

Briefing by the dtic and its entities on their implementation of 2021 unrest Economic Recovery Programme as well as the impact on the broader economy and the dtic's allocated budget

Presentation to the Portfolio Committee on Trade and Industry

30 August 2022



the dtic

Department
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

the dtic - together, growing the economy

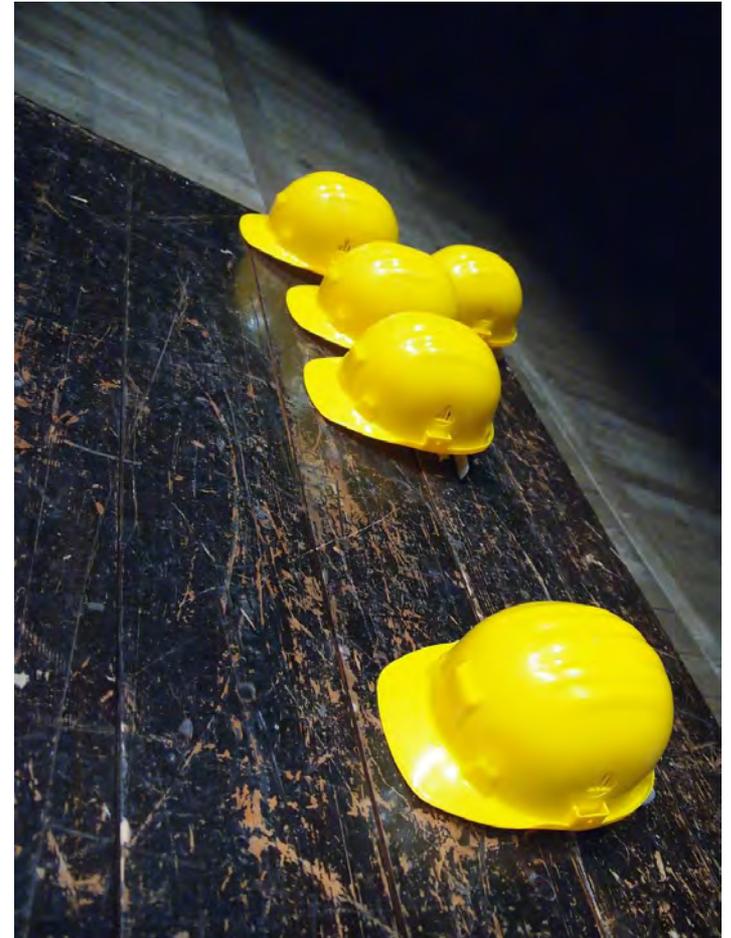
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PRESENTATION OUTLINE

- RECAP ON THE UNREST RESPONSE
- ECONOMIC RECOVERY PERFORMANCE OVERVIEW
- ECONOMIC RECOVERY IMPACT
- CONCLUSION
- CASE STUDIES



THE CONTEXT AND BACKGROUND – DISRUPTION AS NEW REALITY

1. In March 2020, COVID-19 struck with devastating health and economic impact; the dtic put in place measures to support the health system, livelihoods and local production.
2. In July 2021, as the economy had begun to rebuild momentum, the July 2021 Unrest in KwaZulu-Natal and Gauteng interrupted the growth surge. While the physical damage was restricted to firms in these provinces, the negative impact has been felt throughout the economy. Support packages were announced to support individuals and businesses that were adversely affected by the recent destruction/looting.
3. In February 2022, the conflict in Ukraine led to a sharp rise in prices of fuel and food products, with supply-chains facing severe disruptions.
4. In April 2022, the largest floods in generations struck the eastern seaboard of South Africa, washing away infrastructure and causing loss of life and damage to property.

DTIC RESPONSE TO UNREST

1. An Economic Support Package of **R3,75 billion** was developed by **the dtic** and its entities to assist companies affected by the July 2021 unrest.
2. The Support Package consisted of:
 - **the dtic** reprioritization of **R700m**
 - National Treasury's allocation Special Appropriation of **R1,3bn**
 - The Industrial Development Corporation's (IDC) reprioritization/allocation of **R1,5bn**
 - The National Empowerment Fund's (NEF) allocation and partner support of **R250m**
3. The Package consisted of different types of support, generally as a 'blended' product of grants and loans at concessionary terms and bridging finance in order to cover 'cash-flow' challenges until the South African Special Insurance Risk Association (SASRIA) pay-outs are made.
4. **the dtic** agencies coordinated their approach and worked in partnerships with the Unemployment Insurance Fund (UIF), SASRIA and the Small Enterprise Finance Agency (Sefa) to increase the impact and address 'double dipping' from applicants.
5. The NEF received an additional **R273 million** from the Solidarity Fund to offer grants that could be blended with concessionary loans.

ECONOMIC RECOVERY FUND PERFORMANCE OVERVIEW

2 400 – the number of enterprises that were supported by the dtic-group.

the dtic-group reached out to communities through

- Publicising the package widely
- Physical visits and meetings by the Ministry and officials
- Virtual meetings with businesses
- Working with intermediary organisations
- Partnerships with KZN and Gauteng provinces and municipalities

ECONOMIC RECOVERY FUND PERFORMANCE OVERVIEW

2 641 – the number of physical sites that were covered by the support.

In a number of cases, individual firms suffered damage to more than one physical site and the support programme took this into account.

R 3 billion – the value of approvals of applications made for the July 2021 unrest.

The approval processes for applications were significantly changed to enable faster decision-making and to take account of challenges that firms faced where their record-systems were destroyed in the unrest. This needed to be done whilst working within the framework of the Public Finance Management Act (PFMA).

In addition to the R3 billion approvals, in some cases, preliminary approvals were not needed when firms were able to secure their insurance monies in time, before bills for construction and repair works were due.

ECONOMIC RECOVERY FUND PERFORMANCE OVERVIEW

R 2,4 billion – the value of disbursements made by the dtic-group in the period to date.

The impact of the Support Package is felt once disbursements are made. The focus is therefore on securing the soonest transfer of money to approved applicants. In a number of cases, where construction work were undertaken or machinery ordered to replace damaged equipment, payments are made in stages based on completion of work. The disbursements will therefore continue to rise throughout this financial year, as firms meet these targets.

ECONOMIC RECOVERY FUND PERFORMANCE OVERVIEW

45 000 – the number of jobs at firms and entities who received funding by the dtic-group.

