



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## **THE NATIONAL ASSEMBLY**

### **QUESTION FOR ORAL REPLY**

#### **QUESTION NO. 237**

**Mrs K N F Hlonyana (EFF) to ask the Minister of Trade, Industry and Competition:**

What (a) is the current total number of black industrialists who have benefited from the industrialist programme and (b) total amount has been disbursed by his department in this regard? NO905E

#### **REPLY**

The Department recently hosted the 2<sup>nd</sup> Black Industrialist and Exporters Conference. It provided an opportunity to present data collected on the impact of the Black Industrialist programme and initiatives, which no longer is only a financial support programme from government. It now includes a range of measures, including by regulators and private sector firms, to partner with a growing number of black industrialists.

The dtic conducted a survey of black industrialists and entrepreneurs who have been connected to the eco-system of support provided, and the results presented at the Conference indicated that more than 1 700 industrialists and entrepreneurs have been in the support eco-system over the past number of years.

The Survey reported the affected firms employ approximately 160,000 people directly while direct AND indirect employment has reached approximately 282,000 jobs.

These 1,700 firms have a collective direct turnover of R183 billion while direct AND indirect turnover has exceeded R330 billion.

These 1,700 firms have been supported by **the dtic Group** in two main ways. Firstly, many firms will have accessed financial support in the form of either grants or loan finance from **the dtic**, the IDC and/or the NEF.

Secondly, **the dtic** has over the course of this Administration widened and strengthened the use of the available policy tools to support Black Industrialists. For example:

- Competition agreements such as the purchase of Distell by Heineken have created the opportunity to encourage firms to deepen localisation and supplier development to benefit both black industrialists and black empowered firms more generally.
- Automotive Guidelines by the Competition Commission in 2021 resulted in majority black-owned panel beaters being included on the service-provider panels by the insurance industry.
- Through the Poultry Masterplan, social partners have developed interventions to assist black entrants to enter the poultry sector as contract growers.
- In the Auto sector, the Auto Industry Transformation Fund has provided support to black industrialists.

The Department advises that financial support provided to black industrialists over the current Administration to date amounts to *approvals* of R23.6 billion (IDC, NEF and the dtic Incentive Branch). The Department further advises that of the R23.6 billion, only R1.9 billion has been disbursed from monies made available from the fiscus. The balance of the financial support provided is accounted for by repayable loans from the IDC and NEF, using their balance-sheets and income on their investment portfolios.

The Black Industrialist programme has shown that with funding and access to markets, black entrepreneurs are able to compete with the most competitive firms in the domestic market and increasingly in the export market as well, employ significant numbers of people and add to the country's GDP.

More details on the programme can be accessed from the website of the Department.

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