



## BLACK INDUSTRIALIST REPORT



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA



Industrial Development Corporation

*Your partner in development finance*



**NATIONAL  
EMPOWERMENT  
FUND**

Growing Black Economic Participation





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# ICONS

 SUPPORTED BLACK INDUSTRIALISTS

 APPROVED FUNDING

 PROJECTED INVESTMENT

 YOUTH EMPOWERED

 WOMEN EMPOWERED

 GREEN ECONOMY

 ARTS AND CULTURE

 AGRO-PROCESSING AND AGRICULTURE

 AUTOMOTIVE AND TRANSPORT EQUIPMENT

 CHEMICALS, MEDICAL AND INDUSTRIAL MINERAL

 CONSTRUCTION AND MATERIALS

 CLOTHING, TEXTILE/LEATHER AND FOOTWEAR

 DISTRIBUTORS, DISPATCHERS AND PROCESSORS

 EDUCATION

 ENERGY/RENEWABLES/GREEN ECONOMY

 ENGINEERING

 FINANCIAL SERVICES

 FOOD AND BEVERAGES

 HEALTH ECONOMY

 HEAVY MANUFACTURING

 JOBS TO BE SUPPORTED

 DISBURSEMENTS

 JOBS TO BE RETAINED/SAVED

 INFORMATION AND COMMUNICATIONS  
TECHNOLOGY AND SOFTWARE PRODUCTION

 INDUSTRIAL INFRASTRUCTURE

 MACHINERY AND EQUIPMENT

 MANUFACTURING

 MEDIA AND AUDIO VISUAL

 MINING AND METALS/MINERAL BENEFICIATION

 OIL AND GAS

 PROPERTY

 RETAIL

 SERVICES

 STEEL AND METAL FABRICATION/WHOLESALE

 TOURISM AND SERVICES

 TRANSPORTATION



# ACRONYMS

B-BBEE	Broad-based black economic empowerment
BIS	Black Industrials Scheme
GDP	Gross Domestic Product
ICT	Information and communications technology
IDC	Industrial Development Corporation
NEF	National Empowerment Fund
SEZ	Special Economic Zones
SME	Small and medium enterprise
<b>the dtic</b>	Department of Trade, Industry and Competition



**Ebrahim Patel**  
Minister of Trade, Industry and Competition

# MINISTER'S FOREWORD

*It is my pleasure to present the inaugural Black Industrialist Report, highlighting some of the work of the Department of Trade, Industry and Competition (**the dtic**), the Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF) in developing and supporting a new class of South African industrialists.*

Over the last five years, some R32 billion has been invested through funding initiatives within **the dtic** in nearly 800 black industrialist businesses. This funding has supported the creation of new and dynamic enterprises in a number of critical value chains across all nine provinces, crowding in additional investment from the private sector as well as creating and saving nearly 120 000 jobs.

Black industrialist funding, provided by **the dtic** and its entities, is creating platforms for a new entrepreneurial class to play its rightful role in boosting industrialisation and fully harnessing the resources of our country. These platforms have been enhanced by **the dtic** even further through reforms enabled in competition law, efforts to improve the ease of doing business and the implementation of the national sector masterplans.

To realise our economic potential, South Africa must embark upon a focused and determined effort to transform our industries and make them more dynamic and competitive. In doing so, we are developing our industrialisation efforts around strategic localisation by boosting domestic demand for South African manufactured goods, and expanding our access to export markets.

We have obtained commitments from social partners at the National Economic Development and Labour Council (Nedlac), as part of the national priorities set out in the Economic Reconstruction and Recovery Plan, to reduce reliance on imported goods, and to work with government in developing our productive capacity. Over the next five years, we will seek to invest in new industries which can reduce our reliance on

imports by 20% and boost our economic output. These commitments made by social partners will further create opportunities for South African manufacturers, including small and medium businesses and industrial firms owned and controlled by black South Africans, to grow their businesses and create jobs.

The realisation of a single African market, through the implementation of the African Continental Free Trade Area (AfCFTA), will further expand opportunities for South African industrialists, including black industrialists. A number of black owned and operated businesses are already taking advantage of existing opportunities across the rest of the African continent. **the dtic** and its **entities** have witnessed how black industrialists have used opportunities on the continent, particularly in the exporting of cooler boxes to Mozambique; hollow core internal doors to Botswana; train brake shoes to Zimbabwe; wine to Ghana; and machine cutting tools to Mauritania. Targeted policies can enhance the entry of young entrepreneurs, women and black industrialists in these export markets.

We are developing industrial competitiveness plans, referred to as sector masterplans, for a number of local industries. These masterplans include substantial commitments towards transformation, to complement efforts to expand local production and improve economic dynamism. In the automotive industry, some R6.4 billion has been committed by automotive manufacturers towards the creation of an Automotive Industry Transformation Fund, which will provide funding and market access opportunities for black component manufacturers in the automotive value chain. In the agricultural sector, R1 billion has been committed to improve opportunities for black sugar farmers, while in the poultry sector, the industry has committed R1.7 billion to expand opportunities for black farmers. Each of these commitments complements the funding which government has provided through **the dtic** and its entities. We expect further opportunities to be created through the development and implementation of masterplans in different industries, including steel, furniture, chemicals and plastics, as well as clothing, textile, footwear and leather.

The inaugural report provides details of approximately 100 black industrialists who have been supported by

**the dtic**, IDC and NEF over this period. The case studies cover a range of productive sectors: food production, clothing and textiles; mining metals machinery & equipment; transport logistics & infrastructure; chemical products and healthcare; plastic products; the green economy; the creative industry; property, construction & building materials; tourism and the fourth industrial revolution.

Through each of these efforts, we are opening up and changing our market structure, paving the way for new entrepreneurs and industrialists. To strengthen these efforts, from 1 April 2021 **the dtic** and the entities under its oversight will roll out a series of seven joint key performance indicators.

In this way, the combined efforts of all public entities will begin to be aligned to national priorities in a more explicit manner. The J-KPIs cover, among others, the work of sector masterplans, initiatives to boost levels of investment and localisation in the economy, expanding trade within the continent, enabling better local economic development, supporting the growth of new industries (in the green economy and through beneficiation) and building a capable state. These efforts will improve coordination between **the dtic**, IDC and NEF in identifying, supporting, and growing black-owned and operated industrial enterprises in South Africa.

There have been many lessons learnt over the last five years, which we will use to make the funding support of government more targeted and efficient. I would like to thank the staff of **the dtic**, IDC and NEF for their work in carrying out their black industrialist support over the last five years, and challenge them to improve the access and efficacy of this funding in the years to come.

**Ebrahim Patel**

Minister of Trade, Industry and Competition  
19 April 2021

The background of the top half of the page is a photograph of an industrial facility, likely a steel mill, showing conveyor belts and large metal structures. A semi-transparent green geometric shape, resembling a large triangle or a stylized 'A', is overlaid on the left side of the image. A large, bold, white capital letter 'A' is centered within this green shape.

# A

## INTRODUCTION



The Department of Trade, Industry and Competition (**the dtic**) and its agencies, the Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF), have a mandate to support economic growth, job creation and transformation. The department uses industrial development, trade policies and competitiveness measures to broaden empowerment and economic inclusion.

This report addresses one aspect of **the dtic's** broad transformation mandate, focusing mainly on the department's support to black industrialists. In addition, the NEF – showcases some of its funding activities, including projects such as property ventures. Detailed information on the impact and beneficiaries of wider empowerment initiatives and programmes is still being collated – this report focuses on current activities in support of black industrialists. Future reports will include additional information on broader empowerment initiatives and impact analysis.

## Transformation

Economic transformation is wider than broad-based black economic empowerment (B-BBEE) policies and embraces a number of elements, including:

- Transforming the structure of the economy to enable faster and more inclusive growth. This includes addressing high levels of market concentration by adopting competition policies that create a level playing field;
- Shifting from a dependence on exporting of raw materials to building a more balanced, dynamic economy through adoption of growth-oriented industrial policies; and
- Promoting the participation of black South Africans, women and young people in the economy, to broaden the base of entrepreneurship and promote fairness (including black economic empowerment policies).

## Empowerment policies for transformation

Empowerment has evolved into a policy with multiple objectives within an overarching policy framework. Empowerment aims to:

- Redress and deal with the historical exclusion of black people from the mainstream economy and the legacy of economic exclusion of black people;
- Lay the foundation for deeper growth through greater economic inclusion that widens the talent pool of enterprises drawn from black South Africans, including women and young people; and
- Address the huge inequalities of South African society, a challenge that is unique to the country.

## Evolution of empowerment policies

Over the years, the focus of empowerment has broadened to include support to:

- Individual share ownership, which typically comprises a non-controlling share of an existing business and which advances capital accumulation among black South Africans;
- Broad-based empowerment made up of communities, consortia of women or youth, and collective investment and empowerment vehicles funding key social programmes such as community bursary schemes;
- Black industrialists who have a controlling stake in a company and who are often involved in its executive management; and
- Expansion to ownership by employees and developing an inclusive South African corporate model, shifting from an adversarial approach on the shopfloor.

## Challenges

While objectives of empowerment remain a constitutional imperative, challenges remain in giving effect to policies:

- Fronting practices continue in which companies misrepresent the position of true shareholders and beneficiaries by falsifying black South Africans as owners;
- In some cases, black-owned firms have lent and continue to lend their names to tender documents while the work is done by other companies; and
- The names of individuals are sometimes fraudulently put on a shareholder register without their knowledge.

**the dtic** and its agencies have strengthened its regulations and tightened controls, making fronting a criminal offence. The department and agencies put in

place measures to address fronting. The following are among the measures introduced by the IDC to check ownership claims to curb fronting:

- A due-diligence process that includes interviews with the client (entrepreneurs and project promoters).
- Due diligence consists of an assessment of the client's management team, a legal review, compliance checks and a review of shareholders' personal balance sheets;

- Zero tolerance towards fronting and investigation of transactions by teams that are sufficiently informed and educated about fronting practices.
- The teams, through due diligence, ensure that transactions do not involve fronting and, where required, provide evidence to the credit approval committee; and
- A hotline to report fraud, including fronting.

## PROMOTING TRANSFORMATION



## Observations

This report does not cover equity promotion comprehensively, but focuses on a sample of firms and entrepreneurs that have partnered with **the dtic** and its agencies on its programmes that support black industrialists and black entrepreneurs. This is not a comprehensive list of public policy measures supporting shareholding expansion. It does not include:

- Firms and industrialists empowered through the Equity Equivalent Investment Programme, through which multinational corporations support local entrepreneurs;
- Empowerment commitments obtained as part of masterplans in sugar (R1 billion), poultry, clothing and autos (R6 billion);
- Spatial initiatives such as special economic zones before initiatives and industrial parks that provide access to physical infrastructure, and measures to promote township and micro-enterprises;
- Competition market access measures that create new commercial opportunities;
- DC's support of black shareholders for minority equity arrangements; and
- B-BBEE codes and sector charters involving thousands of other transactions promoting black shareholding or industrialist initiatives.

Research continues so as to provide information across additional platforms to provide a comprehensive picture of the extent of support and its impact on growth and job creation.

## Beyond shareholding

Empowerment policies are not confined to shareholding and ownership. Other key elements include the promotion of local procurement, entry of black South Africans, young people and women into management, skills development for blue-collar workers and bursaries for young persons.

**Women:** South Africa has made strides in bringing greater numbers of women into the formal economy. The proportion of working-age women in employment (also known as the employment ratio) climbed from 26% in 1996 to 41% in 2018, while there

are now 900 000 women in senior management and professional posts, compared to 465 000 in 2003 – an increase of 93% over 15 years.

**Skills development:** Public policies have promoted investment in skills. Companies are credited on B-BBEE scorecards for investment in skills. Broad-based empowerment vehicles such as Kagiso Trust and union/community trusts have provided tens of thousands of bursaries to young persons from townships and rural areas.

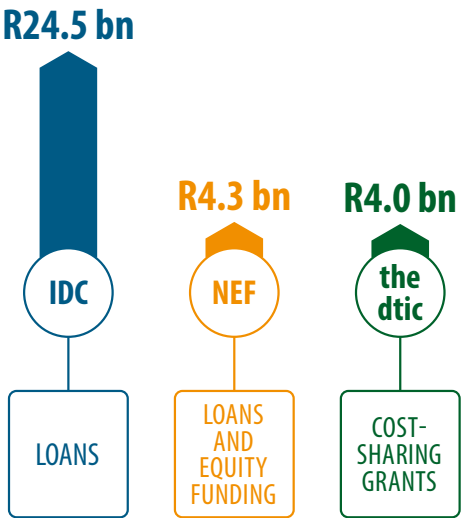
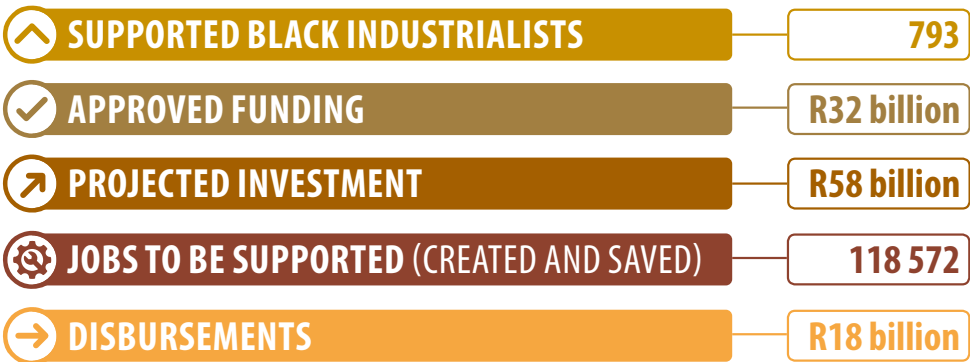
**Management:** B-BBEE policies assist companies to actively provide opportunities for black South Africans in management of corporations. About 900 000 more management and professional positions are currently held by black South Africans than in 2003.

## Focus on industrial expansion: The Black Industrialist Policy

Initial transformation policies focused largely on enabling black South Africans to obtain a non-controlling stake or equity in existing enterprises. They did not address the need to focus on new enterprise development nor to promote businesses controlled by majority South Africans. In 2015, Cabinet approved the Black Industrialists Policy, which seeks to increase participation of black South Africans in ownership and control of productive enterprises in key sectors and value chains of the economy. **the dtic** has advanced the objectives of the Black Industrialists Policy through grant funding to applicants who want a foothold in key, productive sectors of the economy. The IDC and NEF provide funding to eligible black entrepreneurs, including those who would have had difficulty obtaining funding from commercial banks. It is important to note that the Black Industrialists Policy has not replaced existing policies, but complements them.

## Progress of the Black Industrialists Policy: Direct Funding

From 2015/16 to 2019/20, **the dtic**, IDC and NEF approved R32 billion in funding to 793 black industrialists. The table below shows the funds approved and disbursed:



Approved support to black industrialists

*Note: the figures exclude a number of other dtic-linked programmes, such as the Equity Equivalent Investment Programme (R10 billion), Competition Settlement Agreements (R4.5 billion) and competition supply chain development.*







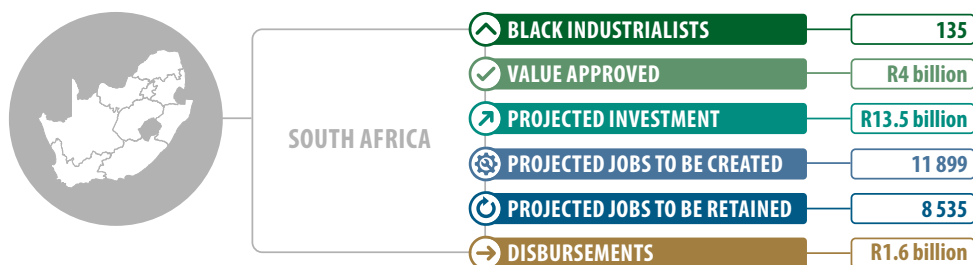
B

# DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION



the dtic

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA



A key mandate of the department is to stimulate and facilitate the development of sustainable and competitive enterprises through effective and accessible incentives that support national priorities. This is achieved through the administrative of incentive programmes including the Black Industrialists Scheme (BIS).

The BIS addresses the low representation of black industrialists with majority ownership and provides the support they need to transform their organisations into viable, sustainable enterprises that address the twin national priorities of local economic development and economic inclusivity. The scheme offers grant funding and loan funding from the IDC, NEF and other development finance institutions, commercial banks and equity funders. Support is offered on a cost-sharing basis towards:

- Capital investment consisting of funding for machinery and equipment, property and commercial vehicles;
- Investment support that covers feasibility studies; and

- Business development services comprising product design, information technology systems and patent costs.

The cost-sharing grant ranges from 30% to 50% of the approved funds to a maximum of R50 million. The quantum depends on the level of black ownership and management control in the business, the economic benefit of the project and its value. The project must have a minimum investment of R30 million and should secure or increase direct employment. The black industrialist must be directly involved in the day-to-day running of the operation and must have expertise in the sector.

From inception of the incentive in 2016/17 to March 2020, the BIS continued to support black industrialists through contribution to business growth, investment and increased employment. While Covid-19 has adversely impacted black industrialists through a reduction in demand, delays in the delivery of imported machines ordered due to lockdowns and shortage of raw materials that has caused prices





to increase, supported companies have remained resilient, developing new products and diversifying into others, including Covid-19-related products for new markets. Others have reduced spending on non-essentials, completed projects in-house instead of using third-party contractors, are procuring from alternative suppliers and have increased prices to reduce margin loss.

