system would be set up such that relevant data available on the Web site, and specific management reports would be available off-line and shared between DTI head office and remote locations. This would facilitate a number of activities:

- Manage communications process's
- Provide consistent CI (Corporate Image)
- Provide management with consistent reports
- Automate the provision of reports
- Provide local Database's off-line from the Web
- Support Trade enquiry management
- Increase efficiency etc

### **1.6.3 Active Exporters (Exporters)**

The Exporters' database is a critical and core component in the creation of the export drive monitoring the drive's effectiveness, measuring this drive against international benchmarks and allocating resources appropriately with a feedback matrix.

### **1.6.4 Foreign Access Market Enquiries (FAME)**

South Africa currently receives a large number of qualified trade enquiries from the foreign missions. Once these enquiries have been communicated to an entity which is typically not the DTI but someone in the private sector, neither the counsellor nor DTI have an efficient mechanism of monitoring, measuring, and managing these valuable opportunities. FAME should be targeted at implementing a solid and reliable platform and process from the counsellors through to the DTI, which will house the FAME database and track enquiries through to the export councils and onto the potential exporter or collection of companies that could potentially satisfy and execute. At each stage of the enquiry's life-cycle feedback and appropriate confirmation should be communicated through all channels back to the originator. The process should also cater for the fact that any foreign enquiry entering the system directly at DTI's offices in South Africa should be communicated to the appropriate foreign counsellor for qualification before entering the system as a qualified opportunity. Speed is of the essence and therefore auto-handling or

the absolute minimum of human intervention should take place between the counsellor and the potential supplier in South Africa.

**1.6.5 Visible Initiatives to the Economic World (VIEW)**

View will contain the territories' generic business profile and include aspects such as language, currency, major business centres, SA embassies, agencies or associations, limited political profile indicating stability, GDP figures etc.

**1.6.6 Industry Statistics into Countries (INSINC)**

At the foundation of any export initiative are the statistics that permit the DTI to measure the current status, define goals, monitor the campaign and measure the effectiveness over time. Currently trade statistics are extremely difficult to garnish within the SA context and are either at a granularity level inappropriate to management use or do not coincide with import statistics emanating from targeted areas. A normalised statistic strategy needs to be defined which will cater for incongruencies such as product costs, shipping costs exchange variances and targeted retail. This will enable the DTI to determine the value chain of exports and assist exporters in foreign pricing of their commodities and determining accurately whether the ebbs and flow of exports are increasing the appropriate areas. Monthly accurate statistics aggregated up to provide for management information thereby providing support for strategic plans.

**1.6.7 Vocabulary at the Department of Trade & Industry (VOCAT)**

Addresses inconsistent use of terms including a glossary of DTI terms of reference. This document should be implemented at the call centre and permeated throughout the department and will lead to a consistent external interface.

**1.6.8 Communication On-line Analysis (COAN)**

It is imperative that the activities of DTI be communicated to all stakeholders in a timeous and controlled manner. In order to facilitate effective communication the various interfaces both inbound and outbound need to be monitored, measured against goals and the appropriate resources allocated as demands and loads shift from one communication medium to another. As a simple example, inbound calls on a switchboard and the time to connect provides valuable insight to the responsiveness of DTI or potential frustration in wasted opportunities measured by dropped calls or multiple hot calls. The same principle applies to web access, call centre access, received and outgoing mail, faxes etc.

**1.6.9 Valued Importers of Product (VIP)**

DTI VIP's are in essence the country's clients and therefore an ideal target audience for ongoing customer relationship management. It is important that

this information be held confidential and is not used in a manner that will enable local manufacturers to compete with each other for the importers business. However there may be an opportunity to cross sell products from other industries to existing importers.

**1.6.10 South African exported Products (SAP)**

The SA Products database will be used as an ongoing analytical tool by the export councils in establishing what potential products could be exported that are not currently exported and determining where a currently exported product could either find extended market opportunities (territories not yet explored) or extended application within existing markets along with foreign DTI representatives.

**1.6.11 South African Imported products (SAIM)**

The SAIM project would be targeted at establishing what imports could be replaced by the South African equivalent or same (“SAIM”) product. This would benefit South Africa’s balance of payments and potentially convert South Africa from being a net importer of a product to a net exporter of a product.

**1.6.12 Incentives (INC)**

An end-user Exporters wizard would be used by potential beneficiaries to determine which incentive could be applicable to their activities. The wizard should have sufficient expert feedback to guide a potential beneficiary on the criteria they need to fulfil in order to potentially qualify for incentives. Should a potential beneficiary following the use of either the wizard or directly entering the application form such resultant application for incentive form should be automatically computer checked for validity and submitted directly to DTI.

**1.6.13 World Access to Specific Productive Economies (WASPE)**

An ongoing review of world economies should be set up such that changes in world fortunes are continually monitored and tracked relative to DTI formal activities. Although there is much debate in this area, it is suggested that a very simple and definitive measurement be used such as GDP. World GDP figures are simple and inexpensive to obtain on a regular basis (annually). It is also recommended that where GDP figures exceed a predetermined level and regional GDP data is available, that these territories be targeted on economic grounds- an example Certain states in the USA for instance have sustainable GDP levels placing them in the top ten and top twenty economies of the world relative to entire countries elsewhere- and therefore of immense commercial opportunity.

**1.6.14 Focused Foreign Industry Demographics (**FFIND**)**

The Ffind programme would determine the opportunity within each economic territory. The strategy would be to create a formalised method of determining the industries with the greatest potential, measure them against the ability of appropriate export councils' ability to effect a penetration and define the promotional goals. Define and use a relatively consistent approach to maximise the opportunity and measure the effectiveness against the goals. This would typically be an annual programme, however it would be used as an acid test before entering any long-term promotional campaign in a territory.

**1.6.15 Trade Access Potential (**TAP**)**

Trade Access Potential is the detailed market intelligence covering aspects such as; trade shows in the territory, company databases, press contacts, agencies of influence i.e. the territories' equivalent of our Chambers of Commerce etc. In addition to this detail, historic contact with entities will be stored. A major function of Tap will be to provide databases of potential importers, and where appropriate, a territories current importers and manufacturers OEM, thereby assisting to gauge the correct import partners and potential distribution competition. In essence, this database is sufficiently detailed to support a full promotional and sales campaign in a specific industry within a specific territory.

**1.6.16 Geographic Access to Industry Tariffs (**GAIT**)**

Gait is an HS code/products and services based table that will compare and provide tariff restrictions, costs and agreements benefiting and restricting our potential exporters in dealing with a foreign territory. It will also include all trade agreements and potential trade agreements under discussion with automatic feed back to SA exporters on any changes or enhancements with respect applying tariffs and trade agreements. Exporters would be able to tag the appropriate HS code at the appropriate level of granularity relative to a territory or collection of territories and in the event that changes are made they would be notified.

**1.6.17 Agencies for New Government Initiatives and Leadership (**ANGIL**)**

There are a number of initiatives, supported by DTI that are facilitated by external agencies receiving direct financial support. The process of renewing financial contribution on behalf of DTI or enhanced financial support of these agencies a metric of performance should be established.

### **1.6.18 Detailed Routing for Internal Value Chain Execution (DRIVE)**

The Department of Trade and Industries has experienced a number of restructures in recent times. During these processes certain value leaks have manifested and in many instances remained undetected. Therefore the recommendation is to generate a workflow database that documents the value chains of each process within DTI and will support the implementation of impact analysis on future restructures in the planning process.

## **1.7 TECHNICAL PLATFORMS**

### **1.7.1 Technical Platform For the Web system (E-WEB):**

It is recommended that Internet technology be used as a database delivery platform. There are three discreet elements to this delivery platform:

- ◆ **EIS internet**

*Usage is public*

This will be a public access site containing generic information available from each and every project listed above.

- ◆ **EIS intranet**

*Usage is exclusively DTI personnel*

This will house all the DTI confidential information with respect to exports and for instance be the carrier between counsellors and through the extranet to specific private industry exporters.

- ◆ **EIS Extranet**

*Usage is exclusively externally DTI funded agencies*

The extranet site will be a non-public site integrating the DTI's initiatives with the various agencies such as the export councils and exporters. Information carried in this portion of the site would integrate information considered of competitive advantage in nature.

All three of the above delivery mechanisms would be supported on a single platform for cost reasons but could at a later stage be housed on separate platforms should capacity dictate. Access to the intranet and extranet should be user password protected – security should be updated on a three-month cycle to minimise compromising the confidence of the users.

