

2023/24 ANNUAL INDUSTRIAL FINANCING REPORT

Industrial Financing Group (IFG)

Presentation to the Portfolio Committee on Trade, Industry and Competition



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

*Partnering you.
Growing the economy.
Developing Africa.*



PRESENTATION OUTLINE

- Introduction to IFG
- Overview of the Approvals Performance Information
 - Projected Investment
- Overview of the Disbursements Performance Information
 - Provinces/Districts/Townships
 - Localisation
 - Exports
 - Green Industrialisation
- Key Sectors and Case Studies
- Challenges and Recommendations



AN INTRODUCTION TO THE INDUSTRIAL FINANCING GROUP

The Industrial Financing Group (IFG) provides multiple financial support programmes managed by three institutions, **the dtic** through the Incentive Branch (IB), Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF).



Industrial financing is offered in the form of grants, loans and equity. While this presentation focuses on the financial support offered by the IFG, the IDC and NEF also offer non-financial support to business clients.

This support is offered through the different stages of a transaction with initial mentorship/training to capacitate entrepreneurs to run their businesses and concludes with turnaround strategies and or business rescue.

THE 2023/24 ANNUAL INDUSTRIAL FINANCING PRESENTATION

The presentation provides an overview of the performance of IFG based on applicable and key indicators from **the dtic's** 2023/24 Annual Performance Plan.

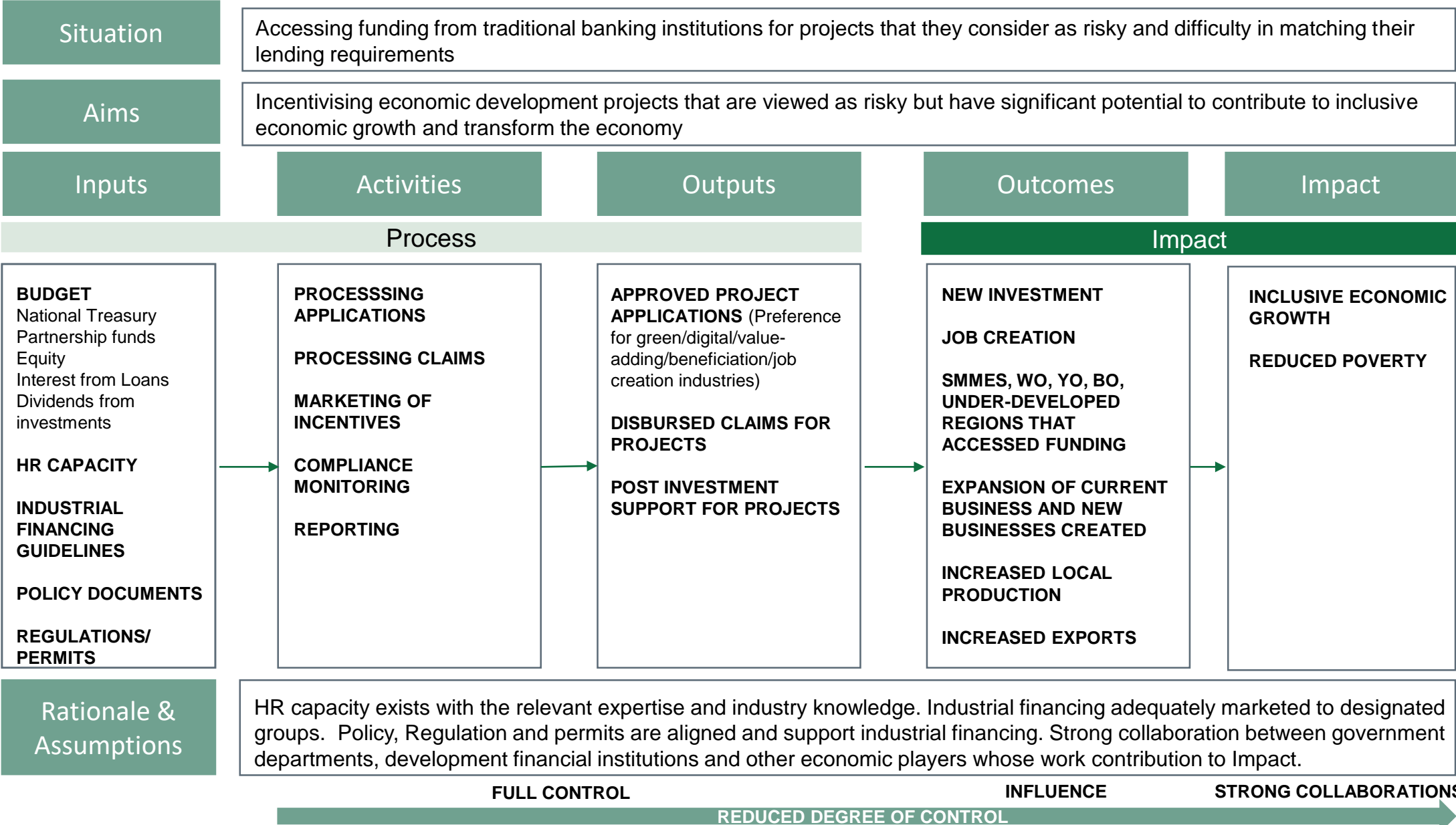
It tells a story of outcome and impact of funded projects based on the available data for the 2023/24 financial year and highlights impacts such as:

- Deepening transformation through ownership, districts and townships;
- Investment and jobs creation;
- Exports;
- Localisation; and
- Green Industrialisation.

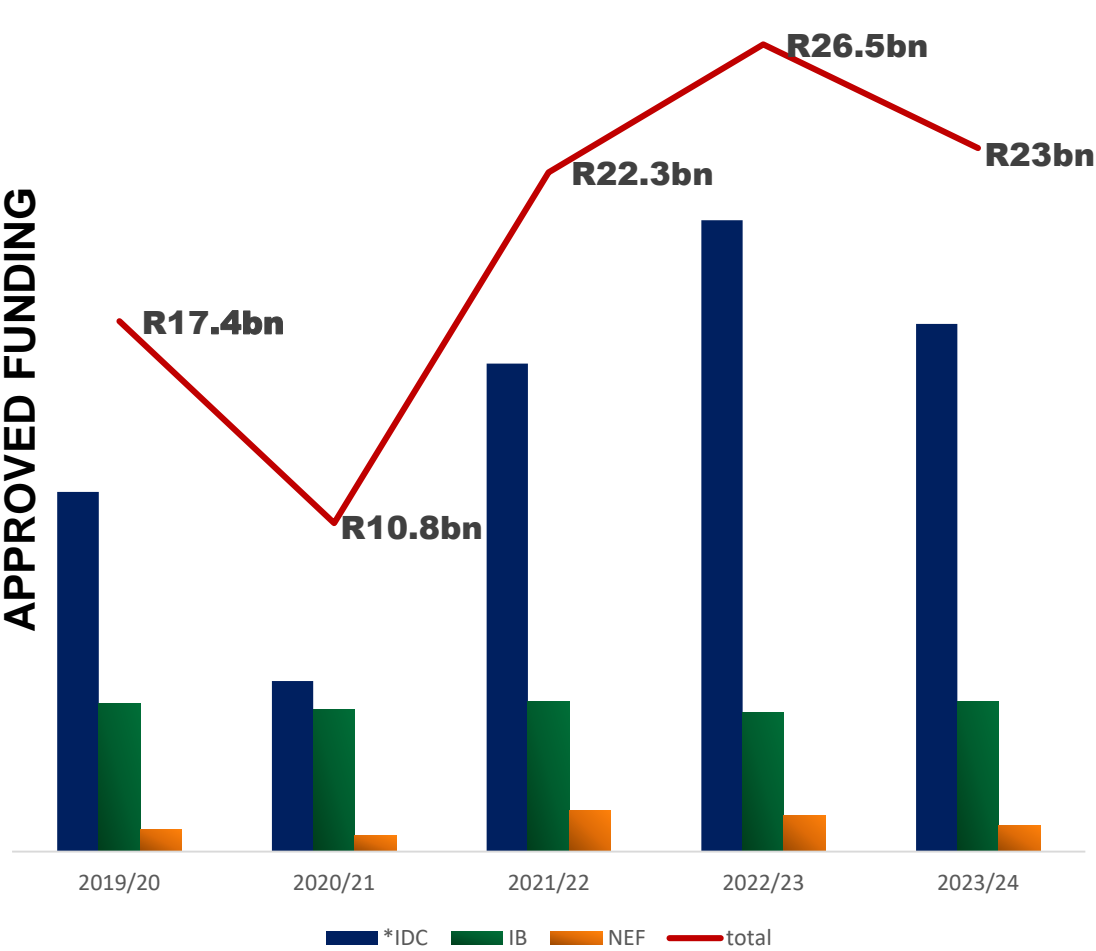
Case studies are included demonstrating these impacts.

The 2023/24 performance information will be used as a baseline for measuring IFG's performance over the next 5 year period (2025-2030)

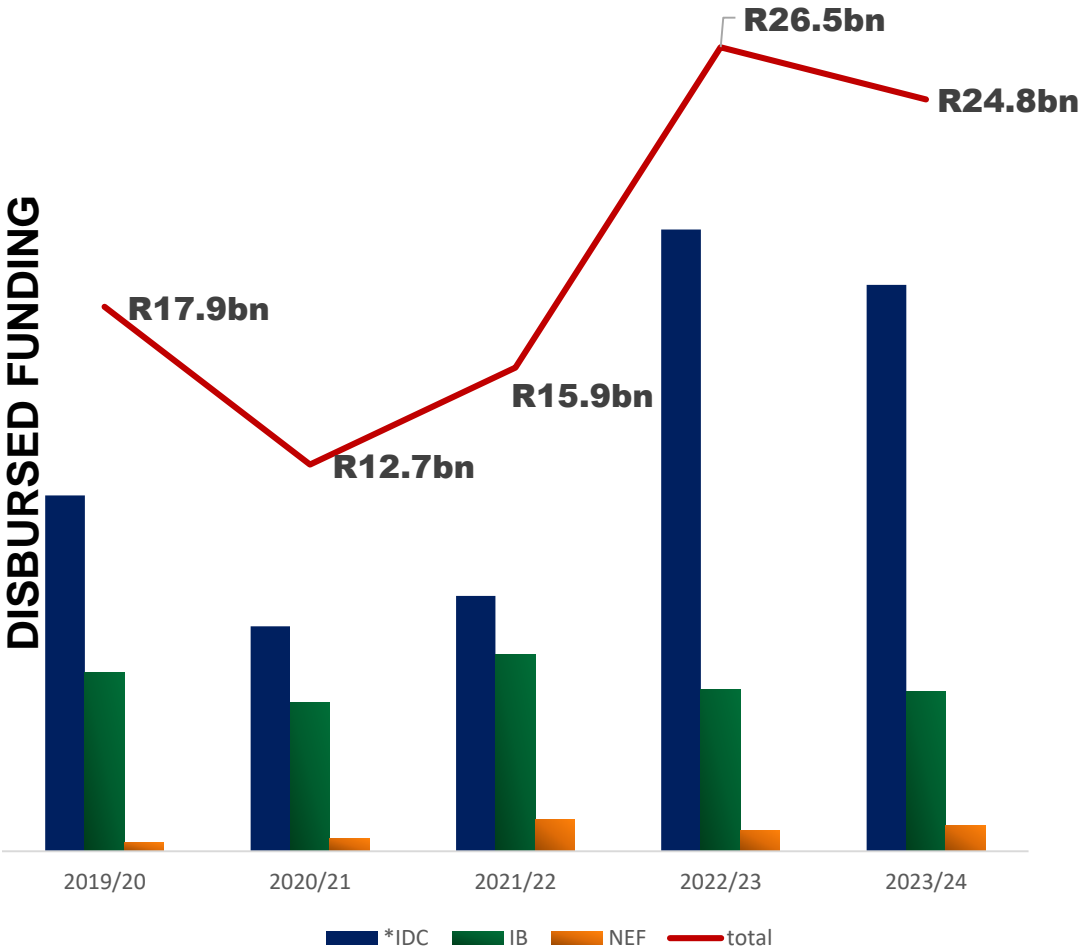
THEORY OF CHANGE DEPICTING HOW THE WORK OF IFG RESULTS INTO IMPACTS



FIVE YEAR TREND: APPROVALS AND DISBURSEMENTS



*IDC on-balance sheet amounts



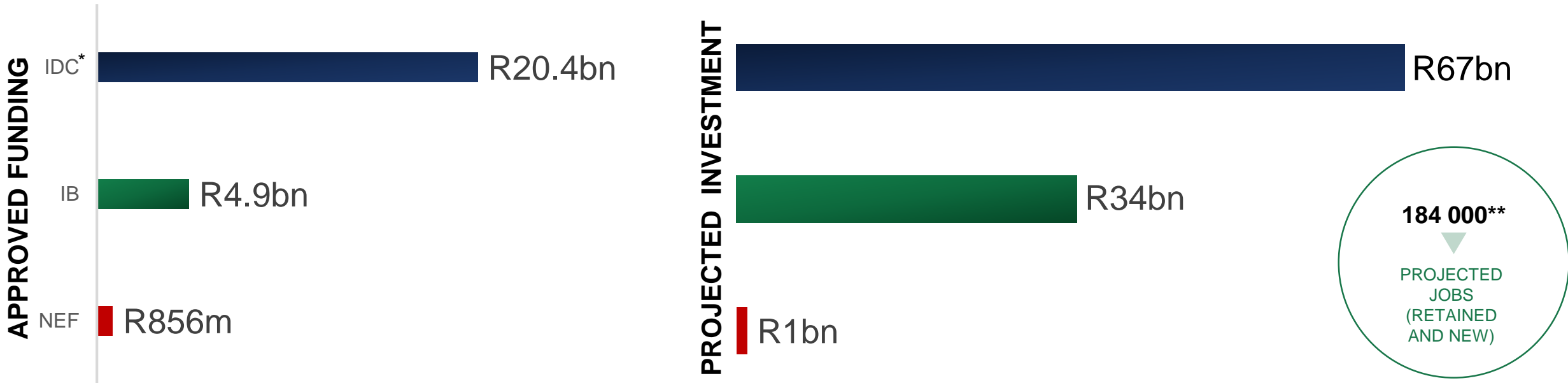
*IDC on and off-balance sheet amounts

TREATING CUSTOMERS TRUSTFULLY, HONESTLY, ETHICALLY AND PROFESSIONALLY



IFG's KEY DELIVERABLES DURING 2023/24: APPROVALS

IFG approved over **590** enterprises/organisations for funding to the value of **R26 billion** with projected investment of over **R100 billion**** that will be generated over the next two to five years. The approved funding and investment comprises:



APPROVALS PROVIDE AN INSIGHT INTO THE PERFORMANCE OF BUSINESSES OVER THE NEXT 2 TO 5 YEARS AND SIGNALS THEIR CONTRIBUTION TO THE ECONOMY

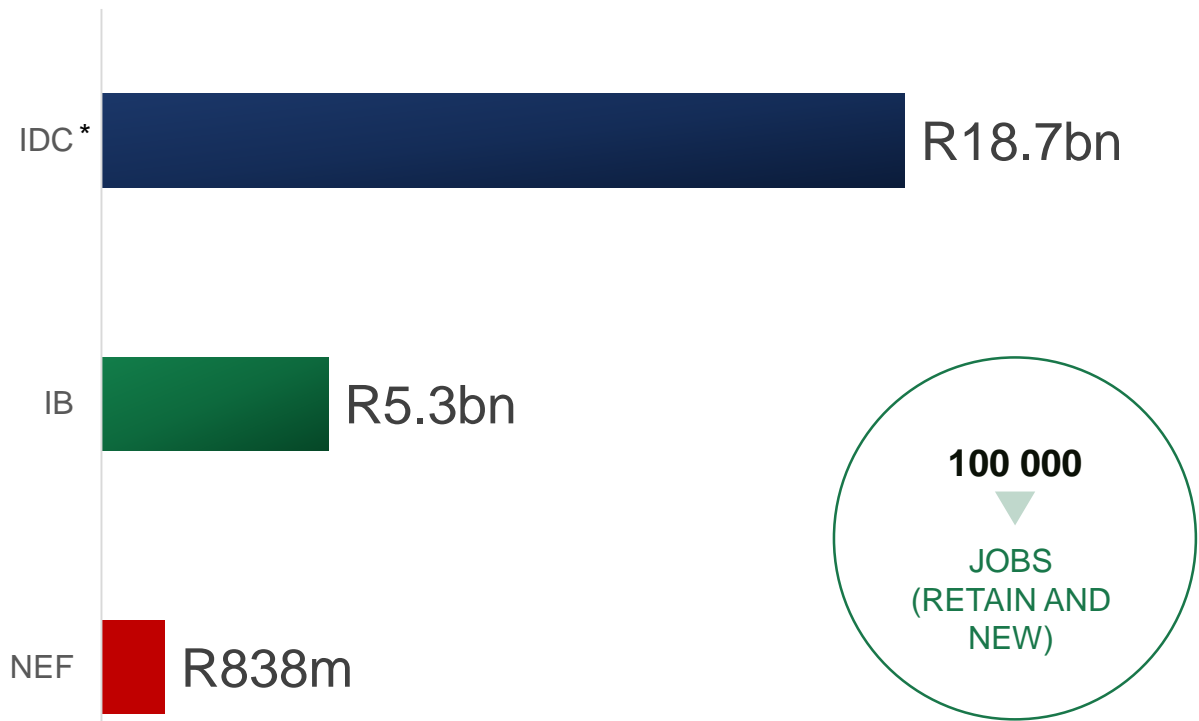
*IDC values include on and off-balance sheet amounts

**Excludes duplicate investment and jobs reported by the same project across the three institutions

IFG's KEY DELIVERABLES DURING 2023/24: DISBURSEMENTS

DISBURSEMENTS SHOW THE CURRENT IMPACT OF INDUSTRIAL FUNDING

R24.8 billion was disbursed through industrial financing to over **780** enterprises/organisations:



*IDC values include on and off-balance sheet amounts

DEEPENING TRANSFORMATION THROUGH OWNERSHIP AND TARGETING DISTRICTS

R4 BILLION
Financial support to SMMEs, women and youth-owned businesses

SMMEs :14%
WO :6%
YO :1%

R5.2 BILLION
Financial support to black industrialists and black-owned businesses

B-BBEE Level 1-4: 88%
B-BBEE Level 5-7: 7%
B-BBEE Level 8 : 5%

R9 BILLION
Financial support to enterprises in areas outside the five main metros