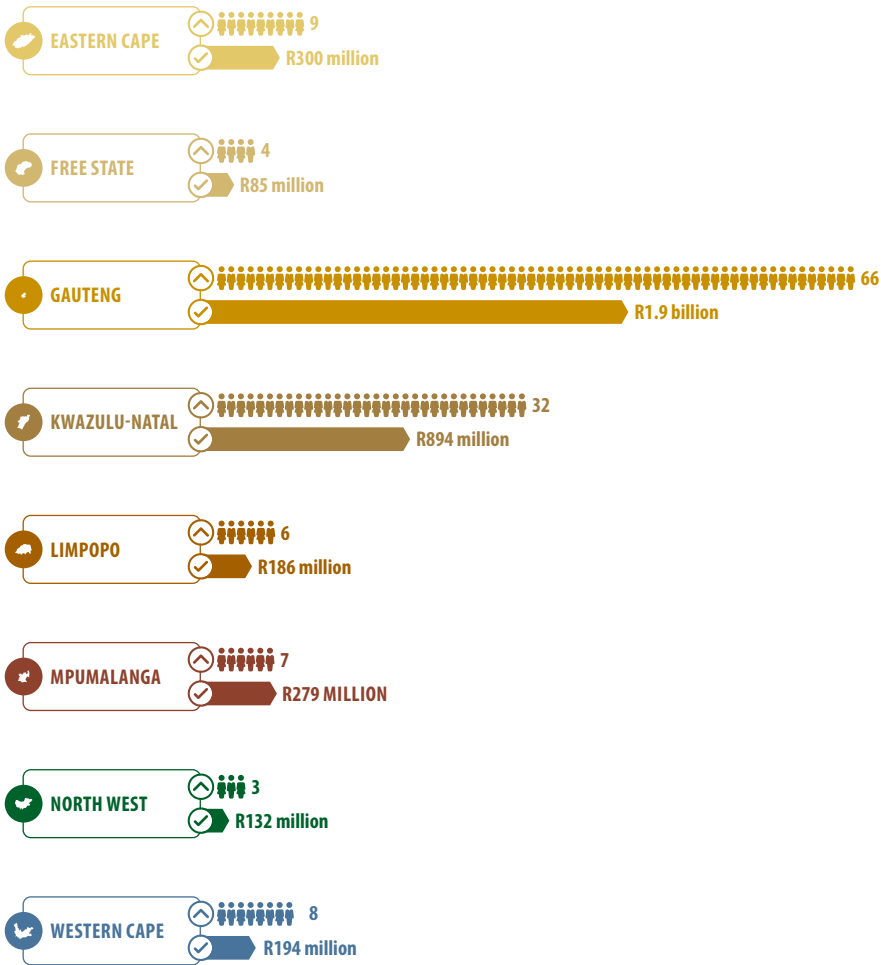
The BIS incentive invested more than R4 billion in projects owned by black industrialists, about 20% of which were accessed by black female industrialists. **the dtic**, in partnership with the IDC and NEF, will continue to identify opportunities and fortify its support to female and young black industrialists.

*Stimulating investment to unlock inclusive economic growth, creating jobs and positioning South Africa for sustainable recovery*



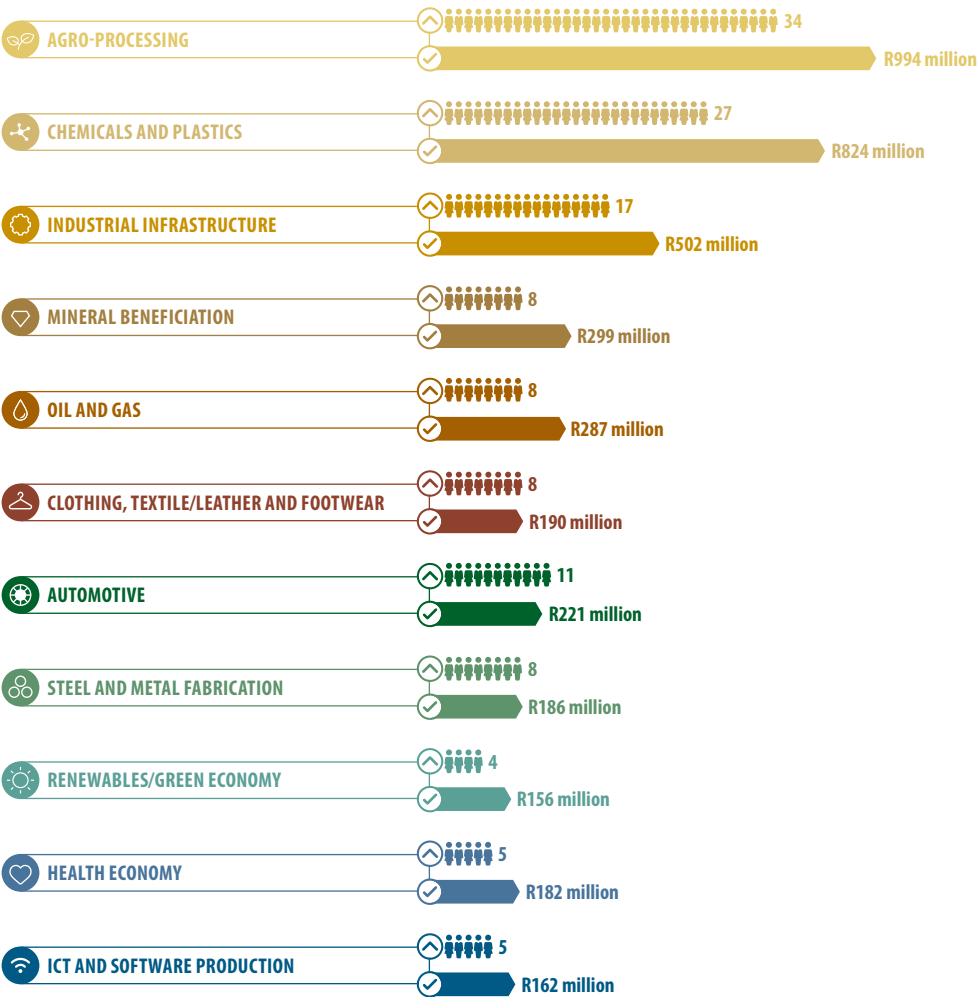
DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION:  
**BLACK INDUSTRIALISTS BY PROVINCE**

*Fostering and strengthening broad-based industrialisation in economically depressed areas of South Africa*



DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION:  
**INVESTMENTS BY STRATEGIC SECTORS**

*Injecting new entrepreneurial dynamism across a diverse range of sectors by supporting black industrialists*



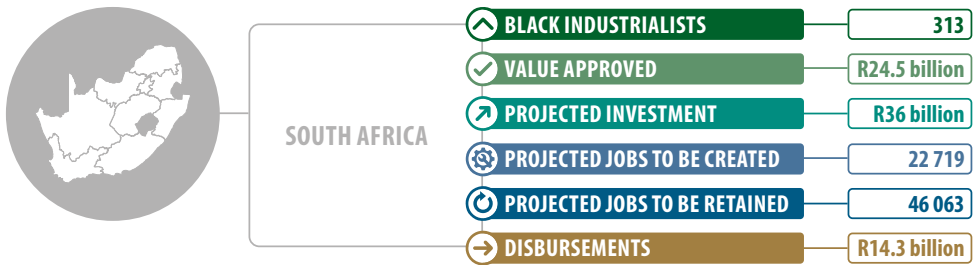




# C

## INDUSTRIAL DEVELOPMENT CORPORATION





## *The IDC's Black Industrialists Programme and contribution to black economic empowerment*

The IDC is mandated to maximise its development impact by investing in job-rich industrialisation while contributing to the growth of an inclusive and transformed economy.

Its strong track record in facilitating economic transformation is exhibited in the funding committed to black industrialists.

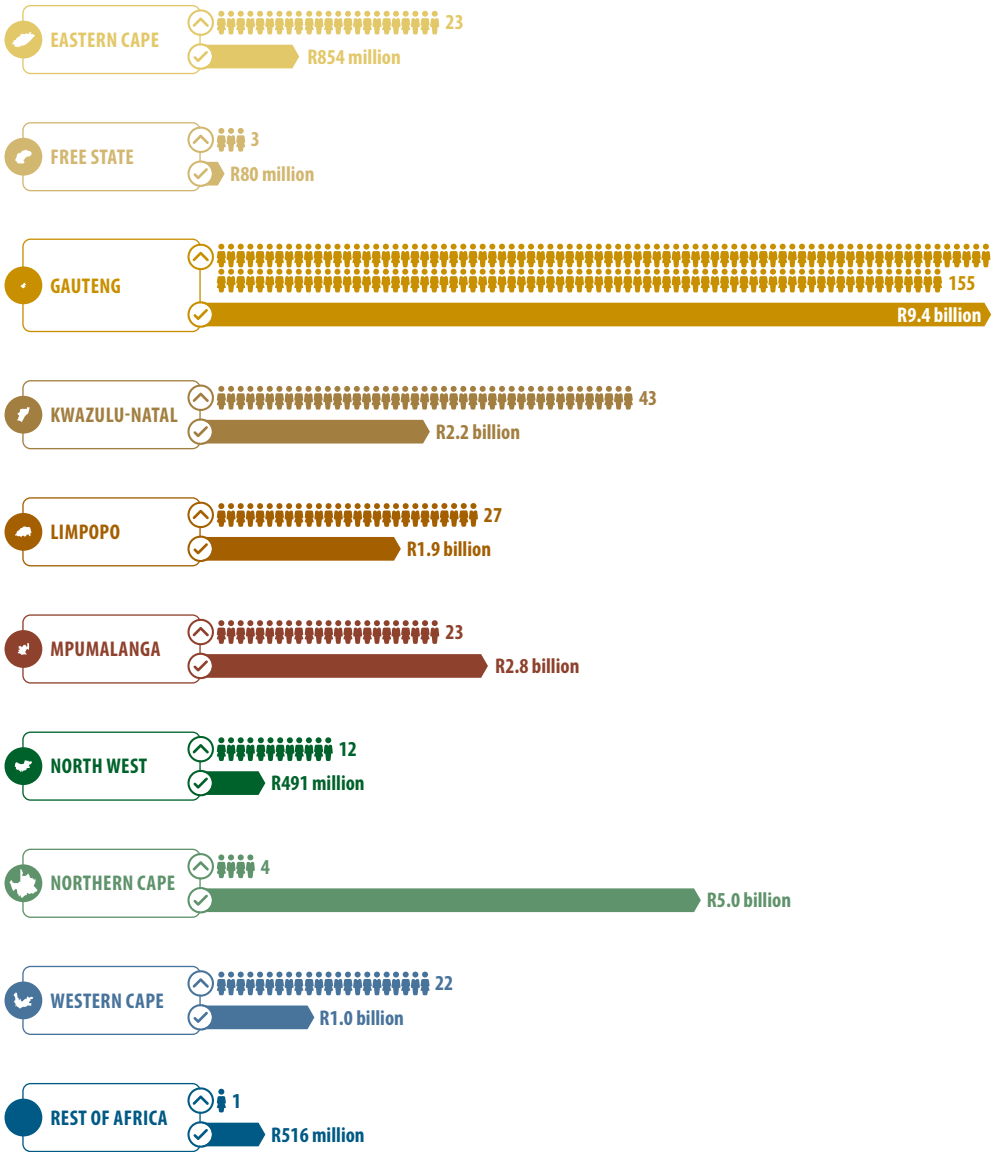
The IDC's Black Industrialists Programme is aligned to government's policy of driving meaningful participation in the economy by black entrepreneurs. Initiated in 2014, the programme promotes the long-term sustainability of black entrepreneurs as manufacturers and owners in key sectors to drive economic growth and inclusive development.

The programme emphasises entrepreneurial leadership, controlling or majority equity shareholding or financial interest, significant influence on strategic direction, and executive participation or managerial control over operational activities.

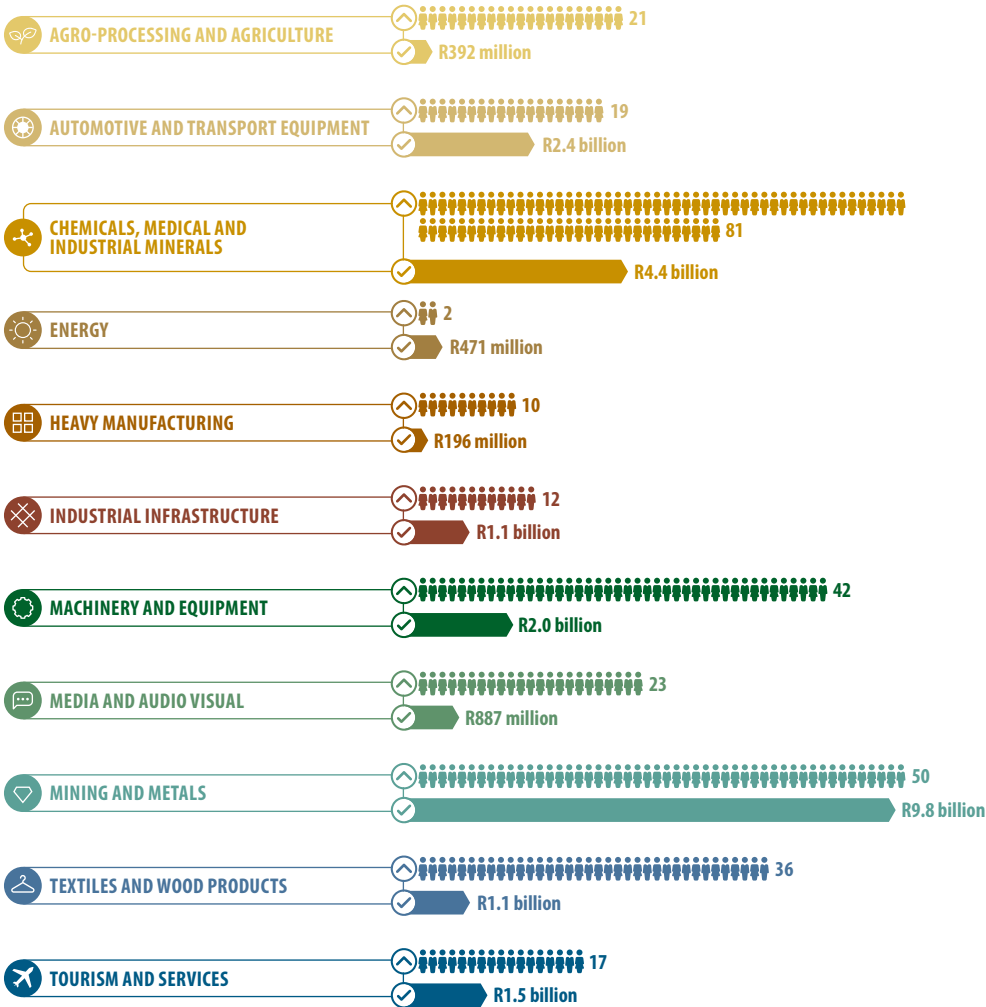
Over the five years ended 31 March 2020, the Corporation exceeded its target of R23 billion set in 2015/16, approving R24.5 billion worth of transactions to black industrialists.

Funding approved for empowered companies with more than 25% black shareholding reached R42.5 billion over the five years (60% of all funding approved by the IDC over this period), R26.6 billion of which was for black-owned companies with more than 50% black shareholding.

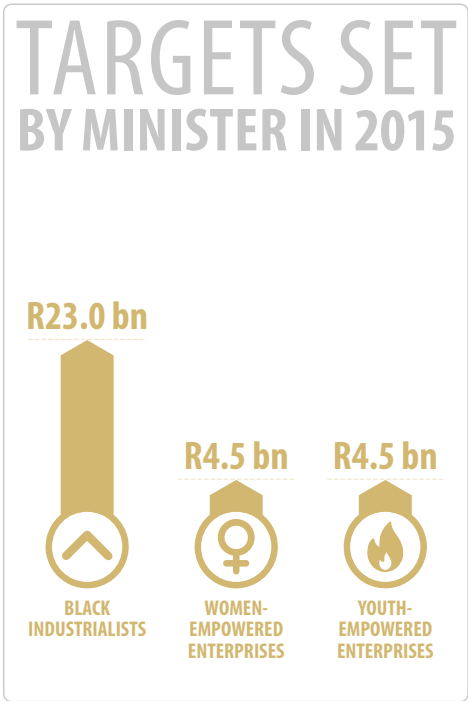
INDUSTRIAL DEVELOPMENT CORPORATION:  
**BLACK INDUSTRIALISTS BY PROVINCE**



INDUSTRIAL DEVELOPMENT CORPORATION:  
**INVESTMENTS BY STRATEGIC SECTORS**



In May 2015, Minister Ebrahim Patel set a 5-year target for the IDC to promote economic inclusion. The IDC would achieve this by providing industrial funding to Black entrepreneurs. Below were targets set by the Minister:



*These targets were exceeded.*



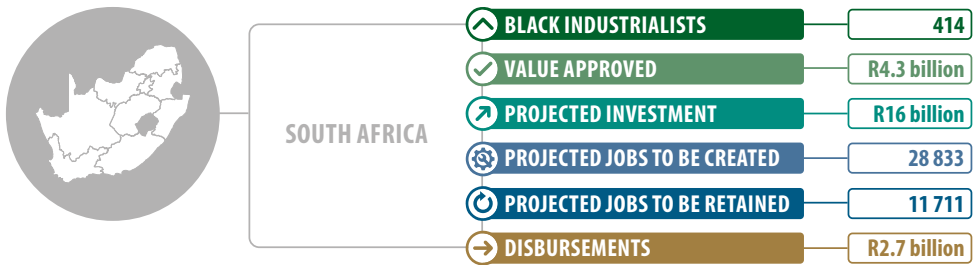




A large, bold, white letter 'D' is centered on the left side of the page. The background is a grayscale industrial scene, possibly a factory or construction site, with various pipes, machinery, and structural elements. A large, dark green triangular overlay covers the left and center portions of the image, partially obscuring the industrial background.