### **Systems and Database Supporting Each Project:**

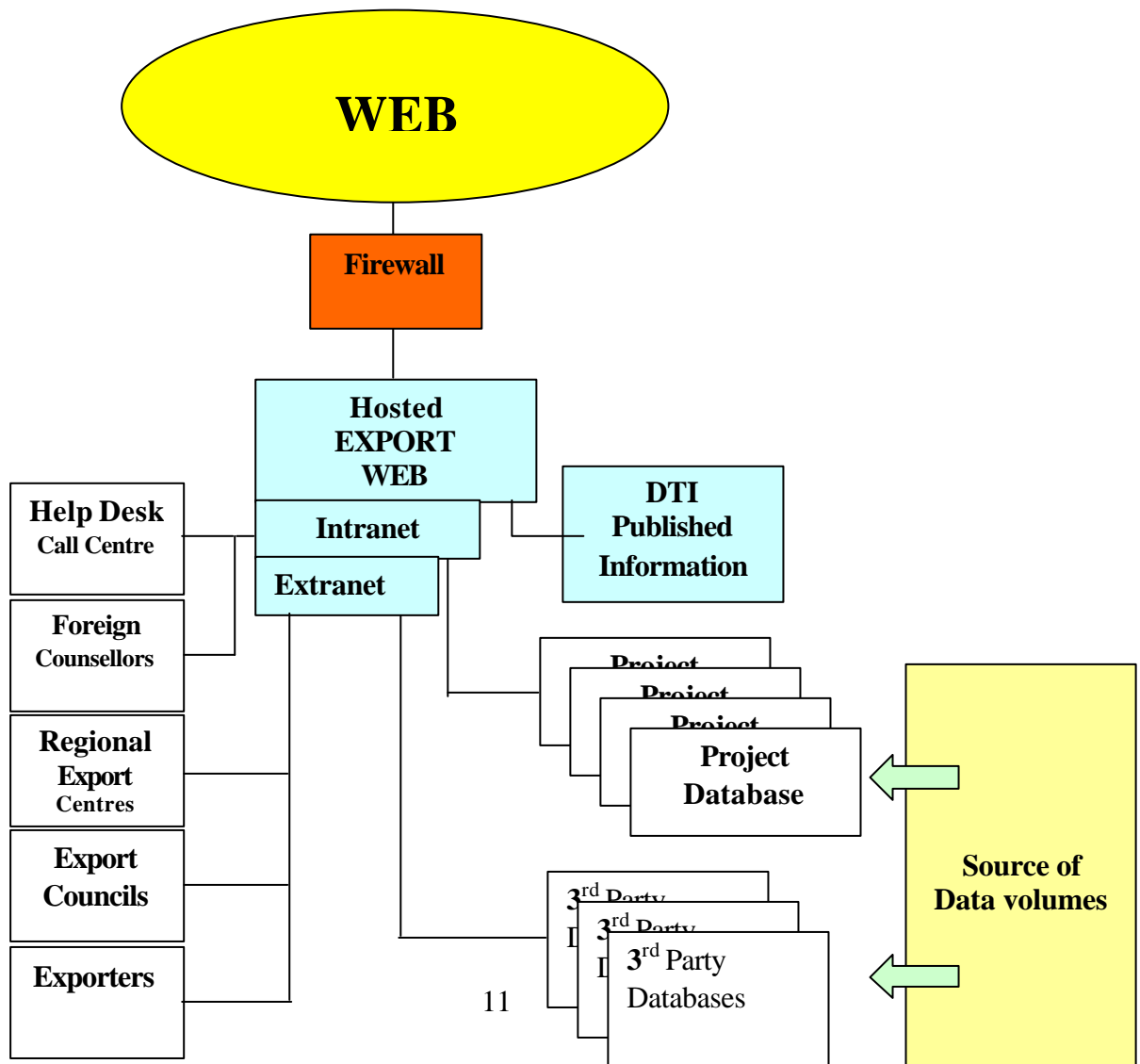
Initially it was envisaged that the operational data at DTI would be housed in a traditional data warehouse however it became rapidly apparent at the onset of the investigation that this traditional architecture

would not be feasible for a number of reasons:

1. Much of the data required did not exist
2. The data that did exist was not current or recurring on a consistent basis
3. Desirable data for the export initiative was typically not generated within the DTI current systems.

Traditionally a data warehouse taps into existing systems and combines this internal data to provide a focused management view across disparate systems. Based on the above currently this is not clearly possible within DTI.

The recommendation is therefore to design each one of the projects as a discreet system and in a hybrid form that combines both operational transaction type capability and analytical warehouse strengths. This form of hybrid is similar to an architecture known as Operational Store – however it needs as its basis a Transaction system, and as its long-term storage a Data Warehouse.



### **1.7.2 Technical Platform For the Synchronised Hosting of Allied Resources (SHARE)**

It is recommended that Microsoft be used as the standard for the deployment of the export SHARE environment.

There are two distinct elements:

#### **1. User Workstation**

*Usage is typically foreign counsellors, Help Desk, Export councils, etc*

It is recommended that workstations or laptop computers will have Windows software (currently Win 98) with the full suit of Microsoft office (office 2000) more specifically the workstation should includes:-

MS Office - Email, Calendar, Tasks, Contacts

Customised so that for instance current projects are synchronised with DTI Management, Reports are standardised, managing trade enquiries etc.

MS Word - Word processor

Customised with standard letters and documents enabling consistent professionalism.

MS Excel – Spreadsheet

Standardised monthly reports

MS Access – Database

Supporting a copy of the exporter database synchronised for off-line use

MS PowerPoint – Presentation software

MS Publisher – High end publishing software

Maintain consistent CI

MS FrontPage – Web authoring tool

Maintain profiles on appropriate agency, mailed to the Web master. This will share the load and ensure current data.

Ipass- Remote dial up access.

Ipass will enable remote offices to link to the internet, in a consistent fashion regardless of the territory they may be located in or visiting.

CoCo- Mind mapping software

Provide a platform from which consistent planning exercises can be conducted using a structured approach.

All workstations will be enabled for off-line use- this will enable all entities to operate in an environment where telecommunications may be challenged.

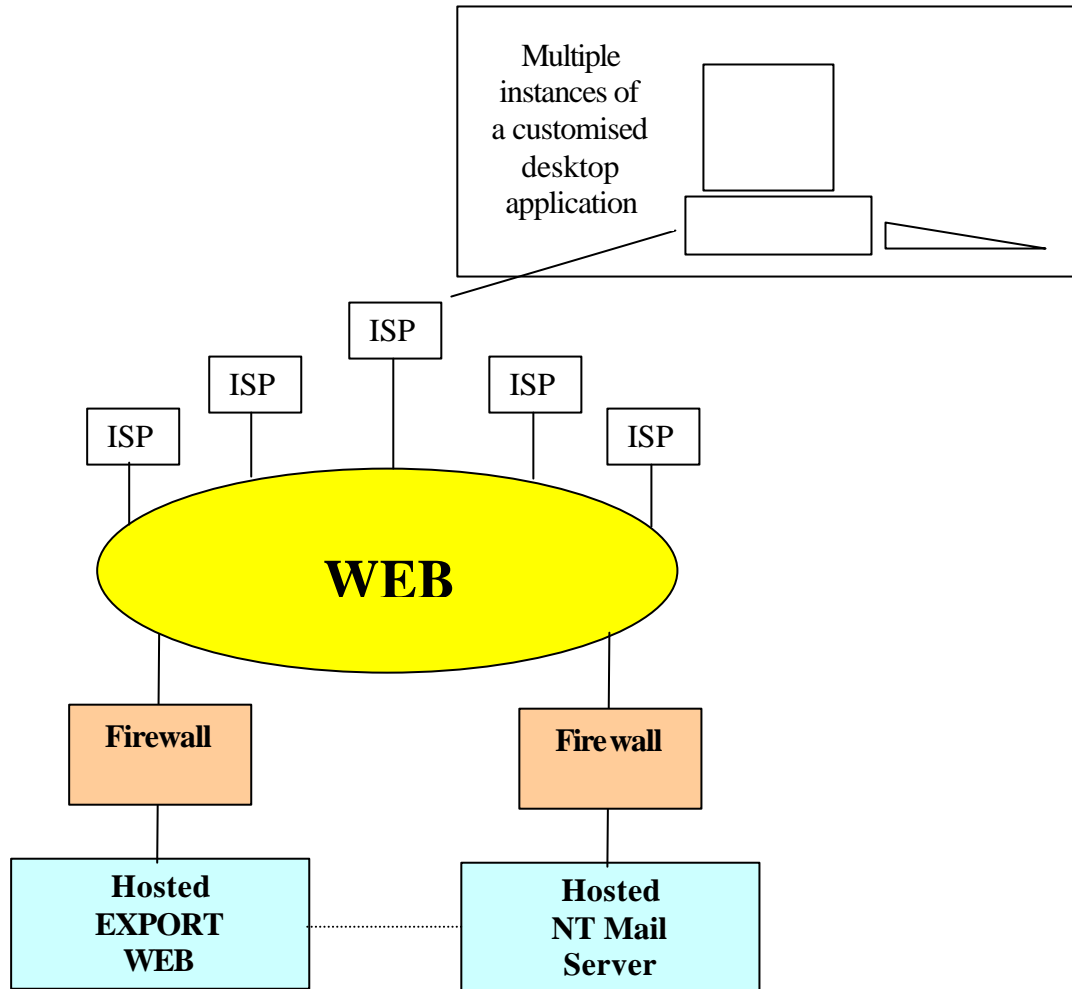
#### **2. Network server**

*Usage is as a mail and Data Hub*

It is recommended that a third party on behalf of the DTI export initiative host the latest version on Microsoft NT. This server should be linked to the Internet, typically by the same entity hosting the E-Web

environment.

The server will act as a Hub for email, and shared data.



NT Mail server hosted at a third party  
Application Service Provider



## **2. PARTICIPANTS**

### **2.1 Project Sponsor**

Faizel Ismail	DDG: Trade and Investment
John Morris	Director: Export Services

### **2.2 Project Manager**

Stefan Pretorius	DD Export Services, Export Information Systems
Pieter van der Merwe (departed)	

### **2.3 Senior DTI Management Interview proposal**

Dr. T. Mhlongo	Acting CD Technology and Industrial Strategy
Mr. V Mathale	Director: Export Sector Promotion
Mr. E Matthee	Director: Financial Assistance Schemes
Mr. S Moodliar	Director: Africa & Middle East
Mr. S. Van Heerden	Director: Systems Design & Integration
Dr. P. Jourdan	DDG Special Projects
Mr. R. LeRoux	DD Export Services, Exp Help Desk
Mr. K. Wojciechowicz	DD: Statistics

### **2.4 3<sup>rd</sup> Parties Interview proposal**

#### **2.4.1 Stakeholders within South Africa**

Mr. R. Vegas	CEO Investment South Africa
Export Councils	
Provincial representatives	
Various Current Exporters	
Mr. A. Mare'	Customs and Excise
Dr M. Altman	Econ. Rep. Training Contractor

#### **2.4.2 Entities external to South Africa (Telephonic/ Text research)**

Ireland  
Canada  
United Kingdom  
United States of America

Australia (Austrade)  
Singapore

**2.4.3 Commercial entities promoting trade in South Africa**

Johnic E-ventures  
Tradepoint  
TIPs  
Metropolis- Verticalnet

### **3. DETAILED PROJECT OPPORTUNITIES IDENTIFIED**

This section outlines each project identified in detail where time permitted. All projects from 3.6) require detailed scoping beyond that listed in this document.

- 3.1) Export Web (E-WEB)
- 3.2) Synchronised Hosting of Allied Resources (SHARE)
- 3.3) Active Exporters (Exporters)
- 3.4) Foreign Access Market Enquiries (FAME)
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- 3.18) Detailed Routing for Internal Value Chain Execution (DRIVE)

### 3.1 Export Web (E-WEB)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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## 1. Business Proposal

### 1.1 Introduction

Exporters Web deployment, would host all data relevant to assisting exporters and potential exporters. This site would have public access, with security access permitting active exporters the ability to update their own data and access databases gathered by DTI specifically for the benefit of the South African business community. This Web site would also be the primary system used by the Help Desk, Export Councils, Provincial offices, and other structures promoting SA exports. This would facilitate a number of facilities such as:-

- Becoming export ready
- Identifying target markets for product
- Identifying export opportunities/importers
- Export help desk assist
- Tariff concessions available to SA exporters
- Export services
- Services provided by the foreign economic representatives
- Trade enquiries
- Market intelligence
- Export councils
- Foreign and regional economic offices:
- Financial assistance schemes to promote exports
- Application forms and guidelines for the incentive schemes

### 1.2 Business Proposed

1. It is proposed that an NT server is implemented to host the Web activities proposed above.
2. To link the Exporters database to the Web application in a dynamic manner.
3. To customise certain Web access screens to assist the Help desk in fulfilling their objectives.
4. To provide the necessary templates to the foreign

counsellors so that sections of the information that they have direct exposure can be deployed in real-time

5. Support Web activities available to the Export councils and other ANGEL organisations, in a professional and consistent fashion when viewed by the public.
6. Provide User logon to access secure parts of the Extranet and Intranet.