The Support Package was focused on firms affected by the unrest and affected firms were required to provide information on the number of jobs that were retained. These ranged from formal sector jobs in both medium and small businesses as well as jobs in the informal sector.

ECONOMIC RECOVERY FUND PERFORMANCE

	APPLICATIONS RECEIVED	BUSINESSES APPROVED	SITES APPROVED	APPROVED FUNDING	IMPACTED JOBS
IDC	250	2 189**	2 352**	R1,7 billion	32 789
NEF	646	212	277	R1,1 billion	9 495
DTIC (CIRP)	24	2	12	R198 million	2 923
TOTAL	920	2 404	2 641	R3 billion	45 207

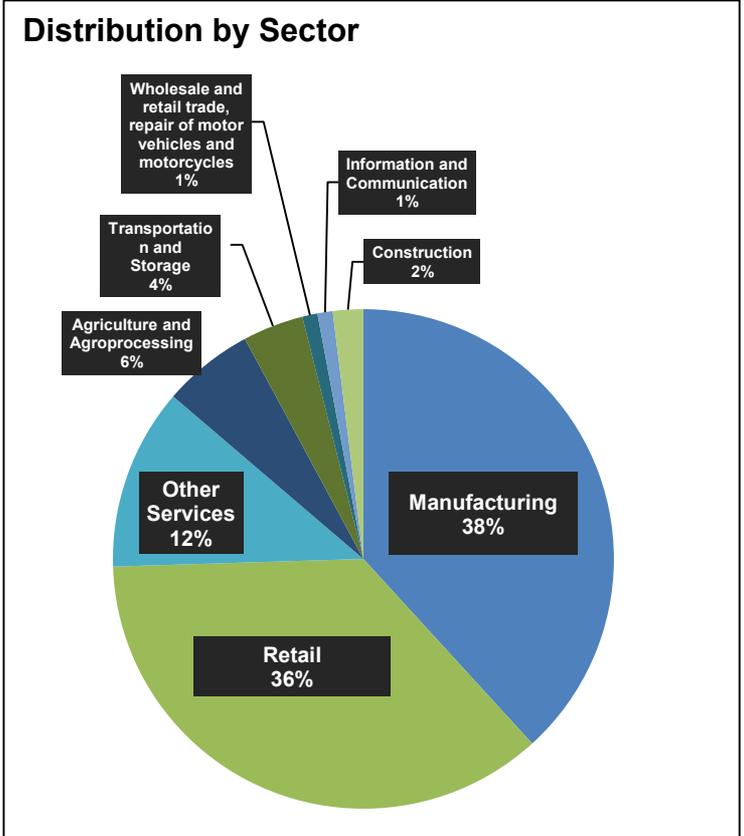
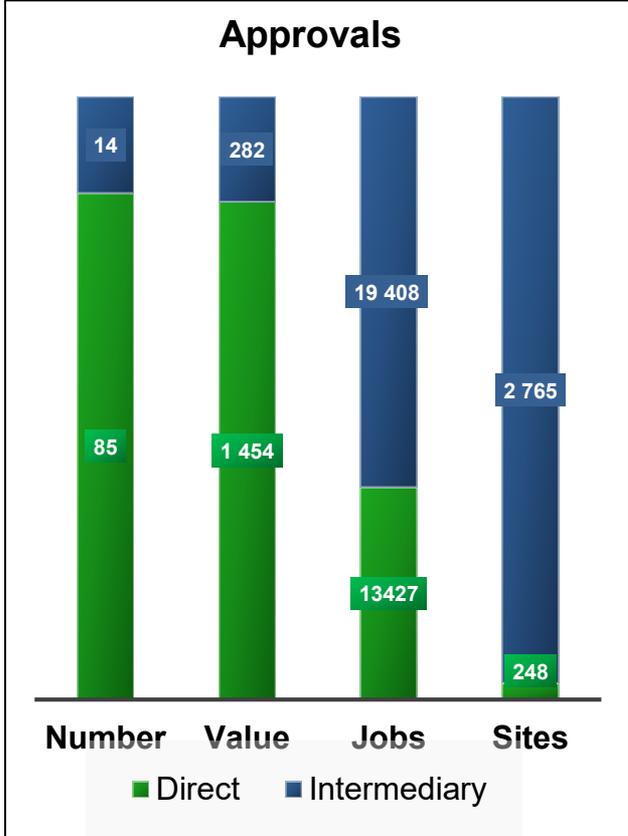
* Includes 85 Direct and 2104 through 14 intermediaries

**Of these 2350 have been disbursed to

- Reconciliations with Insurance companies/SASRIA being completed, as companies have already started receiving payments.
- **The IDC's approvals were made to direct beneficiaries (85 approvals). This was dispersed to 246 sites. Approvals were also made to intermediaries (14 approvals) who in turn dispersed funding to 2 104 end beneficiaries. The pipeline for the Economy Recovery Fund has been fully processed with no further applications pending.
- Remaining applications in various stages of processing for decision-making

