



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL COUNCIL OF PROVINCES

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 1654

##### ***Support to local manufacturers***

**Ms S M Mokoena (KwaZulu-Natal: MKP) to ask the Minister of Trade, Industry and Competition:**

What support is being provided to local manufacturers to compete in global markets as part of Operation Vulindlela economic reform programme? CW1880E

#### **REPLY:**

Operation Vulindlela (OV) Phase II, launched in May 2025, builds on Phase I reforms which opened the way for major investment in energy, logistics and water. Phase II aims to accelerate inclusive growth by tackling energy, logistics, water, digital, and housing challenges amongst key areas. While these reforms will contribute to the competitiveness of local manufacturers, the Department of Trade, Industry and Competition (**the dtic**) complements these reforms with targeted export instruments.

Through the Export Marketing and Investment Assistance (EMIA) scheme, **the dtic** partially funds qualifying companies, including emerging exporters, to participate in international exhibitions and outward selling missions. This enables local manufacturers to showcase their products globally, secure new buyers, and establish long-term market access.

The Department also undertakes export awareness sessions in partnership with provinces and provides training and mentoring through the Global Exporters Passport Programme (GEPP), which equips firms to become export-ready and sustainable in international markets.

Together, these initiatives ensure that local manufacturers benefit from expanded market access, reduced barriers to entry, and strengthened competitiveness, thereby positioning South African exports to grow sustainably in global value chains.

Furthermore, Visa reforms such as e-Visas improve turnaround times, making it easier / simpler for businesses.

Through the IDC, support is as follows -

- (a) Supporting companies to achieve international competitiveness is a key tenant of Industrial Policy. This is achieved in two ways:
  - i. **Targeted Industrial Policy** interventions to support capability development including but not limited to incentives, development finance, trade and public procurement measures all seeking to achieve structural transformation, i.e. the country to move to higher productivity and value addition sectors (such as manufacturing), industries (including within manufacturing, mining, agriculture) and services.
  - ii. **Build the Fundamentals** to sustain competitiveness, which entails building broad, economy-wide capabilities, such as skills development, infrastructure, institutions, macro stability, and the rule of law, that support productivity across all sectors.
- (b) Operation Vulindlela relates to building the fundamentals to support competitiveness across sectors. Some achievements of Operation Vulindlela that supports manufacturing companies include:
  - i. **Electricity Reform priorities**, which aim to secure long-term energy security, affordability, and green growth, all of which are important for the long-term competitiveness of manufacturing. Some recent milestones that have contributed to higher electricity availability include:

- the implementation of the Electricity Regulation Amendment Act (2024);
- the establishment of a competitive electricity market;
- the operationalisation of the National Transmission Company of South Africa (NTCSA); and
- the approval of the National Wheeling Framework to enable non-discriminatory grid access.

ii. **Alleviating logistics constraints**, strides have been made in the freight reforms to improve the efficiency of rail and port systems, which are important for exporting manufacturing companies. Recent milestones include:

- volumes handled by South African ports have improved since the beginning of 2023, up to August 2025;
- South Africa's performance on the World Bank's Container Port Performance Index (CPPI), which tracks the time containers remain in ports and harbours, showed notable improvement for the Cape Town and Coega (Ngqura) terminals;
- the recent investments by Transnet in new equipment and process optimisation add value to the transformation attempts highlighted in the latest Operation Vulindlela Progress report, albeit noting that the volumes moved by the harbours and ports remain below those witnessed historically.

Through the NEF, support is as follows -

The NEF supports local manufacturers through blended funding solutions unlocked in partnership with its third-party funders.

On access to markets, the NEF has assisted clients by facilitating the negotiation of offtake agreements with various off-takers, resulting in improved contract terms, increased volumes, and better-negotiated prices.

Through its Post-Investment Unit, the NEF also provides technical support to investee companies by deploying experienced mentors who assist with business turnaround strategies and help strengthen technical capabilities and operational capacity.

Furthermore, the NEF offers early-stage funding that would ordinarily not be provided by mainstream lenders. This type of funding plays a critical role in improving a company's balance-sheet gearing, thereby enabling businesses to better absorb market shocks and operate more sustainably.

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