

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1545

DATE OF PUBLICATION: 29 APRIL 2022

Mrs M R Mohlala (EFF) to ask the Minister of Trade, Industry and Competition:

Whether his department has any industrialisation projects and/or initiatives in progress to address the high unemployment rate in the Republic; if not, why not; if so, where?

REPLY:

The dtic has a number of industrialisation projects and initiatives in progress to address the need to expand industrial output, save jobs and increase the level of employment in South Africa. These are set out in more detail in the Annual Reports and parliamentary Portfolio Committee reports of among others:

- the Department (<u>www.thedtic.gov.za</u>)
- the Industrial Development Corporation (www.idc.co.za)
- the National Empowerment Fund (www.nefcorp.co.za)
- the Export Credit Insurance Corporation (www.ecic.co.za)
- the Competition Commission (www.compcom.co.za)
- the International Trade Administration Commission (www.itac.org.za)

These projects and initiatives include:

- Direct financial support through grants to firms in sectors where employment is a key concern
- 2. Industrial loans to firms, through development finance institutions
- 3. Equity in private companies
- 4. Support to provincial Special Economic Zones and Industrial Parks
- 5. Competition settlement agreements that protect jobs or require firms to increase the number of jobs as a result of mergers
- 6. Industry partnerships through master plans that are directed at saving and growing jobs

- 7. Export promotion and facilitation projects, including outward missions and exhibitions of SA-made products, as well as provision of export credit insurance
- 8. Trade agreements at bilateral and multilateral levels, including negotiation of the African Continental Free Trade Agreement
- 9. Promotion of investment in job-creating activities, including through initiatives to address red tape and make it easier to start new businesses
- 10. Initiatives to assist businesses with licenses, and to address challenges at local levels
- 11. Protection of jobs through use of import tariffs and safeguard and anti-dumping duties; as well as import rebates that lowers the cost of key inputs
- 12. Public procurement measures
- 13. Localisation measures through working closely with firms, trade unions and sectors
- 14. Competitiveness enhancing measures, including on technology
- 15. Projects that promote beneficiation of raw materials locally
- 16. Initiatives to support food and health-care security in SA, in particular covid-19 therapeutics, PPEs and vaccines
- 17. Support to companies displaced or damaged by the July 2021 unrest in KZN and elsewhere
- 18. Support for black industrialists and SMMEs.

In the 2020/21 financial year, **the dtic**, Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF) reported that R16.2 billion in financial support was provided to domestic firms to improve their overall competitiveness. It resulted in the creation of new jobs and the retention of large numbers of existing jobs. Firms that benefited from **the dtic**, IDC and NEF support are located in all nine Provinces.

-END-