R9.7 BILLION
Financial support to enterprises in labour absorbing sectors

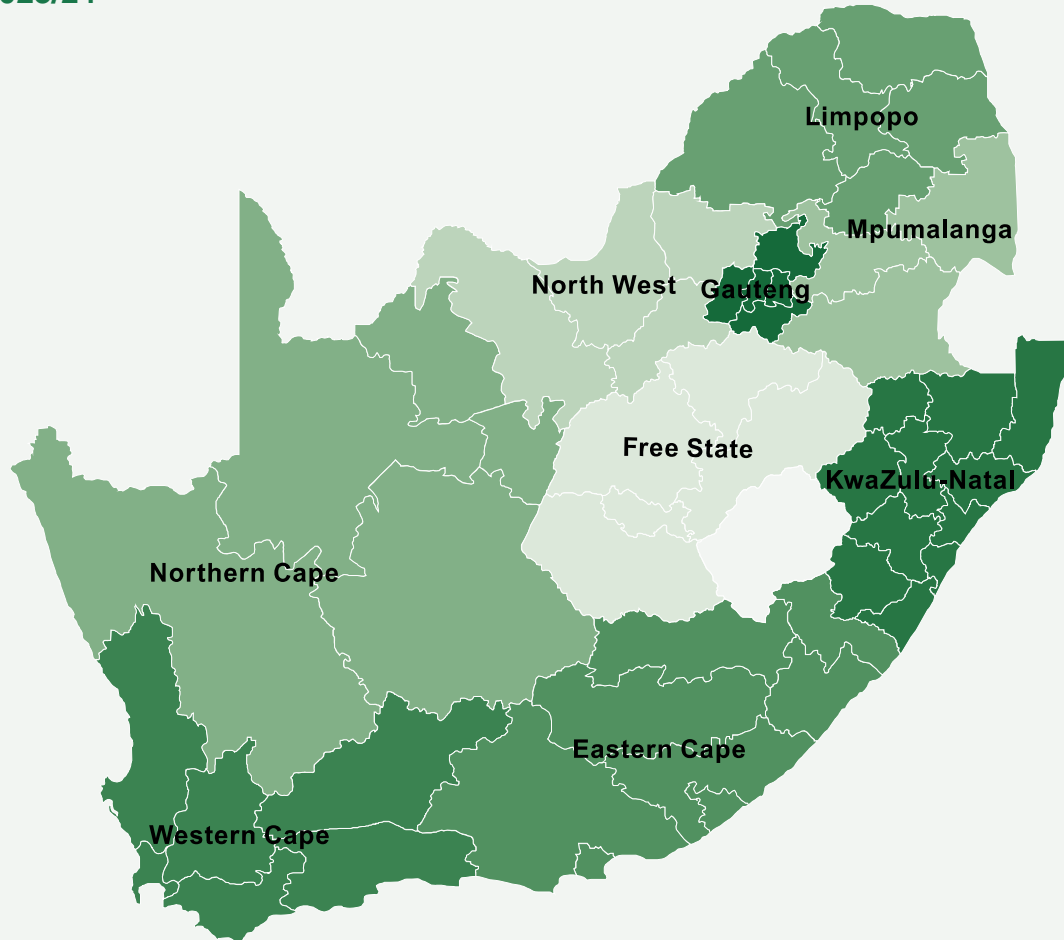
LABOUR-ABSORBING SECTORS



ECONOMIC INCLUSION THROUGH INDUSTRIAL FINANCING IN DISTRICTS

Projects are located in eight metros and 43 district municipalities

2023/24



WESTERN CAPE

- ▶ CAPE WINELANDS DISTRICT MUNICIPALITY
- ▶ CITY OF CAPE TOWN METROPOLITAN MUNICIPALITY
- ▶ GARDEN ROUTE DISTRICT MUNICIPALITY
- ▶ CENTRAL KAROO DISTRICT MUNICIPALITY
- ▶ OVERBERG DISTRICT MUNICIPALITY
- ▶ WEST COAST DISTRICT MUNICIPALITY

LIMPOPO

- ▶ CAPRICORN DISTRICT MUNICIPALITY
- ▶ MOPANI DISTRICT MUNICIPALITY
- ▶ SEKHUKHUNE DISTRICT MUNICIPALITY
- ▶ WATERBERG DISTRICT MUNICIPALITY
- ▶ VHEMBE DISTRICT MUNICIPALITY

GAUTENG

- ▶ CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
- ▶ CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
- ▶ CITY OF TSHWANE METROPOLITAN MUNICIPALITY
- ▶ SEDIBENG DISTRICT MUNICIPALITY
- ▶ WEST RAND DISTRICT MUNICIPALITY

NORTHERN CAPE

- ▶ FRANCES BAARD DISTRICT MUNICIPALITY
- ▶ JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY
- ▶ NAMAKWALAND DISTRICT MUNICIPALITY
- ▶ PIXLEY KA SEME DISTRICT MUNICIPALITY
- ▶ ZF MGCWU DISTRICT MUNICIPALITY

NORTH WEST

- ▶ BOJANALA PLATINUM DISTRICT MUNICIPALITY
- ▶ DR KENNETH KAUNDA DISTRICT MUNICIPALITY
- ▶ DR RUTH SEGOMOTSI MOMPATI DISTRICT MUNICIPALITY
- ▶ NGAKA MODIRI MOLEMA DISTRICT MUNICIPALITY

KWAZULU-NATAL

- ▶ AMAJUBA DISTRICT MUNICIPALITY
- ▶ ETHEKWINI METROPOLITAN MUNICIPALITY
- ▶ HARRY GWALA DISTRICT MUNICIPALITY
- ▶ ILEMBE DISTRICT MUNICIPALITY
- ▶ KING CETSHWAYO DISTRICT MUNICIPALITY
- ▶ UGU DISTRICT MUNICIPALITY
- ▶ UMGUNGUNDLOVU DISTRICT MUNICIPALITY
- ▶ UMKHANYAKUDE DISTRICT MUNICIPALITY
- ▶ UMZINYATHI DISTRICT MUNICIPALITY
- ▶ UTHUKELA DISTRICT MUNICIPALITY
- ▶ ZULULAND DISTRICT MUNICIPALITY

FREE STATE

- ▶ FEZILE DABI DISTRICT MUNICIPALITY
- ▶ LEJWELEPUTSWA DISTRICT MUNICIPALITY
- ▶ MANGAUNG METROPOLITAN MUNICIPALITY
- ▶ THABO MOFUTSANYANA DISTRICT MUNICIPALITY

EASTERN CAPE

- ▶ ALFRED NZO DISTRICT MUNICIPALITY
- ▶ AMATHOLE DISTRICT MUNICIPALITY
- ▶ BUFFALO CITY METROPOLITAN MUNICIPALITY
- ▶ CHRIS HANI DISTRICT MUNICIPALITY
- ▶ JOE GQABI DISTRICT MUNICIPALITY
- ▶ NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
- ▶ OR TAMBO DISTRICT MUNICIPALITY
- ▶ SARAH BAARTMAN DISTRICT MUNICIPALITY

MPUMALANGA

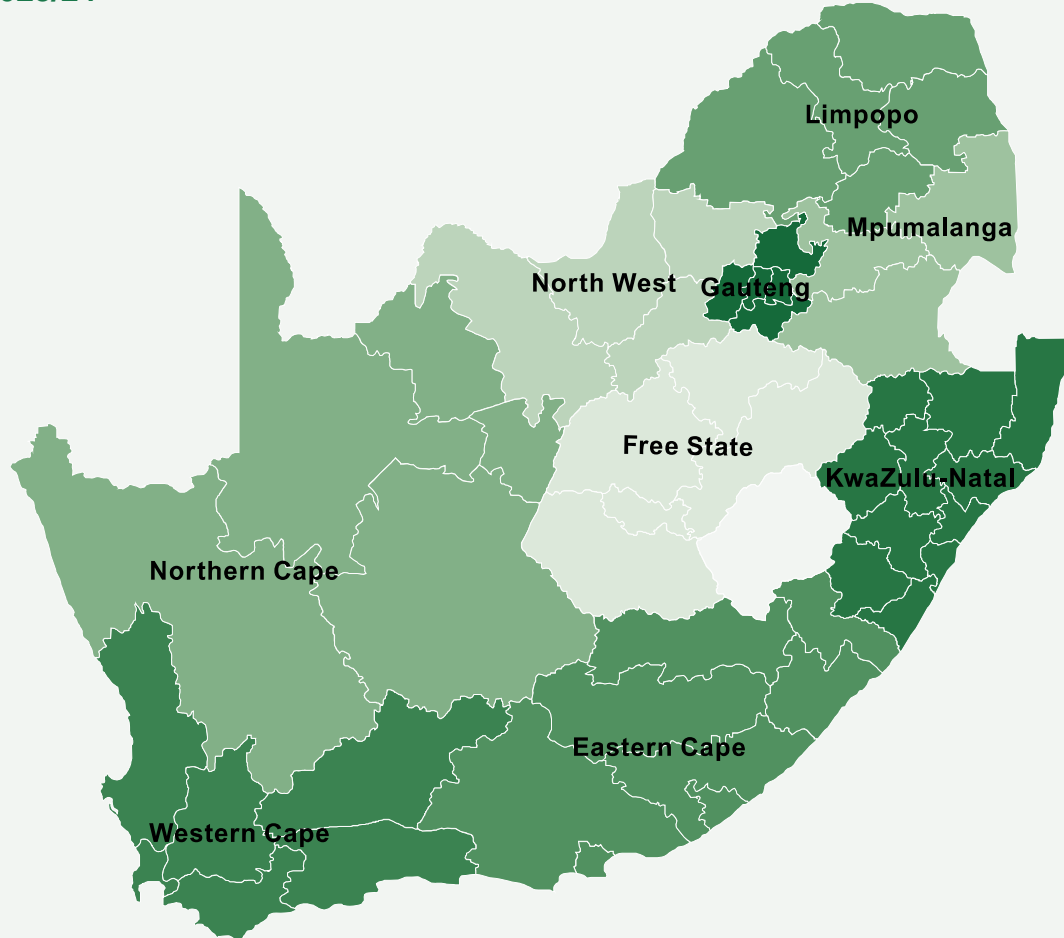
- ▶ EHLANZENI DISTRICT MUNICIPALITY
- ▶ GERT SIBANDE DISTRICT MUNICIPALITY
- ▶ NKANGALA DISTRICT MUNICIPALITY



ECONOMIC INCLUSION THROUGH INDUSTRIAL FINANCING IN TOWNSHIPS/RURAL TOWNS

Projects are located in over 500 of townships across the country, with most of the township reach through IDC's Social Employment Fund (SEF)

2023/24



WESTERN CAPE

Abbotsdale, Athlone, Barcelona, Bay View, Beacon Hill, Belhar, Bishop Lavis, Blue Downs, Bongoletu, Bonteheuwel, Chatsworth, Cloetesville, Crossroads, Delft, Diazville, Dunoon, Eindhoven, Elsies River, Epping Forest, Fisantekraal, Gatesville, Groendal, Gugulethu, Hanoverpark, Harare/Holomisa, Heideveld, Idasvalley, Ikwezi Park, Kalbaskraal, Kayamandi, Khayalitsha, Klappmuts, Kleinvele, Kraaifontein informal settlement, Kranshoek, Kurland Estate, Kwa-Mandenkosi, Kwanokuthula, Kylemore, Langa, Langrug, Lansdown, Louville, Manenburg, Masiphumele, Mbekweni, Mfuleni, Mitchells Plain, Monwabisi, Nieuveland Park, Nomzamo, Nyanga, Phillipi, Rocklands, Roosendal, Rustdene, Sir Lowry's Pass village, Strandfontein, Tafelsig, The Hague, The Range, Toekomsrus, Uitsig, Valhalla Park, Voorbrug, Vrygrond, Weltevreden valley, Wesbank, West Ridge, Zweltemba

EASTERN CAPE

Algoa Park, Aston Bay, Bachelona, Beacon Bay, Berlin, Bethelsdorp, Bizana, Booysen Park, Cala Reserve, Chalumna, Cumakala, Dimbaza, Eluxolweni, Ilitha, John Dube Village, Kei Road, Keiskammahoek, Khayamandi, Kidds Beach, King Flats, King Williams Town, Korsten, KwaDwesi, KwaMagxaki, Kwanobuhle, KwaNomzamo, KwaZakele, Langa Phase 4 and 5, Libode, Lindini, Loerieheuwel, Maluti, Mandela Park, Mdantsane, Middledrift, Molteno, Motherwell, Mount Ayliff, Ndevana, Need's Camp, New Brighton, New KwaDwesi, Newton Park, Ngangelizwe, Ngqeleni, Nomathamasanqa, North End, Pearston, Peddie, Pellsrus, Potsdam, Sea Vista, Southernwood, Soweto on Sea, Sunnyridge, Tarkastad, Theescombe, Thokozani, Thornhill, uMasizakhe, Valencia, Walmer, Well Estate, Zwelitsha, Zwide

GAUTENG

Alexandra, AP Khumalo, Atteridgeville, Berea, Bhongweni, Birch Acres, Bophelong, Bram Fischerville, Chiawelo, Cosmo City, Daveyton, Dawn Park, Debonair Park, Dhlamini, Diepkloof, Diepsloot, Dobsonville, Doornkop, Drie Ziek, Dube, Duduza, East Bank, Ebony Park, Emdeni, Ennerdale, Etwatwa, Evaton, Finetown, Ga-Rankuwa, Ivory Park, Jabavu, Jabulani, Kagiso, Kameeldrift, Kanana Park, Kathlehong, Kekana Garden, Khutsong, Kliptown, Kwa-Thema, Langaville, Lawley, Lehae, Lenasia, Mamelodi, Mandela Village, Mapetla, Mayibuye, Meadowlands, Mofolo, Mohlankeng, Molapo, Moletsane, Moroka, Munsieville, Naledi, Naturena, Nellmapius, Olievenhoutbos, Orange Farm, Orlando, Phumolong, Pimville, Pinehaven township, Protea Glen, Protea North, Protea South, Refilew, Rethabiseng, Riverlea, Sebokeng, Sharpeville, Soshanguve, Tamaho, Temba, Tembisa, Thinasonke, Thulani, Tladi, Tokoza, Troyeville, Tsakane, Tshepisong, Vlakfontein, Vosloorus, Wattville, Windmill Park, Zandspruit, Zithobeni, Zola, Zomkizizwe

KWAZULU-NATAL

Abaqulusi, Amalala, Amanzana, Bhambayi, Bhangano, Birdwood, Bonjaneni, Busingatha, Chesterville, Clarehills, eGujini, eMaphaya, Esidakeni, Esikhawini, Ezinkunini, Fakude, Gamalakhe, Gobandlovu, Imbali, Inanda, Isipingo Beach, Jabavu, Jozini, Khula Village, Kokwane, KwaDabeka, KwaMashu, KwaMsane, KwaNdengezi, Lidgetton, Lufafa, Mabhulesini, Makhosini, Malukazi, Mandlazini, Mhlekezi, Mkhazani, Mobeni, Molweni, Mpophomeni, Mpumalanga, Msimbani, Nazareth, Ntuzuma, Ogazini, Okhombe, Ongoye, Sigalabeni, Siwela, Sobantu, Tshaneni, Thelinyama, Umdoni, Umlazi, Verulam, Vumgama

NORTHERN CAPE

Galeshewe, Grootdrink, Ipopen, Norvalspont, Paballelo, Pampierstad, Pella, Phutanang, Roodepan, Sanddrif, Valspan, Victoria West Ext 1

MPUMALANGA

Clare, Croquet Lawn, Daantjie, Dumfries, Dundonald, eMakhazeni, eMpumelweni, eNtokozweni, Esizameloni, Godide, Hlanikahle, Hlaulau, Kabokweni, KaMatsamo, Kamhlushwa, Kanyamazane-A, KwaDela, KwaGuqa, KwaMhlanga, Lebohang, Leeufontein, Leroro, Lillydale, Mabharule, Maboke, Malalane, Manzini, Mahshishing, Matsulu, metsi, Mhluzi, Mkhulu, Moloro, Mzinti, Ngodwane, Phola, Pienaar, Pineridge, Sakhelwe, Sakhile, Simile, Siyabuswa, Siyathuthuka, Tewani, Tsakani, Tweefontein, Vosman, Welverdiendz

LIMPOPO

Annadale, Bismark, Botshabelo, Dithabaneng, Elandsdoorn, Eldorado, Freedom Park, Giyani, Indermark, Lebokwango, Lenyeny, Leydsdorp, Loraine, Lulekani, Mahwelereng, Makgaung, Malumulele, Mankweng, Masisi, Mookgopong, Mubvumoni, Namakgale, Northam, Phagameng, Polokwane Ext 10, Sebaying, Seshego, Sofaya, Tafelkop, The Oaks, Thamahansi, Turkey

FREE STATE

Bloemanda, Bloemside Phase 1, 2 and 3, Boiketlo, Botshabelo, Dithotang, Freedom Square, Grasslands, Harankopane, Heidedal, J B Mafora, Lejwaneng, Makeneng, Makhalaneng, Makwane, Maokeng, Meloding, Monyakeng, Namahadi, Phuthaditjaba, Rocklands, Seloshesha, Slovo Park, Tebang, Thaba Nchu, Thaba Tsoana, Thabong, Thibela, Zamdela

NORTH WEST

Boitekong, Dannhouse, GaLuka, Geelhoutpark, Ikageng, Itsoseng, Jericho, Jouberton, Maboloka, Makapanstad, Makau, Mathibestad, Montshioa, Tladistad, Thabane, Utsane, Welverdiend, Wonderkoppies



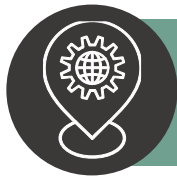
ECONOMIC INCLUSION THROUGH INDUSTRIAL FINANCING ACROSS PROVINCES

PROVINCE	PLANNED INVESTMENT NEXT 2-5 YEARS*	AMOUNT DISBURSED**	NEW JOBS CREATED***
EASTERN CAPE	R6.5 BILLION	R2.1 BILLION	2 551
FREE STATE	R1.1 BILLION	R265 MILLION	148
GAUTENG	R15.3 BILLION	R6.4 BILLION	6 573
KWAZULU-NATAL	R22 BILLION	R10.6 BILLION	11 783
LIMPOPO	R19.4 BILLION	R266 MILLION	117
MPUMALANGA	R3.6 BILLION	R259 MILLION	573
NORTH WEST	R5.7 BILLION	R209 MILLION	134
NORTHERN CAPE	R6.5 BILLION	R2 BILLION	2 258
WESTERN CAPE	R12.4 BILLION	R2 BILLION	5 017

*Excludes duplicate investments reported by the same project across 3 institutions and investments outside of South Africa