### 1.3 Support of Strategic Objectives

Promote South African exports both from a pro-active and reactive level, whilst maintaining a low overhead cost to deploy a local information conduit for the international strategy.

## 2. Proposed Benefits

### 2.1 Internationally.

Provide exposure for South African exporters Worldwide.

### 2.2 There would be a financial benefit to.

South African exporters in increased opportunities. It has been estimated that such a site well exposed could well increase the number of concluded transactions by two point five percentage points a year. This could translate to R750 million

### 2.3 The ability to optimise.

User access statistics and real-time feedback would provide direction for optimising deployment.

## 3. Cost & Return

### 3.1) Costs

In establishing a budget for this Web site we have considered the expected traffic, launch functionality, financial return and balance the cost accordingly. In estimating the traffic it is assumed that the peak load would not exceed 1000 users per day during the launch and promotional stage (estimated to be the first 12 months). Once a consistent load exceeds this number of users it is recommended that a project be initiated to scope the redesign of the proposed web site using high performance multi-threading architecture. Currently this technology would cost approximately 4 times the proposed option.

- The first phase server should be budgeted at R250 000. It is recommended that a fully redundant configuration be put in place i.e. two servers each costing R250 000 and set up in a fail-safe configuration. The Back-up configuration could be the SHARE server if appropriately configured. Cost covers the physical hardware, software and set-up. In the event that DTI outsourced the server this capital cost would reduce to a monthly amount of approximately R 25000.
- A Web development server should be implemented the DTI to house the master WEB environment, which is then “cut” to CD and loaded on the hosted environment. The home pages should be continually refreshed from this CD. The cost of this development environment should not exceed R50 000, including Hardware and Web authoring tools.
- Ongoing monthly costs to maintain the server and manage the enhanced Web evolution, set up links and integrate for instance all mail to route through the Share project should be budgeted at R35000 per month for the first year. This cost includes a fully qualified Web Master, capable of managing the technology and physically building and deploying the active web pages and associated database, under the “Content guidance” of the appropriate DTI senior representative.

### 3.2) Benefit

Based on an increase of one percent in exports as a direct result of trade enquiries this would translate to R300 million in increased exports. The cost of the system annually would be approximately R750 000.

It is recommended the site be promoted at a cost of approximately R500 000 annually and therefore the pay back when fully implemented would be under one month.

This excludes all the indirect benefits that could double and potentially triple the return i.e. generate a net benefit to exporters in excess of R1 billion annually.

### 3.3) Measurable & Thresholds

#### 3.3.1) Measurable:

Number of enquiries directly generated to exporters. Tracked by export council management to establish value of concluded transactions.

Number of discreet visits, emanating from local/Foreign queries

Topics being searched.

Topics being viewed.

Number of new self registered Exporters providing information

on the site; Target should be set for export councils to encourage members to represent themselves on the site.

3.3.2) Threshold:

Increase the number of exporters from the current approximately 6000 active exporters annually by one percent per month, as determined from a feed of data originating from Customs and excise.

Low threshold would be 50 new companies per month- action is to analyse which export councils are below their quota. With a proactive approach the Help desk could outbound to 5 companies a day and assist them to register and in so doing would avoid breaching the low threshold.

Consistent load of 1000 active users per day or the performance of the site is impacted by a user load greater than the site can service efficiently. Initially equipment can be implemented or upgraded to extend the life of the current site while the enhanced multi-threading version is deployed under a separate project.

## 4. Dependencies

4.1) System depends on

4.1.1) All related internal system interfaces.

Initially it is proposed that the Exporters update an MS Access database on the Web server directly. The reason is that the payback is so quick that a long term project to re-implement the system on the DTI Informix system would delay implementation- however this would initiate in tandem with the web deployment and replace the access data volume once complete. Assuming the Web server is hosted external to DTI a link to the DTI Database would need to be implemented.

**Note:** - *It has been recommended to initiate the three-stage development strategy re Web/Mail/Database development and re-development to match the usage and complexity growth.*

- *Stage 1) Entry level and relatively low cost development to deploy quickly using inexpensive technology, which is relatively low in complexity. This will provide the DTI with a measurable success benchmark before moving to stage 2 or 3. Typically a stage 1 site will support 1,000 to 1,500 accesses during a 24 hour period at peak, but generally have a user hit rate of below 500 a day- (i.e. 15,000-45,000 hits a month).*
- *Stage 2) Medium development cost, which is approximately four, times the cost and complexity of a*

*stage 1). The Supporting load should be scalable between 2 to 10 times that of a stage 1 site i.e. approximately 10,000 users a day.*

- *Stage 3) Top of the line technology rich development and Complex capability. Typically these sites cost 5 times a stage 2 site and therefore about 20 to 30 times the cost of a stage 1 site. A stage three Internet site will scale to well past 100,000 users a day. Clearly it is not appropriate to spend R20 to 30 million to develop the E-Web until the site has a presence and user growth rate and return justifying such an investment.*

*Launching a Web site is very much a process fraught with risks of under/over design, development time that takes too long to deploy, launching too early, design that is too simple or overly complex, attracts the wrong audience, or contains inappropriate content for the target audience. Assuming it launches with the all the right attributes including appropriate content for the targeted audience- the audience will mature in demand and the site must keep pace in evolutionary terms with this phenomena. It is not surprising that some Web sites become as well known as an Amazon.com, and 1000's of others do not! Launching, evolving and maintaining a web site requires unique and highly sought after skill.*

4.1.2) External feeds.

Data feed from the department of Customs and excise.

4.2) Departments dependent on system

Export initiatives.

**5. Risk Assessment**

Should the server access be limited either by Network bandwidth, CPU power or availability, potential users would become frustrated and therefore not use the system. A Commercial 24-hour a day availability culture is of paramount importance.

**6. Conclusion and Recommendation**

Implement the system as a matter of urgency.



### 3.2 Synchronised Hosting of Allied Resources (SHARE)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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## 1. Business Proposal

### 1.1 Introduction

A Project running in tandem with the creation of the Web site is targeted at providing the foreign councillors with a consistent and effective technical foundation. The system would be set up such that relevant data available on the Web site, and specific management reports would be available off-line and shared between DTI head office and remote locations. This would facilitate a number of activities: -

- Manage communications process's
- Provide consistent CI (Corporate Image)
- Provide management with consistent reports
- Automate the provision of reports
- Provide local Database's off-line from the Web
- Support Trade enquiry management
- Increase efficiency etc

### 1.2 Business Proposed

1. To set up a new NT server using Microsoft Exchange which will be dedicated to all Export related functions of the Department and give access to the regional export promotion organisations in the provinces, the Export Help Desk, the Call Centre, the Export database, the envisaged Export Website and the Foreign Economic Offices.
2. To streamline the service rendered by the Economic Offices abroad and to improve their productivity through standardised (Microsoft) software.
3. To upgrade the IT systems, to create LANs and to set minimum hardware specifications at the Economic Offices abroad.
4. To upgrade and to standardise the software, skills and communication systems of the Economic Offices abroad.

**DEPARTMENT OF TRADE AND INDUSTRY POLICY SUPPORT PROGRAMME**  
**PROGRAMME MANAGEMENT UNIT**

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5. To facilitate the control by management over the resources abroad through the scheduling of tasks such as feedback on Business Plans, budgets, etc.
6. To create an uniform software environment at SA Missions abroad by moving the DTI's representatives to almost the same new IT system being installed by the DFA in all their Missions.

1.3 Proposed new requirements at Head Office.

One NT Server to run Microsoft Exchange with Microsoft Windows 2000 and Office 2000 Pro software. It is recommended initially that this Server be hosted with a third Party. It is recommended that the same 3<sup>d</sup> party be used to Host the Export Webs site. The Servers for E-Web and Share should be separated and both functions should not be run on the same equipment, however each should be of similar configuration and therefore able to act as a Back-up for each other.

The PCs of those staff at Head Office who need to link to the new "Export" server such as the Directorates, EMIA, Export Sector Promotion, Africa Bi-Lateral and ME, Export Services and SMFO can be linked to both the new "Export" server and official export database as well as to the DTI's existing Novell network. These officials should also be provided with the MS software and potentially use the MS software as their primary office automation software to avoid duplication and confusion between the two packages.

1.4 Existing Position.

Very few offices abroad have a LAN, the majority have three PCs of various configurations where perhaps only one is linked to a modem and either one or all are linked to a printer. Faxes come in and out on paper and are distributed by hand and subsequently filed with a hard copy of the response. Internal communication is by hand written comment on correspondence and subject to the inconsistencies of a messenger system. A few offices have a LAN and one or two make use of an NT server.

1.5 Proposed new system

It is proposed that all offices be asked to make arrangements that their PC's, printers, modems and scanners plus other devices be linked to form a Local Area Network (LAN). This will make internal communication available through Microsoft Mail using Outlook as e-mail client to give all access to e-mail and PC faxing.

It is recommended that offices standardise on Outlook as the internal mail, e-mail and fax distribution programme and that a back-up system such as a Zip drive, tape drive or a CD writer be utilised to automatically save and back up all new correspondence received or generated per day. The "Task" facility of Outlook should be utilised to

fix response dates and times for recurring instructions such as budget updates, Business Plans and Project updates.

Commonly used databases such as for all the SA exporters of a particular sector, product, region, (province) or Export Council, the DTI address list and a host of others can be generated once (perhaps by the Export Council or DTI sector desk official in SA) and placed in a "Contacts folder" that will be shared and therefore automatically synchronised with the remote offices for on/off line use. This can then be used for telephone, addresses, e-mail or faxes and as a mail merge facility for mass mailing to, say potential importers in their market or potential investors per sector. Such public folders could be created and updated by one responsible official (at head office) per database, which will always be shared automatically updated every time a remote user synchronises their mail. Therefore at the receiving end, the info will be "shared" under the Shared Folder facility of Outlook

#### 1.6 Foreign Economic Office server

A number of offices called consultants in for advice and they invariably suggest an NT Server.