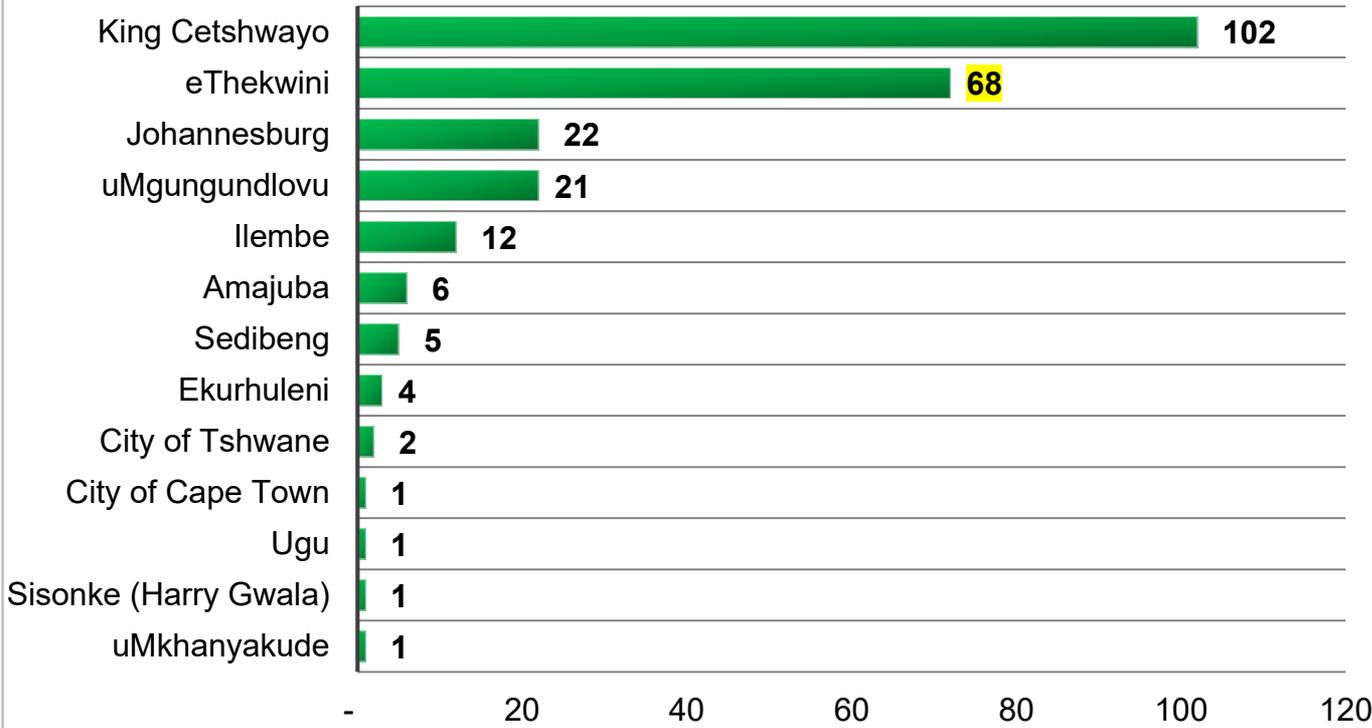
IDC APPROVALS (DIRECT + INTERMEDIARIES)

IDC has made 99 approvals to the value of R 1.7 billion – including R282 million to intermediaries.



IDC: OVERALL DIRECT APPROVALS– SITES BY DISTRICT

IDC has funded **246 sites directly** in different districts

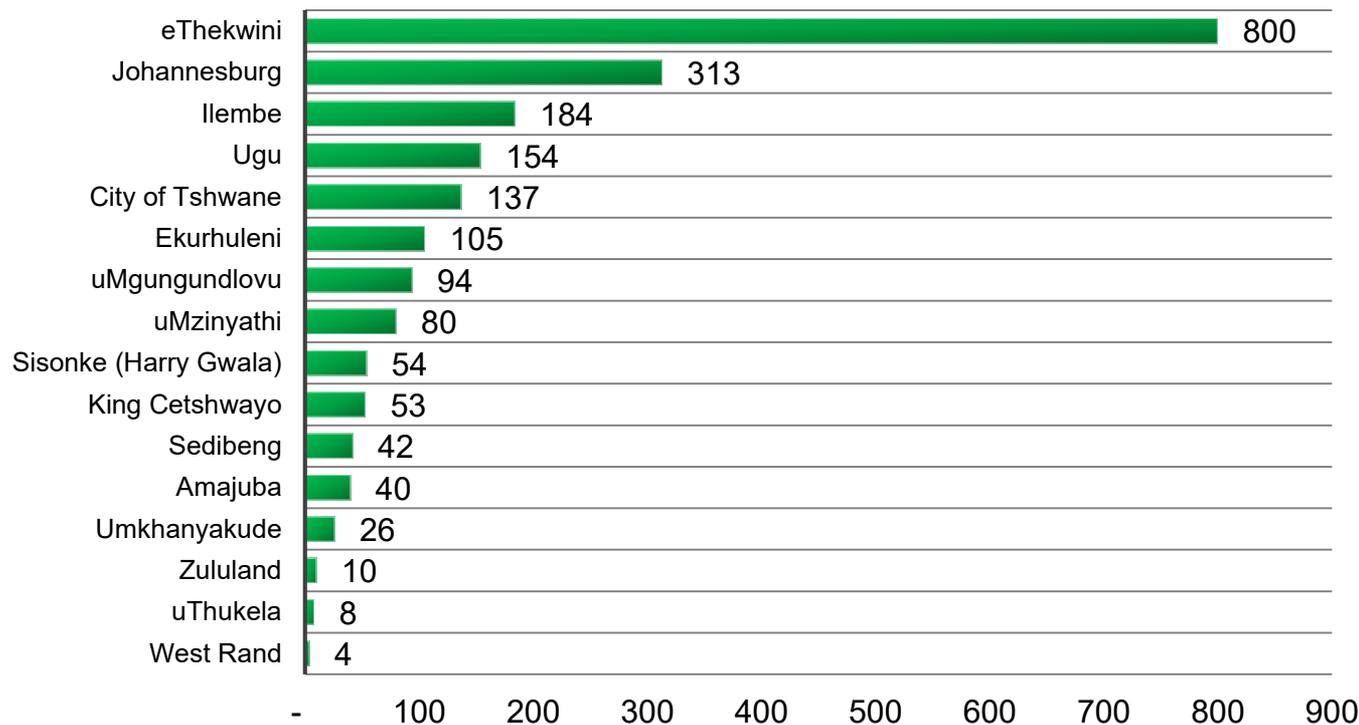


INSIGHTS

- Many of the approvals that IDC has made are for enterprises in multiple locations and districts
- The majority of the affected sites are in King Cetshwayo, Ethekewini and Johannesburg districts
- The split by site for some of the intermediaries is being finalised in consultation with the company These are excluded until disbursements made to the end recipients

IDC: DISBURSEMENTS TO END BENEFICIARIES BY INTERMEDIARIES– SITES BY DISTRICT

2 104 sites were disbursed to end beneficiaries by intermediaries



INSIGHTS

- The majority of the affected sites are in Ethekewini and Johannesburg districts
- The split by site for some of the intermediaries is being finalised in consultation with the company These are excluded until disbursements made to the end recipients

IDC INTERMEDIARIES – BENEFICIARY APPROVALS

Consolidated Regional Programmes Strategic implementing Partners	Number	Value	Jobs	Businesses	Number Woman Owned	Number Youth Owned	Number Black African Owned
Disbursed Beneficiaries	1 833	R98.65m	6 688	1 833	527	216	1 542
Consolidated Post Unrest Business Recovery Fund	Number	Value	Jobs				
Disbursed to beneficiaries	271	R171.7m	12 674	271			
Total Disbursed to beneficiaries	2 104	270m	19 362	2 104			

