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Hold-ups in SA work visa applications set to worsen despite policy reform, authorities warn

By Katja Hamilton

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President Cyril Ramaphosa announced at the fifth and final Investment Conference on Thursday (13 April 2023) that he will be introducing new visa categories for remote workers and startups intended to cater to startups and to attract entrepreneurs.



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It will also expedite the visa application process of employees sent by international companies to work in South Africa.

"This includes decentralising the adjudication of visa applications to foreign missions and streamlining application requirements to reduce the timeframes for obtaining a work visa," Ramaphosa said. To this end, a Trusted Employer Scheme will be available for qualifying companies for skilled applicants that will be linked to a points-based system.

New visa categories in the offing

The introduction of the remote work visa forms part of Ramaphosa's intention to attract salaried individuals to South Africa, thereby boosting the economy. The aim is to completely overhaul SA's work visa system.

Dubbed eVisa and established in February 2022 - the current system does not offer travellers visas on arrival to SA. Rather it enable visitors to apply and pay online for a visa from their home country, without visiting the SA Mission.

"We will be expanding the eVisa system to include an additional 20 countries over and above the 14 that are currently eligible, and will extend the eVisa system to cover new visa categories such as study, business and intra-company transfer visas," Ramaphosa said.

He did not elucidate further on the names of these 20 countries, and their names are not listed on the Department of Home Affairs' website.

"These reforms will enable us to attract skills and investment and create jobs while protecting and promoting the employment of South Africans."

Current system a barrier to economic growth

But Minister of Finance and Economic Opportunities in the Western Cape, Mireille Wenger, remains sceptical.

"Ultimately, reform requires follow through and building confidence requires action - something which has been lacking by the National Government to date," she said. "The current eVisa system makes it extremely difficult to secure the visa required for investment and has become a major barrier to growth in South Africa."



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While Wenger welcomed the introduction of an additional 20 countries being added to the list of countries currently eligible to apply via the eVisa platform, she cautioned that the system is not working. "It needs to be fixed on the backend before more applications start piling up," she said.

The current system bottlenecks could backfire Ramaphosa's visa-reform plans entirely. The Department of Home Affairs <u>noted</u> that since the end of last year, the backlog of unprocessed visas has extended to roughly 62,700.

A backlog in unprocessed applications

"It has been revealed that only 48% of eVisa applications received have been processed and that of all applications received, a mere 3% had been granted," Wenger warned. This is despite some of the country's top banks — FNB, Nedbank, Absa, Standard Bank and Investec — having <u>stepped in</u> to assist clients by enabling the processing of the e-visas.

The chief executive officer of Business Leadership South Africa, Busisiwe Mavuso revealed in a media statement, released 3 April 2023, that some 56,000 foreigners working or intending to work in South Africa faced having their visas cancelled at the end of March, purely because Home Affairs had been unable to process their applications. They were given a last-minute reprieve – two days before the deadline – extending the validity of their existing status until the end of the year.

"It presents an impossible situation for business," said Mavuso. "While as a country we profess to welcome businesses from around the world to invest and station their regional activities in South Africa, for company executives from Paris to Mumbai, the uncertainty created by the administrative chaos is a massive turnoff.

"Clearly there is much work to be done to ensure the visa system helps rather than hinders investment, economic growth, and job creation," Wenger said.

ABOUT KATJA HAMILTON

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