# D

## **NATIONAL EMPOWERMENT FUND**



Established by the NEF Act No 105 of 1998, the NEF is the only development finance institution in South Africa that is exclusively mandated to grow B-BBEE through financial and non-financial support to black-owned and -managed businesses, and by promoting a culture of savings and investment among black people.

The NEF funds all sectors of the economy in amounts from R250 000 to R75 million. Where the financial requirements of applicants exceed the NEF's threshold, NEF funding unlocks additional capital from commercial and developmental financiers.

Once the NEF has derisked transactions through business incubation support and training where needed, especially in SMEs, rural transactions, and feasibility and related funding, third-party funders are often more confident to come forward with additional investment.

The NEF funds across the economic spectrum in line with its commitment to uphold the right of black people to participate in every sphere of the economy. For this reason, the NEF has investment funds dedicated to supporting SMEs, women-owned businesses, rural and community-owned businesses, medium-sized corporates as well as potential industrial players, which are financed through the Strategic Projects Fund.

The NEF's primary objectives in achieving socio-economic development impact with black people at the forefront include:

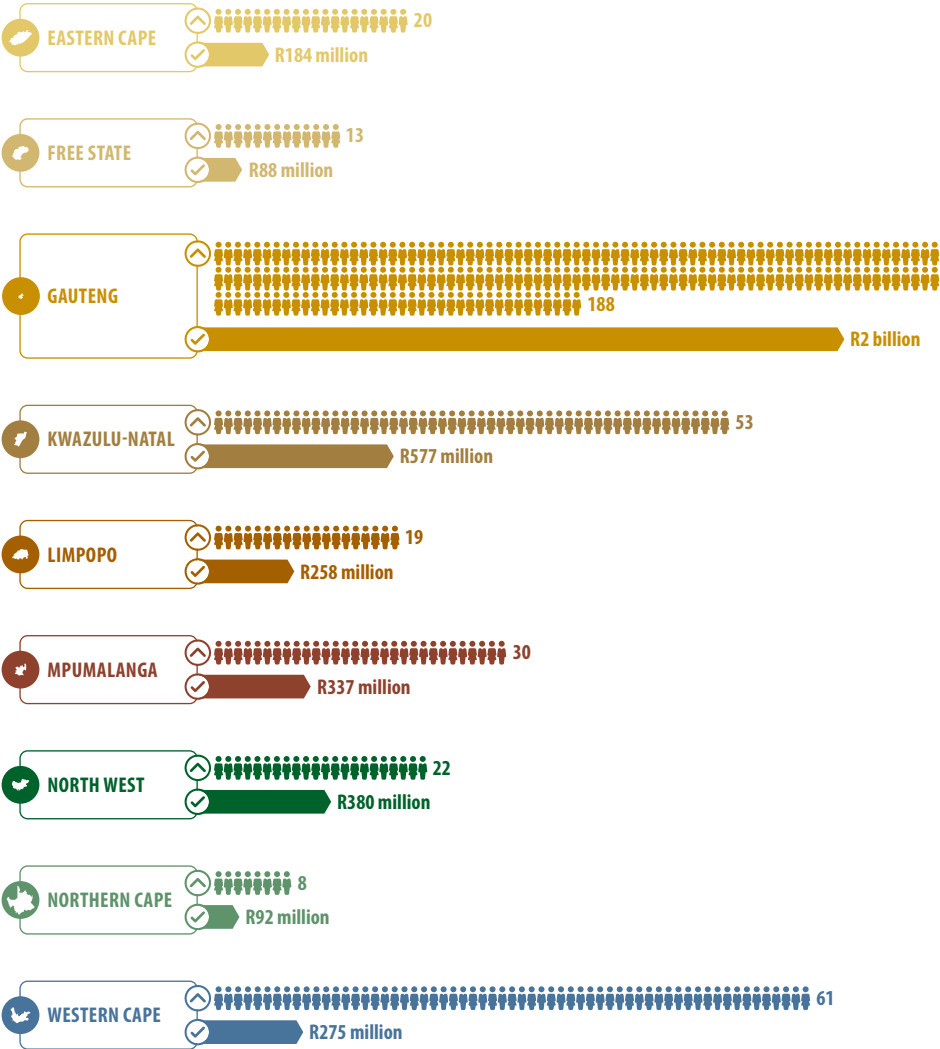
- Creating new manufacturing and industrial capacity;
- Creating new jobs as opposed to replacement capital finance;
- Facilitating the investment of new fixed capital into economically depressed areas or poverty nodes;
- Creating an inclusive economy by increasing industrial investment participation of black businesses;

- Achieving an increase in South Africa's export earning potential and a reduction in import dependency; and
- Attaining an increase in co-investment and linkages through foreign direct investment.

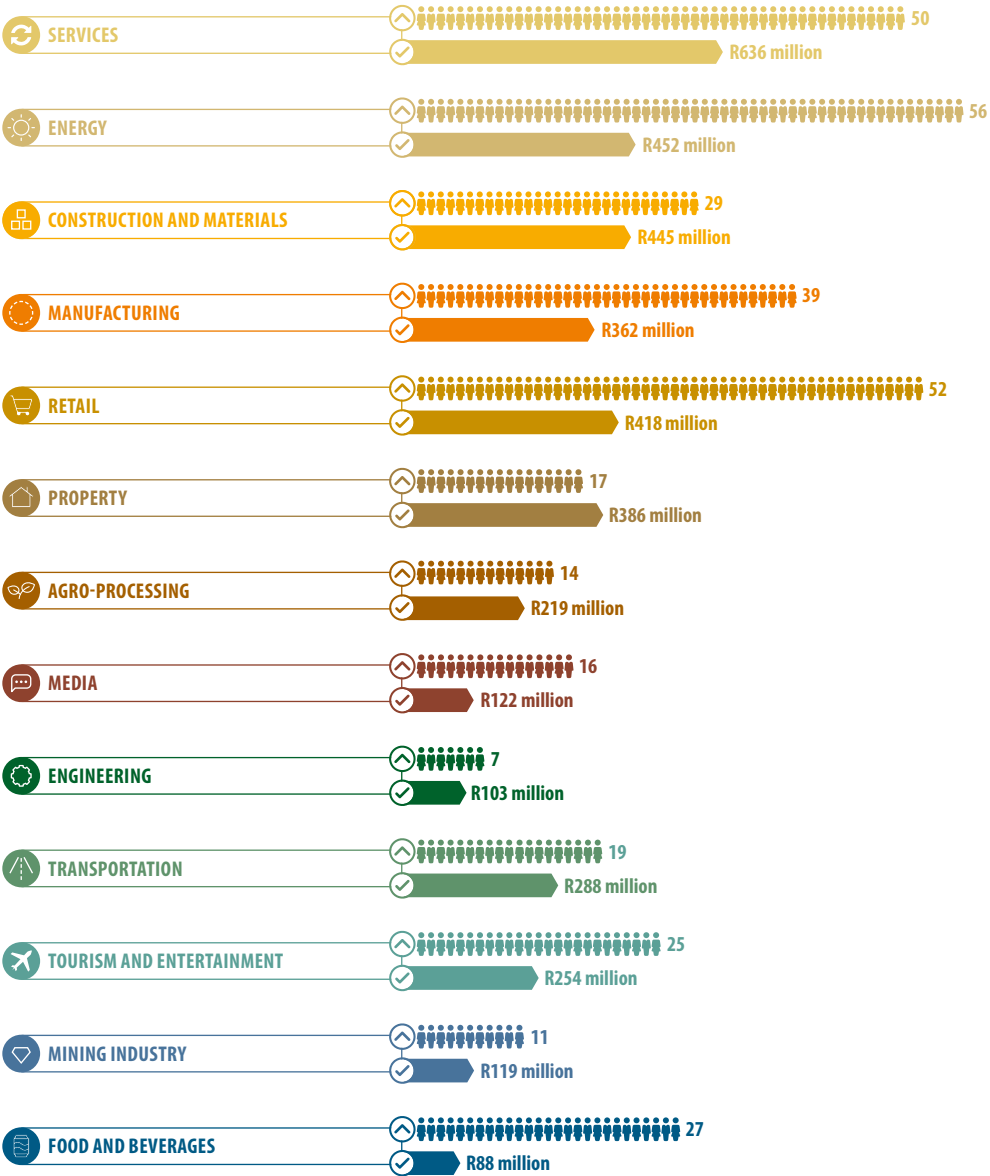
Other notable performance highlights in supporting black industrialists include the funding of 182 black women-owned businesses with support of R1.1 billion and 48 youth-owned businesses with loan and equity funding of R459 million.

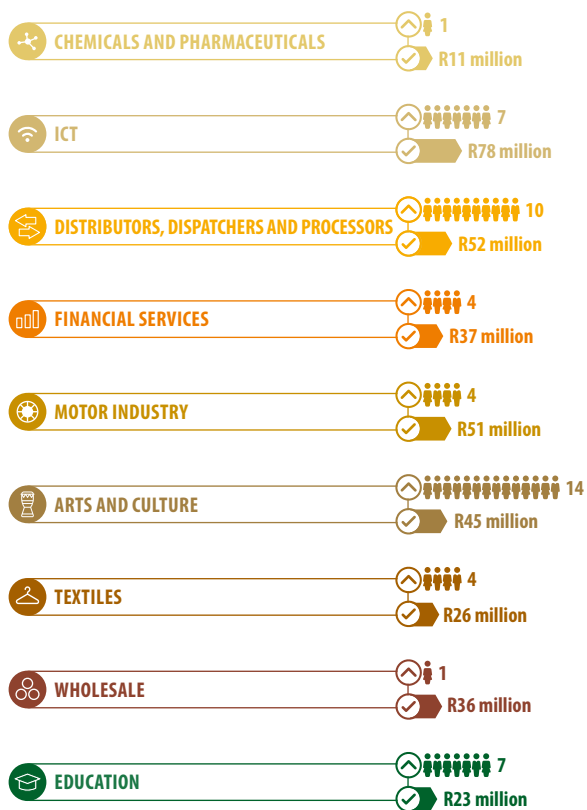


NATIONAL EMPOWERMENT FUND:  
**BLACK INDUSTRIALISTS BY PROVINCE**



# NATIONAL EMPOWERMENT FUND: INVESTMENTS BY STRATEGIC SECTORS







The image shows a vast open-pit mine with terraced levels. Several large yellow haul trucks are visible on the dirt roads within the mine. The left portion of the image is covered by a semi-transparent green overlay, which contains a large, bold, white capital letter 'E'. The right portion of the image is a grayscale photograph of the same mine, showing the rugged terrain and the scale of the excavation.

# E

## CASE STUDIES

This section highlights the work and successes of businesses supported by **the dtic's** BIS, IDC and NEF black industrialist funding.

For some projects, IDC and **the dtic** funding complement each other, combining elements of grant funding and loan funding.

The case studies cover a range of sectors: food production, clothing and textiles, mining metals machinery and equipment, transport logistics and infrastructure, chemical products and healthcare, plastic products, the green economy, the creative industry; property, construction and building materials, tourism and the fourth industrial revolution.

About 100 case studies have been selected from more than 790 black industrialists and black-owned businesses supported. The range of products is wide:






- Food production from dairy, meat processing, poultry, growing fruit and vegetables, packaging and cold storage, import and export logistics, making sauces, farming fish and greens, soya crushing, animal feed, abattoir, organic foods, jams and noodles.
- Harvesting and selling timber products, wooden poles, printing and packaging, sacks, pallets tissue paper, and tissue products such as toilet paper and serviettes.
- Clothing manufacturing, including school uniforms, corporate uniforms, disposable and reusable surgical masks and gowns, fabrics that can be used in textile bags, textiles made with the latest digital technology.

Firms supported through these programmes are contributing to South Africa's GDP growth and creating or sustaining large numbers of jobs. However, in a market economy, not every firm will succeed. Government support assists and encourages a large number of entrepreneurs to enter markets. Those that succeed are able to grow their businesses and expand the economy.



# CASE STUDIES: AGRICULTURE AND AGRO-PROCESSING

## AFRICA SUN OIL (PTY) LTD

 <b>BLACK INDUSTRIALIST</b>	<b>ANWAR MOOSA</b>
 <b>LOCATION</b>	<b>JOHANNESBURG, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
 <b>JOBS CREATED</b>	<b>134</b>
 <b>JOBS RETAINED</b>	<b>204</b>
<b>PRODUCTS</b>	
Cooking oil	



**AFRICA  
SUNOIL**

Founded in 1997, Africa Sun Oil (Pty) Ltd is a black entity-owned company producing soya bean oil, sunflower oil, maize oil, palm oil and candles. The company's main office is in Durban, KwaZulu-Natal, but the operation expanded to Gauteng in 2007.

the dtic-funded project supported the capacity expansion in Gauteng through acquisition of machinery and equipment, commercial vehicles and the construction of warehouses and storage tanks for crude oils.

Through to increase their capacity, the project is replacing 5% of imported sunflower oil, while reducing oil waste.



## AH NOVATION



<b>BLACK INDUSTRIALIST</b>	NTOKOZO HLATSHWAYO	
<b>LOCATION</b>	JOHANNESBURG, GAUTENG	
<b>FUNDING TYPE</b>	IDC LOAN	
<b>JOBS CREATED</b>	10	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Dairy

Ntokozo Hlatshwayo, an entrepreneur with a BSc in Food Science specialising in dairy, established AH Novation in 2016.

This company produces stabilisers from corn starch and gelatines, among other products, and these are used to provide texture and product classification to dairy products.

IDC funding enabled the company to automate its packaging line to remove bottlenecks in its production processes. The implementation of a packaging line has helped to strengthen the company's production capacity.



## BARAMAKAMA POULTRY



<b>BLACK INDUSTRIALIST</b>	SOLLY MOLOKO	
<b>LOCATION</b>	MOLOTO CITY, NORTH WEST	
<b>FUNDING TYPE</b>	IDC LOAN	
<b>JOBS CREATED</b>	29	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Poultry

In 2016, the Moloko family identified an opportunity in the egg production market, founding Baramakama Poultry, a 100% black-owned, independent egg producer, packer, marketer and distributor operating in a rural outpost.

IDC funding assisted the company to construct an additional five henhouses and a packhouse.

The increased capacity facilitated a steady supply of eggs, which has helped the company to maintain a consistent growth path.



## DREAMLAND PIGGERY

<b>BLACK INDUSTRIALIST</b>	ANNA GWANINI PHOSA
<b>LOCATION</b>	VAN DER BIJLPARK, GAUTENG
<b>FUNDING TYPE</b>	IDC LOAN
<b>JOBS CREATED</b>	4
<b>JOBS RETAINED</b>	N/A
<b>PRODUCTS</b>	
Piggery	

**WOMEN EMPOWERED**



The business was founded by Anna Phosa who owned four pigs.

Through resilience and determination and the support of her husband and daughter - who has a degree in animal production - she has grown the business to a 300 sow-crate piggery and abattoir.

Dreamland also now produces its own maize to produce pig feed.

Ms Phosa is a two-time winner of the Department of Agriculture's female farmer of the year award. IDC funding due for disbursement will help the business build an abattoir and cover operational expenses, boosting Dreamland's growth prospects.



## EASTERN TRADING (PTY) LTD

<b>BLACK INDUSTRIALIST</b>	ISMAIL EBRAHIM DARSOT
<b>LOCATION</b>	TZANEEN, LIMPOPO
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT
<b>JOBS CREATED</b>	71
<b>JOBS RETAINED</b>	125
<b>PRODUCTS</b>	
Sauces	

Eastern Trading is a large producer of tomato paste, including All Joy. It has enlisted 80 small and medium farmers in the Tzaneen area to supply tomatoes.

The project received a grant from **the dtic's** BIS to support its expansion plans.

The grant funded machinery and equipment and business support for its Tzaneen tomato paste plant, whose capacity has grown from 100 tons a day to 500 tons.





## MAJESTY OIL MILLS (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>DHAYANANTHAN PILLAY</b>
<b>LOCATION</b>	<b>KRUGERSDORP, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>IDC LOAN AND the dtic COST-SHARING GRANT</b>
<b>JOBS CREATED</b>	<b>23</b>
<b>JOBS RETAINED</b>	<b>229</b>
<b>PRODUCTS</b>	
Soya crushing	



Majesty Oil Mills received **dtic** funding for machinery and equipment and owned buildings. The project is an expansion of an existing facility, which employs 252 people and manufactures soya and sunflower products such as cooking oil and soya de-oiled cake for the animal feed industry.

The plant has been commissioned and is producing 500 tons of soya seed a day, which will reduce quantities of imported soya bean oil cake and soya bean oil. An investment in the hot dehulling plant enabled the project to increase crush volume, which has decreased the cost per ton to R250. Energy saving measures instituted have improved energy use and lowered energy costs.

At the time of the latest claim in September 2020, the project reported that local procurement was 62% and that it had increased its market share for oil products from 16% at application stage to 39%.

## NKOMAZI COTTON DEVELOPMENT PROJECT



<b>BLACK INDUSTRIALIST</b>	<b>KURA SIBANDA</b>
<b>LOCATION</b>	<b>NKOMAZI MUNICIPALITY, MPUMALANGA</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOBS CREATED</b>	<b>16 650</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Cotton	

**WOMEN EMPOWERED**



The NEF approved R7.4 billion for a bankable feasibility study to investigate the viability of establishing a cotton lint manufacturing plant (gin) in Nkomazi Municipality, Mpumalanga. The project is in partnership with 1 190 black individual members from 21 primary cooperatives on 11 000ha (63% of the farmers are women). On completion, the project will create 42 permanent jobs at the gin, with an additional 40 to 100 seasonal jobs and 200 jobs during construction. Upstream, the Lebombo Cooperative will be able to sustain a further 16 500 permanent jobs at full productivity. In 2019, the NEF approved a further R42.6 million for financial close requirements. The project steering committee is now raising the remainder of the capital required.