**Excludes project disbursements outside of South Africa

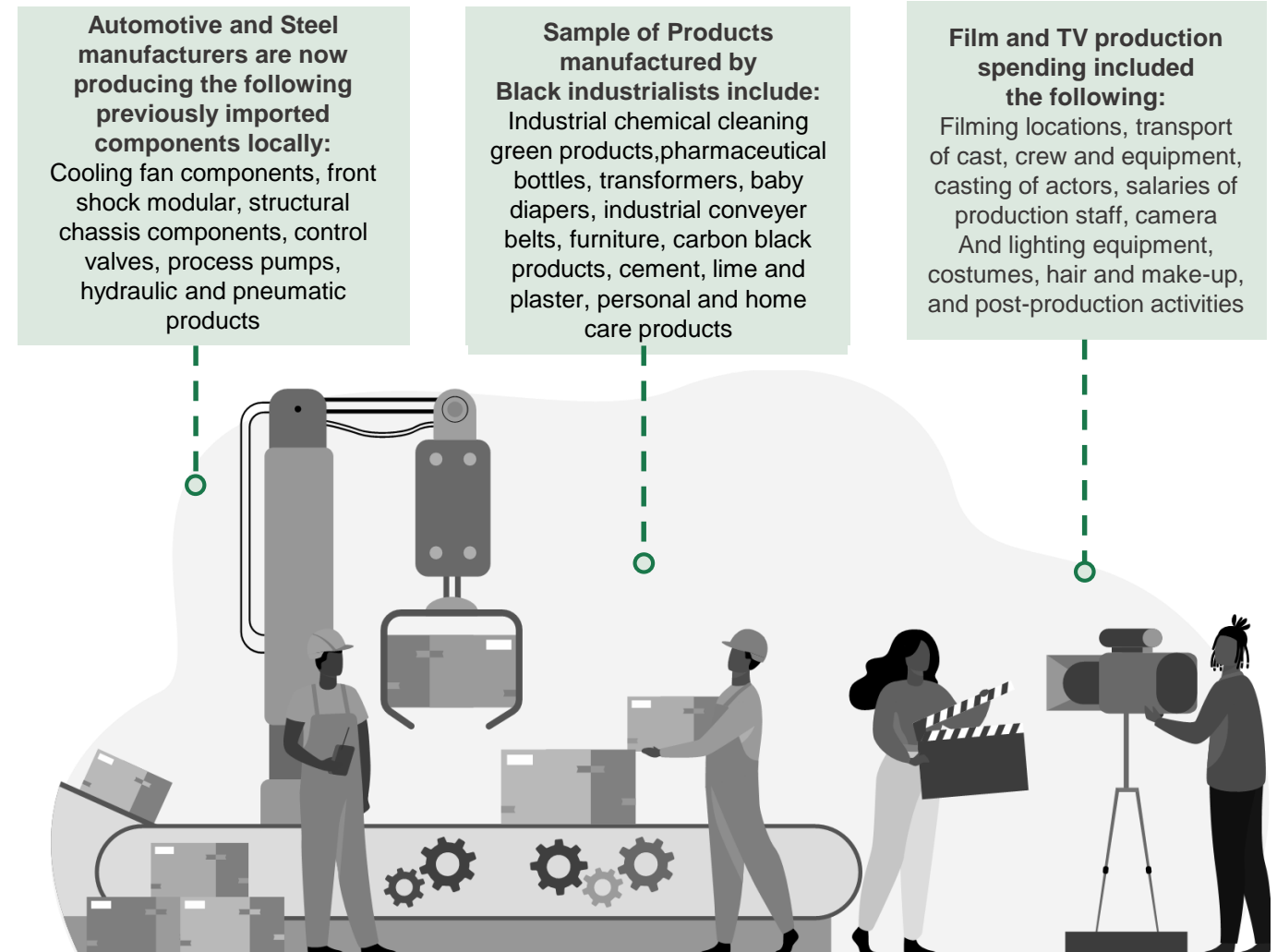
***Excludes duplicate jobs reported by the same project across 3 institutions



LOCALISATION

During 2023/24, output produced by funded manufacturers and local spend by funded film productions contributed significantly to the South African economy:

- Additional local output produced*
- Black industrialist output achieved**
- Local and foreign film and TV production spend to procure equipment and services in the local economy***



*Reported by manufacturing projects (IB, IDC, NEF)

**Reported by BI/BO projects (IB, IDC NEF)

***Reported by IB Film and TV fully disbursed projects in 2023/24

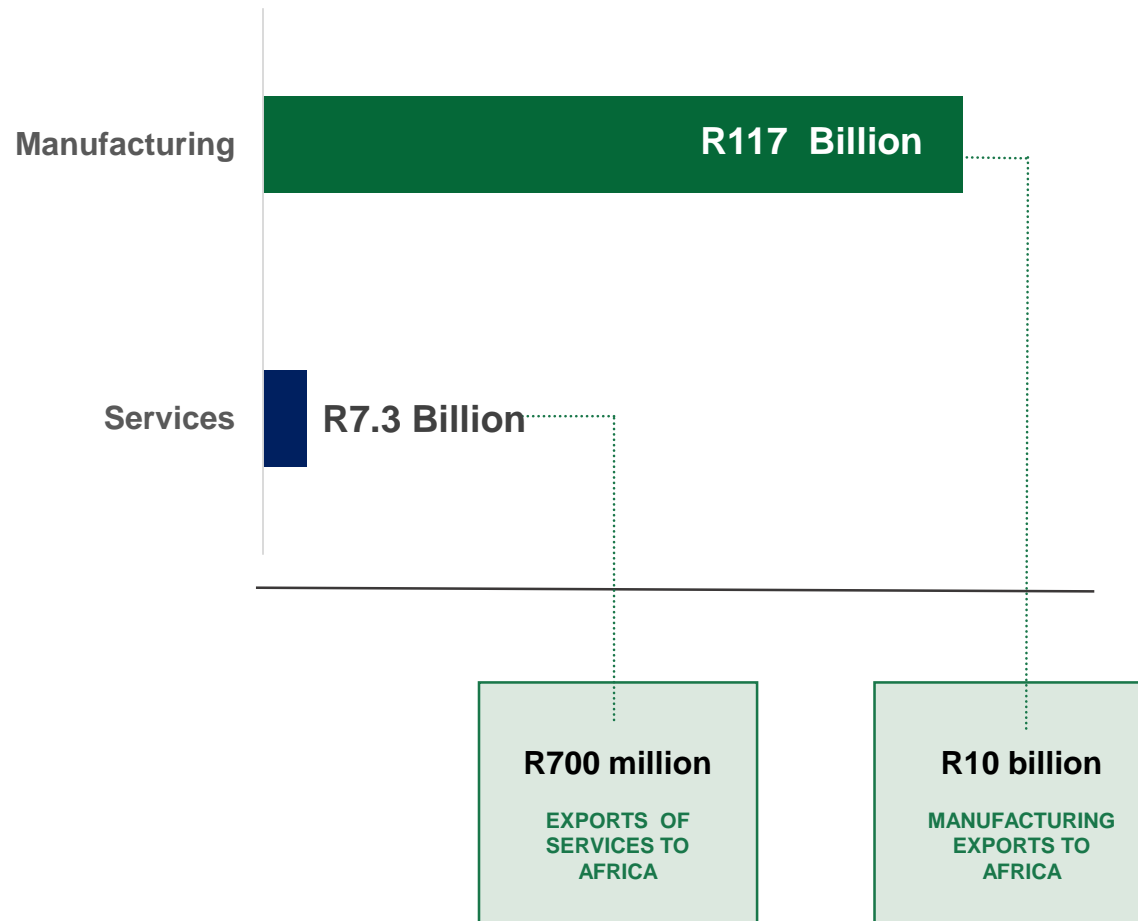


EXPORTS TO AFRICAN COUNTRIES AND OTHER GLOBAL MARKETS

Exports to African Countries and other Global Markets

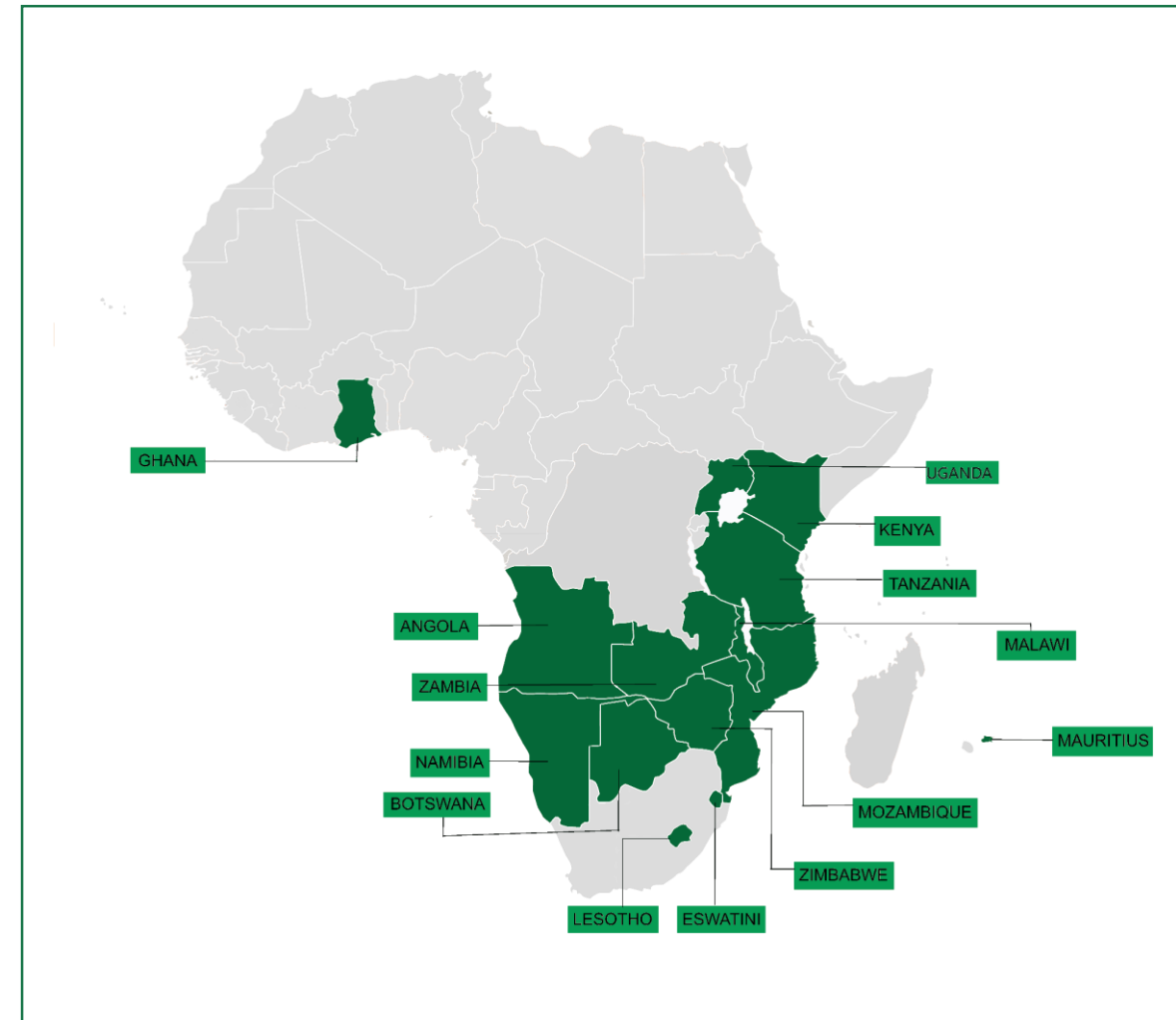
■ Manufacturing ■ Services

Annual Export revenue per sector/industry



Manufacturing Sector Exports to African Countries

The steel and metal fabrication, rubber and plastics and automotive industries had the highest value of exports to African countries.





GREEN INDUSTRIALISATION

During 2023/24, R1.7 billion was disbursed to green industrialisation projects.

RENEWABLE ENERGY AND ENERGY EFFICIENT TECHNOLOGIES

- Solar photovoltaic (PV) Plants
- Energy Storage Systems
- Manufacturing of inverters which are critical components of a solar plant
- Salt molten concentrated solar power (CSP)
- Fuel cell systems that converts hydrogen into electricity
- Wind Farms
- Biowaste-to-Steam energy generation plant
- Battery manufacturing

NATURAL RESOURCE CONSERVATION

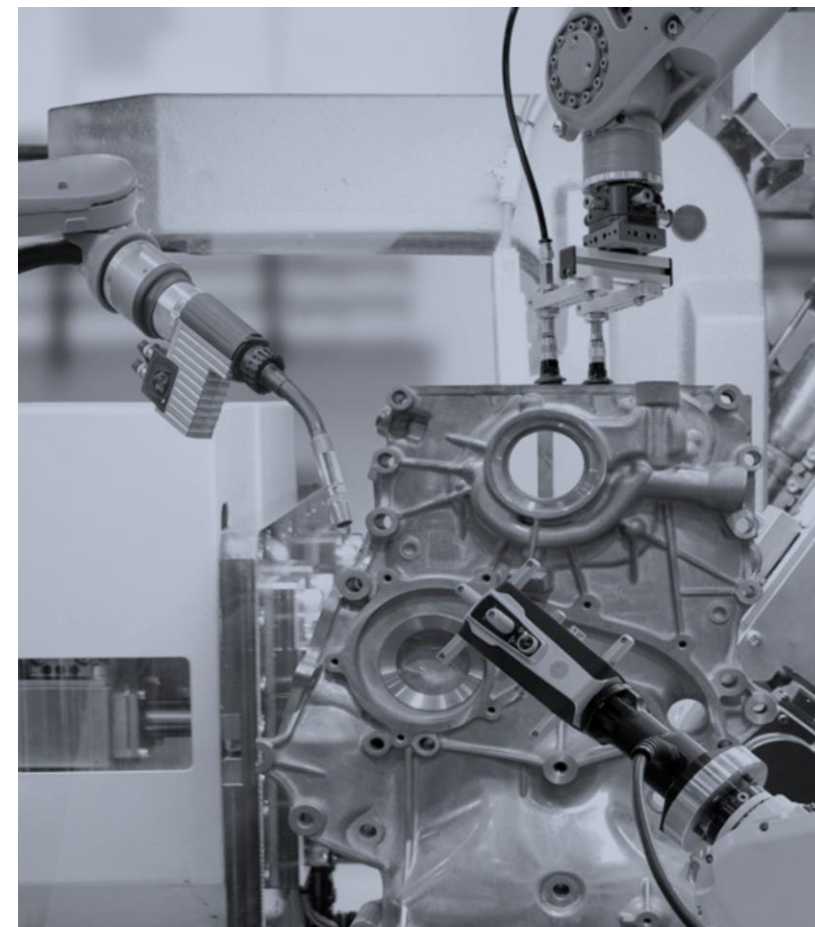
- Development of low graphene coated nano-fibrous membranes for drinking water purification
- Manufacture of carbon for the purification/treatment of water
- Organic cleaning product used for the removal of toxic substances on contaminated sites including soil, hard surfaces, rivers and oceans
- Advanced hydroponic growing system for harvesting of medicinal cannabis

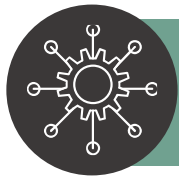
RECYCLING

- Recycling plastic into quality pellets/roof sheets
- Manufacturing tents from recycled plastic



KEY SECTORS AND FEW EXAMPLES OF FUNDED PROJECTS





DISBURSEMENTS TO KEY STRATEGIC SECTORS AND INDUSTRIES IN 2023/24

KEY STRATEGIC SECTORS



MANUFACTURING
(41% of FUNDING)



AGRICULTURE
(27% of FUNDING)



ELECTRICITY, GAS & STEAM
(7% of FUNDING)



INDUSTRIAL INFRASTRUCTURE
(5% of FUNDING)



MINING
(1% of FUNDING)



RETAIL
(1% of FUNDING)

KEY INDUSTRIES



FILM AND TV
(5% of FUNDING)

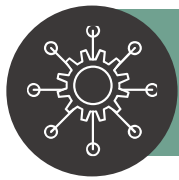


GLOBAL BUSINESS SERVICES
(2% of FUNDING)

ACROSS INDUSTRIES



INNOVATION
(1% of FUNDING)



MANUFACTURING

R10 billion disbursed to over 330 projects operating in the manufacturing sector.

These projects reported over **67 000** jobs (of which over 14 000 were new jobs) and approximately **R15.4 billion** additional local output manufactured in the country.

Exports amounted to **R117 billion** of which over **R10 billion** were destined for African countries.

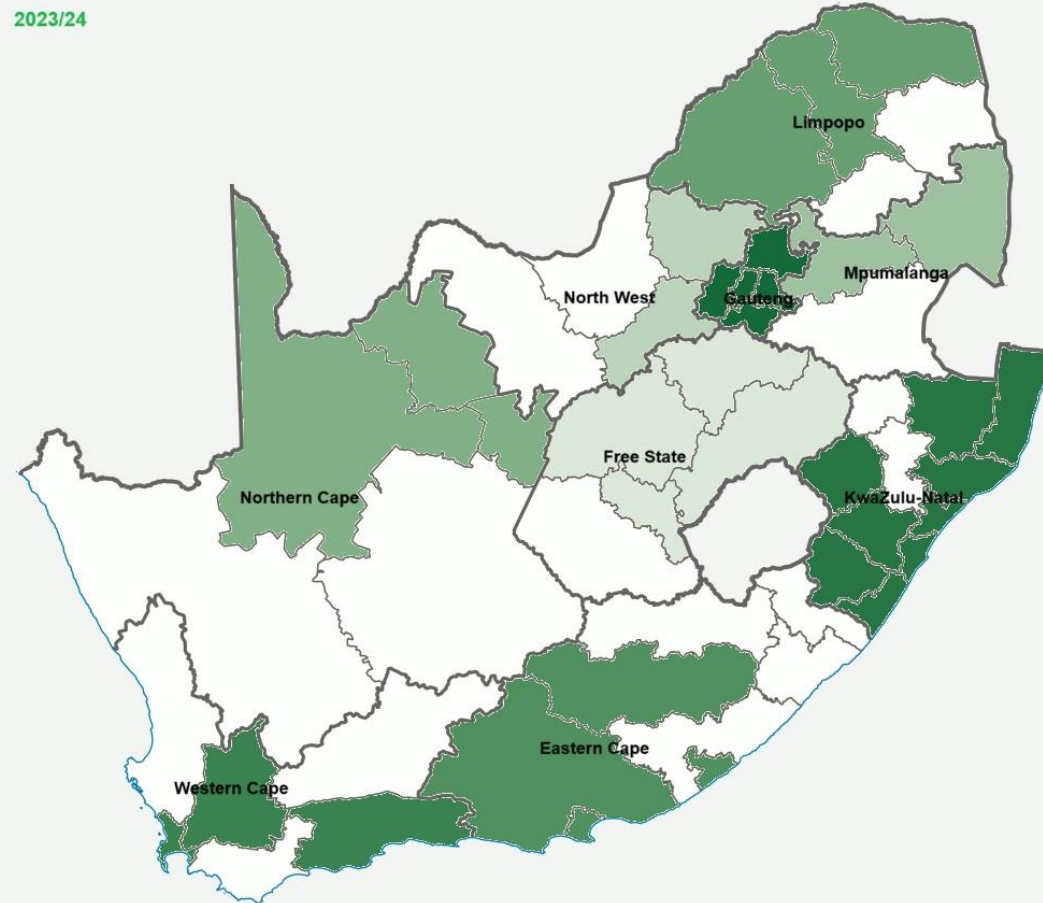
24% was disbursed to black-owned manufacturers, 21% to SMMEs, 6% to women-owned and 3% to youth-owned.



