



THE NATIONAL COUNCIL OF PROVINCES

QUESTION FOR WRITTEN REPLY

QUESTION NO.: 1480

Transformation Fund

Mr J H P Britz (Eastern Cape: DA) to ask the Minister of Trade, Industry and Competition:

With reference to the Transformation Fund Concept document (details furnished), (a) how much in total will be borrowed from the African Export-Import Bank to finance the Transformation Fund if voluntary contributions from business and the Government fall short, (b) what exact role will the National Empowerment Fund (NEF) play in managing such fund, particularly as it is to be set up as a special-purpose vehicle and (c) how will the NEF plans to expand funds under management from R4.6 billion in 2024/25 to R72 billion in 2028/29 if not through additional borrowing? CO1485E

REPLY:

The African Export-Import Bank (Afreximbank) has committed to support South Africa's transformation objectives through its Afreximbank's Inclusive Development Support Programme for South Africa (AFINDESP-SA). The programme is Afreximbank's flagship contribution towards closing South African structural gaps and enabling black owned businesses and enterprises to access finance, build assets, participate in strategic sectors and ultimately redistribute economic power across South Africa. The programme is part of the established Transformation Fund.

The Transformation Fund, as indicated in the concept document, is managed through an SPV in partnership between government and private sector. The SPV is currently being

incubated under the National Empowerment Fund. The details and implementation modalities are being finalised and will be communicated at a later stage.

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