## THE NOODLE FACTORY



BLACK INDUSTRIALIST	MOHAMMED SHAKIEL PARKER	
LOCATION	PHILIPPI, WESTERN CAPE	
FUNDING TYPE	IDC LOAN AND the dtic COST-SHARING GRANT	
JOB'S CREATED	N/A	PRODUCTS
JOB'S RETAINED	109	Noodles

In 2009, Mohammed Parker approached the IDC for a loan to establish South Africa's first independent instant noodle manufacturer.

After obtaining further grant funding from **the dtic**, he imported the necessary manufacturing equipment.

From employing fewer than 10 people, the newly minted black industrialist employed 109 full-time employees in 2018. While the Covid-19 pandemic has affected consumer spend, production capacity should grow once consumer demand picks up.

Once operational, The Noodle Factory's new production line is expected to be the single largest noodle production facility in South Africa and, most likely, on the continent.



## OLIVE BLACK INVEST



BLACK INDUSTRIALIST	TSHILOLO RONALD RAMABULANA	
LOCATION	LEVUBU, LIMPOPO	
FUNDING TYPE	IDC LOAN	
JOB'S CREATED	45	PRODUCTS
JOB'S RETAINED	N/A	Printing

Tshililo Ramabulana founded Olive Black Invest having spotted an opportunity to start a dried fruit and processing facility whose products would be used to make juice.

IDC funding helped him to buy a factory and provided working capital. The company has created 45 jobs.

Mr Ramabulana is also a minority shareholder in Cape Dried Fruit Packers South Africa, the second largest exporter of Cape dried fruit.



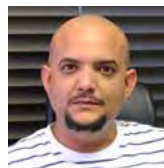
## SAUCY SECRETS CC



<b>BLACK INDUSTRIALIST</b>	<b>RASHAAD MUSA</b>	
<b>LOCATION</b>	<b>UITENHAGE, EASTERN CAPE</b>	
<b>FUNDING TYPE</b>	<b>IDC LOAN AND the dtic COST-SHARING GRANT</b>	
<b>JOBS CREATED</b>	<b>23</b>	<b>PRODUCTS</b> Sauces
<b>JOBS RETAINED</b>	<b>40</b>	

In 2008, Rashaad Musa and Ricardo Ferreira identified an opportunity to manufacture sauce for the low- and middle-income markets.

Saucy Secrets supplies supermarkets and caterers in the Eastern Cape. The black industrialist funding enabled the company to obtain accreditations, expand its product lines and print its packaging in-house. It subsequently expanded into still and flavoured water, carbonated drinks, cordials and squashes. It also diversified into blown bottles and blended and concentrated juices. The investment in printing allows Saucy Secrets to design and produce high-quality branding for customers. The project sources all raw materials domestically.



## SIYAYA BRANDS (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>KURA SIBANDA</b>	
<b>LOCATION</b>	<b>RANDBURG, GAUTENG</b>	
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>	
<b>JOBS CREATED</b>	<b>23</b>	<b>PRODUCTS</b> Crisps and Snacks
<b>JOBS RETAINED</b>	<b>24</b>	

Siyaya Brands (Pty) Ltd started operations in 2009 in the production and distribution of kettle fried crisps, pellet snacks and coffee. The company has since invested in additional machinery and equipment, building improvements and commercial vehicles.

Exports into the Southern African Development Community increasing significantly. Its product quality has given Siyaya Brands a competitive edge and it has secured sales agreements with household South African retail brands. For the kettle fried crisps, total procurement is from the local market. At application stage, the company did not have any black suppliers, but by the second stage, in March 2020, 60% of packaging material and oil were procured from black-owned suppliers.

The company has also converted its electricity burners into gas burners, which has substantially lowered electricity costs.



Source: <https://www.elbers.co.za/kettle-cooked-products/>

## SUNOLA OIL MILLS



<b>BLACK INDUSTRIALIST</b>	<b>YUSUF MOOSA</b>
<b>LOCATION</b>	<b>AEROTON, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
<b>JOBS CREATED</b>	<b>1</b>
<b>JOBS RETAINED</b>	<b>21</b>
<b>PRODUCTS</b>	
Cooking oil	



Sunola Oil Mills intends to expand to manufacture vegetable oils for human consumption. Approval was granted for machinery and equipment, a manufacturing facility and commercial vehicles and equipment installation is 80% complete. In October 2020, the project was anticipating starting commercial production by December 2020.

The company has consolidated its competitiveness with the purchase of two new superlink trucks Cross-border opportunities have emerged in Swaziland and are currently being explored in Botswana and Angola.





# CASE STUDIES: AUTOMOTIVE

## RONDEX PARTS (PTY) LTD



 <b>BLACK INDUSTRIALIST</b>	<b>AYESHA KUCULYILMAZ</b>
 <b>LOCATION</b>	<b>SEBENZA, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
 <b>JOBS CREATED</b>	<b>6</b>
 <b>JOBS RETAINED</b>	<b>12</b>
<b>PRODUCTS</b>	
Brake pads	

Rondex Parts (Pty) Ltd is expanding to manufacture brake pads, with approval granted for machinery and equipment, commercial vehicles and the construction of a new building.

The company currently imports all heavy duty and light commercial brake pads, but import dependence will drop once local production starts, which will have cost and order turnaround benefits.

The new machinery, with its advanced technology in energy efficiency and power saving, will also reduce energy costs and CO<sup>2</sup> emissions.



## VM AUTOMOTIVE



<b>BLACK INDUSTRIALIST</b>	<b>LIZO GIBSON NJENJE</b>
<b>LOCATION</b>	<b>ROSSLYN &amp; EAST LONDON</b>
<b>FUNDING TYPE</b>	<b>IDC LOAN</b>
<b>JOBS CREATED</b>	<b>74</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Automotive components	

VM Automotive, established in 2012 to manufacture vehicle components, is now one of the largest coil-processing companies in the local motor industry.

It supplies aluminium and steel blanks to BMW X3 and will cater for the new model Mercedes Benz C-Class to be launched on 1 July 2021. In 2018, IDC funding helped the company acquire a blanking facility in Rosslyn. In 2019/20, the IDC provided funded the supply and purchase of new blanking work with other original equipment manufacturers, and the acquisition of a new manufacturing facility in Berlin, East London.

This project is currently underway.










# CASE STUDIES:

# CHEMICALS AND PLASTICS

## BLENDTECH (PTY) LTD



 <b>BLACK INDUSTRIALIST</b>	<b>GOPAUL NAIDOO</b>
 <b>LOCATION</b>	<b>MARIANN INDUSTRIAL PARK, KZN</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>42</b>
 <b>JOBS RETAINED</b>	<b>38</b>
<b>PRODUCTS</b>	
Lubricant products	



Founded in 2015, Blendtech (Pty) Ltd produces lubricants for the automotive, mining and agriculture industries.

the dtic funded machinery, equipment and commercial vehicles for automation that will enhance product quality. The project also includes sophisticated laboratory equipment to perform international-standard quality tests. The factory will be designed according to international environmental standards and incorporate energy-saving lighting, solar panels, waste recycling and hardware to reduce contamination and oil spillages.



## DALISU HOLDINGS



BLACK INDUSTRIALIST	MOHLOMI MOTHABI	
LOCATION	PIET RETIEF, MPUMALANGA	
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN	
JOBS CREATED	23	PRODUCTS
JOBS RETAINED	N/A	Dust suppressant

Dalisu Holdings was formed as a joint venture between Dalisu Speciality Products, a 100% black-owned company, and Mpact to provide a dust-suppression service to the mining industry. It produces sodium lignosulphonate, a dust suppressant obtained from black liquor, which it is branded. It has also developed a way to produce sodium sulphate from salt cake obtained from Mpact's pulping process.

The IDC has funded the construction of the high purity 82 tons a day sodium sulphate plant, which will commercialise this process.



## HOTO TRADING AND PROJECTS



BLACK INDUSTRIALIST	MTHUNZI LUCAS LUGULWANA	
LOCATION	HEIDELBERG, GAUTENG	
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN	
JOBS CREATED	8	PRODUCTS
JOBS RETAINED	6	Laminating and slitting

Hoto Trading and Projects received funding from the dtic's BIS to expand existing operations. The company offers a range of flexible packaging solutions, flexible ducting and cable insulation and sources locally produced materials from South African Bureau of Standards-approved suppliers.

The project is currently running at about 25% to 30% capacity due to Covid-19, but is showing signs of recovery. The company is able to buy locally about 90% of previously imported aluminium polystyrene film products. About 10% of PET polystyrene film is still imported from China and India.

The company reported production of about 500 tons a month in November 2020, exporting to Zimbabwe and Botswana. The new investment has enabled it to conclude a deal with a USA-based company for its packaging and cabling products.



## INTERSTELLAR PLASTICS (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>SULEIMAN KHAN</b>
<b>LOCATION</b>	<b>LENASIA, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
<b>JOBS CREATED</b>	<b>17</b>
<b>JOBS RETAINED</b>	<b>16</b>
<b>PRODUCTS</b>	
Plastic packaging containers	



Interstellar Plastics was incorporated in 2012 and started operating in 2017 after receiving support from the BIS incentive. The company, based in Midrand, Gauteng, manufactures plastic packaging containers for soft drinks, household cleaners and other consumer goods. The BIS support funded a patent and provided rebates on new machinery that facilitates the use of new and recycled raw materials in production and the production of custom-design plastic packaging, for which demand is increasing. Furthermore, BIS support was paramount to the company's return on capital expenditure and improved market access. Interstellar Plastics employs 33 people, all of whom are black and four of whom are female. The company plans to upskill current staff and recruit a further 50 people in 2021.

Due to Covid-19, Interstellar Plastics has put planned projects on hold and is producing more packaging for fast moving consumer goods such as soaps, detergents and sanitiser. New markets have been captured and there is potential to export anti-bacterial and anti-viral packaging.



## KEVALI CHEMICALS



<b>BLACK INDUSTRIALIST</b>	<b>BONGUMUSA KUNENE</b>
<b>LOCATION</b>	<b>HARRISMITH, KWAZULU-NATAL</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
<b>JOBS CREATED</b>	<b>32</b>
<b>JOBS RETAINED</b>	<b>41</b>
<b>PRODUCTS</b>	
Hygiene and sanitation, water treatment and adhesives	

Pooling their savings and supported by an IDC loan and incentive funding from **the dtic**, three black industrialists launched the 100% black-owned Kevali Chemicals in 2014.

In 2018, it opened a 3 000m<sup>2</sup> chemical plant in Harrismith's Maluti-A-Phofung special economic zone, where it manufactures chemicals for hygiene and sanitation, water treatment and adhesives.

Owning the plant rather than renting has allowed the company to review processes and eliminate steps using energy. The project has also implemented water saving technologies.



## LALI ROTHE PLATINUM REFINERIES SA



<b>BLACK INDUSTRIALIST</b>	<b>STEVEN MATLODI MABELA</b>	<b>GREEN ECONOMY</b>
<b>LOCATION</b>	<b>HAMMANSKRAAL, GAUTENG</b>	
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>	
<b>JOBS CREATED</b>	<b>13</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>N/A</b>	<b>E-waste</b>



Lali Rothe Platinum Refineries SA is interested in establishing a turnkey plant to recover high-value metals such as gold, silver and palladium from e-waste or waste from electrical and electronic equipment such as circuit boards. These metals are then converted into specific chemical products, including gold potassium cyanide, silver nitrate, palladium chloride and copper sulphate. The project involves buying machinery, equipment and commercial vehicles, building renovations and business development services.

The project will eliminate the need for imports and 100% of raw materials will be sourced locally. All manufacturing operations will be environmentally friendly, with low carbon emission, eco-efficiency and energy saving.

The project will also create employment in Hammanskraal, a rural area with 70% unemployment.



## SENSIBLE HEALTH








<b>BLACK INDUSTRIALIST</b>	<b>AKHIL DESAI</b>	
<b>LOCATION</b>	<b>WOODMEAD, GAUTENG</b>	
<b>FUNDING TYPE</b>	<b>IDC LOAN</b>	
<b>JOBS CREATED</b>	<b>N/A</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>N/A</b>	<b>Medical kit</b>

The IDC funded a bankable feasibility study for the manufacturing of a kit developed by Dr Akhil Desai to collect urine samples. Funding covered medical device trials and registering with regulatory bodies.

As the project is at an early stage, the factory has not yet been built and no jobs have been created.



## UNISTAR

 <b>BLACK INDUSTRIALIST</b>	<b>RIASHA AND DASSON PILLAY</b>
 <b>LOCATION</b>	<b>DURBAN, KWAZULU-NATAL</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>64</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Textile manufacturing	



 **WOMEN EMPOWERED**





 **YOUTH EMPOWERED**



Unistar Inks is a 12-year-old family-owned business in Durban. It is the only 100% black-owned entity in its market and is 51% female owned and a level one B-BBEE contributor. It manufactures and supplies specialised water and solvent-based ink used in printing and labelling. With the IDC's support, it has started manufacturing and trialling ultraviolet ink, which, up to now, has been 100% imported.



## VERIGREEN

 <b>BLACK INDUSTRIALIST</b>	<b>MIKE AND THINA MAXIYA</b>
 <b>LOCATION</b>	<b>PINETOWN, KWAZULU-NATAL</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
 <b>JOBS CREATED</b>	<b>68</b>
 <b>JOBS RETAINED</b>	<b>91</b>
<b>PRODUCTS</b>	
Plastic products	

The Pinetown-based plastics products manufacturer was founded by Mike and Thina Maziya in 2001.

Verigreen's growth had been hampered by a lack of capital to sustain business momentum and insufficient resources to pursue new opportunities until financial assistance from **the dtic** enabled it to increase production from 420 tons a month to 800 tons. The company had 91 full-time employees in 2017, which had increased to 159 by March 2020.

Verigreen's corporate social investment initiative 'The Supa Mama Programme' started in 2012 has assisted about 300 'mamas' in KwaZulu-Natal to derive an income from the collection of recyclable waste from their local communities. The recycled waste is then used in Verigreen's production process.














# CASE STUDIES: CLOTHING AND TEXTILES

## ASCOLON TRADING



 BLACK INDUSTRIALIST	ASHRAAF AND IMRAAN BUX
 LOCATION	MTWALUME, KWAZULU-NATAL
 FUNDING TYPE	IDC LOAN
 JOBS CREATED	8
 JOBS RETAINED	N/A
<div>PRODUCTS</div> <div>Textile manufacturing</div>	

Ascolon has been an IDC client for more than 13 years, a partnership that has enabled the business to grow significantly.

The company has used its IDC funding for equipment and raw materials.

Ascolon's manufacturing capability has improved markedly over the last seven years through **the dtic's** production incentive grant and the IDC clothing, textiles, footwear and leather competitiveness scheme.



## KINGSGATE CLOTHING

BLACK INDUSTRIALIST	YUSUF VAHED
LOCATION	DURBAN, KWAZULU-NATAL
FUNDING TYPE	IDC LOAN
JOB'S CREATED	31
JOB'S RETAINED	N/A
PRODUCTS	
Printing	

**WOMEN EMPOWERED**



Kingsgate Clothing has contributed to employment in and growth of the clothing sector since inception in 1955.

The company employs 771 people directly and by outsourcing cut, make and trim operations, supports the employment of an additional 800 people.

Kingsgate is a long-term IDC client that recently received additional working capital and funds towards a generator and software to better manage its operations. This is allowing the company to operate despite load shedding and manage stock across its operations.



## KORTEKS TEXTILES AFRICA (PTY) LTD

BLACK INDUSTRIALIST	ZAYD TAYOB
LOCATION	CENTURION, GAUTENG
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
JOB'S CREATED	24
JOB'S RETAINED	200
PRODUCTS	
Textiles used for curtains	

Korteks Africa is a wholly owned and operated South African company based in Centurion, Gauteng. Producing curtain textiles, the company used its BIS funds to buy a coating line to be added on its existing machinery. This enabled the company to produce block-out curtain fabric without requiring a stitched-in lining, while adding to the durability of the curtain. An outdated embroidery machine was replaced, which increased capacity to meet growing demand and upscale its products. The company procures most raw materials from local suppliers, most independent retailers.

As a result of Covid-19, the company has lost revenue and laid off some employees. It is now developing new products and produces to order. It has started producing three-ply cloth masks and is considering medical gowns and linen.



## LUOMO ATLANTIS MANUFACTURING



<b>BLACK INDUSTRIALIST</b>	AKBAR ABBAS	
<b>LOCATION</b>	ATLANTIS, WESTERN CAPE	
<b>FUNDING TYPE</b>	IDC LOAN	
<b>JOBS CREATED</b>	150	PRODUCTS Clothing
<b>JOBS RETAINED</b>	N/A	



Luomo Atlantis Group is a black-owned and -managed investment holding group that distributes branded clothing and footwear products. It took a business decision to backward-integrate to manufacture trousers, with a proportion of the production replacing imports from Mauritius. Some products manufactured in Ladysmith would gradually be moved to this factory.

IDC funding was used to expand production and establish trouser manufacturing facilities. This created 150 jobs.