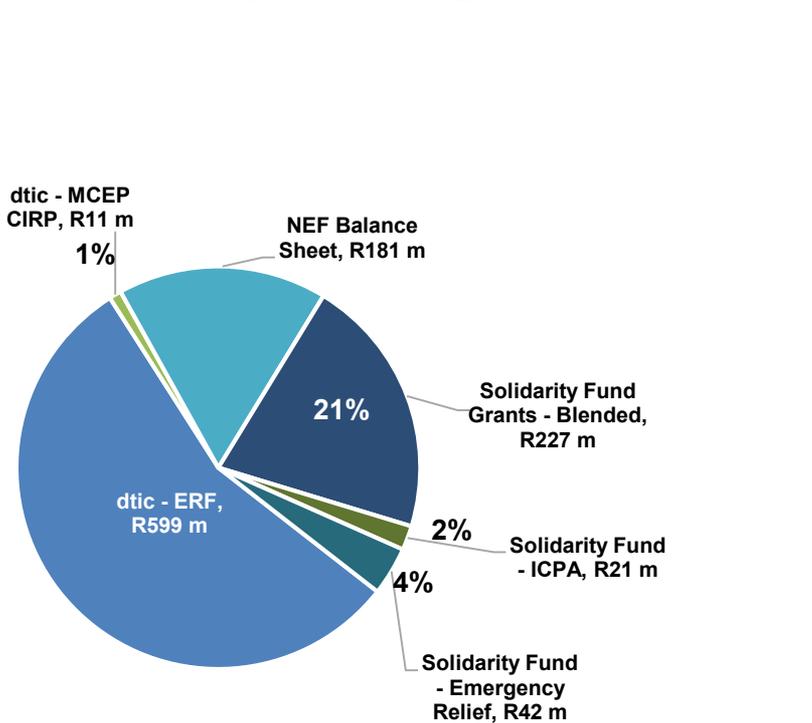
NOTE: The data being reported above is based on the preliminary information received from intermediaries. Disbursements are done in tranches. All the Intermediaries are currently finalising the due diligence, verification and approval processes. Reporting templates have been provided to all intermediaries who have been requested to report weekly going forward. Intermediaries are still collating the granular details of the applicants with regards to ownership, region, jobs, etc.

The intermediaries included

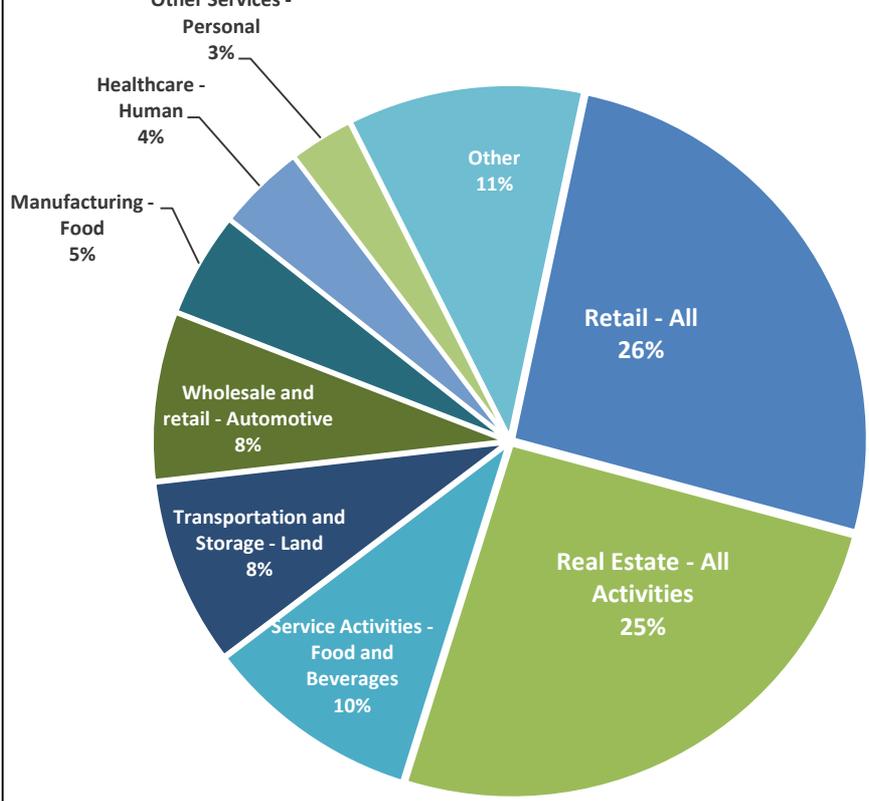
- The National Stokvel Association of SA
- Gift of the Givers
- Trade & Investment KZN (a government agency)
- Private sector agencies for onward distribution
- NGOs

NEF APPROVAL ANALYSIS

Split of Funding to Date



Approvals By Sector



the dtic CRITICAL INFRASTRUCTURE REBUILDING PROGRAMME

24 APPLICATION
RECEIVED

21 OF THE 24
HAVE INSURANCE

12 APPLICATIONS
APPROVED

STATUS	Count of Name of Project	Sum of Total Cost (R)	Sum of Approved Amount (R)
<input checked="" type="checkbox"/> Approved	12	R747 624 469	R198 291 471
Eshowe Shopping Centre	1	R134 154 916	R30 000 000
Flamingo Light Industrial Park	1	R6 582 586	R1 767 700
Isithebe Industrial Estate Site 184	1	R27 244 778	R11 845 556
Kwamashu Shopping Centre	1	R101 087 366	R28 783 215
Madadeni Industrial Estate Site 45	1	R15 000 000	R7 500 000
Madadeni Industrial Estate Site 50	1	R18 000 000	R9 000 000
Madadeni Industrial Estate Site 52	1	R10 000 000	R5 000 000
Madadeni Industrial Estate Site 73	1	R20 000 000	R10 000 000
Nongoma Shopping Centre	1	R8 790 000	R4 395 000
Protea Glen Shopping Centre	1	R149 384 102	R30 000 000
Sundumbili Shopping Centre	1	R134 154 915	R30 000 000
Umlazi W Shopping Centre	1	R123 225 807	R30 000 000
Grand Total	12	R747 624 469	R198 291 471