An NT server is a very powerful, reliable, secure, versatile system but it is also relatively expensive (an extra R 60 to R70 000 only for the server) and in reality, over-the-top for the small networks used by our Economic Offices in Missions abroad.

Most Foreign Missions will run an NT server for the new Department of Foreign Affairs's (DFA) Net PC system that is being installed to replace their old Unix system. However, the DFA's specific needs, (especially security), applications and support with trained NT hardware and software IT staff in five Missions abroad plus Foreign Assistants trained on software and as System Administrators, fully justifies this sophisticated system. They also serve far more users than the DTI's LANs will.

For security reasons, the DFA's new Net PC system will not provide individual 1.25" disk, CD drives and e-mail access although the latter will eventually be routed through their secure firewall environment. For security reasons the DFA will also not allow any linkage between their system and another network such as the Economic Office LAN.

The recommended network for Economic Offices should as far as possible utilise the existing PCs and the network should ideally run on either Windows 98 Second Edition or Win 2000. A LAN on windows 2000 can easily be created to link the PCs in each office. In London, a LAN now running on Windows 98 SE is supporting 11 PCs, two modems (One for e-mail and One for faxes), four printers and one scanner over three floors of the building.

A Windows 2000 LAN without the server will be more than adequate for the needs of the Economic Offices. It will also be far cheaper to install, support and operate and, very importantly – will require no extra training for staff. Windows 98 can also be used to operate the LAN but Win 2000 (and Win 98 Second Edition) also has Internet Sharing facilities that will allow all the users on the LAN to use one modem for e-mail (also for more than one e-mail address) as well as give access for all to the Internet (at the same time with ISDN or ASDL.). Win Gate is not required. It is recommended that each PC be Modem enabled for simplicity, however this will cost about R500 per PC plus monthly Telco costs. All laptops should defiantly have their own Modem and be set up with the Internet IPASS facility.

**ALL MACHINES MUST HAVE EITHER NORTON OR MACFEE VIRUS PROTECTION SOFTWARE-SET UP TO UPGRADE ONLINE EVERY TIME THE PC CONNECTS TO THE WEB!**

#### 1.7 Minimum hardware requirements of the PCs in Economic Offices abroad.

All PCs should at least be:

- CPU speed of 300Mhz (Intel or clone supporting Win 98SE +).
- 128MB Ram memory (64 MB could suffice if CPU will not support 128MB).
- 6Gb hard drive
- 56k Modem
- Colour terminal (14 inch)
- CD Rom
- 3.25 Stiffy

#### 1.8 Local Area Network (LAN)

Network Interface Cards (NICs) should be installed on each PC (and PCMCIA cards for notebooks.) All PCs must be linked by (co-axial, UTP or other) cable to each other. All the printers, scanners and modems must be tagged as “shared” so that anyone on the network can use them. In other words, a Local Area Network (LAN) must be set up to allow all PCs to share all resources and to communicate electronically with each other and with the outside.

#### 1.9 Proposed new software package

It is recommended that the PCs abroad (and in the provinces) use Win 98 SE2 or Win 2000 (obtain financial guarantees that the hardware supports Win 2000 before loading as a even top of the line brands such as Compaq Presario do not yet support this version) as the operating system. This will allow the creation of an easily maintainable LAN using the Microsoft protocols, the Internet Sharing facilities and Win Fax in this package to allow all users access to internal mail, e-mail and the electronic paperless faxing facility.

The Internet Sharing program allows all PCs on the LAN to access the Internet using one modem.

It is recommended that Win Fax (or any other PC fax program) be run through a separate modem (and dedicated telephone line) linked to any PC on the LAN but preferably not the same PC as the one hosting the e-mail modem. The existing fax machine can be used as a standby. The main purpose is to have both incoming faxes and e-mail arrive electronically for registration purposes and for paperless redistribution to the person who will respond to the enquiry. It is also a far better system for backing up and safeguarding faxes electronically.

It is further recommended that all offices install Microsoft Office 2000 (Premiere) which will include the following programs:

Word 2000 – for word processing,  
Outlook 2000 – for internal mail, e-mail, faxes, and office management  
Excel 2000 - the spreadsheet  
Access 2000 – the database  
Power Point 2000 – for presentations,  
FrontPage 2000– for those who want to set up websites.  
Publisher 2000- For Corporate Identity consistency

1.10 Complete list of software recommended

Windows 98 or 2000  
MS Office 2000 Premier  
Norton or Macfee Virus protection  
CoCo Mindmap software (optional)

1.11 Utilities

Ipass (from ISP)  
Winzip  
Acrobat reader

1.12 Motivating Microsoft Suit vs. DTI's Novel standard

This has not been included. However in view of the Dept. Foreign Affairs where the majority of the Economic offices co-exist using Microsoft, and the fact that over 90% of the commercial western world (well over 70 million users) use the MS Office suit, Microsoft's support for nearly every Language and character set co-existing with English, easy access to skills world wide etc, it is an obvious selection for the task.

The Dept. FA will also run training courses in all missions abroad on this software package and their support staff in each mission as well as in their more advanced regional IT sections can also provide support to our economic representatives. The DTI cannot assist their offices

abroad with any software training.

### 1.13 Support of Strategic Objectives

Defining the number of trade enquiries from each region or as an operational key performance area is desirable. Currently there is no formal definition as to the number or quality of potential trade enquiries expected from each region and this should be rectified as a matter of urgency.

The implementation of SHARE will enable all trade enquiries to be routed to the DTI mail server, automatically re-routed to the appropriate export council and then automatically re-route enquiries to the export council members. Activity with respect potential exporters back through the councillors and or directly between potential importer and potential SA exporter will be capable of being tracked and followed up by the appointed party.

The benefit is that the number of enquiries generated can be tracked, the number of concluded transactions tracked. This will provide a management tool that will enable the activities to be: -

Defined,  
Measured  
Monitored  
Action appropriately.

## 2. Proposed Benefits

### 2.1 Internationally.

Counsellors will have a platform to measure their performance against predetermined key performance areas. In addition they will have a record of trade enquiries providing the ability to manage the follow-up process with supporting documentation

### 2.2 There would be a financial benefit to.

Assuming there is a one percent increase in SA Exports due to this project that would result in approximately R300 million compounded annually in improved exports.

### 2.3 The ability to optimise.

The rules engine used to store the data could be enhanced to over time to provide real-time statistics re competitive success, growing demands in a region, and a host of management triggers.

### **3. Cost & Return**

#### 3.1) Costs

- The server should be budgeted at R250 000. It is recommended that a fully redundant configuration be put in place i.e. two servers each costing R250 000 and set up in a fail-safe configuration. The Back-up configuration could be the E-WEB server if appropriately configured. Cost covers the physical hardware, software and set-up. In the event that DTI outsourced the server this capital cost would reduce to a monthly amount of approximately R25 000.
- Per workstation should be budgeted at R20 000 (although much of this infrastructure exists and therefore to it is anticipated that the budget would be more in the area of R5000. DTI are conducting a study currently to determine this value, however the results were not known at the time of writing this document.
- Ongoing monthly costs to maintain the server maintenance, software rules engine, firewalls, and general management (such as receiving incorrectly addressed mail and forwarding etc) should be budgeted at R20 000 per month for the first year.

#### 3.2) Benefit

It has been estimated that the increase in foreign trade as a result of this system would be a minimum of R300 million. Assuming a exporters profit of 10%, the direct added value profit to the South African exporters would be R30 million.

The Cost to run the system annually- assuming costs are evenly spread monthly would be approximately R 360 000. The payback would be within 6 weeks from full implementation.

#### 3.3) Measurable & Thresholds

##### 3.3.3) Measurable:

- Number of trade enquires by
- Number of completed transactions as a result of trade enquiries
- Time to respond to requests, (Minimum, Max, Average)
- By Counsellor, Region, Export council, exporter etc

A full audit trail will be generated for analysis.

##### 3.3.4) Threshold:

Need to be defined by management at DTI.

Number of qualified Trade enquiries to be generated to South African exporters per week, per month, per target export sector, - and sectors not targeted as primary industry.

#### **4. Dependencies**

System depends on:

- 4.1) All related internal system interfaces.  
None

**Note:** - *It has been recommended to initiate the three-stage development strategy re Web/Mail/Database development and re-development to match the usage and complexity growth of users.*

- *Stage 1) Entry level and relatively low cost development to deploy quickly using inexpensive technology, which is relatively low in complexity. This will provide the DTI with a measurable success benchmark before moving to stage 2 or 3. The stage 1 site should support the expected 100 email users- based on the fact that most accesses will be offline users downloading using remote access via individual ISP accounts.*
- *Stage 2) Medium development cost which is approximately four times the cost and complexity of a stage1). The Supporting load should be scalable between 2 to 10 times that of a stage 1. Stage two will introduce multiple servers' synchronisation. Synchronisation will take place at predetermined times and only transfer data that has modified reducing the network load.*
- *Stage 3) Top of the line technology rich development and Complex capability. A stage three “Multiple Location Server Network” is linked in real-time across all servers and workstations. Stage three networks are very network bandwidth intensive supported by mission critical servers with the capacity to service the data volumes generated across the network without delays or bottlenecks.*

4.2 )External feeds.

None. However access to the server becomes critical and therefore if the system is going to be run in-house a fully redundant system should be configured which would have the effect of doubling the server budget.

#### **5. Departments dependent on system**

Every foreign office  
DTI export staff  
Export councils  
Exporters

#### **6. Risk Assessment**

The customisation of the mail server and workstation software



is the critical component in ensuring the system functions in the manner contemplated above. Native software without customisation will merely improve communications but not contribute to providing a knowledge base or workflow enhanced process.

**7. Conclusion and Recommendation**

Investigate the most efficient means to implement the system, configuration and Training as a matter of urgency.

### 3.3 Active Exporters (Exporters)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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#### 1. **Business Proposal**

##### 1.1 **Introduction**

The Exporters' database is a critical core component in the creation of the export drive monitoring the drive's effectiveness, measuring this drive against international benchmarks and allocating resources appropriately with a feedback matrix.