## PHAKAMILE INDUSTRIES T/A RISE UNIFORMS



<b>BLACK INDUSTRIALIST</b>	NTOMBEKAYA NONXUBA	
<b>LOCATION</b>	PHILIPPI, WESTERN CAPE	
<b>FUNDING TYPE</b>	NEF LOAN AND EQUITY FUNDING	
<b>JOBS CREATED</b>	40	PRODUCTS Textile manufacturing
<b>JOBS RETAINED</b>	23	



Rise Uniforms, established in 2007, is 100% owned and managed by Ntombekaya Nonxuba. It specialises in mass production of corporate uniforms, school uniforms, and disposable and reusable surgical masks and gowns.

It's based in Teguka Business Park in Philippi, Cape Town, and employs mainly women (mostly single mothers). Rise Uniforms is listed as a national supplier with Pick n Pay and is part of Pick n Pay's Enterprise and Supplier Development Programme. The NEF investment funded machinery, equipment and working capital for the expansion of the business.

**SURGICAL GOWNS**  
Basic, Disposable & Reusable

**SPECIFICATIONS:**

- Material:** Nonwoven (3-ply woven) Polypropylene (PP) 100% Virgin Nonwoven Fabric 100% - 100% poly
- Disposable with back neck adjustable ties
- Washable with ties
- Electrostatic puff
- Not extending over the knee joint
- Stretching: 400% & 100% (long)
- Stains: 0 - 1%

Visit: [www.riseuniforms.co.za](http://www.riseuniforms.co.za)  
Contact: 021 304 3481 / 084 398 4391

**Rise**  
UNIFORMS

## SYCAMORE TRADING (PTY) LTD



BLACK INDUSTRIALIST	SUDHIR HARILALL
LOCATION	DURBAN, KWAZULU-NATAL
FUNDING TYPE	the dtic COST-SHARING GRANT
JOB'S CREATED	110
JOB'S RETAINED	10
	PRODUCTS
	Printed textiles

Observing a fundamental shift in the European textile industry through digital printing, Sudhir Harilall, having more than 30 years' experience in the industry, decided to start manufacturing textiles locally. Initially lacking equipment, raw materials and skills, he looked to **the dtic**.

The resultant funding enabled the company to start exporting narrow fabrics to Europe and reduce imports of digital print fabrics. The project improved the print quality with no wastage of delicate fabric. Recycled water is used in manufacture and an onsite borehole reduces reliance on municipal water. The company procures 64% of its inputs locally - 42% from black suppliers and 19% from black female suppliers. The factory is situated between two townships, Phoenix and Cornubia, and most staff hail from these areas, the majority being young people.



# CASE STUDIES: CREATIVE INDUSTRY

## 3 DAYS TO GO

BLACK INDUSTRIALIST	BIANCA ISAAC
LOCATION	DURBAN, KWAZULU-NATAL
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
TEMP JOBS CREATED	5
JOB RETAINED	N/A
PRODUCTS	
Film	

The IDC provided writer/director and co-producer Bianca Isaac with funding for her film '3 Days to Go'. The film stars Bollywood actress Lillete Dubey, and Kajal Bagwande and Leeanda Reddy in the lead roles.






Four siblings return to their childhood home when their father dies – families in tow. Each wants to sell the family home. With three days to go until what would have been their parents' 45th wedding anniversary, the siblings re-examine their shared history and relationships, and reconnect.

The feature was filmed in Durban and released on 25 January 2019. It is currently on Showmax.



## CAPE TOWN FILM STUDIOS



 BLACK INDUSTRIALIST		ANANT SINGH
 LOCATION		WESTERN CAPE
 FUNDING TYPE		IDC LOAN
 TEMP JOBS CREATED	497	PRODUCTS Film
 JOBS RETAINED	N/A	

Anant Singh is South Africa's pre-eminent film producer, having produced more than 80 films since 1984.






In 2010, the IDC approved funding to assist with the establishment of Cape Town Film Studios, an internationally acclaimed studio that has hosted many local and international film and TV productions.

In 2015, Videovision Dreamworld, a company in which Mr Singh holds a significant shareholding, approached the IDC for additional funding to expand the studios through a new stage and workshop. This funding was approved.



## IMMEDIA ECOSYSTEM



 BLACK INDUSTRIALIST	<input type="text" value="ANICE HASSIM"/>
 LOCATION	<input type="text" value="KWAZULU-NATAL"/>
 FUNDING TYPE	<input type="text" value="IDC LOAN"/>
 TEMP JOBS CREATED	<input type="text" value="50"/>
 JOBS RETAINED	<input type="text" value="30"/>

PRODUCTS

Software



Immedia Ecosystem is involved in software and app development, hardware sales and tech support.

Immedia Studio conceptualises, designs, develops and maintains mobile apps on Android and IOS for numerous brands in South Africa.

The IDC provided working capital funding to fund operating costs while the company rolls out Fabrik – its solution for radio broadcasters to build an online radio station.





## KINGS OF MULBERRY



BLACK INDUSTRIALIST	JUDY NAIDOO
LOCATION	KWAZULU-NATAL
FUNDING TYPE	NEF LOAN AND EQUITY FUNDING
TEMP JOBS CREATED	351
JOBS RETAINED	N/A
PRODUCTS	
Film	



Kings of Mulberry is a special purpose vehicle for the production of a film called 'Kings of Mulberry'. Production company Ladybug Films (Pty) Ltd owns 100% of Kings (100% black-owned company) and is committed to promoting a high-quality South African film industry that is representative of the nation, commercially viable and encourages development.

The film follows the story of two nine-year-old boys from different social backgrounds who become unlikely friends and save their township from a local gang that is terrorising the community. Funding from the NEF and Department of Arts and Culture supported production.

## LONG WALK TO FREEDOM



BLACK INDUSTRIALIST	ANANT SINGH
LOCATION	DURBAN, KWAZULU-NATAL
FUNDING TYPE	NEF LOAN AND EQUITY FUNDING
TEMP JOBS CREATED	799
JOBS RETAINED	N/A
PRODUCTS	
Film	

Produced by Anant Singh, 'A long walk to freedom', is a movie based on former president Nelson Mandela's autobiography.

NEF funding supported the production of the film in Durban, which created 799 jobs - 668 for crew and 131 for cast (excluding extras).



## LUJU FILM



BLACK INDUSTRIALIST	LINEO SEKELEOANE
LOCATION	KWAZULU-NATAL AND GAUTENG
FUNDING TYPE	NEF LOAN AND EQUITY FUNDING
TEMP JOBS CREATED	444
JOBS RETAINED	N/A
	PRODUCTS
	Film



Luju Film is a special purpose vehicle for the production of the film 'My Zulu Wedding'. The company is a 100% owned by Lineo Sekeleane, who has 20 years' production experience, and directed and produced the film.

The production was filmed in Gauteng and KwaZulu-Natal and created 444 temporary jobs. Unskilled and inexperienced employees were trained.

Procurement was from empowered companies.

## NOT QUITE NORMAN



BLACK INDUSTRIALIST	DUMI GUMBI
LOCATION	GAUTENG
FUNDING TYPE	IDC LOAN
TEMP JOBS CREATED	19
JOBS RETAINED	N/A
	PRODUCTS
	Film

Dumisani 'Dumi' Gumbi studied economics and filmmaking in Boston and has a vision to rejuvenate the animation industry in South Africa.

The IDC is funding the completion of his animated film 'Not Quite Norman', centred on a geeky gawky teen who is catapulted into an intergalactic war fought both inside and outside his body. Norman must find the coordination and courage to fight off the evil Zolthard, who has inhabited the school principal's brain. He must save not only himself, but his three closest nerdy friends and of course ... planet earth.

The film is currently in production.



## SERIOUSLY SINGLE



BLACK INDUSTRIALIST	RETHABILE RAMAPHAKELA
LOCATION	GAUTENG
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
TEMP JOBS CREATED	4
JOBS RETAINED	N/A
	PRODUCTS
	Film



Filmmaker Rethabile 'Retti' Ramaphakela and her siblings Katleho and Tshepo of Burnt Onion Productions received funding from the IDC for the production of 'Seriously Single'.

The film revolves around the daily life, loves and drama of Andiswa, a serial monogamist. She dates to fall in love, falls in love to get married, but never gets married because she is always dumped. Lunga Sibiyi, however, seems to be the man she's waited her whole life for.

The film was scheduled to be released in theatres in May 2020 but this was postponed due to the Covid-19 pandemic. It is currently streaming on Netflix.



## SEW THE WINTER TO MY SKIN



BLACK INDUSTRIALIST	LAYLA SWART AND JAHMIL XT QUBEKA
LOCATION	GAUTENG
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
TEMP JOBS CREATED	10
JOBS RETAINED	N/A
	PRODUCTS
	Film



The IDC provided funding for producer Layla Swart and writer/director Jahmil XT Qubeka to tell the story of John Kepe's arrest and trial when he was convicted and sentenced to death for murder in Cradock in 1952.

It was selected as the South African entry for the Best Foreign Language Film at the 91st Academy Awards. The film travelled to many international film festivals where it garnered several nominations and awards.

The film, set in the Eastern Cape and Gauteng, was released on 8 February 2019 and is currently on Showmax.



## SOLDIERS OF FORTUNE/ THE PROFESSIONALS



BLACK INDUSTRIALIST	LWAZI MANZI
LOCATION	WESTERN CAPE
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
TEMP JOBS CREATED	29
JOBS RETAINED	N/A
	PRODUCTS
	TV Series



The IDC provided funding for the action TV series 'Soldiers of Fortune' by a production company in which Lwazi Manzi is a shareholder.

Soldiers of Fortune, renamed The Professionals, is a 10-episode, action adventure about a former counterintelligence officer hired to protect a billionaire and his empire from ruthless rivals, corrupt governments and crime syndicates.

The sales agent is currently marketing the series internationally.

## VAGRANT QUEEN



BLACK INDUSTRIALIST	TEBOGO MAILA
LOCATION	WESTERN CAPE
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
TEMP JOBS CREATED	140
JOBS RETAINED	N/A
	PRODUCTS
	TV Series



Tebogo Maila is the head of business affairs at Out of Africa Entertainment in Cape Town. She is also 51% shareholder of Agewise Trading through her shareholding in Blue Ice Africa.

Vagrant Queen, a 10-part sci-fi action adventure TV series based on comic books, is co-produced by Canadian firm, Vagrant Productions. If Star Wars had been directed by Quentin Tarantino and featured strong women, it would have been Vagrant Queen.

The IDC funded the production of the series, a large part of the production cost being spent in South Africa.

The series started airing on SyFy channel in March 2020.

# CASE STUDIES: ELECTRICAL EQUIPMENT

## BK ELECTRICAL (PTY) LTD

 BLACK INDUSTRIALIST	MOHAMED KAROLIA
 LOCATION	BENONI, GAUTENG
 FUNDING TYPE	the dtic COST-SHARING GRANT
 JOBS CREATED	3
 JOBS RETAINED	14
<div>PRODUCTS</div> <div>Conduit piping</div>	

This black-owned company founded by a former Eskom employee started operating in 2019. It manufactures conduit piping, square moulding and other injection-moulding products.

With **dtic** funding, machinery and equipment was bought and the manufacturing plant constructed. The project is working with engineers to ensure that its products are energy efficient and low cost.








Electrical Wholesalers



Source: <http://bkelectrical.co.za>

## REVIVE ELECTRICAL TRANSFORMERS (PTY) LTD

 <b>BLACK INDUSTRIALIST</b>	<b>PADDY PADAYACHEE</b>
 <b>LOCATION</b>	<b>KLIPRIVIER, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
 <b>JOBS CREATED</b>	<b>N/A</b>
 <b>JOBS RETAINED</b>	<b>144</b>
<b>PRODUCTS</b>	
Transformer manufacturers	






Revive Electrical Transformers (Pty) Ltd, based in Kliprivier, Gauteng, was established in 1997 and is now one of the largest distribution transformer manufacturers in Africa. The company supplies transformers to Eskom and South African municipalities, and exports to Botswana, Democratic Republic of Congo, Ghana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zambia.

Through BIS support, Revive has improved the quality of its transformers, which it produces at a rate of more than 1 500 a month.

Although productivity and turnover were negatively impacted by Covid-19, the company was able to continue trading as an essential service provider.



## SEALTRON SA CC

 <b>BLACK INDUSTRIALIST</b>	<b>BRADLEY MUNGROO</b>
 <b>LOCATION</b>	<b>CORNUBIA, KWAZULU-NATAL</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
 <b>JOBS CREATED</b>	<b>45</b>
 <b>JOBS RETAINED</b>	<b>36</b>
<b>PRODUCTS</b>	
Cables	

Sealtron SA cc manufactures and assembles cable harnesses, injection moulding and process cable for the automotive, white goods and utility sectors. Funding was approved for machinery and equipment, commercial vehicles and building acquisition.

The new machinery and equipment have reduced electricity costs by 20%, have increased productivity by 30% and significantly improved product quality. They have also allowed diversification into manufacturing of small appliances (two-plate stoves).

Sealtron SA has employed workers from Cornubia, Verulam, Umlazi and Phoenix.








Source: <http://www.sealtron.co.za>



# CASE STUDIES: ENERGY

## BP BRIDGE CITY






 <b>BLACK INDUSTRIALIST</b>	<b>SIYABONGA HLENGWA AND WANDILE ZULU</b>
 <b>LOCATION</b>	<b>KWA-MASHU, KWAZULU-NATAL</b>
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBS CREATED</b>	<b>34</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Energy logistics	

BP Bridgeview (Pty) Ltd t/a BP Bridge City is a 100% black youth-owned entity formed to establish a BP service station in KwaMashu Bridge City, for which the shareholders approached the NEF for R4 970 000. The land on which the site is built is owned by the property development company of entrepreneurs, Siyabonga Hlengwa and Wandile Zulu, who also own the operating company. BP built the service station and installed the necessary equipment. BP Bridge City also has a Pick n Pay convenience store, a Hot Dog Café, a Wild Bean Café and an ATM.

 **YOUTH EMPOWERED**



## WASAA GASSES

 <b>BLACK INDUSTRIALIST</b>	<b>NOKWANELE QONDE</b>
 <b>LOCATION</b>	<b>KYA SAND, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>11</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
LPG	






Wasaa Gasses is a 100% woman-owned liquid petroleum gas and petrochemicals distribution company founded in 2008 with NEF assistance. Founding member Nokwanele Qonde has years of experience in the oil, gas and information technology sectors.

In 2016, the company approached the IDC for working capital needed to service contracts to supply gas to new clients.

 **WOMEN EMPOWERED**



## KWENTA GROUP CC

 <b>BLACK INDUSTRIALIST</b>	<b>NAWAAL MOTLEKAR, T MDLULI AND N MDLULI</b>
 <b>LOCATION</b>	<b>JOHANNESBURG, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBS CREATED</b>	<b>N/A</b>
 <b>JOBS RETAINED</b>	<b>120</b>
<b>PRODUCTS</b>	
Energy retail	

Kwenta Group cc is a 100% black women-owned entity founded by Nawaal Motlekar (80%) and her two siblings, each with 10%. Ms Motlekar approached the NEF to acquire the Shell service station on the M2, between the Denver and Cleveland offramps in Johannesburg. The R16.2 million service station comprises a forecourt and quick service restaurants Debonairs, Vida Café, Steers and KFC (KFC not included in acquisition).

The NEF provided R15 million.

 **WOMEN EMPOWERED**



## MAKWANDE SUPPLY AND DISTRIBUTION



<b>BLACK INDUSTRIALIST</b>	<b>NONA CHILI</b>
<b>LOCATION</b>	<b>ALRODE, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOB'S CREATED</b>	<b>N/A</b>
<b>JOB'S RETAINED</b>	<b>175</b>
<b>PRODUCTS</b>	
Energy logistics	

There is government pressure on the oil majors in the liquid fuels sector to transform. The NEF has held regular meetings with BPSA, Engen and Shell to this end and discussions have covered new deal origination for black entrepreneurs.

With the BPSA Supplier Development Fund, the NEF funded Makwande Supply and Distribution in 2015, a black female-owned and -managed enterprise, to increase its fleet of eight fuel delivery trucks by an additional three trucks. The business has since grown its asset base to 58 trucks and paid off the first NEF loan. It recently acquired its own depot with a second loan from the NEF.

**WOMEN EMPOWERED**



## SALAMAX



<b>BLACK INDUSTRIALIST</b>	<b>DANIEL MOGANO</b>
<b>LOCATION</b>	<b>PRETORIA, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOB'S CREATED</b>	<b>N/A</b>
<b>JOB'S RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Bio fuels	

Salamax will be the first company to produce bioethanol from low-cost, non-food-based, second-generation biomass such as grass and leaves using enzyme technology.

Salamax is developing a novel dual-enzyme (modazymetm) as a catalyst for sugar extraction from cellulose in grass or leaves, where the extracted sugar is then chemically broken down to produce ethanol.

The NEF invested R7 million to conduct a bankable feasibility study that will lead to a pilot plant to test the efficacy of the proposed ethanol production method on a commercial scale. The pilot plant will be developed in partnership with the Council for Scientific and Industrial Research.






**GREEN ECONOMY**





# CASE STUDIES: FINANCE

## MIANZO ASSET MANAGEMENT

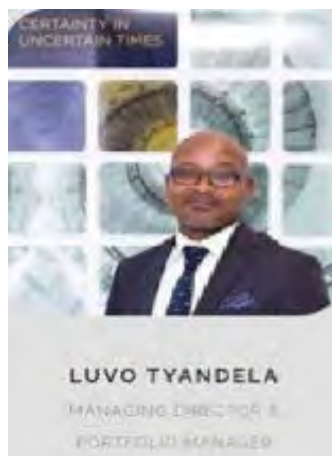
 <b>BLACK INDUSTRIALIST</b>	<b>LUVU TYANDELA</b>
 <b>LOCATION</b>	<b>CAPE TOWN, WESTERN CAPE</b>
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBS CREATED</b>	<b>13</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Asset management	

Mianzo Asset Management is a 100% black-owned and -managed asset management company co-owned by 55% shareholder and managing director, Luvu Tyandela. The remaining 45% shares are owned by the Mianzo's employees trust.