PROJECT BY SECTOR (1/3): FIRM LEVEL

SECTOR	SUBSECTOR	IDC	NEF	TOTAL
Manufacturing	Clothing, Textiles, Leather and Footwear (Design and manufacturing of clothing)	42	7	49
	Petroleum, chemical products, rubber and plastic products (Manufacture of Chemicals and Pharmaceuticals)	5	1	6
	Basic iron and steel, non-ferrous metal products, metal products and machinery	2	1	3
	Food (packaging of grain products, manufacture of ice-cream)	105	6	111
	Beverages (Distribution and retail of alcohol)	0	0	0
	Wood and of product of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (Pallet manufacturing, door and window frame manufacturing)	2	0	2
	Other manufacturing groups (Solar Heating Solution Manufacturing, Printing and Reproduction of Recorded Media, Furniture)	1	5	6
Agriculture, forestry and fishing	Crop and animal production, hunting and related service activities (sugarcane production, broilers, vegetable farmers)	4	10	14
Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale and retail trade and repair of motor vehicles and motorcycles (Petrol stations)	1	14	15
	Wholesale trade, except of motor vehicles and motorcycles (e.g. Wholesale of food, beverages, tobacco, household goods, machinery etc.)	0	4	4
	Retail trade, except of motor vehicles and motorcycles (supermarkets, clothing retailers, pharmacies, hardware stores, butcheries)	68	74	142

Note: The board structure of individual sectors and subsectors are classified as per Stats SA Standard Industrial Classification (SIC) of all Economic Activities: http://www.statssa.gov.za/classifications/codelists/Web_SIC7a/SIC_7_Final_Manual_Errata.pdf;

PROJECT BY SECTOR (2/3): FIRM LEVEL

SECTOR	SUBSECTOR	IDC	NEF	TOTAL
Real Estate Activities	Retail Infrastructure (Shopping Centres, Industrial)	0	17	17
Transportation and storage	Land transport and transport via pipelines (trucking businesses; Transport and logistics)	2	8	10
	Warehousing and support activities for transportation (storage and distribution of appliances)	2	0	2
	Postal and courier activities	0	0	0
Accommodation and food service activities	Accommodation	0	0	0
	Food and beverage service activities (Restaurants and mobile food service activities & catering service)	0	38	38
Other service activities	Other personal service activities (Funeral and related activities, dry cleaning, community social welfare restaurant)	10	39	49
	Repair of computers and personal and household goods	0	1	1
Information and communication	Telecommunications (Internet café)	1	6	7
Professional, scientific and technical activities	Other professional, scientific and technical activities (Graphic design)	0	2	2
	Legal and Accounting Activities	-	2	2
Education	Education	0	2	2

PROJECT BY SECTOR (3/3): FIRM LEVEL

SECTOR	SUBSECTOR	IDC	NEF	TOTAL
Administrative and support activities	Rental and leasing activities (leasing of capital equipment)	0	2	2
	Office Admin, Support and Other Business Support (Printing and packaging)	0	1	1
	Services to Building and Landscape Activities (Cleaning and maintenance Businesses)	0	3	3
	Employment (Recruitment and Placement Agents)		1	1
Construction	Specialised Construction Activities (Electrical Installers)	2	2	4
Human Health and Social Work Activities	Human Health Activities (Optometrist, pharmacy, GP's)	0	30	30
Arts , Entertainment and Recreation	Sports Activities, Amusement and Recreation Activities (Game Arcade)	0	1	1
Total Sites Approved at Firm Level		248	277	525

Note:5 IDC intermediaries not classified

Note: The board structure of individual sectors and subsectors are classified as per Stats SA Standard Industrial Classification (SIC) of all Economic Activities:
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PROJECT BY SECTOR (1/3):INTERMEDIARY

SECTOR	SUBSECTOR	IDC
Manufacturing	Clothing, Textiles, Leather and Footwear	0
	Petroleum, chemical products, rubber and plastic products	0
	Basic iron and steel, non-ferrous metal products, metal products and machinery	0
	Food	0
	Beverages	0
	Wood and of product of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0
	Other manufacturing groups	0
Agriculture, forestry and fishing	Crop and animal production, hunting and related service activities (sugarcane production)	146
Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale and retail trade and repair of motor vehicles and motorcycles	0
	Wholesale trade, except of motor vehicles and motorcycles	0
	Retail trade, except of motor vehicles and motorcycles (supermarkets, clothing retailers, pharmacies, hardware stores, butcheries)	1 859

PROJECT BY SECTOR (2/3): INTERMEDIARY

SECTOR	SUBSECTOR	IDC
Real Estate Activities	Retail Infrastructure	0
Transportation and storage	Land transport and transport via pipelines	0
	Warehousing and support activities for transportation	0
	Postal and courier activities	0
Accommodation and food service activities	Accommodation	0
	Food and beverage service activities	0
Other service activities	Other personal service activities (community social welfare restaurant)	99
	Repair of computers and personal and household goods	0
Information and communication	Telecommunications	0
Professional, scientific and technical activities	Other professional, scientific and technical activities	0
Education	Education	0

Note: The board structure of individual sectors and subsectors are classified as per Stats SA Standard Industrial Classification (SIC) of all Economic Activities:
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Note: 5 IDC intermediaries not classified

PROJECT BY SECTOR (3/3): INTERMEDIARY

SECTOR	SUBSECTOR	IDC
Administrative and support activities	Rental and leasing activities	0
Construction	Specialised Construction Activities	0
Total Sites approved (intermediaries)		2 104

Note: 5 IDC intermediaries not classified

*Note: The board structure of individual sectors and subsectors are classified as per Stats SA Standard Industrial Classification (SIC) of all Economic Activities:
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ECONOMIC RECOVERY RISKS MITIGATION

- Ministerial weekly meetings were held to monitor implementation to address the risk of slow rollout and unnecessary bureaucracy. The heads of the IDC, NEF and the dtic were requested by the Ministry to supervise the work of their entities directly to ensure that communities received assistance.
- **the dtic** requested the Auditor-General of South African (AGSA) to conduct **real time audits** on the economic support package. This is different to the normal annual audit, as it provides feedback while programmes are being implemented, so that any findings can immediately be addressed, without waiting for the end of the financial year. This was to ensure that funds are used for **the intended purpose** as per the Special Appropriation Act. There are **no negative findings** as per the preliminary AGSA report.
- Fraud hotlines were set up **the dtic**, IDC and NEF for reporting of any fraudulent activities; the hotlines was communicated publicly. To date **zero cases** were reported.

IMPACT OF THE ECONOMIC RECOVERY FUND

- **the dtic** conducted an assessment to determine the impact of the economic support packages to beneficiaries
- At the time of conducting this assessment only **R1.96** billion had already been disbursed with the following results:
 - Increased GDP at market prices by R1.5 billion, with significant contribution coming from 5 industries with high value added, namely: financial intermediation, real estate activities amongst others.
 - Increased overall manufacturing industry output by R797 million.
 - R654 million additional household consumption.