##### 1.2 **Business Proposed**

1. Create a database of "potential and "active" exporters on the E-Web server using Microsoft Access. This will enable the database to deliver an active capability to the users wishing to register. In addition potential importers can search the database for potential South African partners.
2. The database will be the core delivery system for the help desk to register potential exporters without a customs and excise number, and track these companies to export status.
3. Source active exporters from customs and excise on a monthly basis. The file received from customs and excise on a monthly basis is run against the existing database.
4. The database will return the new exporters and identify which potential exporters registered by the help desk have become active exporters on a monthly basis as well as monitoring the continued activities of existing exporters.

5. The database will permit companies to register themselves thereby making their presence known to potential importers searching the site. Due to legislation DTI may not make public companies in South Africa that are active exporters without the permission of the exporter. For this reason self-registration will be encouraged by the export councils amongst their members.
6. The database of active exporters will be linked to an active Outlook contact database, enabling the management of Export councils to enable distribution of trade enquiries to appropriate members.
7. Should an enquiry be sent through the web link to a potential South African export partner, a copy of this mail will be sent to the appropriate export council management, and to DTI for recording activity.
8. In phase to the web database should be replaced with a DTI Informix database, linked to the export incentive systems, and expanded over time to bring data as required from systems such as company registration.

1.3 **Support of Strategic Objectives**

Provide a platform to expose South African exporters internationally, and monitoring and using a solid basis to measure the growth or decline in the number of active exporters.

The existing file of exporters at DTI contains 40000 companies, many of which no longer export, and are missing many companies that do export but do not register with the DTI. Therefore the database is of little qualitative benefit. The proposed Database will be a qualitative and maintained current due to the harvesting of source record. Unfortunately Customs and excise is largely manual, and therefore although the source is a definitive record of exports it cannot be considered as an absolute monthly record- but the best available data.

2. **Proposed Benefits**

2.4 Internationally.

Expose South African exporters to potential importers

2.5 There would be a financial benefit to.

Exporters will benefit directly in terms of exposure, enquiries, and potential transactions. Having the database of companies will radically improve the ability of DTI foreign representatives to direct enquiries to appropriate parties. Estimates of a 5% improvement in exports annually may well be a little high- this represents R1.5 to R2 billion Rand. Half that value would be significant.

3. **Cost & Return**

3.1) **Costs**

- The budget to design, develop, and deploy the Export database on an access database loaded onto the E-WEB system should not exceed R100 000.
- In the event that the E-Web system is not available, a systems budget of R100 000 would be appropriate

3.2) **Benefit**

Assuming a benefit of 5% in growth of South African exports-this would result in R1.5 billion Rand. To be conservative, if the database assisted to generate 10% of this i.e. R150 million the return on investment once implemented would be measured in hours.

3.3) **Measurable & Thresholds**

3.3.1) Measurable:

- Number of active exporters.
- Value of exports in monetary terms monthly.
- Number of exporters registering their participation.

3.3.2) Threshold:

4. **Dependencies**

4.1) **System depends on**

4.1.3) All related internal system interfaces.  
E-Web implementation

4.1.4) External feeds  
Exporters details from Customs and excise.

4.2) **Departments dependent on system**

All export initiatives

5. **Risk Assessment**

There are two primary risks, the first being the continued source of data from department of Customs and excise, the second being the availability of access to the Web site by the various stakeholders. If the Site hosting the Database is compromised in speed or availability it will fail to deliver the benefits proposed.

6. **Conclusion and Recommendation**

6.1) The database should be implemented as a matter of urgency.

### 3.4 Foreign Access Market Enquiries (FAME)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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## 1. **Business Proposal**

### 1.1 **Introduction**

South Africa currently receives a large number of qualified trade enquiries from the foreign missions. Once these enquiries have been communicated to an entity, which is typically not the DTI but someone in the private sector, neither the counsellor nor DTI have an efficient mechanism of monitoring, measuring, and managing these valuable opportunities. FAME should be targeted at implementing a solid and reliable platform and process from the counsellors through to the DTI, which will house the FAME database and track enquiries through to the export councils and onto the potential exporter or collection of companies that could potentially satisfy and execute. At each stage of the enquiry's life cycle feedback and appropriate confirmation should be communicated through all channels back to the originator. The process should also cater for the fact that any foreign enquiry entering the system directly at DTI's offices in South Africa should be communicated to the appropriate foreign counsellor for qualification before entering the system as a qualified opportunity. Speed is of the essence and therefore auto-handling or the absolute minimum of human intervention should take place between the counsellor and the potential supplier in South Africa.

### 1.2 **Business Proposed**

Fame requires the SHARE project to be implemented as a pre-requisite. The mail and office functionality implemented in Share will radically increase the communications conduit between stake-holders, however it is recommended that the workflow and procedures be configured into the Share platform to enable the measurement, management and auto-generation of exceptions.

- 1) Define and implement naming convention for DTI users, DTI departments, foreign counsellors, Foreign offices, Export councils, Export member lists, Provinces etc.
- 2) Define and implement a routing path for defined mail types both from originator through various warehouses (region, DTI offices in SA, Export councils, Export Membership lists etc) to ultimate recipient, and returned.
- 3) Define and implement auto routing rules to capture mail in appropriate folders, and auto- route data after defined periods of time. I.e., if a counsellor mails a trade enquiry to a DTI export desk, it will if not attended to in DTI (Export desk position vacant, or representative not available) then it will automatically route to the appropriate Export Council. If the export Council representative were not available, then after a defined period the mail would be re-routed to the member list.
- 4) Define and implement a project /task template so that all the projects in their various phases are managed consistently. In addition the Project task folders would be shared across the network with appropriate Management at DTI, permitting real-time management and reporting.
- 5) Define and Implement Calendar templates and definitions enabling co-ordination of activities, and measure the time and cost of activities. There is a belief that the volume of activities expected to be undertaken in foreign offices exceeds the human capacity appointed to do so. By recording and monitoring activities this would be substantiated/ or refuted.
- 6) Define and implement all management reports with auto notification to appropriate users re the expected production, and follow-up activities.

### 1.3 **Support of Strategic Objectives**

Provide a platform and Warehouse of all activities that will provide valuable information regarding: -

- 1) Efficiency of Foreign offices
- 2) Trade enquiries generated
- 3) Trade enquiries converted to exports

## 2. **Proposed Benefits**

### 2.6 Internationally.

Provide strong, efficient and quick communications between foreign activities and South Africa.

2.7 There would be a financial benefit to:

Exporters

2.8 The ability to optimise.

Additional activities such as those related to investment initiatives.

3. **Cost & Return**

3.1) **Costs**

- Defining the various conventions, rules and implementing should be completed within three months. The cost would be 6 man months at outsourced rate of R60 000 per month. Total cost R360 000.
- Employ an Office Master to enhance and maintain the system. Current costs of a suitably qualified MCSE with the office automation expertise would be between R20 – R30 000 per month.

3.2) **Benefit**

- One export contract secured in excess of R1 million would justify this process. It is anticipated however that the increased efficiency could add two and a half percent to the current export levels i.e. R750 million a year in increased exports from South Africa.

3.3) **Measurable & Thresholds**

**4. Measurable:**

Defined by Management during definition phase

**5. Threshold:**

Defined by management during definition phase

4. **Dependencies**

4.1) **System depends on**

4.1.5) All related internal system interfaces.  
The implementation of Share.

4.1.6) External feeds  
None

4.2) **Departments dependent on system**

All divisions included in the export initiatives.

5. **Risk Assessment**

Co-operation from the foreign representatives.

6. **Conclusion and Recommendation**
- 6.1) Enter an investigation to establish the full project scope.



### 3.5 Visible Initiatives to the Economic World (VIEW)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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#### 1. **Business Proposal**

##### 1.1 **Introduction**

View will contain the territories' generic business profile and include aspects such as language, currency, major business centres, SA embassies, agencies or associations, limited political profile indicating stability, GDP figures etc.

##### 1.2 **Business Proposed**

- 1) Produce a Template that would enable consistent territory review.
- 2) Provide training to the Foreign representatives such that the template could be maintained by quickly and directly.
- 3) Provide a Web quality assurance process that would notify authors for review ensuring the data remains current.

##### 1.3 **Support of Strategic Objectives**

Export Initiative.

#### 2. **Proposed Benefits**

Requires Further investigation

#### 3. **Cost & Return**

Requires Further investigation

#### 4. **Dependencies**

Requires Further investigation

#### 5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

### 3.6 Industry Statistics into Countries (INSINC)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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#### 1. **Business Proposal**

##### 1.1 **Introduction**

At the foundation of any export initiative are the statistics that permit the DTI to measure the current status, define goals, monitor the campaign and measure the effectiveness over time. Currently trade statistics are extremely difficult to garnish within the SA context and are either at granularity levels inappropriate for management use or do not coincide with import statistics emanating from targeted areas. A normalised statistic strategy needs to be defined which will cater for in congruencies such as product costs; shipping costs exchange variances and targeted retail. This will enable the DTI to determine the value chain of exports and assist exporters in foreign pricing of their commodities and determining accurately whether the ebbs and flow of exports are increasing the appropriate areas. Monthly accurate statistics aggregated up to provide for management information thereby providing support for strategic plans.

##### 1.2 **Business Proposed**

- 1) To establish a 3<sup>rd</sup> party supplier of this data as available from the territories into which South Africa exports. The top 15 to 20 territories are required, and used as benchmarks establish the effectiveness of export initiatives.
- 2) Establish an internal working Committee including Members of SARS, SA Statistics, Labour and DTI to formulate an implementation plan of the various supporting systems to enable SA to produce these most valuable statistics

##### 1.3 **Support of Strategic Objectives**

Foundation for monitoring South African Export initiatives.

**NOTE: Not having this data is similar to companies producing financial statements that cannot be audited, as all supporting data is “simply not known”!**

2. **Proposed Benefits**

Requires Further investigation

3. **Cost & Return**

Requires Further investigation however as a project initiation budget, an amount of R1million should be allocated to form the scoping document within a 6-month period.

An anticipated direct benefit would exceed R1 billion in the first year of implementation!

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that the DTI contract a third party to Project manage this project to completion.

**3.7 Vocabulary at the Department of Trade & Industry (VOCAT)**

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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1. **Business Proposal**

1.1 **Introduction**

Addresses inconsistent use of terms including a glossary of DTI terms of reference. This document should be implemented at the call centre and permeated throughout the department and will lead to a consistent external interface.