Mianzo is an authorised discretionary financial services provider in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 37 of 2002. Its core focus is asset management for institutional clients. With R5.7 billion in assets under management (R475 million in 2010) from 14 clients, Mianzo's offering includes equity (active, enhanced and index trackers) and absolute return funds. Having fully repaid its first NEF loan in July 2017, Mianzo applied for a second round of funding with the increase in the number of asset management mandates from pension funds.



**MIANZO**  
ASSET MANAGEMENT







## CASE STUDIES:

# FORESTRY AND WOOD PRODUCTS

### EAST COAST BOARD (PTY) LTD

BLACK INDUSTRIALIST	SANDHEER SEWGOOLAM
LOCATION	WESTMEAD, KWAZULU-NATAL
FUNDING TYPE	the dtic COST-SHARING GRANT AND IDC LOAN
JOB'S CREATED	39
JOB'S RETAINED	40
PRODUCTS	
Melamine boards	

Founded in 2019, East Coast Board (Pty) Ltd is a 100% black-owned company producing hardboard, soft board, shutter ply, chipboard and postform tops to make furniture and coffins.

the dtic funded machinery and equipment, commercial vehicles and building improvements, as well as conformity assessment certification.

This expansion has improved efficiency and ensured that products are world class goods and comply with European quality standards. All waste is recycled and supplied to recyclers who turn it into pellets for further use. The company procures all inputs locally, 30% from black South Africans.

Source: <https://eastcoastboard.co.za>



## GOLDEN ERA PRINTERS & STATIONERS



<b>BLACK INDUSTRIALIST</b>	ASHA CHHITA AND FAMILY	
<b>LOCATION</b>	MOGWASE, NORTH WEST	
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT AND IDC LOAN	
<b>JOBS CREATED</b>	31	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Printing

**WOMEN EMPOWERED**

**YOUTH EMPOWERED**

Golden Era Printers & Stationers was started in 1955 by Bhoola Chhita, with two paper bag manufacturing machines. It is now the largest family-owned printing and packaging business in South Africa, manufacturing a wide range of printing and related products including cans, aerosols, corrugated cartons, carrier bags, kraft paper, shrink sleeves, flexibles, self-adhesive labels, blister packs and thermoformed trays.

The IDC approved funding for the company to buy a flexographic printing line from Switzerland to increase its production capacity in line with demand food, drinks and healthcare products packaging.



## PALLET DIRECT



<b>BLACK INDUSTRIALIST</b>	NAYAN AND CLINT PADAYACHEE	
<b>LOCATION</b>	BENONI, GAUTENG	
<b>FUNDING TYPE</b>	IDC LOAN	
<b>JOBS CREATED</b>	10	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Hotel

**YOUTH EMPOWERED**

Pallet Direct is a family-owned business manufacturing high-quality pallets for the food and beverages industry.

The company was established in 2003 by Nayan Padayachee, who currently runs the company with his son, Clint.

The IDC approved funding for plant and equipment and for working capital. This enabled the company to grow its customer base, employ more people and increase profitability.



## PROXIMO 101 INVESTMENTS/GQ TISSUE PAPER



<b>BLACK INDUSTRIALIST</b>	ABDOOL RAZAK LAKHANA, RIDWAAN LAKHANA, YACOOB LAKHANA, HAWA LACKANA, RASHIDA ABDOOLA LAKHANA	
<b>LOCATION</b>	CENTURION, GAUTENG	
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT AND IDC LOAN	
<b>JOBS CREATED</b>	58	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Tissue paper

**WOMEN EMPOWERED**

**YOUTH EMPOWERED**



GQ Tissue Products specialises in facial tissue products.

The company decided to backward integrate its converting operations by establishing a tissue paper mill to make the jumbo rolls it had been importing.

IDC funding allowed GQ to make its own tissue paper and to produce facial and pocket tissues and wet-wipes with additional production lines.

This grew the customer base, increased production capacity and allowed for bigger stockholding.

## SACKS PACKAGING



<b>BLACK INDUSTRIALIST</b>	KEVIN KISTAN	
<b>LOCATION</b>	MOBENI, DURBAN, KWAZULU-NATAL	
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT	
<b>JOBS CREATED</b>	N/A	PRODUCTS
<b>JOBS RETAINED</b>	175	Paper packaging

Sacks Packaging received about R50 million from the dtic's BIS to support expansion. It bought machinery and equipment, which has made its products internationally competitive and reduced competition from imports.

Sacks Packaging produces paper bags for Afrisam Cement, Snowflake, White Star, Iwisa and Hulets.



## SAM'S TISSUES (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>SAM JADA</b>
<b>LOCATION</b>	<b>SEBENZA, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
<b>JOBS CREATED</b>	<b>140</b>
<b>JOBS RETAINED</b>	<b>80</b>
<b>PRODUCTS</b>	
Tissue paper	

Since Sam Jada started his business more than 50 years ago, converting wastepaper from mills into toilet and tissue products for the Gauteng market, it has grown steadily. The company opened three paper mills over the years – in Heidelberg, Ga-Rankuwa and Krugersdorp – to source and process raw materials, and then manufacture, package and distribute its own toilet paper for the mass market.

With funding from the IDC for capital expenditure and working capital, the company procured a paper mill from Mexico. **the dtic** supported Sam's Tissue Products with the capital for modern, innovative Gambini tissue-converting machinery and a TMC packaging machine. This has simplified and improved the business's production process, while increasing its flexibility and enhancing its safety protocols.

Commissioned in January 2019, the new plant is able to produce 24 000 tonnes of tissue products a year – five times the firm's previous capacity. This has increased the business's competitiveness in the South African market.



## THE FX GROUP (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>MOHAMMED BERA</b>
<b>LOCATION</b>	<b>LOTHAIR, MPUMALANGA</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
<b>PROJECTED NEW JOBS</b>	<b>210</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Chipboard	

The FX Group laminates melamine, foil, postform tops, UV gloss, acrylic gloss and veneers for a wide variety of applications, including kitchen cupboards, tables and coffins.

With the support of the BIS, the company intends to expand into chipboard production for furniture manufacturing to capture a larger local market share.






Many of the company's employees are from the nearby township and the Gert Sibande district, where unemployment is over 50%. By procuring all its raw materials locally from small informal businesses, the project promotes the socio-economic development of the area.

To overcome cash flow problems resulting from lost income and increased expenses due to Covid-19, expenses were slashed, with staff salaries being reduced by 20%. The company is identifying possible new export opportunities to China as a result of the weakened exchange rate and has opened two new stores in Limpopo to respond to increased demand for home renovations.

**TheFXGroup**  
www.thefxgroup.co.za



## TORONTO GROUP (PTY) LTD

 <b>BLACK INDUSTRIALIST</b>	<b>PHILLIP MULUNGO</b>
 <b>LOCATION</b>	<b>SWARTLAND, WESTERN CAPE</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>N/A</b>
 <b>JOBS RETAINED</b>	<b>7</b>
<b>PRODUCTS</b>	
Charcoal	






Toronto Group (Pty) Ltd will manufacture charcoal for the export market (Europe) and also activated carbon for water treatment and purification. The project will use eucalyptus and acacia wood supplied by a subsidiary company that has contracts (such as Working for Water) to clear these alien, invasive species.



The project has been approved for an environmental impact assessment feasibility study and for construction of the charcoal-manufacturing plant inclusive of machinery and equipment. Construction of the facility is 55% complete and the project is scheduled to go live by August/September 2021. All procurement during construction has been 100% local, 30% from black suppliers.



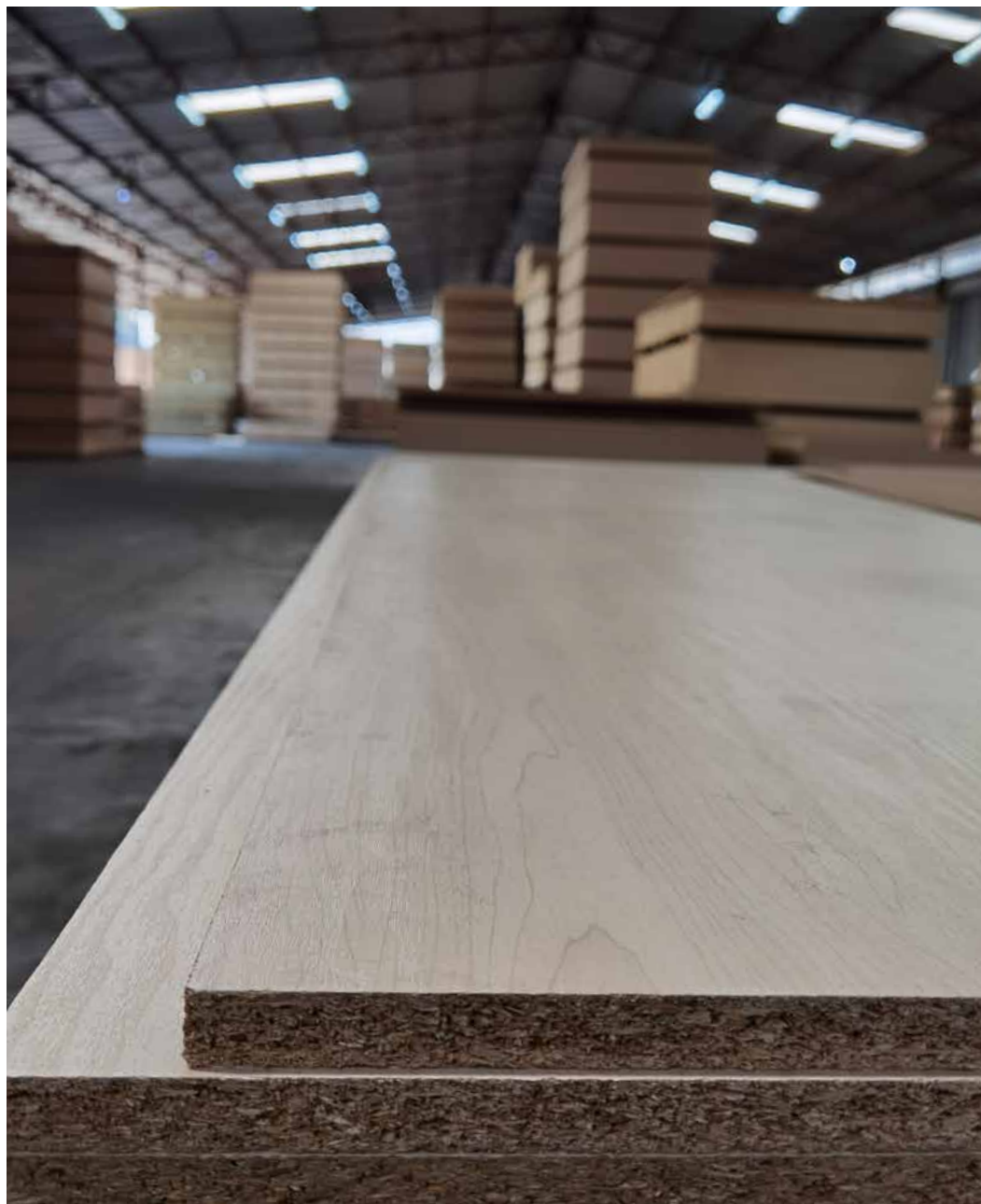
## UMZIMKHULU TREATED TIMBERS

 <b>BLACK INDUSTRIALIST</b>	<b>NCEBA MLONZI</b>
 <b>LOCATION</b>	<b>UMZIMKHULU, KWAZULU-NATAL</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>25</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Treated poles	

The IDC provided funding for the initial setup of Umzimkhulu Treated Timbers' wooden pole treatment plant in 2013. The company was established the year before by Nceba Mlonzi.

By 2018, the company was unable to fully satisfy customer demand for chromated copper arsenate (CCA) treated poles due to shortage of working capital. The IDC provided funding for timber, creosote, CCA and nail plates.







# CASE STUDIES: FOURTH INDUSTRIAL REVOLUTION

## PROCUREX ADVISORY

BLACK INDUSTRIALIST	DAVID JIYANA
LOCATION	MIDRAND, GAUTENG
FUNDING TYPE	NEF LOAN AND EQUITY FUNDING
JOBS CREATED	41
JOBS RETAINED	N/A
PRODUCTS	
Traffic management	






David Jiyana founded and owns Procurex Advisory, a supplier of traffic management systems software and hardware. Its products include traffic contravention management system, speed cameras, city centre surveillance and biometric access control, which it supplies to government and corporate clients. Procurex approached the NEF for working capital to fund two contracts.

The contracts, for the Department of Health and Steve Tshwete Municipality, created 20 temporary jobs. Procurex outsourced R2 million worth of the installations to small, medium and micro enterprises.



## QUICKLOC8

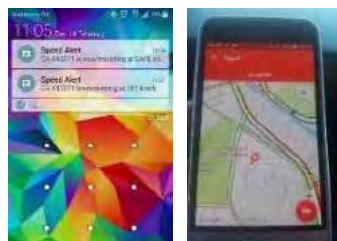


 <b>BLACK INDUSTRIALIST</b>	<b>MBAVHALELO MABOGO</b>	
 <b>LOCATION</b>	<b>CAPE TOWN, WESTERN CAPE</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>21</b>	<b>PRODUCTS</b> Mobile apps
 <b>JOBS RETAINED</b>	<b>2</b>	

Black entrepreneur Mbavhalelo Mabogo established Quickloc8 in 2015, having identified a void in the market for a smartphone tracking platform for vehicle tracking, monitoring and telematics for the lower end of the market. Current tracking technology available in South Africa is mostly too expensive and out of reach for smaller businesses.

The applicant positioned his company as offering high-end tracking capabilities at a considerably lower cost.

The NEF assisted with working capital and acquisition of working assets and stock. The funding maintained two permanent jobs and created 21 new jobs.



## RIKATEC



<b>BLACK INDUSTRIALIST</b>	<b>RIVONINGO MHLARI</b>	<b>YOUTH EMPOWERED</b>
<b>LOCATION</b>	<b>RIVONIA, GAUTENG</b>	
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
<b>JOBS CREATED</b>	<b>10</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>N/A</b>	Information management

The NEF wants to actively drive the participation of black companies in the fourth industrial revolution. As such it owns 10% of Rikatec, a 61% black youth-owned and -managed company for which it provided working and expansion capital.






Rikatec supplies information management systems for vehicles and uses big data and machine learning to detect vehicle breakdowns, ascertain predictive maintenance, vehicle wear and tear and vehicle resale value, and for driver profiling and driver ratings. The company has created 10 jobs and expects continued growth.



# CASE STUDIES: HEALTHCARE

## BUSAMED HEALTH CARE INFRASTRUCTURE PROJECT








 <b>BLACK INDUSTRIALIST</b>	<b>DR DILIZA MJI</b>
 <b>LOCATION</b>	<b>NATIONAL</b>
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBS CREATED</b>	<b>N/A</b>
 <b>JOBS RETAINED</b>	<b>2000+</b>
	<b>PRODUCTS</b>
	Hospitals



The project's vision was to consolidate the fragmented healthcare market and develop centres of excellence. The NEF was approached by Dr Diliza Mji to kick-start the project with the commercialisation of four hospital licences for 630 beds in Western Cape, Gauteng and Free State. All four hospitals are currently operational (Paardevelei, Modderfontein, Harrismith and Bloemfontein) and the group has acquired Gateway, Hillcrest and Lowveld hospitals to extend its reach to KwaZulu-Natal and Mpumalanga.

## GEMILATEX

 <b>BLACK INDUSTRIALIST</b>	<b>NOMPUMELELO MHLONTLO</b>
 <b>LOCATION</b>	<b>EAST LONDON IDZ, EASTERN CAPE</b>
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOB'S CREATED</b>	<b>N/A</b>
 <b>JOB'S RETAINED</b>	<b>289</b>
<b>PRODUCTS</b>	
Manufacturing	

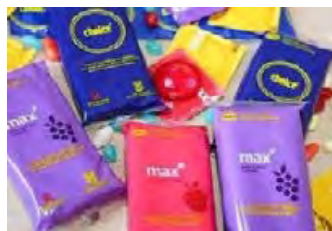
 **WOMEN EMPOWERED**



Gemilatrix, an 85% black- and 51% women-owned business awarded the national transversal allocation for condom supply from 2018 to 2021, aims to curb Aids by preventing HIV transmission. The NEF has invested R13 million to date (R6.6 million for a bankable feasibility study and R6.3 million in working capital).






In 2019, the NEF approved R37 million toward the construction of a condom-manufacturing factory in the Eastern Cape.

To date, Gemilatrix is one of the only entities that has met its tender allocation of 50 million units, which it aims to increase to 280 million once the plant is built. The facility will create 289 sustainable jobs in its peri-urban location.



# CASE STUDIES: METALS AND ENGINEERING

## AFRO INDIA ROLLING MILLS

 <b>BLACK INDUSTRIALIST</b>	<b>SWASTIKA SIROHI</b>
 <b>LOCATION</b>	<b>DURBAN, KWAZULU-NATAL</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>252</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>

 **WOMEN EMPOWERED**



Afro India Rolling Mills is a start-up company in Isipingo, Durban, that will produce copper and alloyed aluminium ingots from scrap. Currently, this scrap is exported.

The company approached the IDC to provide capex and working capital.

The transaction ensures security of supply of locally produced raw material inputs to the downstream metal manufacturing industry at appropriate quality and globally competitive prices.