ECONOMIC INCLUSION THROUGH INDUSTRIAL FINANCING IN DISTRICTS



2023/24



Transformation in terms of economic inclusion to reach districts outside of the 5 main metros and across all 9 provinces is evident for funded manufacturers

LIMPOPO

- ▶ CAPRICORN DISTRICT MUNICIPALITY
- ▶ WATERBERG DISTRICT MUNICIPALITY
- ▶ VHEMBE DISTRICT MUNICIPALITY

NORTH WEST

- ▶ BOJANALA PLATINUM DISTRICT MUNICIPALITY
- ▶ DR KENNETH KAUNDA DISTRICT MUNICIPALITY

FREE STATE

- ▶ FEZILE DABI DISTRICT MUNICIPALITY
- ▶ LEJWELEPUTSWA DISTRICT MUNICIPALITY
- ▶ MANGAUNG METROPOLITAN MUNICIPALITY
- ▶ THABO MOFUTSANYANA DISTRICT MUNICIPALITY

NORTHERN CAPE

- ▶ FRANCES BAARD DISTRICT MUNICIPALITY
- ▶ JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY
- ▶ ZF MGCWU DISTRICT MUNICIPALITY

GAUTENG

- ▶ CITY OF EKURHULENI METROPOLITAN MUNICIPALITY
- ▶ CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY
- ▶ CITY OF TSHWANE METROPOLITAN MUNICIPALITY
- ▶ SEDIBENG DISTRICT MUNICIPALITY
- ▶ WEST RAND DISTRICT MUNICIPALITY

KWAZULU-NATAL

- ▶ AMAJUBA DISTRICT MUNICIPALITY
- ▶ ETHEKWINI METROPOLITAN MUNICIPALITY
- ▶ HARRY GWALA DISTRICT MUNICIPALITY
- ▶ ILEMBE DISTRICT MUNICIPALITY
- ▶ KING CETSHWAYO DISTRICT MUNICIPALITY
- ▶ UGU DISTRICT MUNICIPALITY
- ▶ UMGUNGUNDLOVU DISTRICT MUNICIPALITY
- ▶ UMKHANYAKUDE DISTRICT MUNICIPALITY
- ▶ UTHUKELA DISTRICT MUNICIPALITY

MPUMALANGA

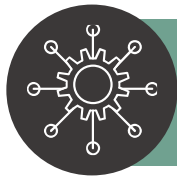
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- ▶ NKANGALA DISTRICT MUNICIPALITY

WESTERN CAPE

- ▶ CAPE WINELANDS DISTRICT MUNICIPALITY
- ▶ CITY OF CAPE TOWN METROPOLITAN MUNICIPALITY
- ▶ GARDEN ROUTE DISTRICT MUNICIPALITY

EASTERN CAPE

- ▶ BUFFALO CITY METROPOLITAN MUNICIPALITY
- ▶ CHRIS HANI DISTRICT MUNICIPALITY
- ▶ NELSON MANDELA BAY METROPOLITAN MUNICIPALITY
- ▶ SARAH BAARTMAN DISTRICT MUNICIPALITY



MANUFACTURING

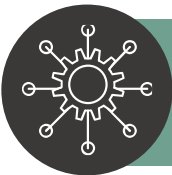


KEY INDUSTRIES WITH SIGNIFICANT INVESTMENT	DISBURSEMENT	INVESTMENT
AGRO-PROCESSING	R171 million	R245 million
AUTOMOTIVE	R2.9 billion	R9.2 billion
FURNITURE MANUFACTURING	R40 million	R103 million
MINERAL BENEFICIATION	R91 million	R121 million
RUBBER AND PLASTIC PRODUCTS	R296 million	R317 million
WOOD, PAPER AND PAPER PRODUCTS	R190 million	R256 million

KEY INDUSTRIES WITH SIGNIFICANT JOBS	TOTAL JOBS	NEW JOBS CREATED	AVERAGE COST PER NEW JOB
AGRO-PROCESSING	513	378	R451 000
AUTOMOTIVE	48467	*10847	R271 000
CHEMICALS AND CHEMICAL PRODUCTS	375	231	R8.9 million
CLOTHING, TEXTILE/LEATHER AND FOOTWEAR	3495	395	R3.4 million
FURNITURE MANUFACTURING	1261	125	R323 000
MACHINERY AND EQUIPMENT	4148	513	R1.8 million
MINERAL BENEFICIATION	215	55	R1.6 million
RUBBER AND PLASTIC PRODUCTS	1471	671	R441 000
STEEL AND METAL FABRICATION	5543	556	R2.2 million
WOOD, PAPER AND PAPER PRODUCTS	678	301	R630 000

* More than 80% of new jobs are emanating from CMs

KEY MANUFACTURING INDUSTRY WITH SIGNIFICANT EXPORTS	EXPORTS
AGRO-PROCESSING	R631 million
AUTOMOTIVE	R83.4 billion
CHEMICALS AND CHEMICAL PRODUCTS	R6.8 billion
CLOTHING, TEXTILE, LEATHER AND FOOTWEAR	R55 million
MACHINERY AND EQUIPMENT	R2.8 billion
OTHER TRANSPORT EQUIPMENT	R678 million
RUBBER AND PLASTIC PRODUCTS	R1.4 billion
STEEL AND METAL FABRICATION	R21.6 billion
WOOD, PAPER AND PAPER PRODUCTS	R66 million

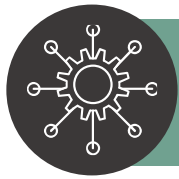


MANUFACTURING



Projects that reported exports in 2023/24 are producing more value added exports. IFG will continue to focus funding on value-added exports as well as target projects with more technologically advanced manufactured goods.

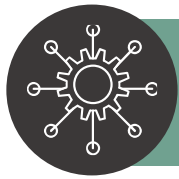
KEY INDUSTRIES	GLOBAL EXPORTS REPORTED BY PROJECTS	EXPORTS TO AFRICA
Agro-processing	Beef products, Food and beverages, meat, chips	Chips
Automotive	Light motor vehicles, bakkies, SUVs, brake and clutch assemblies, instrument panels, consoles, cylinder blocks and exhaust assemblies.	Bakkies and brake components
Chemicals	Paint coating, fertilisers, nitrogen compounds, man-made fibres, synthetic hair, soap, detergents, perfumes and toilet sprays	Paint coating, man-made fibres, synthetic hair, soap, detergents, perfumes and toilet sprays
Clothing, Textiles, leather and footwear	Clothing products, footwear and textile fibres	Clothing products, footwear and textile fibres
Machinery and equipment	Conveyor safety and control equipment, cranes, earth moving equipment, wheels and jet foggers	Conveyor safety and control equipment as well as cranes
Rubber and plastics	HDPE pipes and plastic packaging	HDPE pipes and plastic packaging
Steel and Metal fabrication	Aluminum alloys, copper ingots and mining bolts	Mining bolts
Wood and paper	Baby diapers and tissues	Baby diapers and tissues
Electrical equipment	Lithium batteries	
Other transport equipment	Aircraft and spacecraft components	



MANUFACTURING



- To effectively compete with global manufacturers, South Africa needs to embrace [industrial automation](#) and artificial intelligence as a catalyst for change. Apart from technologically advanced automated machinery and equipment, upskilling and reskilling of the labour force is required to address the needs of the evolving manufacturing sector.
- Over the next 5 years, IFG will be focusing on funding value-adding, beneficiating, low energy and high tech manufacturing projects that are substantial creators of new jobs.
- The IB and the IDC aim to intensify funding initiatives to new electrical vehicles including funding to local component manufacturers in the automotive industry.
- Development of a Tax incentive to attract new investment in manufacturing in order to expand the current range of locally produced goods for the domestic and global market.



SA COMPONENT MANUFACTURER GRADUATES FROM INCUBATION PROGRAMME

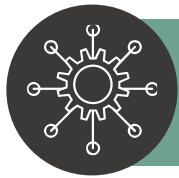
BACS was established in 2017 by Mr Sipho Batyi and is a tier 3 components supplier to Ford through Motherson Sumi System Ltd (MSSL) (Motherson) – tier 3 is where lower levels of manufacturing and assembly operations take place such as the production of plastic injection moulded sub-components, pressed steel sub-components, nuts and bolts.

BACS is a black-owned and managed company that has been operating under the Automotive Industry Development Centre (AIDC) Incubation Program for the past 5 years. AIDC is an initiative of the Government to promote automotive industrial manufacturing by building automotive industrial parks and incubation parks to service Original Equipment Manufacturers in the country.

Through this initiative, BACS has been assembling components for Motherson - a global Tier 1 components supplier with 270 facilities in 41 countries - and has since graduated from the Programme and awarded its own contract.

Funding	IDC General Loan
Industry	Automotive
Product	Automotive Components
Province	Gauteng
Projected New Jobs	78 (over the next 5 years)
Ownership	BI, SMME





INCREASED EXPORTS BY OEM

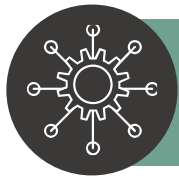
Ford Motor Company SA is a light motor vehicle manufacturer based at the Tshwane Automotive Special Economic Zone. The company was approved funding through the Automotive Investment Scheme to upgrade the new Ford Ranger Model and the Amarok model for Volkswagen South Africa as well as to manufacture the engines for both models. The total investment made to date is R8.5 billion in new machinery and production equipment as well as tooling.

The company reported the creation of 647 new jobs and retention of over 4 800 existing jobs. Of the these total jobs supported, over 5 000 are black employees, 1 700 women, 2 800 youth and 40 are persons with disabilities. These employees are mainly from areas surrounding the plant.

The number of new Ranger and Amarok vehicles manufactured increased from 85 000 at approval to 95 000 as at 31 March 2024 and the company is exporting 70 000 vehicles to over 135 countries world wide. The top three export markets consists of the United Kingdom, Germany and Austria.

Funding	the dtic AIS Grant Funding
Industry	Automotive
Products	Light Motor Vehicles
Province	Gauteng
New Jobs	647





LARGEST MANUFACTURER OF WHEELS/RIMS IN THE SUB-SAHARAN REGION

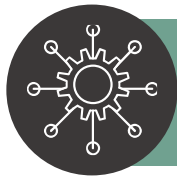
Global Wheel (Pty) Ltd, based in Heidelberg, Gauteng, is a black-owned business established in March 2005. It is the largest manufacturer of commercial, agricultural, earthmoving and military steel wheels/rims in the Sub-Saharan region.

The NEF initially funded the company with R54 million and later approved R4.2 million through the Alternative Energy Fund in order to assist the company to continue operating during loadshedding. These investments assisted Global Wheel in retaining approximately 193 jobs.

Some of their customers include companies such as Bell Equipment, Basil Read Mining, Exxaro Coal and General Motors.



Funding	NEF
Industry	Automotive
Product	Wheels/Rims
Province	Gauteng
Retained Jobs	193
Ownership	BI, SMME



INCENTIVES ENABLING LOCAL PRODUCTION OF COMPONENTS PREVIOUSLY IMPORTED

Thekwini Wire and Fasteners is a black-owned SMME component manufacturer of automotive exhaust mounting hanger brackets for light vehicles. The company, which is based in Prospecton in eThekwini Metropolitan Municipality, KwaZulu-Natal, is supplying components to the automotive industry since 2012.

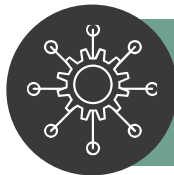
In June 2021 the Automotive Investment Scheme approved Thekwini to invest in an expansion project which enabled the company to introduce four new types of exhaust bracket products that were previously imported from the Netherlands.

100% of the company's raw materials are procured from local suppliers of which 26% of the input materials are procured from black-owned suppliers. Thekwini has retained 27 jobs with all the employees hired from nearby townships such as Umlazi, Chatsworth, Sezela, Umgababa and Phoenix.



Funding	the dtic AIS Grant Funding
Industry	Automotive
Products	Exhaust Mounting Hanger Brackets
Province	KwaZulu-Natal
Retained Jobs	27
Ownership	BO, SMME





BLACK INDUSTRIALIST MANUFACTURING HDPE PIPES

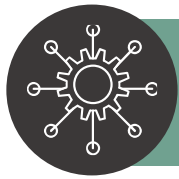
Dika Plastics (Pty) Ltd is a black-owned company manufacturing plastic pipes, specifically high-density polyethylene (HDPE) pipes and related fittings for industry use. HDPE pipes are more durable, flexible and cheaper to transport and install compared to the concrete and steel pipes.

The company, located in Middleburg in the Gert Sibande District Municipality, Mpumalanga was approved for the Black Industrialist Scheme to invest in production equipment and machinery as well as commercial vehicles. The transaction was co-funded by the NEF for an additional amount of R39.1 million which went towards the acquisition of manufacturing machinery testing equipment, delivery vehicles and the installation of an alternative energy source and working capital.

Dika Plastics has sustained 7 jobs, created 11 new jobs and plans to create additional 18 jobs once fully commissioned by the end of 2024. The company's employees are from the surrounding Townships of Hlalamnandi and Mhluzi.



Funding	the dtic BIS Grant Funding
Industry	Plastics
Product	Plastics Pipes
Province	Mpumalanga
New Jobs	11
Ownership	BI, SMME



ROCKY BRANDS INFILTRATING DOMINATED MARKETS

Infiltrating a market dominated by long-established household brands with loyal followers takes guts and confidence. Fortunately, Rishav Juglall has these qualities in bucketloads. The youngster, buoyed by his marketing and economics background, founded Rocky Brands in 2011 after he discovered he could undercut retailer pricing on many goods. This realisation came when his mother asked him to buy a glass top-stove cleaner, which he found at a leading store.

Much curiosity and some research later, Rishav found a similar product manufactured by Weiman in Illinois, United States. At the time, it was Walmart's top-rated brand. He captured the attention of Weiman executives after he submitted a sales pitch to introduce its product range in South Africa. So taken aback were these decision-makers that they sent Rishav free samples to test the market. It would prove a clean sweep for all concerned.

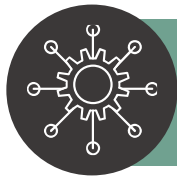
Between 2015 to 2018, the Rocky team bottled its products by hand, buying a desktop filler only in 2018, when it relocated from Durban to Johannesburg and opened a 2000m² manufacturing facility at Riversands incubation hub.

Impressed by the ingenuity of the entrepreneur and his great chances of success, the IDC approved funding to enable Rocky Brands to expand and ensure its products meet the stringent requirements of South Africa's leading retailers.

There seems little doubt that this will transpire, as Rishav is cleaning up in other areas too, having been recognised as one of the country's most enterprising and innovative youngsters, having scooped top honours in the Ferro Coating Resins Group Durban chemical cluster competition, followed in 2022 by the Pick n Pay supplier of the year title.



Funding	IDC General Loan & MCEP
Industry	Chemicals
Product	Cleaning Products
Province	Gauteng
New Jobs	16
Ownership	YO,BI, SMME



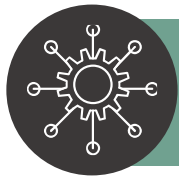
PROUDLY SOUTH AFRICAN CLOTHING MANUFACTURER

Itera Trading and Investments (Pty) Ltd, a black women-owned business in Phuthaditjhaba, Free State, specialising in manufacturing clothing since 2008. Focused on men's fashion items, the company services leading chain stores like Edcon [Jet], Mr. Price, Ackermans, and Pep. Boasting a robust design and merchandise team, Itera Trading has experienced significant growth in order volumes.

To sustain and further capitalise on this growth, Itera Trading sought funding from the NEF. The NEF approved R5 million, preserving 425 jobs and paving the way for additional job opportunities. This funding enables Itera Trading to continue its success in producing fashion collections, redesigning, reverse engineering, and fulfilling bulk orders for renowned retail chains.



Funding	NEF
Industry	Clothing and Textile
Product	Clothing
Province	Free State
Retained Jobs	425
Ownership	WO, BI



YOUNG, FEMALE BLACK INDUSTRIALIST SETTING UP A BRICK MANUFACTURING PLANT

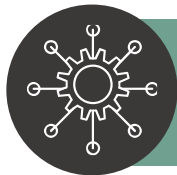
The Concrete Hub was established in 2020 and manufactures different types of brick from maxi, stock, hollow pavers and concrete lintels. The products are sold to households, Industries and mines that are currently importing some of these products.

The company identified a demand of concrete related products in the growing mining town of Mokopane. This growth is propelled by existing and developing mining activities which are driving the residential, commercial and industrial segments in the developing municipality of Mogalakwena.

The company is currently owned by its 2 founders, Tshigo Seletela and Tshephisho Nailana – youth, black females who with the investment from the IDC are setting up a brick manufacturing plant.



Funding	IDC General Loan
Industry	Mineral Beneficiation
Product	Bricks
Province	Limpopo
New Jobs	19
Ownership	YO, WO, BI



RECYCLING END-OF-LIFE TYRES TO HIGH VALUE END-PRODUCTS

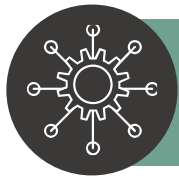
Mandini Group (Pty) Ltd is a black-owned commercial enterprise recycling end-of-life tyres to high value end-products. Mandini is operating a facility in Gauteng and Mpumalanga for over 7 years. Since inception, the facility has processed over 70 000 tons of tyre waste as a registered Waste Bureau processor. The facility processes waste tyre material into four sets of products: oil, steel, carbon black and gas.

In 2021, the NEF approved an investment of R9 million to improve operating productivity and efficiency while minimising safety hazards. In 2023, a further investment of R38.98 million was approved for expansion and vertical integration. The business will be establishing a tyre cutting business (to process mining tyres) as well as a recovered carbon black milling business. The investment has resulted in the creation and retention of 141 jobs.

Funding	NEF
Industry	Recycling
Products	Oil, Steel, Carbon Black & Gas
Province	Gauteng
New Jobs	141
Ownership	BO, SMME



Employee Using the Processing Machine



BLACK INDUSTRIALIST TURNING WASTE INTO PELLETS

Waste Want is youth black-owned company that started with one waste picking bakkie and expanded into a fully established Waste Management business with a fleet of over 70 vehicles and over 2 000 employees.