1.2 **Business Proposed**

1) produce an annual publication of DTI Terminology

1.3 **Support of Strategic Objectives**

Export and other initiatives

2. **Proposed Benefits**

Requires Further investigation

3. **Cost & Return**

Requires Further investigation

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that the DTI contract a third party to establish the scope and return of this project

### 3.8 Communication On-line Analysis (COAN)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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#### 1. **Business Proposal**

##### 1.1 **Introduction**

It is imperative that the activities of DTI be communicated to all stakeholders in a timeous and controlled manner. In order to facilitate effective communication the various interfaces both inbound and outbound need to be monitored, measured against goals and the appropriate resources allocated as demands and loads shift from one communication medium to another. As a simple example, inbound calls on a switchboard and the time to connect provide valuable insight to the responsiveness of DTI or potential frustration in wasted opportunities measured by dropped calls or multiple hot calls. The same principle applies to web access, call centre access, received and outgoing mail, faxes etc.

##### 1.2 **Business Proposed**

Define measurement and rule criteria similar to the Fame project for all activities beyond the internal electronic mail system.

##### 1.3 **Support of Strategic Objectives**

All Export initiatives inbound and outbound within South African

#### 2. **Proposed Benefits**

Requires Further investigation

#### 3. **Cost & Return**

Requires Further investigation

#### 4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

### 3.9 Valued Importers of Product (VIP)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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#### 1. **Business Proposal**

##### 1.1 **Introduction**

DTI VIP's are in essence the country's clients and therefore an ideal target audience for ongoing customer relationship management. It is important that this information be held confidential and is not used in a manner that will enable local manufacturers to compete with each other for the importers business. However there may be an opportunity to cross sell products from other industries to existing importers.

##### 1.2 **Business Proposed**

1) Produce a database of all Importers

##### 1.3 **Support of Strategic Objectives**

All Export initiatives.

#### 2. **Proposed Benefits**

Requires Further investigation

#### 3. **Cost & Return**

Requires Further investigation

#### 4. **Dependencies**

Requires Further investigation

#### 5. **Risk Assessment**

Requires Further investigation

#### 6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project



**3.10 South African exported Products (SAP)**

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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1. **Business Proposal**

1.1 **Introduction**

The SA Products database will be used as an ongoing analytical tool by the export councils in establishing what potential products could be exported that are not currently exported and determining where a currently exported product could either find extended market opportunities (territories not yet explored) or extended application within existing markets along with foreign DTI representatives.

1.2 **Business Proposed**

1) Define and implement a SA product database based on HS code definitions.

1.3 **Support of Strategic Objectives**

Export initiatives

2. **Proposed Benefits**

Requires Further investigation

3. **Cost & Return**

Requires Further investigation

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

**3.11 South African Imported products (SAIM)**

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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1. **Business Proposal**

1.1 **Introduction**

The SAIM project would be targeted at establishing what imports could be replaced by the South African equivalent or same ("SAIM") product. This would benefit South Africa's balance of payments and potentially convert South Africa from being a net importer of a product to a net exporter of a product.

1.2 **Business Proposed**

1) Define and implement an Imported product Database sourced from Department of Customs and excise

1.3 **Support of Strategic Objectives**

Export initiatives

2. **Proposed Benefits**

Requires Further investigation

3. **Cost & Return**

Requires Further investigation

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

### 3.12 Incentives (INC)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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## 1. **Business Proposal**

### 1.1 **Introduction**

An end-user Exporters wizard would be used by potential beneficiaries to determine which incentive could be applicable to their activities. The wizard should have sufficient expert feedback to guide a potential beneficiary on the criteria they need to fulfil in order to potentially qualify for incentives. Should a potential beneficiary following the use of either the wizard or directly entering the application form such resultant application for incentive form should be automatically computer checked for validity and submitted directly to DTI.

### 1.2 **Business Proposed**

Define a simple and effective mechanism for exporters and potential exporters to establish the incentive available- and access the funds without undue loss of value. Due to the current complexity in accessing incentives currently 3<sup>rd</sup> parties are charging between 5 - 20% of the to potential value received by beneficiaries to access the funds.

### 1.3 **Support of Strategic Objectives**

Exporters

## 2. **Proposed Benefits**

Requires Further investigation

## 3. **Cost & Return**

Requires Further investigation

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

**3.13 World Access to Specific Productive Economies (WASPE)**

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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**1. Business Proposal**

**1.1 Introduction**

Although the DTI have an annual review of potential target economies of the world there appears to be discrepancies slipping through the system. An ongoing review of world economies should be set up such that changes in world fortunes are continually monitored and tracked relative to DTI formal activities. Although there is much debate in this area, it is suggested that a very simple and definitive measurement be used such as a weighted GDP propensity for trade be established. Weighted world GDP figures are simple and inexpensive to obtain on a regular basis (annually), and the implementation of a consistent Metric would be more desirable than a review method that changes each year and therefore renders trend analysis somewhat difficult. It is also recommended that where GDP figures exceed a predetermined level and regional GDP data is available, that these territories be targeted on economic grounds- an example Certain states in the USA for instance have sustainable GDP levels placing them in the top ten and top twenty economies of the world relative to entire countries elsewhere- and therefore of immense commercial opportunity.

A method has been used where high growth of economies were targeted for instance as being desirable partners- yet the economies net value from which these calculations were performed is small relative to territories where the economic growth rate may have been slower or even negative. Commercially this is potentially invalid as these fast growing economies currently have a fraction of the buying power of the top ten English speaking economies.

(Refer to the next page for rating of the top 110 economies in order)

**DEPARTMENT OF TRADE AND INDUSTRY POLICY SUPPORT PROGRAMME  
PROGRAMME MANAGEMENT UNIT**

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**1.2 World Economies Rated in terms of GDP (Normalised into Territories)**

United States 8,431.40

Status	Country	GDP	Status	Country	GDP	Status	Country	GDP
1	Japan	4,545.00	41	USA Missouri	152.10	81	Ukraine	54.50
2	Germany	2,159.00	42	Norway	151.00	82	USA District Columbia	52.37
3	France	1,374.80	43	Thailand	149.70	83	USA Nebraska	48.81
4	United Kingdom	1,317.00	44	USA Minnesota	149.39	84	Czech Republic	48.40
5	Italy	1,225.00	45	Saudi Arabia	148.10	85	Algeria	48.10
6	China	1,098.00	46	USA Wisconsin	147.33	86	Hungary	45.30
7	USA California	1,033.02	47	USA Tennessee	147.00	87	USA New Mexico	45.24
8	Brazil	803.40	48	Austria	142.90	88	Nigeria	40.70
9	USA New York	651.65	49	South Africa	139.00	89	Romania	40.00
10	Canada	648.30	50	Poland	138.20	90	USA West Virginia	38.23
11	USA Texas	601.64	51	USA Connecticut	134.57	91	USA New Hampshire	38.11
12	Spain	568.50	52	USA Colorado	126.08	92	USA Hawaii	38.02
13	South Korea	542.20	53	USA Louisiana	124.35	93	USA Delaware	31.59
14	Russia	475.50	54	Greece	124.30	94	Iraq	30.40
15	Mexico	433.10	55	USA Arizona	121.24	95	USA Maine	30.16
16	Australia	424.30	56	Finland	114.90	96	USA Idaho	29.15
17	India	412.40	57	Venezuela	110.20	97	USA Rhode Island	27.81
18	The Netherlands	395.20	58	Portugal	109.80	98	Vietnam	27.00
19	USA Illinois	393.53	59	Colombia	106.30	99	USA Alaska	24.49
20	USA Florida	380.61	60	USA Alabama	103.11	100	Kazakhstan	24.00
21	USA Pennsylvania	339.94	61	Singapore	101.30	101	USA South Dakota	20.19
22	Argentina	337.00	62	Israel	101.10	102	USA Montana	19.16
23	USA Ohio	320.51	63	USA Kentucky	100.08	103	Slovakia	17.70
24	Taiwan	310.40	64	USA Oregon	98.37	104	USA Wyoming	17.56
25	USA New Jersey	294.06	65	Egypt	93.60	105	Lebanon	16.90
26	USA Michigan	272.61	66	USA South Carolina	93.26	106	USA North Dakota	15.79
27	Switzerland	246.00	67	Chile	87.30	107	USA Vermont	15.21
28	Indonesia	233.50	68	Malaysia	87.10	108	Bulgaria	13.70
29	USA Georgia	229.47	69	Philippines	87.00	109	Lithuania	9.90
30	USA Massachusetts	221.01	70	Iran	81.50	110	Zimbabwe	9.40
31	Belgium	220.40	71	USA Iowa	80.48	111	Jordan	8.70
32	USA North Carolina	218.89	72	USA Oklahoma	76.64	112	Latvia	6.00
33	Sweden	216.90	73	USA Kansas	71.74	113	Estonia	4.70
34	USA Virginia	211.33	74	Pakistan	69.20			
35	Hong Kong	195.00	75	New Zealand	68.90			
36	Turkey	186.20	76	Ireland	68.30			
37	Denmark	176.50	77	USA Arkansas	58.48			
38	USA Washington	172.25	78	USA Mississippi	58.31			
39	USA Indiana	161.70	79	USA Nevada	57.41			
40	USA Maryland	153.80	80	USA Utah	55.42			



1. **Business Proposed**

- 1) Annually review-focused territories for potential export targeting
- 2) Increase Foreign representation in appropriate territories. There has been an un-substantiated comment that South Africa intends to reduce the number of foreign representatives. While it may be true that many are currently posted in countries with limited potential- it is also true that there is substantial potential where there is no representation.
- 3) Defining Potential markets is a simple commercial exercise and should be undertaken annually by a 3<sup>d</sup> party body with commercial acumen such as an institute lecturing at Master of Business level (MBA).

1.3 **Support of Strategic Objectives**

Increased Export potential

2. **Proposed Benefits**

Requires Further investigation.

3. **Cost & Return**

Requires Further investigation.

The cost to implement this programme should be within the current approximately R65 million budgets (this figure has not been verified). The return could well be to increase the exports by as much as 50% within a three-year period- i.e. increase of R15 billion.

Note: Should a territory have the propensity to become a significant importer of South African products – and this does not come to pass, then it is more likely that the representative posted in the territory is inappropriate rather than the territory being inappropriate! Such a representative may well be appropriate in another territory.

During interviews it became apparent that certain foreign counsellors had a propensity or leaning towards certain industries.