## ALCU PRODUCTS (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	KEVIN PILLAY
<b>LOCATION</b>	BOKSBURG, GAUTENG
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT AND IDC LOAN
<b>JOBS CREATED</b>	N/A
<b>JOBS RETAINED</b>	9
PRODUCTS	
Metal trader	

Alcu Products is a 100% black-owned and -managed manufacturer of aluminium and copper. The finished or semi-finished products are then sold to end users.

The company, which started operating in January 2009, applied for BIS funding for an expansion project and received support for the purchase of a building and machinery and equipment.

Production started in October 2019 but was halted in August 2020 to remove the machine while a new pit was built for it to operate effectively. Production is expected to resume in April 2021.



Source: <http://www.alcu.co.za>

## D-FENCE



<b>BLACK INDUSTRIALIST</b>	DEAN MADALA
<b>LOCATION</b>	EAST LONDON IDZ, EASTERN CAPE
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT AND IDC LOAN
<b>PROJECTED NEW JOBS</b>	80
<b>JOBS RETAINED</b>	N/A
PRODUCTS	
Steel fabrication	

D-Fence Manufacturing (Pty) Ltd is a black-owned entity. The company, the first black entity in wire and fencing manufacturing, will manufacture line wires. Funding was approved for machinery and equipment, commercial vehicles and implementation of an effective factory management accounting reporting process.

By August 2020, the project had not started manufacturing activities as the machinery and equipment were still to be delivered from China, the schedule for both delivery and installation by international engineers having been disrupted by Covid-19.

Once running, the company will boost local manufacture of wire and fencing and will minimise logistics cost by sourcing primarily from Gauteng. Manufacturing will take place in East London factory, with low- energy consumption machines and minimal water use of water.





## INKWALI FABRICATION AND MAINTENANCE



BLACK INDUSTRIALIST	THEMBA ZUNGU
LOCATION	MIDRAND, GAUTENG
FUNDING TYPE	the dtic COST-SHARING GRANT
JOB'S CREATED	24
JOB'S RETAINED	39
PRODUCTS	
Steel plates	



Founded in 2005, Inkwali Fabrication and Maintenance (Pty) Ltd is a 100% black-owned company manufacturing steel plates.

the dtic is financing machinery and equipment, commercial vehicles and buildings to expand existing operations.

Once operational, the company will enhance its product and improve its resource efficiency, reducing operating costs. It will also supply materials (currently imported) to automotive component manufacturers and export materials to mines in the Southern African Development Community region.



Source: <http://inkwali.co.za>

## MBALI INDUSTRIAL SOLUTIONS



BLACK INDUSTRIALIST	SIPHO RADEBE
LOCATION	GAUTENG
FUNDING TYPE	the dtic COST-SHARING GRANT
JOB'S CREATED	5
JOB'S RETAINED	45
PRODUCTS	
Technical services	



Mbali Industrial Solutions cc is a 100% black-owned one-stop industrial supply service, serving Gauteng and Mpumalanga customers. The expansion of the existing facility is providing technical services to the mining, sugar, cement, steel mills, power generation and petroleum sectors. The entities core services are fabrication, engineering precision and turning, general mechanical and gear cutting as well as rolls and tires.

With the funds received, the company bought machinery, equipment and commercial vehicles and also completed building construction.

The project has introduced solar power and uses welded plates for lower impact on natural resource. Contracts have been obtained from Eskom, mining companies and construction entities.



Source: <https://mbalisolutions.co.za>

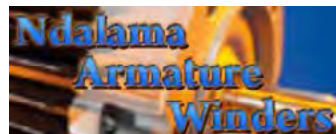
## NDALAMA ARMATURE WINDERS CC



<b>BLACK INDUSTRIALIST</b>	GM DHLADLA
<b>LOCATION</b>	GERMISTON, GAUTENG
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT AND IDC LOAN
<b>JOBS CREATED</b>	4
<b>JOBS RETAINED</b>	79
<b>PRODUCTS</b> Metal repair and service	

The company repairs AC and DC motors, water pumps, gearboxes, brakes, transformers and locomotives. It has used the support from the **dtic** and IDC to fund machinery and equipment that has increased efficiency and reduced energy consumption, and to buy new buildings.

The Covid-19 pandemic reduced the number of orders received, but rather than retrench the owner opted reduce working hours to preserve jobs. In March 2021, the project reported that business was picking up and that a number of agreements for 2021 had been signed in late-2020.



Source: <http://www.ndalamawinders.co.za>

## PINION & ADAMS (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	GD ANTHONY
<b>LOCATION</b>	DURBAN, KWAZULU-NATAL
<b>FUNDING TYPE</b>	the dtic COST-SHARING GRANT
<b>JOBS CREATED</b>	2
<b>JOBS RETAINED</b>	125
<b>PRODUCTS</b> Metal fabrication	

Pinion & Adams (Pty) is a sheet metal fabricating and manufacturing company that counts among its customers Bell, Cash Connect Group, ND Engineers and Bosch Projects. It has also provided projects for entities such as Gateway and Sun Coast Casino.

Funding was approved for machinery and equipment, building improvements, commercial vehicles and business development services.

The entity has secured a contract with the Passenger Rail Agency of South Africa to manufacture currently imported components. At the time of the second funding claim, the entity had procured R79 million from South African suppliers. All electric heated ovens have been converted to gas-heated ovens, lowering energy costs. Product quality has improved and rejection rates have declined markedly.



Source: <https://www.pinionadams.co.za>

## REEF PROFILE CUTTING SERVICES (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>ASHLEY MATHADEEN</b>
<b>LOCATION</b>	<b>ALBERTON, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
<b>JOBS CREATED</b>	<b>40</b>
<b>JOBS RETAINED</b>	<b>23</b>
<b>PRODUCTS</b>	
Steel fabrication	



Reef Profile Cutting Services (Pty) Ltd is a steel service centre that manufactures steel components for mining, motor, armoured vehicles, solar and other industries. Services include bending, rolling, cutting, drilling and fabrication. The expansion project has been approved for machinery, equipment and commercial vehicles. The company reports that the quality of products has improved by 80% with the newly purchased equipment, while the cutting technology has improved both quality and turnaround time. The new machinery is also saving energy and material costs.

The project procures 90% of its inputs locally, with procurement from black South African suppliers having increased from 30% to 50%. Annual domestic market share of the product has increased by 40%.



## SMITH CAPITAL EQUIPMENT



<b>BLACK INDUSTRIALIST</b>	<b>FORTUNATE AND SPHO MDANDA</b>
<b>LOCATION</b>	<b>GERMISTON, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOBS CREATED</b>	<b>300</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Equipment	

Smith Capital Equipment is 100% black owned and majority woman owned. The company manufactures aerial platforms and drill rigs that conform to South African Bureau of Standards and ISO 9001 specifications.

The company is the largest supplier of its kind to Eskom, metropolitan and local municipalities, and mines.

The NEF provided acquisition finance to transform the company to 100% black majority ownership and expansion finance in 2015, and further working capital finance in 2017.



## TW PROFILE SERVICES



<b>BLACK INDUSTRIALIST</b>	<b>ALDRIN OCTOBER</b>
<b>LOCATION</b>	<b>BOKSBURG, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>
<b>JOBS CREATED</b>	<b>5</b>
<b>JOBS RETAINED</b>	<b>325</b>
<b>PRODUCTS</b>	
Steel fabrication	

TW Profile Services has been involved in plasma cutting, laser cutting, flame cutting, guillotine cutting, bending, rolling, drilling and chamfering since 1994.

The company is 51% black owned. Its expansion, with newly acquired machinery and equipment, has created five additional jobs and retained 325 baseline jobs. The new nitracut plant generates nitrogen, eliminating the need to buy this gas, which is required for the daily running of operations.



## UNIQUE ENGINEERING



<b>BLACK INDUSTRIALIST</b>	<b>NDABA NTSELE</b>
<b>LOCATION</b>	<b>GAUTENG AND NORTH WEST</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOBS CREATED</b>	<b>N/A</b>
<b>JOBS RETAINED</b>	<b>141</b>
<b>PRODUCTS</b>	
Equipment	

**WOMEN EMPOWERED**








Unique Engineering is a 100% black owned diversified engineering company that supplies mining and rail companies with electrabrake sheet metal bending equipment, eco-progressive cavity pumps, dewatering pumps, hand pumps for petrol, diesel, edible oils and water, and blast barricades for mining.

In line with its strategic intent to build black engineering businesses in an untransformed industry, the NEF provided acquisition finance, enabling the business to become 100% black owned.



# CASE STUDIES: MINING

## KELE MINING SOLUTIONS

 <b>BLACK INDUSTRIALIST</b>	KEFILWE AND JOMO KHOMO	
 <b>LOCATION</b>	KATHU, NORTHERN CAPE	
 <b>FUNDING TYPE</b>	IDC LOAN	
 <b>JOBS CREATED</b>	62	PRODUCTS
 <b>JOBS RETAINED</b>	N/A	Mining

 **WOMEN EMPOWERED**



Kele Mining was established in 2007 as a mining consulting company and started contract mining in 2014. It is owned by husband-and-wife team Kefilwe and Jomo Khomo.











The company was selected to participate in the Kumba Iron Ore's 24-month supplier development programme and also secured another contract.

IDC funding enabled it to buy its own equipment to honour that contract.



## MMUTLE MINING PROJECTS



 <b>BLACK INDUSTRIALIST</b>		<b>JOHN MMUTLE</b>
 <b>LOCATION</b>		<b>MIDDLEBERG, MPUMALANGA</b>
 <b>FUNDING TYPE</b>		<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBS CREATED</b>		<b>133</b>
 <b>JOBS RETAINED</b>		<b>N/A</b>
		<b>PRODUCTS</b> Mining services



Mmutle Mining Projects is a 100% black owned and -managed entity established in 2016 by John Mmutle. It provides material handling, crushing and screening, mine rehabilitation, drilling and blasting, and plant hire services.






Before the NEF provided funding, the company had one contract, but since, it has secured another 10, increasing scope of work and boosting revenue.

It has created 133 sustainable jobs and has opened a second office, in Rustenburg.



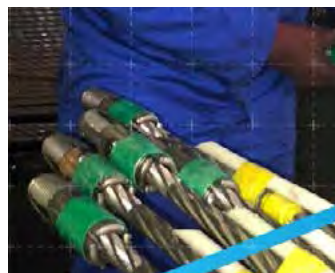
## MOHLALEFI ENGINEERING MINING (PTY) LTD



 <b>BLACK INDUSTRIALIST</b>	<b>MARTIN MASITISE</b>	
 <b>LOCATION</b>	<b>ALBERTON, GAUTENG</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>34</b>	<b>PRODUCTS</b> Mining services
 <b>JOBS RETAINED</b>	<b>N/A</b>	

Mohlalefi Engineering designs, manufactures and supplies unique underground mining roof support equipment and related products, which prevent stratigraphic rock falls.






Since its establishment, the business achieved annual sales of R10 million. In 2019, the NEF approved R15 million for a pilot study to increase production and investigate the viability of a commercial scale plant. Since then, the business has grown to R22 million a year.





# CASE STUDIES: PROPERTY, CONSTRUCTION AND BUILDING MATERIALS

## BAOBAB EXCLUSIVE AFRICAN STONE

 <b>BLACK INDUSTRIALIST</b>	<b>LETHABO MAKGABO</b>
 <b>LOCATION</b>	<b>MONTANA PARK, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>PROJECTED NEW JOBS</b>	<b>35</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>

 **WOMEN EMPOWERED**



Baobab Exclusive African Stone was a start-up company that applied to the IDC for funding to buy plant and equipment to beneficiate natural raw stone for use as cladding. All cladding available in South Africa in panel form (i.e. like a tile) was previously imported.

The company is 51% black owned and 31% women owned.

## DEVLAND GARDENS



<b>BLACK INDUSTRIALIST</b>	MUVHANGO NETSHITANGANI, TEBOGO MODISHANE, LWAZI KHUMALO AND SAMVU GUMEDE	
<b>LOCATION</b>	DEVLAND, JOHANNESBURG, GAUTENG	
<b>FUNDING TYPE</b>	NEF LOAN AND EQUITY FUNDING	
<b>JOBS CREATED</b>	832	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Social housing



The 100% black owned and -controlled Instruction group provides turnkey integrated property development solutions. Devland Gardens was established to develop social housing units in Devland to help meet government's housing target. The project consists of 870 units and is currently in construction.

When the company was established it had estimated that the urban housing backlog stood at about 1.5 million houses and that the backlog was growing at a rate of 178 000 units a year.

## GABS PRECAST CONCRETE



<b>BLACK INDUSTRIALIST</b>	TAAHIR SAYED	
<b>LOCATION</b>	POLOKWANE, LIMPOPO	
<b>FUNDING TYPE</b>	IDC LOAN	
<b>JOBS CREATED</b>	23	PRODUCTS
<b>JOBS RETAINED</b>	N/A	Precast concrete

**YOUTH EMPOWERED**

Young black industrialist Paballo Monyepao found significant demand for kerbs around Polokwane and neighbouring areas, demand that was being met by companies in Gauteng.

He saw this as an opportunity and applied to the IDC for funding for equipment and working capital.

Funding was approved for Gabs Precast Concrete to set up in Polokwane to manufacture precast concrete kerb stones. Although delayed, the project is now operating.



## GIO CONSTRUCTION & PLANT HIRE



<b>BLACK INDUSTRIALIST</b>	<b>MAMOKETE RAMATHE</b>	<b>WOMEN EMPOWERED</b>
<b>LOCATION</b>	<b>JOHANNESBURG, GAUTENG</b>	
<b>FUNDING TYPE</b>	<b>IDC LOAN</b>	
<b>JOBS CREATED</b>	<b>N/A</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>217</b>	Insulation

A loan from the IDC helped Mamokete Ramathe to acquire Gio Construction & Plant Hire, secure further funding and satisfy her working capital needs.

Ms Ramathe's company lays fibre optics, sets up wireless telecommunications infrastructure and hires out plant. This involves planning, civil works, setting up infrastructure, laying the fibre, testing and activation.



## L&R BUILDING AND CIVILS CONSTRUCTION



<b>BLACK INDUSTRIALIST</b>	<b>LEBO AARON</b>	<b>WOMEN EMPOWERED</b>
<b>LOCATION</b>	<b>GAUTENG AND EASTERN CAPE</b>	
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
<b>JOBS CREATED</b>	<b>N/A</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>165</b>	Construction and civils






L&R Building and Civils Construction is a construction company that has operated since 2003.

It is 100% black woman owned and specialises in social housing, offering general building, concrete supplies and civil engineering.

The NEF provided working capital, which enabled the company to support 165 jobs, 31 permanent.



## MAPCHIEF

 <b>BLACK INDUSTRIALIST</b>	<b>THABO MONGOATO AND EPHY MOTLHAMME</b>	
 <b>LOCATION</b>	<b>PRETORIA WEST, GAUTENG</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>N/A</b>	<b>PRODUCTS</b>
 <b>JOBS RETAINED</b>	<b>128</b>	Student accommodation

 **WOMEN EMPOWERED**








MapChief, 100% black owned and 50% black woman owned, was established in 2015 by Thabo Mongoato and Ephy Motlhamme.

The NEF approved funding for the construction of a 77-units student property in Pretoria west to house more than 300 university students. The property, comprising five storeys and basement parking, is in construction.



## MOTHEO CONSTRUCTION GROUP

 <b>BLACK INDUSTRIALIST</b>	<b>DR THANDI NDLOVU</b>	
 <b>LOCATION</b>	<b>GAUTENG</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>N/A</b>	<b>PRODUCTS</b>
 <b>JOBS RETAINED</b>	<b>1 884</b>	Construction and civils

 **WOMEN EMPOWERED**



The late Dr Thandi Ndlovu established Motheo in 1997, focusing primarily on general building, civil engineering and rail infrastructure.

The NEF funded Motheo in 2012 and again in 2014.

Motheo, a black woman owned and -controlled company, has grown significantly over the years and has undertaken a number of key projects. NEF funding was used as working capital and for expansion, and supported the retention of 1 884 jobs across South Africa.

The NEF exited Motheo in late-2019, all funding facilities having been fully repaid.



## NATURECELL (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>THEMBA MTOMBENI</b>
<b>LOCATION</b>	<b>ISANDO, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
<b>JOBS CREATED</b>	<b>2</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Insulation	

Naturecell is a 67.5% black-owned insulation manufacturing business approved to build an insulation-manufacturing plant in Ekurhuleni, Gauteng. The project is strategically positioned to become one of the largest suppliers of building insulation materials in the country and the rest of the Southern African Development Community region. The project is co-funded by the IDC.

Naturecell's product is manufactured from more than 80% reclaimed sustainable raw material made of recycled newsprint. The product is a cellulose insulation mat that is installed above ceilings to improve the energy efficiency of buildings. The project is not yet fully operational as delivery of a machine being shipped from the USA was delayed by Covid -19. The project expects to start production by October 2021.



## EYETHU ORANGE FARM MALL



<b>BLACK INDUSTRIALIST</b>	<b>ORANGE FARM COMMUNITY TRUST</b>
<b>LOCATION</b>	<b>ORANGE FARM, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOBS CREATED</b>	<b>1 251</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Shopping centre	

Eyethu Orange Farm Mall is located at D2150 Orange Farm ext 4. The gross lettable area is 26 804m<sup>2</sup>, with 26 360m<sup>2</sup> occupied.






Stretford Land Development Company (Pty) Ltd had acquired land adjacent to Stretford station and partnered with Flanagan & Gerard Development (Pty) Ltd and Dipula Income Fund. The NEF funded community participation in the new structured project.