The company, located in the townships of Kraaitfontein and Phillipi, in the City of Cape was approved by the Black Industrialists Scheme to expand its current operations through the establishment of the low density polyethylene (LDPE) plastic pelletising division. The LDPE will be used as a raw material during the manufacturing of plastic refuse bags.

This green industrial project is aligned with the National Development Plan's Vision 2030 for environmental sustainability and resilience.

Funding	the dtic BIS
Industry	Recycling & Plastics
Product	Plastic Pellets for Refuse Bags
Province	Western Cape
Retained Jobs	204
Ownership	YO, BI





Waste Want Employees working at the different sections of the recycling spectrum



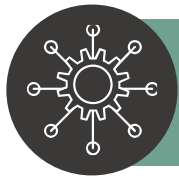
Lepheana - Recycling Runner on Truck is responsible for assisting in the collection and transportation of recyclable materials from designated pick-up points to recycling facilities. This role requires physical stamina, attention to detail, and a commitment to environmental sustainability.



Ruth Nzau - General Worker at the Kraaifontein Facility performs a variety of tasks to support the recycling process. This includes sorting materials, operating machinery and maintaining a clean and safe working environment. General workers are required to work efficiently in a physically demanding and fast-paced environment.



Kraaifontein Material Recovery Facility Employees - Recyclers and Sorters are responsible for sorting recyclable materials at a recycling facility. This role requires attention to detail, manual dexterity and adherence to safety and environmental guidelines.



BLACK INDUSTRIALIST TRANSITIONING TO GREEN ENERGY SOURCES

Irwing 310 (Pty) Ltd t/a Topsteel is a black-owned entity (75% women and 25% youth-owned) established in 2000 as a close operation and later converted to a private company in July 2010.

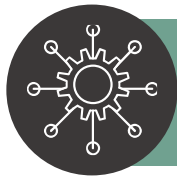
The company is based in Kuils River, Cape Town and operates in the steel fabrication/manufacturing sector, supporting the food and allied industries and critical electrical distribution industries. It manufactures sub-assembly parts used in the production of commercial bakery ovens, in South Africa as well as globally. It also manufactures transformer housings.

Topsteel was approved through the NEF's Alternative Energy Fund for R9.2 million to install 496 solar panels, to purchase an industrial generator and obtain finance for working capital. The financial support will assist the company to reduce its dependency on the Eskom's electricity grid and retain 41 full time jobs.



Topsteel's employee transporting an electrical box

Funding	NEF's AEF
Industry	Steel & Metal Fabrication
Product	Sub-Assembly Parts
Province	Cape Town
Retained Jobs	41
Ownership	WO, BI, SMME

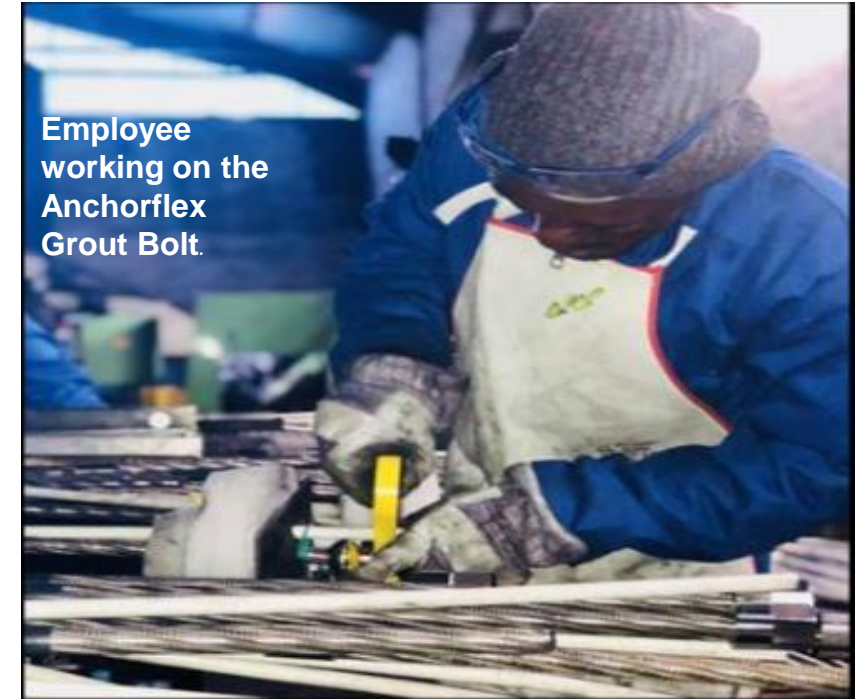


SA'S FIRST 100% BLACK-OWNED MINING MANUFACTURING FACILITY

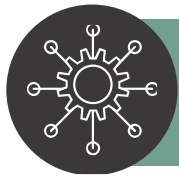
Mohlalefi Engineering (Pty) Ltd, a black-owned business was approved by the NEF to fund a feasibility study that assessed the viability of the pilot mining support system and accessories manufacturing facility.

The pilot was deemed as economically viable and exceeded all targets of the feasibility study. Situated in Alberton, Gauteng, the project is now entering the construction and operation phase in the establishment of a commercial scale plant. The full investment required for this is R117 million and will result in the company retaining 70 jobs and creating more than 400 new jobs by 2027.

The NEF approved R35.7 million for this phase with the remaining R81.3 million funded by the Industrial Development Corporation and **the dtic's** Black Industrialist Scheme.



Funding	NEF, IDC and the dtic's BIS
Industry	Steel & Metal Fabrication
Product	Mining Products
Province	Gauteng
Projected New Jobs	400
Ownership	BI



PIPELINE STELLANTIS PROJECT

Stellantis is geared to accelerate domestic motor manufacturing with the promise of 50 000 new vehicles leaving its Eastern Cape production line annually. The world's fourth largest OEM in its sector, plans to produce the recently launched Peugeot Landtrek bakkie. This extends Peugeot's longstanding history in South Africa, which dates back to the 1960s and has spawned 82 dealerships.

The IDC, courtesy of its mandate to fast track the growth of the automotive and transport industry, is comfortably in the passenger seat, having approved funding to establish the manufacturing plant in which all the Stellantis import replacement and export revenue generation action will take place.

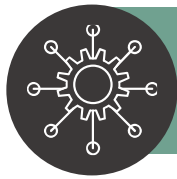
The plant will produce petrol and diesel vehicles, with the capability to switch to both battery and plug-in hybrid variants of the Landtrek. Local production of the fuel cells for this bakkie is being researched. In addition to its funding, the IDC is setting up the Stellantis NewCo workers trust, enabling employees of the company to have equity.

In this partnership, the IDC takes its lead from the South African Automotive Masterplan whose aim is to bolster the country's competitiveness in vehicle assembly. The project looks certain to attract further key investments, given its strategic contribution to positioning Eastern Cape as a leading automotive hub in sub-Saharan Africa.

Funding	IDC
Industry	Automotive
Product	Peugeot Landtrek Bakkie
Province	Eastern Cape
Projected New Jobs	2 500

STELLANTIS





AGRICULTURE

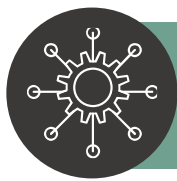


R6.7 billion disbursed to 40 agri-business projects. These projects reported 800 total jobs (of which over 400 were new jobs) in various agriculture industries including poultry, nuts, medical cannabis, forestry, fruit and animal farming. Overall, disbursements to projects located in the districts outside of the 5 metros comprised **88%**, evident of the aim of IFG to provide inclusive industrial financing across the country.

R302 million was disbursed to 14 black-owned agri-businesses and R325 million was disbursed to 22 SMMEs and women-owned projects, with the latter reporting over 620 jobs. In the next 5 years, the IDC will be working with industry partners to catalyse the commercialisation of black farmers into the “protein” value chain.

To reduce the current challenges faced by this industry due to weather variability, the IDC is investigating climate-resilience initiatives, such as financing drought-tolerant crop varieties, efficient irrigation systems and ‘smart’ agriculture technologies and farming techniques.

Another strategic project that will increase the economic contribution of this industry, is a feasibility study being conducted on producing polylactic acid from cane. Polylactic acid, used in the production of bioplastics, is being viewed as a possible alternative to country’s sugar exports.



A START-UP IN THE MEDICAL CANNABIS INDUSTRY

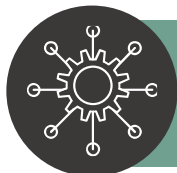
Belhes is a start-up company that aims to construct, obtain license, operate and manage a medicinal cannabis growing and processing plant, based in Gqeberha, Eastern Cape. The company was established by Chief Heston David Botha in 2017. Since then, Belhes partnered with several Khoi cannabis growers to conduct research and development, under SAHPRA research license, on the best cultivation methodology between hydroponic and open field growing and harvesting. The process was conducted over a 12-month period, with indoors hydroponic system considered the best method.

The company started investing in the land, construction material and equipment to kick-start the commercial cannabis production and processing plant in a controlled environment. As part of IDC's role in developing a medical cannabis value chain, funding was approved to Belhes to construct, ensure licensing and operate the plant.

Medical cannabis is a job rich industry as it is a hand-picked high value crop. South Africa has the required expertise in the horticulture and pharmaceutical sectors to capitalise on the growth of medical cannabis. IDC has a significant role to ensure that historically disadvantaged individuals also benefit in this growing industry by playing a proactive approach in the development of this new industry.



Funding	IDC's Small Business Finance
Industry	Agriculture
Product	Medicinal Cannabis
Province	Eastern Cape
New Jobs	20
Ownership	BI, SMME



AGRIBUSINESS ENSURING FOOD SECURITY IN NORTH WEST

KMF Holdings is a mixed agriculture business comprising a poultry operation, three cattle studs, and cash-crop farming of maize and sunflowers. It owns most of the 3,500 ha of land on which it operates in Lichtenburg and the Magaliesberg, having acquired properties in 2014, 2016, and 2019, and leasing more land in 2020.

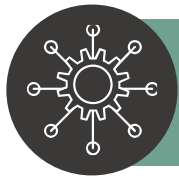
KMF is now poised for the next major step in its evolution, with the support received. The company applied for funding to build a red-meat abattoir, a feedlot, and a rendering plant, all of which are necessary facilities for KMF to successfully grow into its next phase.

The IDC funding will allow KMF to supply customers directly and once its facilities are operational, KMF will be able to directly supply retailers, wholesalers, and butchers as well as build an export market. KMF's growth trajectory means a leap in job creation, with an expected 104 positions that will be added to the current 40. While the new jobs will primarily be for farmworkers and managers, KMF will be growing its administrative capacity as well. Employees are given in-service training on the farms.



KMH Holdings Owner: Obakeng Mfikwe

Funding	IDC loan
Industry	Agriculture
Product	Meat Protein, Maize, Sunflowers
Province	North West
Projected New Jobs	104
Ownership	BI



AGRIBUSINESS ENSURING FOOD SECURITY IN LIMPOPO

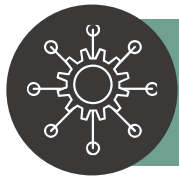
Northroost (Pty) Ltd is a start-up agribusiness operating a commercial hatchery in Makhado, Limpopo. Owned and operated by 28-year-old Clive Tigere, it supplies formal and independent markets in and around Limpopo.

Established in 2017, initially hatching 1 000 eggs weekly, it now aims to become Limpopo's second-largest hatchery on the back of strategic partnership with established poultry businesses for technical support.

Funding	IDC loan
Industry	Agriculture
Product	Chickens
Province	Limpopo
New Jobs	7
Ownership	BI, SMME

IDC funding will enable Northroost to produce nearly 200 000 day old chicks weekly. The funding is aligned to IDC's strategy for the Adam-processing sectors and supports South Africa's Poultry Master Plan and increasing black farmer participation in the poultry value chain.





AGRIBUSINESS ENSURING FOOD SECURITY IN MPUMALANGA

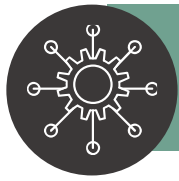
Roadgrass Investments, a black-owned and managed agribusiness, was established 15 years ago by the Mabogoane family. Their operations encompass broiler production and livestock activities, including cattle, sheep, ducks, and goats. The primary focus is on broiler chickens.

The business runs a fully commercial chickens broiler business in Delmas, Mpumalanga and livestock operations in Balfour, Mpumalanga. The chickens are sold typically at approximately 33 days old, the ideal age for slaughter-ready broilers in South Africa.

Funding	IDC loan
Industry	Agriculture
Product	Chickens
Province	Mpumalanga
New Jobs	15
Ownership	BI, SMME

The funding provided aligns with IDC's strategy, of supporting black-owned agricultural enterprises and fostering inclusive development as advocated by the Poultry Master Plan. The project contributes to increasing the number of slaughter birds from black poultry producers.



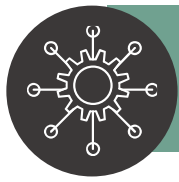


ELECTRICITY, GAS AND STEAM SUPPLY: ECONOMIC ENABLER



R1.6 billion disbursed to 18 projects involved in the supply of electricity, gas and steam. Funded projects will add **1 521MW** of new generation capacity once fully operational.

These projects reported over **2 000** jobs and invested over **R7 billion** (investment multiplier of 4) during 2023/24, both of which is an indication of the importance of this industry not only to address the challenges of the current energy shortage, but also to contribute significantly to employment and inclusive economic growth in the country.



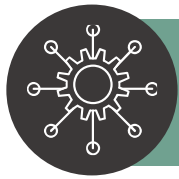
ELECTRICITY, GAS AND STEAM SUPPLY:ECONOMIC ENABLER

In fact, 53% of the funding was accessed by black industrialist and black-owned projects and 98% was disbursed to projects located outside the 5 main metros.

Of particular mention is the IDC's renewable energy projects in the Northern Cape which includes: Solar photovoltaic (PV) Plants with Battery Energy Storage System (BESS) located in Kenhardt, the Solar Thermal Power Plant in ZF Mgcawu District Municipality, and the Wind Farms in Pixley ka Seme District Municipality.

In 2024/25, the focus will be to fund low carbon energy projects such as natural gas, which is viewed as a transition energy source, progressing with hard-to-abate industries and implementing the commercial industrial portfolio offtake model to fast-track construction of utility-scale renewable energy projects.





RENEWABLE ENERGY AND WASTEWATER TREATMENT

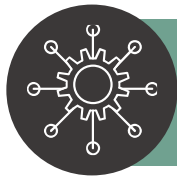
BBEnergy partnered with the **In2Food Group** to form a special purpose vehicle called **In2Energy** for the design, construction and operation of various small scale rooftop Solar Photovoltaic and effluent/water treatment plants.

In2Energy will supply the In2Food facilities with Solar Photovoltaic Renewable Energy and Wastewater Treatment services for their processing plant facilities located across the country. The project portfolio will include a total of 9 projects (five rooftop solar and four water treatment projects), with an estimated total development cost of over R50 million.



BBEnergy is an engineering company that has been in existence since 2010 and specialises in solving complex engineering problems in the energy and water fields. They also have specialist knowledge in water treatment process design and management, which is key for the successful construction and operation of the proposed effluent treatment projects. In2Food is a premium prepared food and beverage business that competes in both the local and international markets, across a wide-ranging portfolio including fresh and frozen produce, prepared meals, fish, juice and bakery products.

Funding	IDC loan
Product	Renewable energy and Waste Water Services
Province	Western Cape
New Jobs	10
Ownership	BI

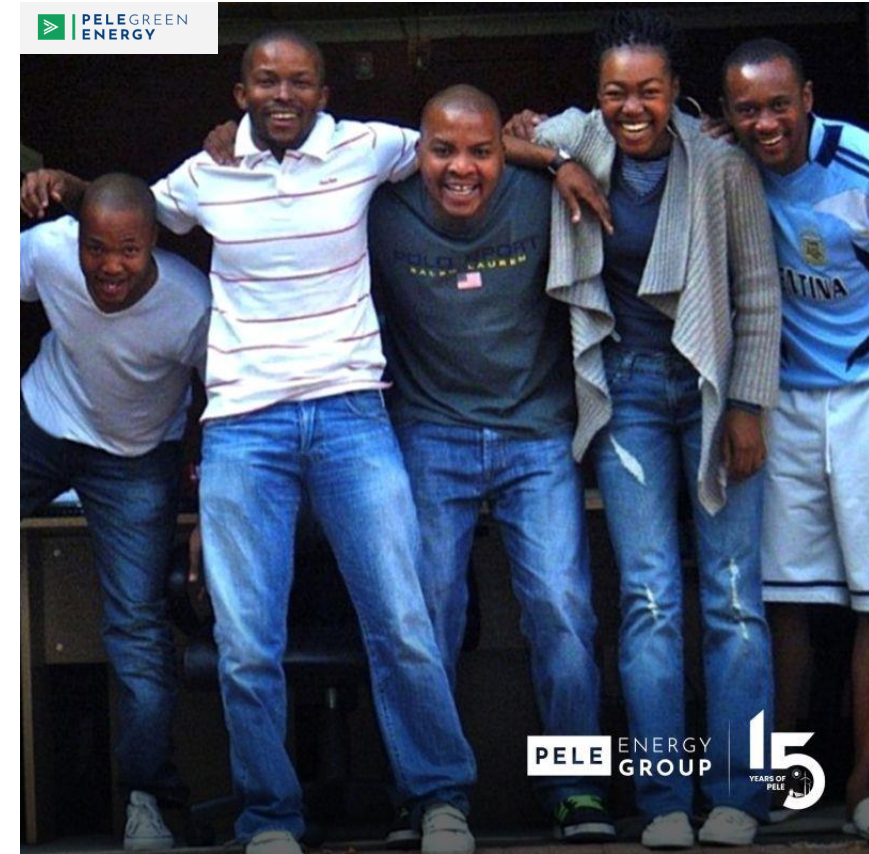


PELE GREEN ENERGY PROJECTS POWERING AHEAD ALONGSIDE GLOBAL PLAYERS

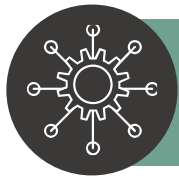
The four founders of **Pele Green Energy**, a black-owned vertically integrated independent power producer, were in their 20s when they took the renewable energy plunge. Fifteen years on, they fulfil multiple roles in the value chain and includes sponsor, shareholder, developer, operator and renewables asset manager. With the IDC by their side, they are well on their way to satisfying their vision of largescale structural transformation in the sector. The partnership, now in its 11th year, is formalised through HoldCo, an entity intended to streamline funding processes, reduce borrowing costs and enhance funding efficiency to expedite the development of projects.

The IDC has invested directly in Pele Green and in other Pele group entities, furthering the company's investments in Redstone CSP, Khanyisa IPP and Knowledge Pele. Indirect support includes senior debt in project vehicles in which Pele Green has a minority stake. During 2023/24, the Corporation advanced finance to enable the organisation to acquire equity in eight projects and to fund project development activities. With this new bottom-line boost, Pele will add 1 045MW of energy capacity to South Africa's economy and create 2 372 new construction and operational jobs.