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

### 3.14 Focused Foreign Industry Demographics (FFIND)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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## 1. **Business Proposal**

### 1.1 **Introduction**

The Ffind programme would determine the opportunity within each economic territory. The strategy would be to create a formalised method of determining the industries with the greatest potential, measure them against the ability of appropriate export councils' ability to effect a penetration and define the promotional goals. Define and use a relatively consistent approach to maximise the opportunity and measure the effectiveness against the goals. This would typically be an annual programme, however it would be used as an acid test before entering any long-term promotional campaign in a territory.

### 1.2 **Business Proposed**

- 1) Define and produce an iterative process to determine the "Primary" Export Industry with the propensity to succeed in an identified target economy.
- 2) Define a strategic depth of capability measurement for export councils. For instance:-
  - Should an industry be at maximum capacity in terms of available output then SA should not expose the product to new territories until capacity has been increased. I.e. should SA wine producers be at capacity, any new territory will merely redirect existing capacity from one market to another- which has the effect of reducing the reputation and reliability within the territory from which capacity has been redirected.
  - Should an industry have a dominance in a market then by default such exported product should receive "Primary" status. It is substantially easier to maintain a market than "re-capture" one once one has lost reputation and standing.

- An export council that does not have the capacity to service the markets targeted will damage the prospects of co-principle export councils in a region.

1.3 **Support of Strategic Objectives**

Focused Export initiatives

2. **Proposed Benefits**

Requires Further investigation

3. **Cost & Return**

Requires Further investigation

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

### 3.15 Trade Access Potential (TAP)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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## 1. **Business Proposal**

### 1.1 **Introduction**

Trade Access Potential is the detailed market intelligence covering aspects such as; trade shows in the territory, company databases, press contacts, agencies of influence i.e. the territories' equivalent of our Chambers of Commerce etc. In addition to this detail, historic contact with entities will be stored. A major function of Tap will be to provide databases of potential importers, and where appropriate, a territories current importers and manufacturers OEM, thereby assisting to gauge the correct import partners and potential distribution competition. In essence, this database is sufficiently detailed to support a full promotional and sales campaign in a specific industry within a specific territory.

There needs to be a scaled approach in each territory based on the resources available- this is being started at DTI. As an example for instance should sufficient resources be available then detail in a territory of interest to targeted export councils would be to detailed importer by name, their address's and who their current major suppliers are. Should resources not permit this then merely list of importers with addresses. If resources for this are too low then activity expected would be trade calendar of and industry initiatives in that industry, and higher up merely the industry statistics. This however requires substantial investigation to establish levels of resources relative to information production.

### 1.2 **Business Proposed**

- 1) Produce a detailed database in each defined primary market. Avoiding building databases targeted at export councils that do not have a propensity in a given territory

- 2) Define and produce an activity template that must be maintained in the territory and communicated to exporters when changes or events of interest occur.

1.3 **Support of Strategic Objectives**

Focused Exporter initiatives

2. **Proposed Benefits**

Requires Further investigation

3. **Cost & Return**

Requires Further investigation

4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that the DTI contract a third party to establish the scope and return of this project

### 3.16 Geographic Access to Industry Tariffs (GAIT)

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

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#### 1. **Business Proposal**

##### 1.1 **Introduction**

Gait is an HS code/products and services based table that will compare and provide tariff restrictions, costs and agreements benefiting and restricting our potential exporters in dealing with a foreign territory. It will also include all trade agreements and potential trade agreements under discussion with automatic feed back to SA exporters on any changes or enhancements with respect applying tariffs and trade agreements. Exporters would be able to tag the appropriate HS code at the appropriate level of granularity relative to a territory or collection of territories and in the event that changes are made they would be notified.

##### 1.2 **Business Proposed**

Produce an HS code based tariff Database enabling a broad tariff comparison to be established per territory.

##### 1.3 **Support of Strategic Objectives**

Export initiatives

#### 2. **Proposed Benefits**

Requires Further investigation

#### 3. **Cost & Return**

Requires Further investigation

#### 4. **Dependencies**

Requires Further investigation

5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

**3.17 Agencies for New Government Initiatives and Leadership (ANGIL)**

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

**1. Business Proposal**

**1.1 Introduction**

There are a number of initiatives, supported by DTI that are facilitated by external agencies receiving direct financial support. The process of renewing financial contribution on behalf of DTI or enhanced financial support of these agencies a metric of performance should be established.

Inclusion of all the ANGEL projects in all referral databases used in DTI such as the call centre is desirable- along with a full understanding of what benefits they provide and when they should be referenced third party enquiries.

**1.2 Business Proposed**

Define a measurement metric to establish refunding decisions. This includes initiating funding beyond initial periods in order to further benefit from activities.

**1.3 Support of Strategic Objectives**

Export initiatives

**2. Proposed Benefits**

Requires Further investigation

**3. Cost & Return**

Requires Further investigation

**4. Dependencies**

Requires Further investigation



5. **Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

**3.18 Detailed Routing for Internal Value Chain Execution (DRIVE)**

**Project No:**

**Division: DTI**

**Date: 01/06/2000**

**Sponsor:**

**Name: Director**

**Title: Assistant Director**

**Signature: \_\_\_\_\_**

**Sustaining Sponsor:**

**Name:**

**Title: Senior Manager:**

**Signature: \_\_\_\_\_**

**1. Business Proposal**

**1.1 Introduction**

The Department of Trade and Industries has experienced a number of restructures in recent times. During these processes certain value leaks have manifested and in many instances remained undetected. Therefore the recommendation is to generate a workflow database that documents the value chains of each process within DTI and will support the implementation of impact analysis on future restructures in the planning process.

**1.2 Business Proposed**

1) Define implement and measure the benefits of a rule based and automatic handling of activities engine.

**1.3 Support of Strategic Objectives**

Export and DTI initiatives

**2. Proposed Benefits**

Requires Further investigation

**3. Cost & Return**

Requires Further investigation

**4. Dependencies**

Requires Further investigation

**5. Risk Assessment**

Requires Further investigation

6. **Conclusion and Recommendation**

Requires Further investigation

- It is recommended that a the DTI contract a third party to establish the scope and return of this project

## **4.0 RESOURCES AND POTENTIAL WAY FORWARD.**

### **4.1 Project Sponsorship**

Typically in defining each project it is common to establish the internal project sponsor and recommend a sustaining sponsor both of which normally sign off each project prior to submission of overall project documentation. However, this has not been possible during this project for two main reasons one of which is timing and the second relates to timing in that changes are anticipated with respect to Investment South Africa and staff movements between DTI and Investment South Africa alias TISA. Therefore staff interviewed have not yet finalised their future performance areas and are naturally concerned to become sponsors of projects which may fall outside of their future areas of responsibility.

It is strongly recommended that for the first four projects E-Web, SHARE, EXPORTERS and FAME, the director level or above project sponsor is officially appointed as a matter of urgency.

It would be the project sponsors' responsibility to appoint a sustaining sponsor (i.e. day to day implementation activities and project management). It would also be their responsibility to make the final decisions outlined in the recommendations below:

### **4.2 Projects e-Web, Share, Exporters, and Fame**

#### **4.2.1. Short-term Implementation**

Due to the rapid benefit that these four projects will deliver in the export information strategy drive the following approach is recommended to fast track the deployment.

#### **4.2.2. Resources**

Three high level technical people be appointed with expertise in the following areas:

- Web development and management
- Microsoft Exchange and Outlook expertise
- Microsoft Data Base and Visual Basic expertise.

The delivery expected from the web expertise is the E-web project.

The delivery from the Microsoft Exchange and Outlook would be SHARE and FAME along with the training manual used to

bring foreign counsellors up to speed in terms of their operational issues.

The output from the DataBase and Visual Basic expertise would be EXPORTERS linked to the E-web and FAME projects. In addition the Visual Basic expertise would be used in both Eweb and the SHARE project to customise operational rules etc. The sign-off would be the monthly harvesting of the SARS active exporters with the necessary programmatic procedures to update their helpdesk on new exporters, linking potential exporters to first time exporter status and exporter self registration. Clearly these functions will be deployed in both E-web and SHARE (SHARE's usage would be trade enquiries, tenders etc. communicated to exporters via DTI and the export councils).

The delivery from all three would be co-ordinated in a six-month project by the sustaining sponsor with a sign-off document being formulated and approved by the director-level sponsor, pre appointments.

It is anticipated that individuals with these skill combinations would cost R25 – R30 000.00 per month therefore the budget for this part of the programme would be approximately R520 000.00.

#### **4.2.3. Internal Training**

It is imperative that the necessary users at DTI receive formal training within the context of the SHARE and FAME projects along with implementing the necessary management structures to review both the staffing inputs and give guidance and management on an ongoing basis. The SHARE and FAME projects will only return benefits if the sponsor ensures that the system users have as part of their key performance areas activities which are supported by the FAME project. Perhaps this training could be included as part of the training course currently being produced by Dr. Miriam Altman.

#### **4.2.4. Software**

The software required to facilitate these project would be the Microsoft Exchange and sufficient copies of Outlook purchased locally customised by the above technical team and then deployed both within DTI and the foreign locations where it is anticipated that DTI could make use of the Department of Foreign Affairs to install on existing DTI hardware.

It is anticipated that this software cost would be R250 000.00 to R300 000.00.

#### **4.2.5. Hardware**

The hardware to sustain the above four projects during the first six months would be in the order of R500 000.00. It is therefore recommended for this reason and to reduce additional technical operations resources that this function be outsourced to a third-party commercial entity. By way of example, the DTI website could be maintained externally at a cost of approximately R500.00 per 100 megabytes of web content.

It is anticipated that to maintain the system for one year it would cost R180 000.00 per year i.e. R15 000.00 per month.

#### **4.2.6. EU Funding**

It is recommended that this project be put to the EU funding organisations as they may well be able to approve the project quickly and by virtue of the way the above has been recommended approve the project in terms of their charter.

#### **4.2.7. Long-term Sustainability**

During the 12 month third party hosting DTI could review the success and engage the necessary government agencies to formulate a tender and bring the ongoing maintenance under the control of the Department of Trade and Industries i.e. produce and appoint a tenderer to maintain the system.

### **4.3 Public Private Partnerships**

It is further recommended that DTI engage with the significant players in the Information Technology Industry in South Africa to provide a PPP programme to scope, develop and deploy the remaining 18 projects defined.

Should five of the leading IT companies' Managing Directors be introduced to E-web, FAME, EXPORTERS and SHARE as a demonstration of DTI's commitment to accelerating exports, a request for resources without financial gain should, we believe, result in a private industry capacity accelerating all other projects identified within DTI.