The total project was estimated at R478 million, funded through equity contribution by all promoters, their contribution to the development of the mall equivalent to their ownership percentage. The shareholding is: Stretford Land Development (10%), Flanagan & Gerard (50%) and Dipula Income Fund (30%). The NEF funded the community trust with R50 million for the remaining 10% undivided share in the development.

During construction, 1 251 jobs were created.



## ORDICODE

 <b>BLACK INDUSTRIALIST</b>	<b>NEO MOKHOBLO AND DAWN MOKHOBLO</b>	
 <b>LOCATION</b>	<b>BRAAMFONTEIN, GAUTENG</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>351</b>	<b>PRODUCTS</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>	Student accommodation

 **WOMEN EMPOWERED**








Ordicode is a 100% black-owned and -managed business, with 80% woman ownership and 20% owned by a student trust.

The building is situated in the heart of Braamfontein near the Gautrain station, with the ground floor occupied by Shoprite Usave.

The NEF funded the construction of student accommodation comprising 106 two-bedroom units. Students took occupation from February 2020.

## PARTNERSHIP WITH PICK N PAY

 <b>BLACK INDUSTRIALIST</b>	<b>INDIVIDUAL RETAIL OWNERS</b>	
 <b>LOCATION</b>	<b>GAUTENG AND WESTERN CAPE</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>74</b>	<b>PRODUCTS</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>	Converting spaza shops



The NEF and Pick n Pay entered into a partnership to revive township economies by enabling spaza shops become viable businesses able to compete with established retailers in the townships. Pick n Pay invests grant funding of up to R500 000, upgrading and refurbishing spaza shops and connecting them to Pick n Pay systems (including linking them with group suppliers at preferential rates for stock), providing initial stock and business mentorship.

The NEF, Old Mutual (through its Masisizane Fund) and Brimstone co-fund the programme, which is overseen by a Monitoring SteerCo. Four stores are now operational in Gauteng and the Western Cape and have created 74 jobs.



## SIZOVUNA INVESTMENTS



<b>BLACK INDUSTRIALIST</b>	<b>SIZOVUNA INVESTMENTS</b>	
<b>LOCATION</b>	<b>UMLAZI, KWAZULU-NATAL</b>	
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
<b>JOBS CREATED</b>	<b>2 500</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>N/A</b>	Shopping centre

The communities of Umlazi and Lamontville townships in KwaZulu-Natal, represented by Sizovuna Investments, acquired a 25% stake in Umlazi Mega City shopping centre with NEF funding of R51.8 million.

The NEF has since been repaid by the community trust and created value of about R246 million for the community. The mall is now valued at about R1 billion.

The NEF realised an investment return of 11%.

This genuine B-BBEE deal is delivering substantial social returns to community beneficiaries, including job creation and skills development.



## STONECO IMPORTERS AND EXPORTERS (PTY) LTD



<b>BLACK INDUSTRIALIST</b>	<b>TAAHIR SAYED</b>	
<b>LOCATION</b>	<b>MRA INDUSTRIAL PARK, DURBAN, KZN</b>	
<b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT</b>	
<b>JOBS CREATED</b>	<b>3</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>20</b>	Stone products

StoneCo Importers and Exporters (Pty) was established in 2016 to supply wholesale and retail stone. Initially, the focus was on providing the retail market with pre-cut store slabs for countertops, but it has since diversified into a wide range of stone products and selection.

Funding was approved to buy machinery, equipment, buildings and commercial vehicles.






The new machines - chosen for their innovation, efficiency, energy economy and reduced wastage - are reported to have improved product quality, producing more refined finishes and edgings compared to those produced by the previous handheld, manually operated machines.

**Stone**  
Company



Source: <https://www.stoneco.co.za>

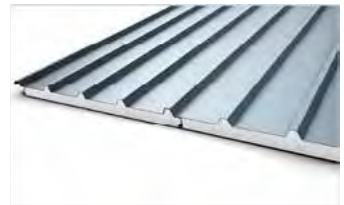
## THE INSULATION COMPANY SA

 <b>BLACK INDUSTRIALIST</b>	<b>TREVOR MASHABANE</b>
 <b>LOCATION</b>	<b>WADEVILLE, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>31</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Insulated panels	






The Insulation Company is a greenfields operation for the production of polyurethane insulated metal and board panels, also known as metal insulated sandwich panels and flexible faced boards for building and insulation applications. It will be first facility of its kind in South Africa.

IDC funding will be used to refurbish a second-hand plant, acquire new equipment and conduct a market study. The business is owned and managed by Trevor Mashabane, who has international partners.

 **GREEN ECONOMY**



## TSHELLAINE HOLDINGS

 <b>BLACK INDUSTRIALIST</b>	<b>TSHEPO LEKGAW AND ELAINE PHASHA</b>
 <b>LOCATION</b>	<b>SOWETO, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBS CREATED</b>	<b>255</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Student accommodation	

Tshellaine is a 100% black youth-owned and 50% black woman-owned business founded by Tshelo Lekgaw and Elaine Phasha. Tshellaine currently rents out off-campus accommodation to 128 University of Johannesburg students on a leased property.

The pair approached the NEF and the Gauteng Partnership Fund for funding to buy a site and erect a 66-unit student building to house 264 students. Construction is currently underway.

 **WOMEN EMPOWERED**

 **YOUTH EMPOWERED**



## TYNOX STONE

<b>BLACK INDUSTRIALIST</b>	<b>KESHNEE PILLAY</b>
<b>LOCATION</b>	<b>KEMPTON PARK, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>IDC LOAN</b>
<b>JOBS CREATED</b>	<b>23</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Stone surfacing	

Tynox has fabricated and fitted designed high-quality stone surfaces in homes, offices and public spaces throughout South Africa since 2012.

The IDC provided funding for expansion, including new premises, machinery and working capital.

**WOMEN EMPOWERED**

**YOUTH EMPOWERED**



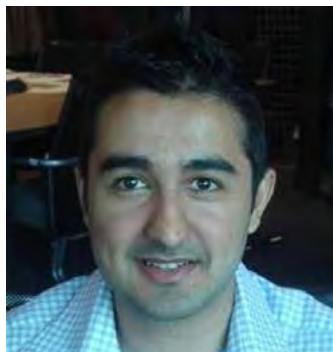
## YG PROPERTY INVESTMENT

<b>BLACK INDUSTRIALIST</b>	<b>YUSUF GANI</b>
<b>LOCATION</b>	<b>KEMPTON PARK, GAUTENG</b>
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>
<b>JOBS CREATED</b>	<b>322</b>
<b>JOBS RETAINED</b>	<b>N/A</b>
<b>PRODUCTS</b>	
Social housing	






The NEF approved funding for YG Property for the development of social housing units in Kempton Park. The development comprises three buildings (one four storey, one five storey and one seven storey).

The SHRA (Social Housing Regulatory Authority) also provided funding - for the development of 312 units to be rented out. Construction is currently underway.

**YOUTH EMPOWERED**



## ZK ROOF TILE MANUFACTURERS

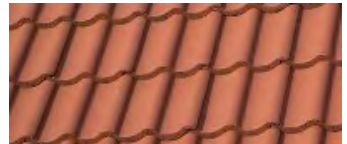
 <b>BLACK INDUSTRIALIST</b>	<b>ZHORA KHAN</b>
 <b>LOCATION</b>	<b>POLOKWANE, LIMPOPO</b>
 <b>FUNDING TYPE</b>	<b>the dtic COST-SHARING GRANT AND IDC LOAN</b>
 <b>PROJECTED NEW JOBS</b>	<b>67</b>
 <b>JOBS RETAINED</b>	<b>6</b>
<b>PRODUCTS</b>	
Roof tiles	

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ZK Roof Tile Manufacturers is a start-up concrete roof tile manufacturer registered in 2017 by Zohra, Faheem, Mubeen and Ahmed Khan, who had identified a market gap for roof tiles and ridges in the Polokwane area.

The IDC provided funding for the company to buy machinery to manufacture the tiles. The project was delayed by the Covid-19 pandemic, but the factory promises to create 67 jobs once operational.



# CASE STUDIES: TOURISM

## 2TEN HOTEL

 <b>BLACK INDUSTRIALIST</b>	LIVHUWANI AND SHUDUFHADZA MAGWEBENI
 <b>LOCATION</b>	SIBASA, LIMPOPO
 <b>FUNDING TYPE</b>	IDC LOAN
 <b>JOBS CREATED</b>	76
 <b>JOBS RETAINED</b>	N/A

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2Ten Hotel is a four-star, black-owned establishment on the hilltop of Sibasa town, with a scenic view of Thohoyandou.

The IDC provided funding to expand the hotel from 34 to 99 rooms to address the mismatch between the large conferencing facilities and the small number of rooms, which resulted in potential overnight guests being turned away.

The expansion also included a roof-top al fresco restaurant and a gym.



## AMAZIN HOTEL



<b>BLACK INDUSTRIALIST</b>	<b>MOFASI LEKOTA</b>	
<b>LOCATION</b>	<b>POLOKWANE, LIMPOPO</b>	
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
<b>JOBS CREATED</b>	<b>508</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>N/A</b>	Accommodation

Amazin Hotel is a three-star Park Inn in Polokwane, Limpopo, funding by the NEF and IDC.

The hotel is next to a golf course and Peter Mokaba Stadium. B-BBEE ownership is 83% (including the NEF equity), with 30% black woman shareholding.

Operations started in February 2017, but Covid-19 has taken a toll on occupancy in recent months.



## GOLDEN VALLEY LODGE



<b>BLACK INDUSTRIALIST</b>	<b>SIBONGILE AND RICHARD LUTHULI</b>	
<b>LOCATION</b>	<b>MAGALIESBURG, GAUTENG</b>	
<b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
<b>JOBS CREATED</b>	<b>11</b>	<b>PRODUCTS</b>
<b>JOBS RETAINED</b>	<b>N/A</b>	Accommodation

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The proposed 20-room lodge in the Magaliesburg is owned by Sibongile Luthuli and Ricardo Luthuli.






It will include accommodation, conferencing facilities, food and beverages, a curio shop and a spa. On offer will be activities such as hiking, quad biking, bird watching, adventure cycling and fishing.

Construction on Golden Valley Lodge has been delayed due to Covid-19 and the lodge is scheduled to launch in May 2021.



## GRASKOP GORGE LIFT CO.



 <b>BLACK INDUSTRIALIST</b>	<b>51% BLACK-OWNED</b>	
 <b>LOCATION</b>	<b>GRASKOP, MPUMALANGA</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>N/A</b>	<b>PRODUCTS</b> Graskop Gorge Lift
 <b>JOBS RETAINED</b>	<b>44</b>	

The Graskop Gorge Lift, a first of its kind offering in the Mpumalanga tourism belt, approached the NEF for funding, having been awarded the opportunity to establish the infrastructure in the Graskop gorge through a private public partnership.

The lift descends 60 metres to the floor of the gorge to provide tourists with a breathtaking 360-degree view of the area and a guided glimpse into its biodiversity.






The NEF has invested R38.4 million to establish the lift infrastructure and fund working capital.

The gorge, opened in December 2018, and has exceeded all expectations in visitor numbers.



## LEOPARD SANDS



 <b>BLACK INDUSTRIALIST</b>	<b>FIVE BLACK ENTREPRENEURS</b>	
 <b>LOCATION</b>	<b>KRUGER NATIONAL PARK, MPUMALANGA</b>	
 <b>FUNDING TYPE</b>	<b>NEF LOAN AND EQUITY FUNDING</b>	
 <b>JOBS CREATED</b>	<b>44</b>	<b>PRODUCTS</b> Accommodation
 <b>JOBS RETAINED</b>	<b>N/A</b>	

The project is developing a five-star lodge overlooking the Sabi River and minutes from Kruger Gate.

Discussions with SANParks are advanced to collapse the Kruger National Park border fence.






The lodge has 18 luxury units, all with private plunge pools. The community benefits through a 10% profit share. The lodge was set to open in March 2020, but was delayed due to lockdown.

The NEF provided working capital and funded furniture and fittings.



## MIAMI LODGE








 <b>BLACK INDUSTRIALIST</b>	<div></div>	<b>DAVID MOGALE</b>
 <b>LOCATION</b>	<div></div>	<b>POLOKWANE, LIMPOPO</b>
 <b>FUNDING TYPE</b>	<div></div>	<b>NEF LOAN AND EQUITY FUNDING</b>
 <b>JOBES CREATED</b>	<div>11</div>	<div>PRODUCTS</div> <div>Accommodation</div>
 <b>JOBES RETAINED</b>	<div>N/A</div>	



Miami Lodge is an existing lodge offering accommodation in Polokwane. The lodge is 100% black owned and -managed, boasting a total 53 rooms with tea and coffee facilities, sleeping 108 guests sharing. The lodge has a dining area/restaurant offering a la carte menu, a bar, three conference rooms that accommodate 700 delegates and dry cleaning/laundry services. The promoter applied to the NEF for R6.2 million to renovate and expand the lodge, its contribution being existing land and buildings with a carrying value of R14 million as security.

## THE HOUGHTON HOTEL



 <b>BLACK INDUSTRIALIST</b>	<b>MALWANDLA SOLLY SIWEYA</b>
 <b>LOCATION</b>	<b>HOUGHTON ESTATE, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>JOBES CREATED</b>	<b>462</b>
 <b>JOBES RETAINED</b>	<b>N/A</b>

PRODUCTS
Hotel








The Houghton Hotel is a 61-room boutique establishment that is part of The Leading Hotels of the World brand.

The IDC approved funding to buy a newly built hotel.

The company is majority owned by Malwandla Siweya, thus the funding advanced transformation in the tourism sector.

# CASE STUDIES: TRANSPORT, INFRASTRUCTURE AND LOGISTICS

## MIXCORP

 <b>BLACK INDUSTRIALIST</b>	<b>MIXO KOBÉ</b>
 <b>LOCATION</b>	<b>ELANDSFONTEIN, GAUTENG</b>
 <b>FUNDING TYPE</b>	<b>IDC LOAN</b>
 <b>JOBS CREATED</b>	<b>78</b>
 <b>JOBS RETAINED</b>	<b>N/A</b>

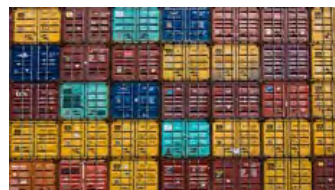
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Mixcorp is a logistics company established in 2014 to provide intermodal logistics solutions.

It is wholly owned by young black industrialist Mixo Kobe, who also owns 70% of Maru Terminals, a company operating a rail terminal loading chrome in Steelpoort, Limpopo.

IDC funding bought plant and equipment and provided working capital to service a five-year contract with a major entity.







# CONCLUSION

This report provides a snapshot of work being done by the department and its entities and shows the type of economic activities that are promoted and encouraged through broad-based black economic empowerment programmes.

Public investment through these programmes is, in most cases, well-directed and purposeful, and contributes to a more diversified ownership profile in the economy, greater numbers of black industrialists and deeper entrepreneurship. Fronting and similar practices remain a challenge that the department and agencies are constantly addressing.

Township and rural enterprises and small enterprise development – though falling principally in the scope of the Department of Small Business Development – are also be promoted through transformation policies. This will open the economy to many more South Africans.

## Growing focus on worker empowerment

While the report focuses mainly on one aspect of transformation policies, namely black industrialists, there are a number of other aspects, such as worker empowerment. For example: Competition settlement agreements provided for worker equity at:

- Coca-Cola (currently 5% with an increase expected);
- Pepsico (13% shareholding with a board seat);
- ABInbev ( $\pm 0.2\%$  shareholding in global firm); and
- Astron in its Caltex transaction (5% currently).

These initiatives, alone, are providing shareholding rights to more than 25 000 workers in the food, beverage and energy sectors, valued at more than R7 billion.

## Challenges

While there will be many successes, several black industrialists face difficulties breaking into markets or managing sustainable enterprises. Difficulties include:

- Limited access to support and facilities from commercial banks, based on lack of business track records or collateral;
- Concentrated markets where incumbents (existing dominant firms) effectively limit entry of new players – for example, exclusivity leases in shopping malls have kept smaller grocery retailers out of major market platforms;
- Limited market experience in some sectors, which results in over-expansion; limited ability to respond to fast-changing market conditions or reliance on a limited number of large customers;
- Weak governance arrangements in company boards;
- Loss of major customers or contracts or export markets; and
- Recently, the impact of Covid-19 on businesses.

## Challenges must become opportunities

Challenges other than those experienced by the individual entrepreneur include:

- Duplication of screening and approval processes in the department. Reducing duplication would free staff for redeployment to post-investment support. Overhead costs would be reduced;
- The need across government for programmes to be more integrated, so that industrial funding is accompanied by procurement support, access to infrastructure, export promotion etc – creating a joined-up package of support;
- More can be done between the state and larger businesses to connect the support that is being offered to emerging businesses – a good example is the combination of orders by larger business to their smaller suppliers ('offtake agreements') tied with industrial funding support by the state, as has been piloted in a number of cases recently; and
- The need to link economic inclusion more closely with growth and job creation (link between policy and outcomes).



## New focus

Broad-based transformation is vital and continues to be government policy.

Greater focus on transformation policies is needed to:

- Determine which mechanisms work and which do not;
- Make changes where warranted by evidence and experience; and
- Scale up successes so that more South Africans benefit.

In the period ahead, public measures will include:

- Addressing market access challenges: Competition Act amendments enable the authorities to investigate concentrated markets and where these inhibit entry of SMEs and black South Africans, remedial action can be taken; and
- Addressing experience challenges: stronger support networks and access to business coaching and technical partnerships for black industrialists. The new Auto Industry Transformation fund will include strong partnerships between large auto assemblers and black component suppliers.



## NOTES:

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