IMPACT OF THE ECONOMIC RECOVERY FUND – PRELIMINARY RESULTS

The assessment and macroeconomic analysis preliminary results based on the disbursement at the time of impact assessment were used to estimate the impact of the full package of R3 billion. These are preliminary results and may be adjusted based on any further information received.

	Results as per the disbursement as at the time of assessment
Package analysed	R1.96 bn
Increase in GDP (R)	R1.5 bn
Increase in GDP (%)	0.04
Increase in manufacturing output	R797 bn
Increase in tax collection	R 223 mn
Consumption	R 654 mn

ADDITIONAL REQUIREMENTS ON FUNDING

1. Within 8 months of the rollout of the Support Package, the floods on the eastern seaboard required additional support to be provided. The IDC made available support of approximately R500 million from the Support Package, bringing the total resources deployed to **R3,5 billion** to date.
2. This Report does not cover
 - the measures by the dtic to address the Covid-19 pandemic (this was done previously in a report to the Portfolio Committee) nor
 - the support provided for the April 2022 floods.
3. Funding was obtained through the following
 - Reprioritisation of budgets within the dtic
 - Additional funding obtained from the National Treasury
 - Resources allocated by the Industrial Development Corporation (IDC)
 - Partnership funding obtained from the Solidarity Fund

CONCLUSION

- The unexpected trio of crises (Covid-19 pandemic, July 2021 unrest, Ukraine conflict and April 2022 floods) extracted a big cost from the economy, disrupted the normal work of the dtic group but also strengthened our ability to build resilient, sustainable value-chains that create the potential for *inclusive growth*, a key objective in order to create a better life for all.
- A particular focus of the work undertaken was on support for small and medium-sized businesses and black industrialists
- To strengthen growth, the focus in the period ahead will be on structural reform of network industries, expanding and modernizing infrastructure, strengthening private-sector investment, and supporting localisation and exports especially to the rest of the African continent.

CASE STUDIES TO ILLUSTRATE THE WORK DONE



Heartland is a family owned business that manufactures and supplies breakfast cereals to big retail stores like Shoprite, Boxer and Spar.

- R50 million
- 336 jobs saved
- Factory restored to 50% operational capacity within 4 weeks

“Thank you IDC for responding with speed and passion in putting a deal in place, so we could revive our business urgently.”

- Salim Karsan, Managing Director of Heartland Foods

- IDC provided R154 million in grant funding to support the affected township, small town and rural informal traders and small businesses. The Corporation worked with 12 Strategic Implementing Partners (SIPs) to fund 1 852 business entities, **saving 7 100 jobs**



“New Horizons informal trader project identified 180 beneficiaries to receive new trading structures in the wake of the July unrest. The initiative reflects the “Building Back Better” ethos.” – Naomi Koeberg, IDC

- IDC provided grants totaling R7 million to assist 142 sugar cane growers to recover from the damage suffered during the civil unrest in KwaZulu-Natal in July 2021, saving over 6 500 jobs



87-year-old Mrs Patricia Mbele, affectionately known as 'Gogo' by her employees, was watching the news when she heard of the unrest. She was not aware that her cane in Malangeni, Umdoni had been set alight during the unrest. She has run her farm since the 70's. She received support to buy fertilizer, and pesticides and get her employees back out on the field.

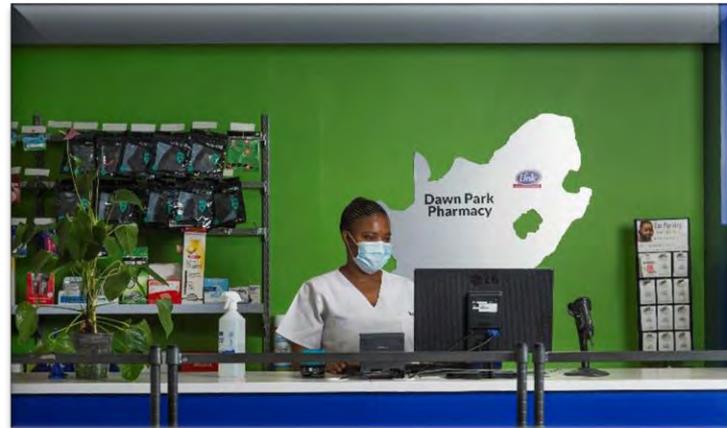


"On the day of the unrest, they burnt my sugar cane fields. I was heartbroken because I lost everything" – Mr Ngubo, a small-scale cane farmer from Malangeni, in Oswanini Ward 7

Bulelwa Maponya , a qualified Pharmacist is the sole owner of Dawn Park Pharmacy, servicing the East Rand community.

- R776 242.00
- 5 jobs saved

The consultant treated me like ‘a sister from another mother’. The IDC’s willingness to listen and act swiftly meant that I could still maintain my integrity as a healthcare practitioner, and be open for business to be of service to my loyal community.” – *Bulelwa Maponya, Owner of Dawn Park Pharmacy*



Wired Hardwares (Pty) Ltd (KwaZulu-Natal, Inanda and KwaMashu)

Wired Hardwares (Pty) Ltd is a 100% black-owned and managed enterprise that was established in 2010. The business is wholly owned by Mr Thandolwenkosi Mjadu. Mr Mjadu has 11 years hands-on experience and is full-time involved in the business.

Wired Hardwares (Pty) Ltd is a Build-IT franchisee which owns 2 Build-IT Hardwares in Inanda and KwaMashu, that were established in 2007 and 2019 respectively. Prior to the unrest, Wired Hardwares (Pty) Ltd employed a total of 41 employees (Inanda Build-It – 23 employees and KwaMashu Build-It – 18 Employees), all of which are drawn from the surrounding human settlements of Inanda, Ntuzuma and KwaMashu Township.

Damage Incurred: Build-IT Inanda and KwaMashu were completely looted, damaged and destroyed. Build-IT Inanda recommenced trading on 1 March 2022 and Build-IT KwaMashu on 26 July 2022.

Build-IT Inanda



Build-IT KwaMashu



IMPACT OF INTERVENTION

Approved amount	R12,363,500
Build Back Better	Improved building structure and store fittings
No. of jobs	50 jobs retained 33

Madevu Properties (Pty) Ltd (KwaZulu-Natal, Folweni)

Madevu Properties (Pty) Ltd is a 100% Woman-Owned-and Managed company that is wholly owned by Mrs Zamahlobo Sabela. The business is an emerging Black-Owned commercial property company that owned a retail development named Madevu Centre anchored by Boxer Superstores and Shell.