#### **4.4 Statistical Data**

Throughout the investigation of DTI's export information strategy it has become very apparent that the data used, on which to base strategic decisions, could be improved upon if a programme to purchase such data collectively between government agencies and private industry could be co-ordinated. It is therefore recommended that a director level sponsor be appointed specifically for this task in creating another PPP programme.

## **ATTACHMENT 1:**

**Inception Report (D1) and  
Proposed Activities and Stakeholders (D2)**



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## **1. Purpose of this document**

The purpose of this document is to outline the activities to be undertaken during the course of the Export Information Strategy.

## **2. Proposed Activities**

- 2.1 Analysis Organisation structure
- 2.2 Analysis of internal process's
- 2.3 Analyse Identified issues
- 2.4 Analyse external factors
- 2.4 Analyse Potential innovative strategies
- 2.5 Analyse Logistical issues
- 2.6 Analyse Operational issues
- 2.7 Analyse Potential for Measurement metrics
- 2.8 Acid test re Metrics on issues 2.1 to 2.6

## **3. Proposed Interview Schedule and Stakeholders**

### **3.1 Project Sponsor**

Faizel Ismail	DDG: Trade and Investment
John Morris	Director: Export Services

### **3.2 Project Manager**

Stefan Pretorius	DD Export Services, Export Information Systems
Pieter van der Merwe (departed)	

### **3.3 Senior DTI Management Interview proposal**

Dr. T. Mhlongo	Acting CD Technology and Industrial Strategy
Mr. V Mathale	Director: Export Sector Promotion
Mr. E Matthee	Director: Financial Assistance Schemes
Mr. S Moodliar	Director: Africa & Middle East
Mr. S. Van Heerden	Director: Systems Design & Integration
Dr. P. Jourdan	DDG Special Projects
Mr. R. LeRoux	DD Export Services, Exp Help Desk
Mr. K. Wojciechowicz	DD: Statistics

### **3.4 3<sup>rd</sup> Parties Interview proposal**

#### **3.4.1 Stakeholders within South Africa**

Mr. R. Vegas	CEO Investment South Africa
Export Councils	
Provincial representatives	
Various Current Exporters	
Mr. A. Mare'	Customs and Excise
Dr M. Altman	Econ. Rep. Training Contractor

#### **3.4.2 Entities external to South Africa (Telephonic/ Text research)**

Ireland  
Canada  
United Kingdom  
United States of America  
Australia (Austrade)  
Singapore

#### **3.4.3 Commercial entities promoting trade in South Africa**

Johnic E-ventures  
Tradepoint  
TIPs  
Metropolis- Verticalnet

## **ATTACHMENT 2:**

**International Review and  
Benchmarking Terms of Reference (D3)**

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## **1. Purpose of this document**

The purpose of this document is to outline the findings in respect reviewing the strategies and activities of export initiatives from countries that would offer lessons for the South African initiatives

## **2. Activities**

- 2.1 Produce a list of Countries as a term or reference
- 2.2 Analysis Basic method of Promotion
- 2.3 Produce a metric to base Future measurement.
- 2.4 Recommendations

## **3. Results of study**

### 3.1 Countries Considered as part of the study

- Ireland
- Canada
- Australia
- New Zealand
- Peru
- Argentine
- Brazil
- Nigeria
- Poland
- Taiwan
- UK
- USA

### 3.2. Significant Export strategy's relative to South Africa

Drawing conclusions in the time allocated has been a challenge due to the relative size of economies, income per capita and unique capabilities and resources of each economy. Therefore although a benchmark metric would be a benefit, one has not been established during this investigation. It is recommended that a separate project be initiated to establish realistic measurement criteria along with ongoing monitoring milestones, and goals.

However a review of the "observations" derived from this exercise are outlined below. It is appropriate to comment that this is not an exhaustive study and has value only in providing potential direction for a study to be initiated should a relative metric be considered of value in the future. Conclusions below were derived from studies conducted over the Internet, as verified data was not available to the consultant from within the DTI, Studies were primarily conducted using GDP as a basis and although this does provide a definitive ranking, on its own, it may not be ideal factor to base further investigation. One of the projects recommended is to gather verified world trade statistics as a regular activity; one of the benefits would be as strategic input.

- Southern Hemisphere Countries offer a closer relation to South African exporters due to their relative position, to major markets in Asia, Europe, and North America. This is especially true for agricultural, food and beverage based products.
- Countries with a higher per capita level tend to have a faster growing economy and also a higher percentage of exports relative to GDP.
- The smaller the economy the greater is the relative reliance on fewer Industrial sectors generating a greater percentage of exports. This phenomena dictates the strategy adopted.
- A country with a GDP similar to South Africa is Poland – however little data could be gathered to define a metric. Poland also has many differences that would render a metric questionable.

In summary and after substantial debate both within DTI and external with various academic colleagues, a conclusion was reached that any metric defined would be subject to a battery of exceptions and open to challenge, rendering the benefit somewhat limited in the context of the current project. However given sufficient resources and time a metric could be found with substantial value to the long-term objectives of the DTI. The recommendation is that this study be conducted over a 6 to 9 month basis and include a substantial travel budget for on site investigation in at least 20 potential territories.

**DEPARTMENT OF TRADE AND INDUSTRY POLICY SUPPORT PROGRAMME  
PROGRAMME MANAGEMENT UNIT**

**3.3. Indication of complexity of a Relative Metric**

The following table provides an indication of the spread in GDP relative to South Africa; complexities and differences are common knowledge

United States			8,431.40								
Status	Country	GDP	Status	Country	GDP	Status	Country	GDP	Status	Country	GDP
1	Japan	4,545.00	41	USA Missouri	152.10	81	Ukraine	54.50			
2	Germany	2,159.00	42	Norway	151.00	82	USA District Columbia	52.37			
3	France	1,374.80	43	Thailand	149.70	83	USA Nebraska	48.81			
4	United Kingdom	1,317.00	44	USA Minnesota	149.39	84	Czech Republic	48.40			
5	Italy	1,225.00	45	Saudi Arabia	148.10	85	Algeria	48.10			
6	China	1,098.00	46	USA Wisconsin	147.33	86	Hungary	45.30			
7	USA California	1,033.02	47	USA Tennessee	147.00	87	USA New Mexico	45.24			
8	Brazil	803.40	48	Austria	142.90	88	Nigeria	40.70			
9	USA New York	651.65	49	South Africa	139.00	89	Romania	40.00			
10	Canada	648.30	50	Poland	138.20	90	USA West Virginia	38.23			
11	USA Texas	601.64	51	USA Connecticut	134.57	91	USA New Hampshire	38.11			
12	Spain	568.50	52	USA Colorado	126.08	92	USA Hawaii	38.02			
13	South Korea	542.20	53	USA Louisiana	124.35	93	USA Delaware	31.59			
14	Russia	475.50	54	Greece	124.30	94	Iraq	30.40			
15	Mexico	433.10	55	USA Arizona	121.24	95	USA Maine	30.16			
16	Australia	424.30	56	Finland	114.90	96	USA Idaho	29.15			
17	India	412.40	57	Venezuela	110.20	97	USA Rhode Island	27.81			
18	The Netherlands	395.20	58	Portugal	109.80	98	Vietnam	27.00			
19	USA Illinois	393.53	59	Colombia	106.30	99	USA Alaska	24.49			
20	USA Florida	380.61	60	USA Alabama	103.11	100	Kazakhstan	24.00			
21	USA Pennsylvania	339.94	61	Singapore	101.30	101	USA South Dakota	20.19			
22	Argentina	337.00	62	Israel	101.10	102	USA Montana	19.16			
23	USA Ohio	320.51	63	USA Kentucky	100.08	103	Slovakia	17.70			
24	Taiwan	310.40	64	USA Oregon	98.37	104	USA Wyoming	17.56			
25	USA New Jersey	294.06	65	Egypt	93.60	105	Lebanon	16.90			
26	USA Michigan	272.61	66	USA South Carolina	93.26	106	USA North Dakota	15.79			
27	Switzerland	246.00	67	Chile	87.30	107	USA Vermont	15.21			
28	Indonesia	233.50	68	Malaysia	87.10	108	Bulgaria	13.70			
29	USA Georgia	229.47	69	Philippines	87.00	109	Lithuania	9.90			
30	USA Massachusetts	221.01	70	Iran	81.50	110	Zimbabwe	9.40			
31	Belgium	220.40	71	USA Iowa	80.48	111	Jordan	8.70			
32	USA North Carolina	218.89	72	USA Oklahoma	76.64	112	Latvia	6.00			
33	Sweden	216.90	73	USA Kansas	71.74	113	Estonia	4.70			
34	USA Virginia	211.33	74	Pakistan	69.20						
35	Hong Kong	195.00	75	New Zealand	68.90						
36	Turkey	186.20	76	Ireland	68.30						
37	Denmark	176.50	77	USA Arkansas	58.48						
38	USA Washington	172.25	78	USA Mississippi	58.31						
39	USA Indiana	161.70	79	USA Nevada	57.41						
40	USA Maryland	153.80	80	USA Utah	55.42						



## **ATTACHMENT 3:**

**RGM 1 & 2**

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## **1. Background**

These meetings below were held in lieu of formal Reference Group Meetings. This was due to the constant and close interaction between the researcher and the relevant DTI directorate, as well as the various stakeholders. Further meetings proceeded individually and on an ad hoc basis, e.g. numerous one-on-one feedback sessions were held with the Directors of DTI. At these meetings a constant flow of information and feedback was achieved. The requirements of the two official Reference Group Meetings were thus fulfilled.

## **2. Key Meetings**

The main meetings are highlighted below:

8th June 2000

**Trade Point at CSIR** - 20 attendees including Metropolitan Councils and Regional Representatives.

Input was given to the DTI Directorate in terms of the "way forward" and funding of TradePoint. DTI's decision following the meeting was that the Metropolitan and Regional Councils could progress with TradePoint within their own budgets.

26th June 2000

**Export Council's feedback to Minister** - attendees were 20 Export Councils and other interested parties - chaired by Minister Alec Irwin. Feedback was given on the Information Strategy Document. The meeting was facilitated by Stefan Pretorius with Paul Wootten on hand to answer questions.

13th July 2000

**Capital Equipment Export Council** - 30 representatives in attendance. The meeting was scheduled by Chris Bayers of DTI. The Consultant provided information on Electronic Data Interchange Technology to members of the Council.

18th July 2000

**Directorate Executive Committee** - 13 members in attendance. Feedback to be given on the Information Strategy Document.