This winning partnership is one of the country's first portfolio-funding transactions in which a local independent power producer enjoys substantial support from local lenders. It reflects the IDC's commitment to fostering a competitive environment for black producers to power ahead alongside global players. Over the last eight years, Pele has grown from a preferred minority black economic empowerment partner in Renewable Energy Independent Power Producer Procurement Programme projects to lead sponsor in utility-scale projects with commercial and industrial sector off takers.



Funding	IDC loan
Product	Renewable Energy
Projected New Jobs	2 372
Ownership	BI



LARGEST RENEWABLE ENERGY INVESTMENT PROJECT IN SOUTH AFRICA

The IDC invested R1.6 bn in an R11.6bn 100 MW salt molted concentrated solar power (CSP) project, **Redstone**. The project is led by Acwa – a Saudi based desalination plant and renewable energy operator, in partnership with Pele Green Energy, CEF and Community. The project’s technology uses a tower that contains salt and when heated by mirrors, it reflects sunlight in a process known as concentrated solar thermal power.

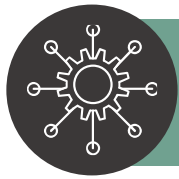
Located in the Northern Cape town of Postmasburg, the 100MW Redstone CSP plant forms part of the country’s Renewable Independent Power Producer Programme (REIPPP). It is the first project-financed CSP with molten salt central receiver in the world and one of the largest investments in South Africa under the REIPPP.

IDC provided funding to Pele Green energy – a black-owned South African IPP, Bowwood and Main community trust on a 50/50 partnership with Acwa. This project ranks as one of the largest renewable energy investments in South Africa.

The Redstone plant will be equipped with a 12-hour energy storage system – a first of its kind for South Africa – and will, once operational, deliver reliable and clean electricity to 200 000 households during peak demand periods, even well after the sun has set. Redstone is expected to have an operational life of more than 30 years. Once operational, it will provide significant economic spin-offs to the Northern Cape economy in the form of massive employment opportunities.



Funding	IDC loan
Product	Renewable Energy
Province	Northern Cape
New Jobs	73
Ownership	BI

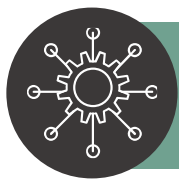


INDUSTRIAL INFRASTRUCTURE: ECONOMIC ENABLER



R1.2 billion disbursed to 27 infrastructure/construction projects that invested **R11 billion**, resulting in an investment multiplier of 9. Funded projects during the year reported over 800 active jobs and over **1 300** construction jobs.

76% of the funding was for the construction of bulk infrastructure (such as fuel storage facilities, water and road infrastructure) and top infrastructure mainly in 6 Special Economic Zones as well as the refurbishment of 3 Industrial Parks. Two of these parks are encouraging digitisation and technology through digital hubs.

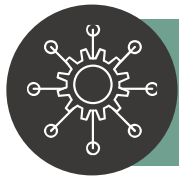


INDUSTRIAL PARKS SUPPORTED THROUGH THE INCENTIVE BRANCH

More than **R695 million** was disbursed to **14 industrial parks** since 2016/17

PROVINCE	DISTRICT	INDUSTRIAL PARK	CURRENT PHASE
GAUTENG	CITY OF TSHWANE METROPOLITAN	EKANDUSTRIA	PHASE 1: Complete
	CITY OF TSHWANE METROPOLITAN	GARANKUWA	PHASE 1: Complete
	CITY OF TSHWANE METROPOLITAN	BABELEGI	PHASE 2: Complete
NORTH WEST	BOJANALA PLATINUM DISTRICT	MOGWASE / BODIRELO	PHASE 2: Complete
FREE STATE	MANGAUNG METROPOLITAN	BOTSHABELO	PHASE 2: Complete
	THATBO MOFUTSANYANE DISTRICT	PHUTHADITJHABA	PHASE 1: Complete
LIMPOPO	CAPRICORN DISTRICT	SESHEGO	PHASE 2: In Progress
	MOPANI DISTRICT	NKOWANKOWA	PHASE 2: In Progress
KWAZULU-NATAL	ILEMBE DISTRICT	ISITHEBE	PHASE 2: In Progress
EASTERN CAPE	OR TAMBO DISTRICT	VULINDLELA	PHASE 2: Complete
	OR TAMBO DISTRICT	WILD COAST	PHASE 1: In Progress
	CHRIST HANI DISTRICT	KOMANI	PHASE 2: Complete
	BUFFALO CITY METROPOLITAN	DIMBAZA	PHASE 1: Complete
NORTHERN CAPE	ZF MGCAWU DISTRICT	UPINGTON	PHASE 1: In Progress

To address the challenges experienced by funded Industrial Parks, **the dtic**, through the Spatial Industrial Development Branch is collaborating with the Development Bank of Southern Africa to improve and tighten governance of the funding model. In addition to this, a [new Industrial Park model](#) is also being developed that will increase opportunities for township and rural economies supply chains as well as require working with provinces, local government and their funded agencies to ensure sustained impacts emanating from Industrial Parks.



INDUSTRIAL PARKS WITH DISBURSED FUNDING IN 2023/24

BOTSHABELO IP

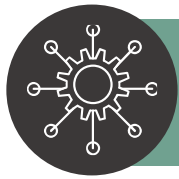
The main purpose of the Botshabelo IP, located in the Free State, is to create employment for the community members and the surrounding areas, attracting investment, and encouraging manufacturing. The renovation has attracted R500 million investment so far and created 5 000 permanent jobs through the full functionality of 108 factories. The Botshabelo IP also features a digital hub, launched in 2022, serving as a centre of excellence to promote digitalisation and industrialisation.

SESHEGO IP

The refurbishment of 11 factories/warehouses in the Seshego Industrial Park was approved in July 2021. One of these warehouses are earmarked to be a digital hub that will empower youth and unemployed people from nearby communities through digital, cross-cutting as well as information and communication technology, skills training and providing access to work spaces that encourage collaboration work and information sharing amongst start-up accelerator programmes and business incubators. To date, the design and layout for these factories was completed and SMMEs appointed for work that has started on all 11 factories/warehouses, including the one earmarked as a digital hub. As part of the refurbishment, 14 local SMMEs were contracted and 141 construction jobs were created with employees hired from the local communities in the Capricorn District Municipality. The construction is 65% complete.



Ongoing Refurbishment of a Warehouse (Source: DBSA)



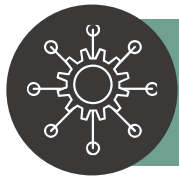
INDUSTRIAL PARKS WITH DISBURSED FUNDING IN 2023/24

UPINGTON IP

The Upington Industrial Park was approved in July 2021 for Phase 1 to invest in security and road infrastructure, as well as storm water drainage and electrical infrastructure. The park is the central point of the Northern Cape industrial corridor and is situated close to the Upington airport. It aims to attract investors operating in renewable energy, aviation, agro-processing, automotive and business incubation industries as well as reduce poverty and unemployment in the district.

To date, the park's design and layout has been completed, the site established and 20 SMMEs appointed for some of the construction work. The construction of a high security metal invisible fence, as well as three guard houses, roads, fences and storm water drainage is 93% complete. As part of the construction, 20 local SMMEs were contracted and 69 construction jobs were created with these employees hired from the local community.





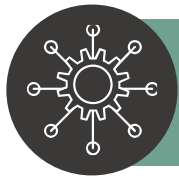
CRITICAL INFRASTRUCTURE SUPPORT FOR FARMING COMMUNITIES

Middelburg Vineyards (Pty) Ltd project is located in the Cape Winelands District Municipality, Western Cape. The project farms wine grapes which are then processed and bottled for the domestic market and exported to various countries. Other products farmed and processed include citrus, cherries and almonds.

The Critical Infrastructure Programme funded the project for the construction of a dam as well as a pipeline for water distribution and a **power line** to assist with the pumping of bulk water during the drought season. This project will also benefit the large farming communities in Langeberg and Overberg.

Funding	the dtic CIP Grant Funding
Industry	Infrastructure
Products	Dam
Province	Western Cape





CONSTRUCTION PROJECT CREATING JOBS AND IMPROVING TOURISM

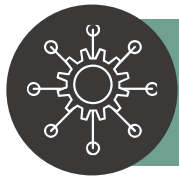
Ocean Umhlanga (Pty) Ltd, based in eThekweni, was approved R22.5 million for the construction and expansion of public transport facilities such as roads, a taxi rank, concrete walls and lateral support road pieces along the Corner of Lighthouse Road and Lagoon Drive, along the Radisson Hotel at Umhlanga Rocks.

The construction project is 40% complete and has created 6 231 construction jobs. Once completed the project is expected to reduce traffic congestion in the area. This will reduce the travel time to commuters from nearby townships, reduce the delay of deliveries, increase safety on the roads and reduce the number of accidents. Improvement of roads will benefit the hospitality industry as Umhlanga is a holiday destination for domestic and international travellers.



Excavation and preparation for dry stack wall, Taxi rank extension

Funding	the dtic CIP Grant Funding
Industry	Critical Infrastructure
Province	KwaZulu-Natal
New Jobs	6 231 construction jobs
Ownership	BO



WORLD CLASS INDUSTRIAL HUB IN TSHWANE

Rosslyn Hub is a mixed-use development located in the heart of Rosslyn, in the City of Tshwane. The Hub is a R500 billion investment project planned for over a 50-year period that will enable the integration of a new world-class logistics node and vehicle distribution centre. It aims to make Tshwane the automotive capital for vehicle manufacturing in Africa.

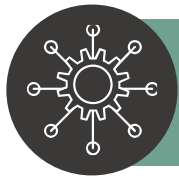
It was approved for the Critical Infrastructure Programme to construct bulk infrastructure, inclusive of a new road and bridge, widening lanes for existing roads and traffic circles. So far, the Hub reported an investment of R20 million that employed 58 construction workers. The project is also creating working opportunities for communities in the greater GaRankuwa, Soshanguve and Winterveld areas.

Once the CIP project is completed, it is envisaged that the new and improved roads will enable easy access to the Hub and link it to the N4 highway and Transnet's freight link.



Rosslyn Hub will integrate residential, retail and logistics nodes with a regional shopping centre, hotel and conference centre

Funding	the dtic CIP Grant Funding
Industry	Critical Infrastructure
Province	Gauteng
New Jobs	58 construction workers



UPTOWN WOMEN-OWNED COMPANY TRANSFORMING CONSTRUCTION INDUSTRY

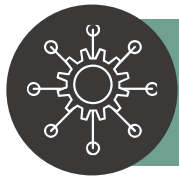
Uptown Trading CC, a black women-owned company, with head offices in Bloemfontein, Free State, provides electrical contracting and construction that includes installation of infrastructural work (electricity) in new townships, RDPs, and informal settlements.

Ms du Toit initially acquired 51% of the business and subsequently acquired the balance of the shares making her the sole owner of the business. Through these transactions, the business shareholding has been fully transformed.

The NEF funded the expansion of Uptown Trading in the Free State, Eastern Cape and Western Cape, by providing funding of R4.5 million to scale up equipment in order to deliver on additional contracts. Through this transaction, the business retained 18 jobs and created 8 new jobs.



Funding	NEF
Industry	Construction
Product	Electrical Contracting and Construction
Province	Free State
New Jobs	8
Ownership	WO, BI, SMME



KIMBERLEY'S PRIMARY READY-MIX CONCRETE SUPPLIER

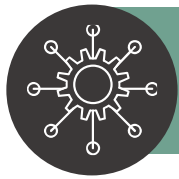
Wurthmore Concrete (Pty) Ltd is a black-owned business, established in 2021 in Kimberley, Northern Cape and manufactures concrete for the construction industry.

To meet rising demand and address breakdown challenges experienced by the plant, the NEF approved funding of R6.8 million. This financed a new concrete batching plant and three mixer trucks, boosting production capacity and securing Wurthmore Concrete's role as the region's primary ready-mix concrete supplier.

The funding supported the company to created 6 new jobs and retained 10 jobs.



Funding	NEF
Industry	Construction
Product	Concrete
Province	Northern Cape
New Jobs	6
Ownership	BO, SMME

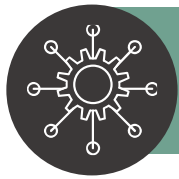


R256 million was disbursed to 9 projects operating in the mining industry, of which all are operating outside of the 5 main metros. SMMEs accessed 37% of the funding and reported 279 jobs of which 129 was created during the financial year. Women-owned and youth-owned accessed, 26% and 7%, respectively.

In order to increase the participation of BO miners (who accessed 36% of the funding), the IDC in partnership with the Department of Mineral Resources and Energy launched the Junior Mining Exploration fund in February 2024. This fund aims to:

- Assists qualifying enterprises to conduct exploration
- Provides black junior miners with access to finance
- Promotes economic inclusion to support equitable economic growth

The IDC will continue to explore investment opportunities in critical minerals linked to renewable energy and new energy vehicles.



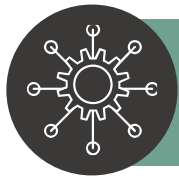
MINING



63% of the funds disbursed in 2023/24 was for a Copper Zinc mining project in the Pixley ka Seme District Municipality, Northern Cape.

The mine was initially shut down in 1991 but due to rising global prices for these metals, the IDC funded the revitalisation of the mine to complete a trial mining exercise and installation of dewatering equipment which will enable access to the main hoisting shaft and the mineral reserves.

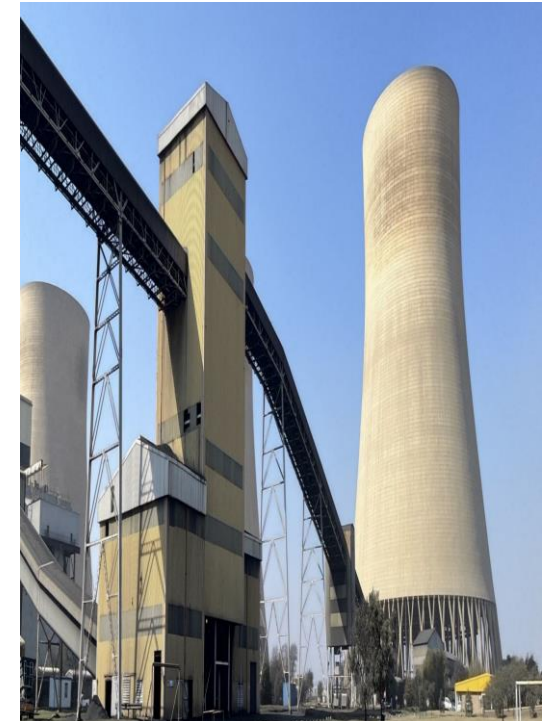
Once fully commissioned, the mine is expected to produce more than 248Kt copper and 800Kt zinc and create significant employment opportunities in the area. As Copper is a good conductor, it has several applications in areas such as electricity, electronics, transportation, chemicals as well as electric vehicle manufacturing.



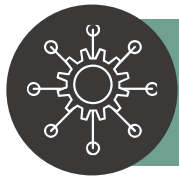
WOMEN-OWNED COMPANY PROVIDING SPECIALIST SERVICES TO THE MINING INDUSTRY

Maduka Resources CC is a black women and youth-owned business, accredited by the international institute of welding to offer mining operation services in the specialist area of mechanical and civil engineering since 2010.

The business, which has its head office in Witbank, Mpumalanga and also operates in Limpopo, was approved R6.6 million to help retain 45 jobs and create 35 new jobs. The company employs majority of its employees from local communities.



Funding	NEF
Industry	Mining
Product	Mining Operation Services
Province	Mpumalanga
New Jobs	35
Ownership	YO, WO, BI



BLACK-OWNED LOGISTIC FIRM EXPANDING IN UNTRANSFORMED INDUSTRY

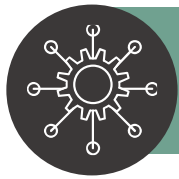
Established in 2014, **NJM Projects & Supplies Pty Ltd** is a black youth-owned, full-service logistics company providing transportation services in the mining and related sectors. The company is based in the John Taolo Gaetsewe distric, Northern Cape and is predominately involved in the transportation of manganese from the Northern Cape to the ports of Saldanha Bay and Port Elizabeth.

NJM evolved into a prominent player in the logistics industry, with plans to grow even further in this predominantly untransformed industry. To support this expansion, the IDC provided expansion capital that will go towards the purchase of additional trucks and trailers.


This transactions is one of many, that originated as part of the IDC's SME-CONNECT partnership programme, through which opportunities such as these are leveraged from the Enterprise Supplier Development programmes of corporates and fall under the IDC's Small Business Finance and Regions Division whose main objective is to support SMME's and regional economic growth.



Type of Funding	IDC General Loan – Small Business Finance
Industry	Mining Logistics
Product	Transportation services for mining commodities
Province	Northern Cape
Retained Jobs	15
Ownership	YO, BO



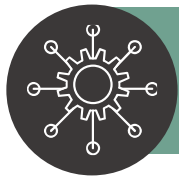
WHOLESALE AND RETAIL TRADE



R164 million was disbursed to 26 projects operating in the wholesale and retail industry, of which all are black-owned SMMEs that reported over 1 400 active jobs.

NEF funding to this industry included the sale of automotive fuel, food and beverages, paints and glass, pharmaceuticals and medical goods.

Districts of retail locations include the Thabo Mofutsanyana District Municipality in the Free State, uMgungundlovu District Municipality and Zululand District Municipality in KwaZulu-Natal, Ehlanzeni District Municipality and Nkangala District Municipality in Mpumalanga as well as the John Taolo Gaetsewe District Municipality in the Northern Cape.

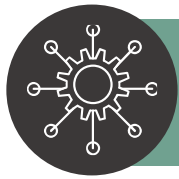


WHOLESALE AND RETAIL TRADE



The NEF will be implementing the following during the next year:

- Strategically positioning smaller retailers to induce demand for agriculture businesses (food and other agro-processing) and manufacturers (like furniture);
- Enhancing the focus on independent black retailers in townships to ensure sustainability of these businesses so that local customers have access to smaller retailers apart from the large supermarkets. Smaller retailers also tend to sell niche products used by the community that most supermarkets don't stock; and
- Funding franchises as it remains a relevant entry point for novice entrepreneurs given its blueprint approach.



WOMEN-OWNED BUSINESS EXPANDING TELKOM'S FRANCHISE

Mafoko Global (Pty) Ltd is a black women-owned business established by Ms. Refiloe Mafoko. The business began trading in 2021 as part of Telkom's Enterprise Supplier Development Programme. After successful completion of the mentorship program in July 2023, Mafoko Global was appointed as the 1st women franchisee in the Telkom network and awarded 23 new Telkom stores, in addition to the initial 11 stores, resulting in total of 34 stores.