The business’s focus is on property investments in the retail, office, service station as well as residential property developments. These properties are occupied by tenants on term leases that earns the company lease fees.

Damage Incurred: The building that housed Boxer Superstore and 5 local SMES was completely looted and burnt. And the Service Station equipment was damaged. The NEF approved R8 million to resuscitate the business. This assisted retaining of 160 jobs.



IMPACT OF INTERVENTION	
Approved amount	R8,000,000
Build Back Better	Recommended Operations
No. of jobs	160 jobs retained

Bhelemys Life (Pty) Ltd (KwaZulu-Natal, Montclair)

Bhelemys Life (Pty) Ltd is a 100% Black-Youth-Owned-And-Managed Business whose sole shareholder is Mr Nhlakanipho Ntuli. The business is a Lifestyle business that offers a Shisanyama/Grill House, Auto Spa, Coffee Bean Café and VIP Lounge that established after Mr Ntuli converted unkept property utilized as a local community dump site.

Damage Incurred: The business was looted of a 4 x 40-inch TVs & POS System stolen, Beverage & Food Stock and Car Wash Equipment , In addition the Entrance Glass Door & Signage was damaged. Bhelemys Life recommenced trading on 1 May 2022.

The NEF approved R750 000 for the development of a new modern structure which will enhance and improve the business processes. Through the funding, the business will retain 35 direct jobs.



IMPACT OF INTERVENTION

Approved amount	R750,000
Build Back Better	A new modern structure was developed The business processes were improved
No. of jobs	35 jobs retained

Wynfoods (Pty) Ltd

Wynfoods (Pty) Ltd is a 100% Black woman-owned and managed business and had been operating for 46 years when acquired in 2020. Wynfoods deals primarily in processing chicken, producing individually quick-frozen portions for a wide market range, including restaurants, butcheries, distributors, and direct retailers.

The company also have a “Factory-to-Public” store which services the Alexandra community with frozen chicken at factory prices. Their main clients include Cambridge Foods, Romans Pizza, Papachinos, Vassco Distributors & Meat Express. The company was a victim of the vandalism that was caused by the unrest in Alexandra township, Gauteng.

The NEF assisted the company to rebuild the business following the damage sustained owing to the July 2021 unrest and looting. The NEF provided R18 million to replace equipment and shop fittings, replace stock and provide working capital. The company was able to re-employ 60 people and add 5 new jobs.



Ms. Katleho Khoza
(70% shareholder)



Ms. Zanele Zungu
(30% shareholder)

IMPACT OF INTERVENTION	
Approved amount	R18 000 000
Build Back Better	Modern equipment and fittings were provided to the business
No. of jobs	Re-employed 60 people and 5 additional jobs were created.

Nguni Group

Nguni Group is a collective reference to Nguni Foods (Pty) Ltd, an authentic Nguni cuisine restaurant and Nguni Brand, a clothing line that embraces the colourful Nguni patterns and colours. The group was formed in 2020 by two Black women, who are also youth and own shareholding equally in both entities. Both entities are based in KwaZulu-Natal, at Davernport Square in Glenwood, Durban.

The companies were both negatively affected by the July 2021 looting and unrest. The NEF approved R8.1 million to assist both companies to recover shop fittings, computers and other IT systems, furniture, sewing machines, refrigerators, etc. 26 employees were reemployed through this intervention.

Nguni Foods draw inspiration from the Zulu, Xhosa, Swati and Ndebele Cultures and have several notable public figures as their patrons and tourists. Nguni Brands is a fast growing and proudly South African brand, inspired by the beautiful and colourful Nguni culture. They produce jackets, windbreakers, dresses, skirts, t-shirts, sweaters, hoodies, and sneakers.



IMPACT OF INTERVENTION

Approved amount	R8 142 706
Build Back Better	Updated fixtures and fittings
No. of jobs	26 jobs retained

SA Paint Distributors

SA Paint Distributors (“SAPD”) is a 100% black-owned paint distribution entity established in 2018 by Mr. Sibusiso Thabethe. The company retails from Diepkloof and Roodepoort, and services hardware stores, contractors and speciality paint stores in townships and rural areas. Both stores were affected by the riots and lootings that took place in July 2021.

The NEF linked SAPD with Stevensons Paint (an existing NEF client) for SAPD to source their paint stock from Stevensons. Stevensons is an existing NEF client that was funded through the Covid Relief Fund, and received funding of R10 million in 2020. Stevensons Paints’ core business is paint manufacturing and they distribute their products to well established retail brands such as Jacks Paint and Hardware Group (over 60 stores nationwide), Du Paints, Steinweg Logistics and Hardware group, Build it group. Through the market linkages, Stevensons Paint has since become the preferred supplier for SAPD’s paint stock. The business was destroyed during the July 2021 looting requiring store fitting replacement and stock replacement.



Location	Diepkloof and Roodepoort, City of Jhb
Approved amount	R17 310 000
Purpose	To recover fixtures & fitting, Stock and working capital.
No. of jobs	Re-employ 23 employees

Project: Wildfire Trading 304 CC

Wildfire Trading is 100% owned by Ms. Nomathamsanqa Malatsi in the petroleum industry. The company is an Engen franchise, operating from Alexandra township. The business was purchased by the sponsors late husband in May 2013 through the NEF, and she took over the operations immediately after his passing in October 2013. The site has 4 islands and 8 pumps retailing all grades of fuel (93 & 95 octane and diesel). The businesses employs 29 people including the entrepreneur.

The business was significantly looted. The store fittings were damaged and left in a disfunctional state requiring repairing and replacing.

Location	Alexandra, Gauteng Province
Approved amount	R2 500 000.00
Purpose	To renovate the site after it was vandalized
No. of jobs	29



SPARKPORT

Ahmed and Hoosen (Pty) Ltd t/a Sparkport Smith Street Pharmacy is a 100% black-owned and managed enterprise. The business is owned by Mr Goolam Mahomed (50%) and Mr Solly Suleman (50%) who are both full-time involved in the business. The Sparkport Group is one of the first black owned Independent community pharmacy groups that has been in existence for almost 38 years, with Sparkport Port Smith Street established in 1995. The Group has 7 Corporate stores in Durban City Centre, Overport, Musgrave Road, Berea, Jacobs and Warner Beach. There are also 3 Franchise stores located in Chatsworth, Umlazi and Pietermaritzburg. The Sparkport Smith Street Pharmacy was affected by the unrest in July 2021. This site also served as a vaccination site.