Mafoko Global sourced funding from the NEF to the value of R15 million to fund the capital required to operate the 34 allocated Telkom stores, which are in North West, Free State, Northern Cape and Gauteng. The investment will maintain 71 and create a further 189 new jobs.



Funding	NEF
Industry	Retail
Product	Telecommunication
Province	North West, Free State, Northern Cape and Gauteng
Projected New Jobs	189
Ownership	BI



ENERGY SERVICE STATION IN ZULULAND DISTRICT MUNICIPALITY

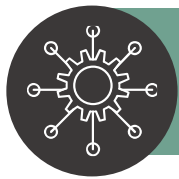
OL Family Pride Supermarket (Pty) Ltd, a black-owned entity with 40% women ownership, is led by Mr. Kosie Ngcobo (60%) and Ms. Nonduduzo Ngcobo (40%), a father-daughter team.

They've signed an agreement with KZN Oils (Pty) Ltd to co-develop an Astron Energy Service Station in Nongoma, KwaZulu-Natal. Having obtained all necessary rights and approvals, the National Department of Mineral Resources and Energy has granted licenses for fuel dispensing.

The NEF approved R15 million to OL Family Pride towards financing the Astron Energy service station and Fresh Stop C-Store development. The transaction is anticipated to create 30 new jobs, furthering economic growth in the region.

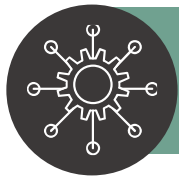


Funding	NEF
Industry	Retail
Product	Energy Service Station
Province	KwaZulu-Natal
Projected New Jobs	30
Ownership	BI



R978 million was disbursed to 42 Film Companies that reported over **4 000** jobs created during the making of the various media productions. Its costs IFG an average of R218 000 to fund one new job in this industry.

Foreign and local productions spent **R3.6 billion** in the South Africa economy during filming and post-production, of which 6% was procured from black suppliers.



FILM AND TELEVISION



During the course of the productions, foreign Nationals transferred skills to South African employees in the following areas: operating of cameras, lighting and sound equipment, costume design, hair and makeup, directing, script supervision and digital imagery.

Considering the potential impact of this industry in terms of jobs and the income multiplier, IFG will continue to invest in productions as well as post-production activities, content creation, infrastructure and distribution platforms. Due to the growing demand for animators and the opportunity for youth, IFG aims to collaborate with animation and gaming studios to invest in technology and skills development.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

Blood and Water S3

OWNERSHIP OF SERVICE COMPANY

Black Male

DOMESTIC SPEND

The total spend in domestic economy is R56.2 million of which R23.2 million is procurement from black suppliers. Spend in the domestic economy comprises expenditure on cast and casting, location facilities, local transport including flights and production staff.

FORMAT

Foreign Film: Mini/TV Series, Drama, 300 minutes (6 Episodes)

SUPPORT

Total disbursement of R16.8 million

SYNOPSIS

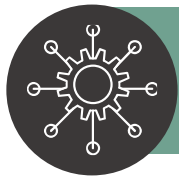
The series tells a story of teenager who transfers to an elite school to uncover if one of their students is her sister.

PREMIERED AND NOMINATIONS/AWARDS

The film was released in November 2022 and distributed exclusively by Netflix IO Productions LLC. The film was nominated for the South African Film and Television Awards (SAFTAs) in the categories of Best Achievement in Art Direction and Best Achievement in Sound. It was nominated and won the Global Productions Award for Diversity, Equity, and Inclusion.

FILMING LOCATION

Filmed in Cape Town, Western Cape for 63 days and created 63 Full Time Equivalent jobs.



FILM SPEND SUPPORTING THE LOCAL ECONOMY



PROJECT NAME

Boy Kills World

OWNERSHIP OF SERVICE COMPANY

Black-Owned

DOMESTIC SPEND

The total spend in domestic economy is R141 million of which 46% is procurement from black suppliers. Spend in the domestic economy includes expenditure on cast and casting, construction of the set, local transport including flights and accommodation.

FORMAT

Foreign Film: Feature Film, Action/Dark Comedy, 120 minutes

SUPPORT

Total disbursement of R42 million

SYNOPSIS

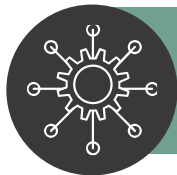
The film tells the story of Boy, a deaf-mute with a vibrant imagination, who escapes to the jungle when his family. Here he is trained by a mysteries shaman to become an instrument of death.

PREMIERED

The film was released in April 2024 and distributed exclusively by Woodlands Avenue Media Inc

FILMING LOCATION

Filmed in Cape Town, Western Cape for period of 35 days and created 125 Full Time Equivalent jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

Headspace

OWNERSHIP

African Male

DOMESTIC SPEND

Total spend in the domestic economy is R33.9 million of which R8.4 million comprises of procurement from black suppliers. Spending in the South African economy included expenditure for production staff, art department equipment and consumables, location facilities, accommodation and construction of the set.

FORMAT

Feature Film, Animation

SUPPORT:

Total disbursement of R10.8 million

SYNOPSIS

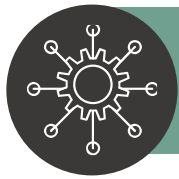
A group of school kids must fight off an invasion of nano-sized aliens. One of them, an egomaniacal tyrant with an army of droids, has ganged up with the school principal to invade the planet. Meanwhile, the school kid heroes form an alliance with the good aliens to combat the threat.

PREMIERED

The film was released in September 2023 and distributed exclusively by Indigenous Film Distribution

FILMING LOCATION

Filmed in Johannesburg, Gauteng for period of 600 days and created 134 Full Time Equivalent Jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

How to ruin Christmas: The Funeral

OWNERSHIP OF SERVICE COMPANY

Black Male

DOMESTIC SPEND

The total spend in the domestic economy is R41.8 million of which 32% is procurement from black suppliers. Spend in the domestic economy included expenditure on local transport, accommodation, location facilities and casting of local crew.

FORMAT

Foreign Film: 180 minutes Mini/TV Series/Comedy Drama

SUPPORT

Total disbursement of R10 million

SYNOPSIS

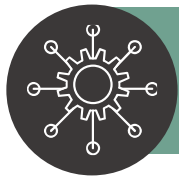
The film focuses on Tumi Sello and how her Christmas plans get ruined when she gets guilt tripped into helping with the planning of a funeral during Christmas.

PREMIERED AND NOMINATIONS/AWARDS

The production was released in December 2021 and distributed exclusively by Netflix. It won the 2022 SAFTA awards for Best Actor on a TV Comedy and Best Achievement in Scriptwriting for a TV comedy and received nominations for Best Achievement in Make-up and Hairstyling, Best Achievement in Sound, Best Achievement in Art Direction, Best Achievement in Editing, Best Achievement in Directing, Best Supporting Actress, Best Supporting Actor and Best Actress. The success of the supported season resulted in a third season of the programme premiering on Netflix in December 2022, as well as a spin off series, How to Ruin Love that premiered on 31 May 2024.

FILMING LOCATION

Filmed in Johannesburg, Gauteng for 27 days and Durban, KwaZulu-Natal for 21 days. It created 42 Full Time Equivalent jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

Girl Taken

OWNERSHIP OF SERVICE COMPANY

Black Female

DOMESTIC SPEND

The total spend in domestic economy is R2.1 million of which 27% is procurement from black suppliers. Spend in the domestic economy includes expenditure on local producers, production staff, camera equipment and filming location.

FORMAT

South African Film: 90 minute Documentary/Drama

SUPPORT

Total disbursement of R553 000

SYNOPSIS

The incredible story of parents whose baby was stolen at birth and then their reunion 17 years later.

PREMIERED

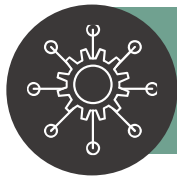
The film was released in May 2022 and distributed by Abacus Media Rights. It was distributed on Paramount Plus, Mnet, DR-TV, NRK, VRT, Rialto NZ and Docs De Cologne

NOMINATIONS AND AWARDS

It won the Best South African Documentary award at the Durban International Film Festival 2022 and was nominated for the Best Documentary and Best Directing in Documentary awards at the 2023 SAFTA awards.

FILMING LOCATION:

Filmed in Cape Town, Western Cape for period of 23 days, and created 6 Full Time Equivalent jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

iNumber Number 2

OWNERSHIP OF SERVICE COMPANY

Black Male

DOMESTIC SPEND

The total spend in domestic economy is R47.7 million of which R21.3 million was procured from black suppliers. Spend in the domestic economy comprises expenditure on local transport and travelling including location facilities as well as local production staff casting and camera crew.

FORMAT

Foreign Film: 110 minutes Feature Film

SUPPORT

Total disbursement of R8.7 million.

SYNOPSIS

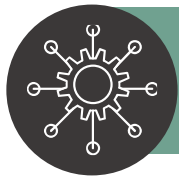
Two cops in crime ridden Johannesburg stumble on plans for the heist of the century, but the target is a dictators stolen gold and they must decide whether to catch the Robin Hood-like thieves or help them.

PREMIERED

The film was released in June 2023 and distributed exclusively by Netflix

FILMING LOCATION

Filmed in Johannesburg, Gauteng for 54 days and created 47 Full Time Equivalent jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

Jiva

OWNERSHIP OF SERVICE COMPANY

African Female

DOMESTIC SPEND

The production spent R77.7 million in the local economy. The majority of South African spend is for cast and casting, editorial and sound post-production, transport, location facilities, extras and accommodation. Procurement from black suppliers amounted to R4.5 million.

FORMAT

Foreign Film: Mini/TV Series, Music Drama.

SUPPORT

Total disbursement of R14.9 million

SYNOPSIS

The film is about Ntombi, a talented street dancer from Umlazi, Durban who must confront her fears and deal with family objections to pursue her dancing dreams.

PREMIERED

The film was released in June 2021 and distributed exclusively by Netflix.

FILMING LOCATION

Filmed in Cape Town, Western Cape, Johannesburg, Gauteng and Durban, KwaZulu-Natal in 57 days and created 173 Full Time Equivalent Jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

#Love my Selfie

OWNERSHIP

White Female

DOMESTIC SPEND

The total spend on the domestic economy amounts to R9.7 million of which R2.9 million is on black supplier procurement. Expenditure included items such as cast and casting, location facilities, equipment and story as well as script development.

FORMAT

SA Film: Feature Film, Drama.

SUPPORT

Total disbursement of R2.26 million

SYNOPSIS

The film is about a renowned actress Adele Swan who loses everything: her man, her house and her life savings.

PREMIERED

The film was released in October 2023 and distributed exclusively by M-Net and Black sheep Films.

FILMING LOCATION

Filmed in Cape Town, Western Cape in 24 days.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

The Life of Mandoza – Nkalakatha

OWNERSHIP OF SERVICE COMPANY

Black Female/Male

DOMESTIC SPEND

The total spend on domestic economy amounts to R11 million of which R5.2 million was procured from black suppliers. Majority of the domestic expenditure is on local transport cast and casting, costumes, producers and production staff.

FORMAT

Mini/TV Series, Biopic

SUPPORT

Total disbursement of R5 million

SYNOPSIS

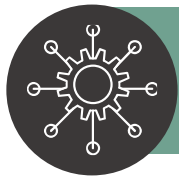
The biopic that tells a story of the late Mduduzi Tshabalala, a gifted musician, popularly known as Mandoza, who gave South Africa its biggest crossover hit in the modern era, Nkalakatha, a Kwaito track that would become its own national anthem.

PREMIERED

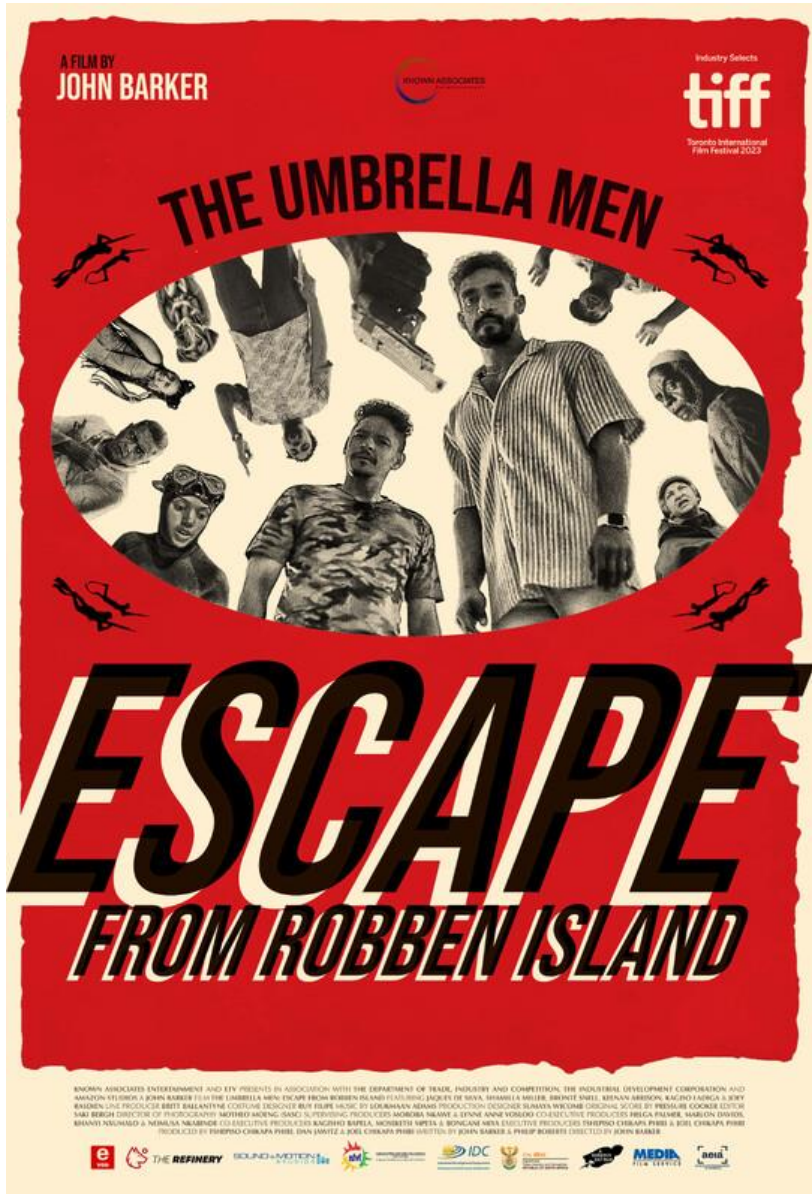
The film was released in August 2023 and distributed exclusively by Viacom International Media Networks Africa

FILMING LOCATION

Filmed in Johannesburg, Gauteng for period of 24 days and create 20 Full Time Equivalent Jobs.



FILM AND TELEVISION TELLING SOUTH AFRICAN STORIES



PROJECT NAME

The Umbrella Men: Escape from Robben Island

OWNERSHIP OF SERVICE COMPANY

Black Female

DOMESTIC SPEND

The total spend in domestic economy is R21.7 million of which R7.3 million was procured from black suppliers. Spend in the domestic economy comprises expenditure on local transport and travelling, location facilities, local production staff and the camera department.

FORMAT

South African Film: 100 minutes Feature Action Adventure film

SUPPORT

Total disbursement of R3.3 million

SYNOPSIS

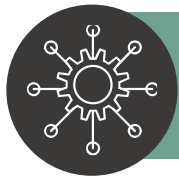
After a successful bank heist, Jerome and his crew are enjoying life. This is, however short-lived when Jerome and one of his heist members are arrested and locked up in Robben Island prison. It is up to the rest of their heist members to help them escape prison.

PREMIERED

The film was released on Amazon Prime in December 2023 and the South African Video on Demand in April 2024. It was screened at the 2023 Toronto Film Festival and the 2024 Johannesburg Film Festival.

FILMING LOCATION

Filmed in Cape Town, Western Cape for 28 days and created 47 Full Time Equivalent jobs.



GLOBAL BUSINESS SERVICES



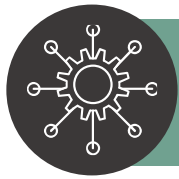
R555 million disbursed to over 34 projects operating in the global business services

industry. These projects reported approximately **33 000** incentivised jobs in the industry and

exported **R7.3 billion** of services to countries such as the United States of America, United Kingdom, Australia, New Zealand, Netherlands, Gibraltar, Canada and Mauritius. It costs IFG an average of R16 500 to incentivise one new job.

The trend of moving towards high-value services continued to be evident in 2023/24 and includes examples of online English tutoring, financial and insurance administration, risk management and data analysis services as well as recruitment of medical staff for hospitals and nursing homes.

Considering that over 80% of active jobs in this industry are youth, IFG will continue to invest in this industry and encourage projects with new locations in townships as well as those jobs that are more digitally-orientated. To increase employment opportunities, the IB will be collaborating with the industry's stakeholders that will provide training to unemployed youth on work readiness and digital skills required by operators.



GLOBAL BUSINESS SERVICES: GENERATING EXPORT REVENUE AND CREATING JOBS

01

Africa Talent by Deloitte (Pty) Ltd is a subsidiary of Deloitte Global that was established in South Africa to provide risk advisory services for the company. It is currently supported through the Global Business Services incentive and has sites in the City of Johannesburg Metropolitan Municipality in Gauteng, eThekweni Metropolitan Municipality in KwaZulu-Natal and the City of Cape Town Metropolitan Municipality in the Western Cape.

02

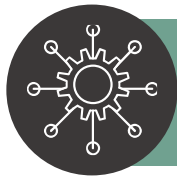
Africa Talent provides risk advisory services related to crisis management, regulatory risk, financial risk, digital risk, cyber risk and data analytics as well as recruitment, payroll management and employee training services to the subsidiary of Deloitte Global based in the Netherlands. Over the past two years, R101 million in export revenue was generated through these services.

03

The project is currently supporting 48 of the company's 127 jobs. These include 43 youth and 42 female employees. Employees come from various areas including townships in Gauteng such as Diepsloot, Soshanguve, Thembalethu, Thlabane West, Mofolo North, Bluff, Melodie, Diepkloof, Tshiawelo, Nguni Section, Diloppe, Kathlehong, Thembisa, Soweto, Meadowlands West, Protea Glen and Meadowlands East.

04

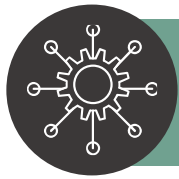
Work opportunities created for graduates and more experienced South Africans includes 31 highly complex and 17 complex jobs. Employees are trained in the Dutch language to effectively communicate with clients. All employees also receive technical training in terms of accreditation required for risk.