Location	DBN CBD, Ethekewini, GP
Approved amount	R5 000 000
Purpose	Replacement of furniture fittings and equipment and working capital re-start operations
No. of jobs	42



BuildMart Kwamashu

BuildMart is a hardware store based in Kwamashu and was one of the businesses affected by the unrest. They NEF approved R10 million funding to assist the business with working capital requirements and capex for fixtures & fittings. NEF has facilitated the engagement between BuildMart Kwamashu and Stevenson's Paint. Through NEF funding, Stevensons Paint has since become the preferred supplier for BuiltMart.

Location	KwaZulu-Natal, KwaMashu Township
Approved amount	R9 900 000
Purpose	To recover fixtures & fitting, Stock, salaries for 4 months, urgent laybye refunds and pay existing creditors
No. of jobs	Re-employ 20 employees



Icebolethu Group

Icebolethu Burial Services (Pty) Ltd (“Icebolethu Burial”) is a **100% black woman-owned** and managed burial company formed in 2011. Icebolethu Burial provides funeral, catering and tombstones services to its clients through its 80 branches in and around the Kwa-Zulu Natal Province (townships and rural areas).

The Group has over 2 million clients who are funeral cover policy holders.

Location	KwaZulu-Natal , Mandeni
Approved amount	R19 100 000
Purpose	Replace Equipment and Shop Fitting Replace Stock Working Capital
No. of jobs	Re-employ 65



Brown Arrow Investments T/A PNS & Hype Stores

Brown Arrow Investments is a 100% black-owned clothing retailer established in 1973 by Mr. R Parshotam and in 2019 was taken over by his Son Mr. Kamal Parshotam. PNS' is a well-known clothing retailer across Durban specializing in clothing, footwear and accessories. Both stores were affected by the unrest that took place in July 2021.

The NEF funds has contributed to localisation with PNS's in-house brand BVD contributing 45% of their sales. 100% of reconstruction budget was allocated to local contractors. Cleaning services were outsourced to local service providers. **PNS & Hype Stores** has opened a new store in Phoenix Plaza and re-employed all 26 staff members and created 6 temporary employment.

Location	Durban, KZN
Approved amount	R10 000 000.00
Purpose	funding reestablishment of the 3 stores which include: for stock, working capital, equipment, and furniture and fittings.
No. of jobs	26



Mbobo Investments – Engen Zola North

Mbobo Investments is an Engen Service Station established in March 2011 by Ms. Patience Radebe. The service station operates 24 hours 7 days a week offering petrol, diesel ranges, a Quick shop and 2 ATMs. The site was affected by the July 2021 unrest.

The full sum of the NEF funds 100% is used on local sourced equipment and products, including local contractors. Cleaning services outsourced to local service providers. **Engen Zola** has opened a forecourt operation since 1 November and re-employed all 25 staff members.

Location	Soweto, City of Johannesburg, GP
Approved amount	R4 000 000
Purpose	re-establishment of the service station which include: for wet & dry stock, working capital, equipment, and furniture and fittings
No. of jobs	32



DIVINE INSPIRATION TRADING 299 (PTY) LTD t/a BP KWAMASHU

BP KwaMashu is a black-owned franchisee of BP Southern Africa and operates on leased premises located in KwaMashu Township, Durban, KZN. BP KwaMashu has been in existence and successfully operating since 1 August 2007. The entity was established in 2007 by Mr. Sibonello Mbatha. The business, including the shop outlet were affected by the July 2021 unrest. The **NEF approved R3000 000** for purposes of restoring lost equipment, damaged building, capital requirements and capex for fixtures & fittings. The business's operations have been fully restored with a new and revamped PnP branded shop outlet.

Location	Kwa-Mashu, Ethekewini, KZN
Approved amount	R3 000 000
Purpose	re-establishment of the service station which include: for wet & dry stock, working capital, equipment, and furniture and fittings
No. of jobs	62



KINGDOM VARSITY COLLEGE (PTY) LTD

Kingdom Varsity College (“Varsity College”) is a black- woman owned further education and training (FET) entity formed in 2017 by Ms. Thembisile Sizakele Mncube. Kingdom Varsity College is an FET college and operates on leased premises located at the Nongoma Shopping Centre, Nongoma, KZN. Some of the courses offered include Electrical Engineering N4 to N6, Chemical Engineering N4 to N6, Civil Engineering N4 to N6, Financial Management N4 to N6, Farming Management N4 to N6, Human Resources Management N4 to N6, Mechanical Engineering N4 to N6 and Public Relations N4 to N6. The college employs 17 black youth people drawn from Nongoma. The college was looted and vandalised during the July 2021 unrest.

Location	Nongoma, Zululand, KZN
Approved amount	R1 500 000
Purpose	Refurbishment of vandalised, premises, and replacement of furniture and fittings
No. of jobs	17



KPML Group -KFCs

KPML group of entities that own and operate 30 KFC outlets owned by Ms Kedibone Lebethe. Ms Lebethe has been with the KFC brand for over 35 years where she started as a Fryer, of which she operated as a franchisee for 12 years. 14 KFCs were damaged and looted and other completely burned down. The affected areas include Sebokeng, Evaton, Vaal, Diepkloof, Protea Glen, Dlamini in Soweto The group employs 1050 staff (All south Africans), 65% women and 67% youth with 4 disabled staff.

Location	Gauteng, Various Townships
Approved amount	R40 500 000
Purpose	Rebuild and restore operation of 9 KFCs
No. of jobs	Re-employ 550 employees,



The Chickery (Pty) Ltd

The Chickery is a 100% black owned distributor and wholesaler of fresh & frozen poultry and other frozen foods, operating from Briardene, Durban. The business was affected by the July 2021 unrest. They NEF approved R20.5 million funding to assist the business with refrigeration, vehicles, construction, stock, plant & equipment to recommence operations after the unrests. The funding included facilities from Economic Recovery Fund, NEF, Solidarity Fund and dtic’s Critical Infrastructure Development Programme.



Location	Briardene, Durban, KZN province
Approved amount	R20 500 000
Purpose	To recommence operations through purchase of refrigeration, vehicles, construction, stock, plant & equipment.
No. of jobs	Retain 35 employees