GLOBAL BUSINESS SERVICES - GENERATING EXPORT REVENUE AND CREATING JOBS



First Row Middle: Shaori Ajodha (CEO), Reynald Nijhove (COO) and the Group of Africa Talent Employees



GLOBAL BUSINESS SERVICES: GENERATING EXPORT REVENUE AND CREATING JOBS

Dash BPO South Africa (Pty) Ltd, an offshore captive with operations in the City of Johannesburg in Gauteng and the City of Cape Town in the Western Cape, is being supported through the Global Business Services incentive and is a subsidiary to the multinational Dash BPO group headquartered in the United States of America (USA).

The company moved their customer services, sales and back office support to South Africa in 2021 as part of the company's growth strategy. This was based on lower labour costs, robust infrastructure, English fluency and a large pool of skilled work force available in the country.

The services provided by Dash BPO South Africa are provided to clients in the retail, medical, financial, entertainment and recreation industries based in Canada and the USA with R248 million generated in export revenue over the last two years.

01

02

03



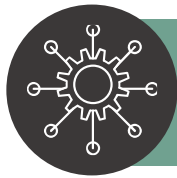
Precious Tsotetsi
Customer Service
Representative

04

The project is currently supporting 828 of the company's 1 032 jobs in South Africa. These include 730 youth employees and 556 female employees, as well as 75 people employed from previously disadvantaged communities such as Gugulethu, Mitchells Plain, Mfuleni, Phillipi, Langa, Bishop Lavis and Bonteheuwel at the Cape Town office and Soweto, Lenasia, Tembisa, Vosloorus, Mamelodi, Alexandra, Thokoza and Cosmo City at the Johannesburg office.

05

Work opportunities created through the incentive includes 4 highly complex jobs, 19 complex jobs and 805 non-complex jobs. The company provides ongoing training to employees including the use of technology.



GLOBAL BUSINESS SERVICES: GENERATING EXPORT REVENUE AND CREATING JOBS

MPC Managed Solutions (Pty) Ltd is a third party service provider of online English tutoring with service centres based in the Nelson Mandela Bay Metropolitan Municipality in the Eastern Cape, City of Cape Town Metropolitan Municipality in the Western Cape, eThekweni Metropolitan Municipality in KwaZulu-Natal and the City of Johannesburg Metropolitan Municipality in Gauteng. It is currently supported through the Global Business Services incentive.

Through a contract with a Gibraltar based company, MPC offers online English tutoring for clients in Japan, Spain, Russia, the United States of America, Venezuela, Poland and Taiwan. Over the last four years this contract has generated export revenue of R360 million.

01

02



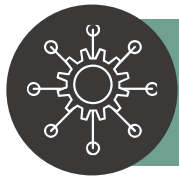
Jainthie Lutchman
Team Leader

03

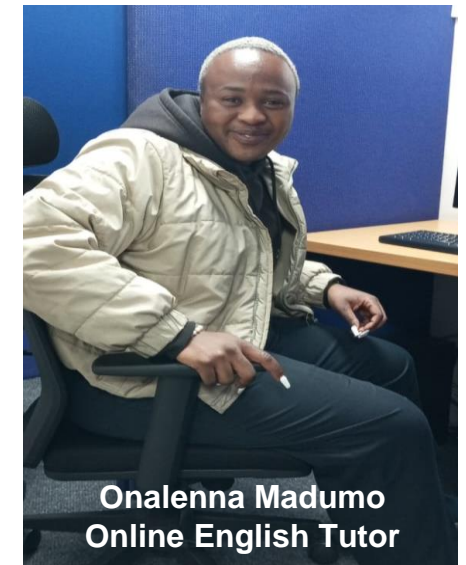
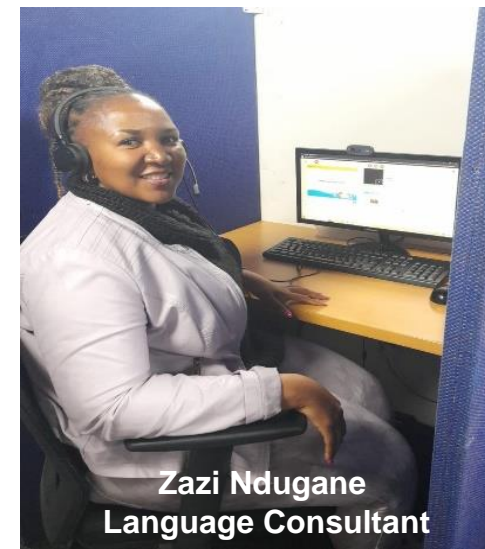
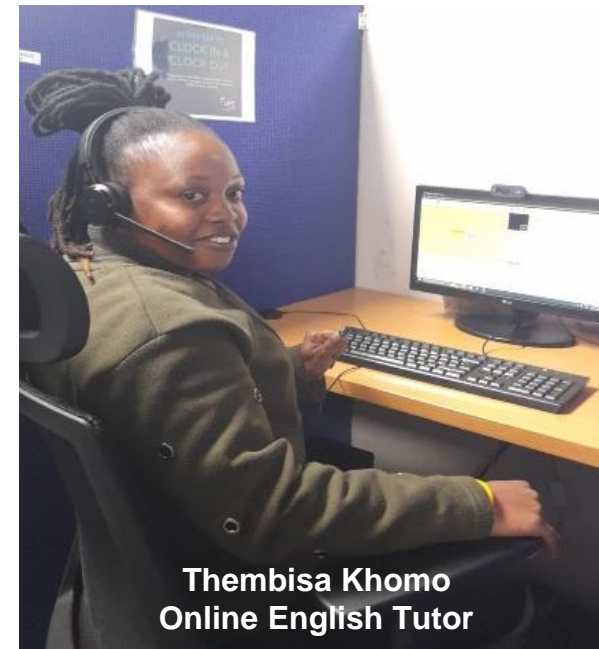
The GBS is currently supporting 296 of the company's 316 jobs. These include 278 youth and 246 female employees. Employees come from areas such as Salt Lake in Cape Town, Chatsworth and Inanda in KwaZulu-Natal, as well as Orange Farm and Orlando West in Gauteng.

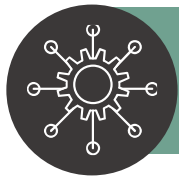
04

All of MPC's incentivised jobs are non-complex, enabling new entrants to the labour market to access employment immediately after completing high school.



MPC CREATING YOUTH JOBS



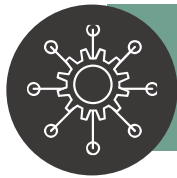


R97 million was disbursed to over 50 SMME and start-up projects operating in the innovation space and comprises:

- 53% to fund research
- 14% to fund prototype development; and
- 32% for fund early stage commercialisation

The areas of application are vast and includes medical devices, software applications and digital marketing platforms. The next few slides provides some examples of funded projects.

the dtic is establishing a commercialisation fund in partnership with Department of Science and Innovation to fund projects with advanced technology prototypes aimed at addressing local, regional, and global challenges. The fund will aim to establish new industries such as the digital economy that can be a source of new jobs in the country.



INNOVATION

EXAMPLES OF RESEARCH, PROTOTYPES AND COMMERCIALISATION

AREA OF BENEFIT

4TH INDUSTRIAL REVOLUTION

RESEARCH

Computational Fluid Dynamics software using unique multi-physics modelling technology to accurately model fuel usage. This will largely be used in the aviation industry, but also will improve storage solutions for hydrogen and green energy products

PROTOTYPE

Multi-point remote locking system for use in cash management solutions and asset tracking by the banking and cash-in-transit industries

PROTOTYPE

Surveillance cameras using artificial intelligence for enhancing safety in underground workplaces

PROTOTYPE

Business analytics software that provides insights on consumer behaviour and track costs in order to improve revenue.

PROTOTYPE

Geographic Information System that uses drones for collection of data and mapping in order to create satellite imagery

COMMERCIALISATION

Data reporting platforms for data collection and mapping using drones and satellite imagery for areas not easily accessible

COMMERCIALISATION

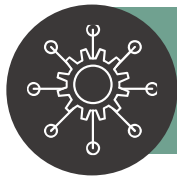
Artificial intelligence to determine the optimal light output required for maximum cannabis yield

COMMERCIALISATION

Diagnostic platform allowing businesses to independently assess the viability of a business and providing data insights

COMMERCIALISATION

Customisation of work collections or streams to improve management and tracking of deliverable for remote working



INNOVATION

EXAMPLES OF RESEARCH, PROTOTYPE COMMERCIALISATION

AREA OF BENEFIT

FOOD SECURITY

RESEARCH

Low-capital method to grow microalgae strains and develop food supplements rich in antioxidant, amino-acids, vitamins and minerals catering for the health and wellness markets

RESEARCH

Feasibility of establishing a commercial abalone ranching in the Eastern Cape

RESEARCH

Process to introduce pectin additives to food as a source of dietary fibre in order to improve the health benefits of food

RESEARCH

Using sorghum instead of maize as a grain feed for beef cattle as it is more sustainable and more affordable. Furthermore to determine effect of this feed on the health of cattle and the quality of beef

PROTOTYPE

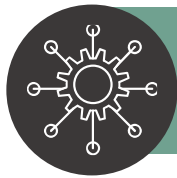
Ventless food fryer that automatically fries pre-packed or fresh meals in a healthier and cheaper way without the need for expensive ventilation infrastructure to remove odours

COMMERCIALISATION

Heat locker box enabling cooking without electricity, fire or gas that can be used during blackouts and in rural areas where electricity is not available

COMMERCIALISATION

Edible insect farming which is a cheaper source of protein



INNOVATION

EXAMPLES OF RESEARCH, PROTOTYPE COMMERCIALISATION

AREA OF BENEFIT

GREEN ECONOMY

RESEARCH

Development of low cost graphene coated nano-fibrous membranes for drinking water purification

RESEARCH

Research on the recovery of saleable products such as calcium carbonate, caustic soda, chlorine and hydrogen from water using renewable energy power generated from the ocean or solar

RESEARCH

Research to develop a fuel cell which is a device that uses hydrogen (or hydrogen-rich fuel) and oxygen to create electricity. Fuel cells are more energy efficient than combustion engines, as they extract more electricity using the same amount of fuel

RESEARCH

Research to improve the quality and durability of aluminium alloys (from recycled and re-melted products) using technology enhancements. These products are intended for use in manufacturing of cans and in automotive components

PROTOTYPE

Green fuel briskets produced from recycled plastic products and tyres that can substitute coal, diesel and heavy fuel oils

COMMERCIALISATION

Accessory for geysers to reduce the time and power needed to heat up water

COMMERCIALISATION

Biodegradable solution to reduce bathroom odours without releasing harmful chemicals

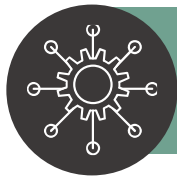
EDUCATION

COMMERCIALISATION

Online book repository for South African literature

COMMERCIALISATION

Online education platform for Grade 8 – 12 that uses augmented reality technology to build a 3D model of the human skeleton



INNOVATION

EXAMPLES OF RESEARCH, PROTOTYPE COMMERCIALISATION

AREA OF BENEFIT

HEALTH ECONOMY

RESEARCH

Research on manufacturing mosquito nets using biodegradable polymers that will also release insecticides using slow-release technology providing more protection against malaria carrying mosquitos

RESEARCH

Nanotechnology to develop antimicrobial and wound healing agents

RESEARCH

Metabolic engineering of microbial strains to produce medically relevant cannabis on a large and cost effective scale

RESEARCH

Identifying Kinesin Spindle protein (KSP) that is capable to stop cancerous cells from multiplying

PROTOTYPE

Knee prosthetic device that can track performance to assist in early detection of malfunction

PROTOTYPE

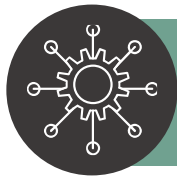
Glove sensor system to assist the hearing impaired to communicate

COMMERCIALISATION

Complimentary Medicines derived from African plants

COMMERCIALISATION

Skin and haircare solutions with healing and nourishing properties



COST-EFFECTIVE DIGITAL SOLUTION FOR SMALL BUSINESSES

Agilus Solutions, a black female-owned company based in the City of Johannesburg, Gauteng, is operating since 2017, providing software solutions to various industries.

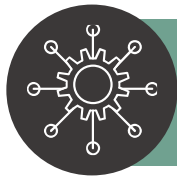
The company was approved by the Support Programme for Industrial Innovation to develop a SaaS (Software as a Service) solution that provides procurement data analytics solutions to small, medium and large companies. The software solution is a cloud-based portal which uses artificial intelligence and machine learning technology that analyses a company's procurement data to provide insight on cost savings.

Five employees were involved in the development of the prototype, which is currently being marketed at conferences and expo's with three potential clients expressing interest in procuring the final product.



Smart Procurement
Conference, Cape
Town, June 2024

Funding	the dtic SPII Grant Funding
Industry	Innovation & Technology
Products	Software
Province	Gauteng
Ownership	WO, BO, SMME



SMART PARKING TECHNOLOGY TO EASE CONGESTION AND IMPROVE CONVENIENCE

K2014171689 (Pty) Ltd t/a Hotstuff Innovations, is a black youth-owned SMME located in the East London Industrial Development Zone in the Buffalo City Metropolitan Municipality, Eastern Cape. It was established in 2014 to create research and innovative concepts and to develop technologies for various industries.

The company was approved for funding through the Support Programme for Industrial Innovation Programme in order to develop a digital parking management system featuring a user-friendly interface that will display real time occupancy of parking bays across municipalities in both rural and urban areas.

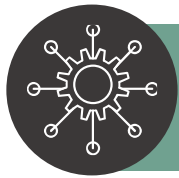
Users will be able to download the parking app on their smart phones, which will show them the occupancy status of parking bays before they arrive at the parking area and also pay for the parking with a QR code.

The patent for the proof of concept for this app was registered and published in October 2020. To develop the prototype, Hottstuff Innovations hired 13 employees, of which 10 are from the Mdantsane, Duncan Village and Zwelitsha townships.

Hotstuff Innovations is targeting Buffalo City, Nelson Mandela Bay and Mangaung Municipalities to initially roll out this product. The prototype of the app is projected to be completed and tested by September 2025.

Funding	the dtic SPII Grant Funding
Industry	Innovation Technology
Products	Digital Parking Management System
Province	Eastern Cape
Ownership	YO, BO, SMME





SOWETO TECH COMPANY SEEKS TO IMPROVE EDUCATION IN POOR COMMUNITIES

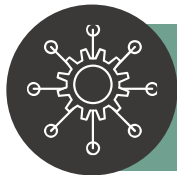
LOL Tech is a black-owned and Soweto based start-up that was founded by Simphiwe Mazibuko and his late brother Sipho Mazibuko. Established in 2015, LOL Tech is a mobile application software that is registered and verified by Google play store and is available for download. It is an all-inclusive educational support system that can be utilised by relevant stakeholders in the education space including learners, teachers, parents, schools and notably educational institutions recognised by the Department of Basic Education.

The technologically advanced education tool provides academic support and enhanced learning processes. The software platform creates a virtual environment where all stakeholders can make use of the advanced technologies such as augmented reality and artificial intelligence and aims to contribute towards improving the quality of education in South Africa.

LOL Tech received funding support through the IDC's Khoebo Innovation Promotion Programme (KIPP) for the acquisition of assets and working capital. Funding support has enabled the company to commercialise innovative technology solutions that seek to improve the quality of education in underprivileged communities and in the process helping to address the challenges facing the South Africa's education sector.



Funding	IDC Partnership KIPP
Industry	ICT
Product	Mobile application development
Province	Gauteng
New Jobs	9
Ownership	BO, SMME



DIGITAL APP BRIDGING THE COMMUNICATION GAP FOR THE HEARING IMPAIRED

Rudzambilu Holdings (Pty) Ltd, located at the City of Cape Town, in the Western Cape Province, is a black youth-owned SMME established in 2016 as a solutions provider in the information, communication and technology sector, specifically catering towards the need of people with hearing impairments.

The company supported through the Support Programme for Industrial Innovation Programme, is developing the Sensor Gloves to enable communication between the hearing-impaired individuals and hearing-enabled community. With the assistance of AI software, the South African Sign Language’s hand gestures will be converted into voice and text and vice versa. The translation will be in English as well as the other official Languages in the country. This app will benefit the hearing impaired by bridging the communication gap and make education, health care, banking and many other services more accessible.

Funding	the dtic SPII Grant Funding
Industry	Innovation & Technology
Products	Sensor Gloves for Sign Language
Province	Gauteng
Ownership	BO, SMME

In October 2023 a first claim was paid to the company allowing them to start with prototype development. A provisional patent has been registered. A final patent application will be lodged in South Africa during the course of the prototype development.



Proof of Concept of the Sign Translator Sensor Gloves

EMBRACING OPERATIONAL EXCELLENCE



CHALLENGES AND RECOMMENDATIONS FROM LEARNINGS

CHALLENGES	RECOMMENDATIONS FROM LEARNINGS
Tight fiscal constraints resulting in reduced budget for industrial financing projects	<ul style="list-style-type: none"> • Reducing contingent liability and allocating proportionate approvals • Partnerships with other DFIs/SETAs and other institutions to supplement funding • IDC tax exempt status could assist in leveraging 3rd party funding to scale programmes and deliver higher impact
Poor quality of business plans from SMMEs and poor financial record keeping	<ul style="list-style-type: none"> • Development of standardised business plan templates, simplified financial record management tools for SMMEs and post-investment mentors support to assist SMME's • Use of digital technology solutions to leverage bank accounts to formulate financials to reduce cost and improve trust
Lack of Adequate Collateral	<ul style="list-style-type: none"> • Reduce the collateral burden on SMMEs using concessionary finance and grant partnerships
Crowd-in private sector funding	<ul style="list-style-type: none"> • Consider providing grants for first loss position in SMME funds to reduce risk for funders

CHALLENGES AND RECOMMENDATIONS FROM LEARNINGS

CHALLENGES	RECOMMENDATIONS FROM LEARNINGS
High defaults rates	<ul style="list-style-type: none"> • Strengthen credit risk assessments and post-funding monitoring • Assume a less conservative impairment absorption rate • The losses are due to lack of access to market, lack of business support and the cost of compliance for SMMEs. Leverage off other schemes or programmes that currently provide support to address these issues.
High cost of capital (interest rate)	<ul style="list-style-type: none"> • Provide funding at prime or (prime minus) using developmental discounts like (location, gender, youth, black empowerment) • Blending of funding with grants and highly concessionary facilities
Manual processing of incentives	<ul style="list-style-type: none"> • Digitalisation of industrial financing programmes (with caution to note that judgement is still required for applications and decision making)
Consideration for grants to be used as low margin equity - eg. 2% IRR but repayable in time	<ul style="list-style-type: none"> • This will open up opportunities to larger manufacturing opportunities and make it more sustainable

CARING FOR OUR INVESTORS, ENTREPRENEURS, COMMUNITIES, NATION AND ENVIRONMENT



THANK YOU