



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## **THE NATIONAL COUNCIL OF PROVINCES**

### **QUESTION FOR WRITTEN REPLY**

#### **QUESTION NO. 278**

#### ***Township and Rural Entrepreneurship Programme***

**Ms H S Boshoff (Mpumalanga: DA) to ask the Minister of Trade, Industry and Competition: (*Interdepartmental transfer – 20 September 2024*)**

- (1) (a) How many entities have been supported under the Township and Rural Entrepreneurship Programme through the National Empowerment Fund in each case in each province, (b) what amounts were disbursed to each entity, (c) which sectors benefited during the (i) 2022/23 and (ii) 2023/24 financial years and (d) how many jobs were created in each of the sectors in the said financial years.
- (2) (a) how much has been disbursed to the tourism sector, (b) which projects benefited from such disbursements during the (i) 2022/23 and (ii) 2023/24 financial years and (c) how many jobs were created in each of the sectors in the said financial years? CW333E

#### **REPLY:**

##### **(1)(a)&(b)**

Agriculture and agro-processing value chain industries that benefited through the National Empowerment Fund (NEF) include primary agriculture, agro-processing, retail/wholesale (tertiary), fishing, and transportation (tertiary). Some of the entities supported were involved in fruit and vegetables, food retail, transportation of agricultural

products, vegetable farming, beef and poultry abattoirs and the production of various edible foods.

NEF INVESTMENT/DISBURSEMENTS UNDER TOWNSHIP AND RURAL PROGRAMME- PROVINCES									
PROVINCE	FINANCIAL YEAR 2022/23			FINANCIAL YEAR 2023/24			TOTAL		
	Amount	Number	Jobs	Amount	Number	Jobs	Amount	Number	Jobs
EC	15 456 957	2	24	89 963 885	3	550	105 420 842	5	574
FS	4 172 384	4	36	28 162 036	2	0	32 334 420	6	36
GP	57 043 030	30	304	59 001 031	3	36	116 044 061	33	340
KZN	114 401 338	79	915	14 656 089	2	0	129 057 427	81	915
MP	15 657 440	4	26	24 078 092	4	12	39 735 532	8	38
LP	11 717 030	4	19	11 492 093	5	813	23 209 123	9	832
NC	10 042 207	2	0	8 500 838	3	4	18 543 045	5	4
NW	14 950 000	1	32	16 438 067	4	29	31 388 067	5	61
WC	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>243 440 388</b>	<b>126</b>	<b>1 356</b>	<b>252 292 130</b>	<b>26</b>	<b>1 444</b>	<b>495 732 518</b>	<b>152</b>	<b>2 800</b>

The table above shows that the National Empowerment Fund (NEF) disbursed a total of R495.7 million to 152 entities operating in rural and township areas across eight of the nine provinces during the 2022/23 and 2023/24 financial years. The Western Cape was the only province where no entities operating in rural and township settings were funded. For the current financial year, all regions are now required to allocate a portion of their investments to entities operating in less-developed areas as part of their Key Performance Indicators (KPIs) as part of the balanced scorecard. This aligns provincial targets with key government objectives, which include investing in economically depressed areas to foster sustainable job creation and stimulate local economic development.

#### **(1)(c)(i)&(ii)**

The table above outlines the sectors in which the NEF invested during the 2022/23 and 2023/24 financial years in entities operating in rural and township areas. During these two years, the top four sectors accounted for 87% of the total investments: Wholesale and Retail led with R208.3 million (42%), followed by Transport Services with R88.6 million (18%), Community, Social, and Personal Services with R69.5 million (14%), and Business Services with R66.3 million (13%). This sectoral distribution reflects the predominance of tertiary sectors in rural and township economies, which are primarily service-based and consist largely of lifestyle businesses.

NEF INVESTMENT UNDER TOWNSHIP AND RURAL PROGRAMME									
SECTOR	FINANCIAL YEAR 2022/23			FINANCIAL YEAR 2023/24			TOTAL		
	Amount	Number	Jobs	Amount	Number	Jobs	Amount	Number	Jobs
AGRICULTURE	22 946 154	29	530	1 543 969	1	4	24 490 123	30	534
COMMUNITY, SOCIAL AND PERSONAL SERVICES	64 254 204	34	425	5 252 206	2	82	69 506 410	36	507
CONSTRUCTION	15 732 636	7	12	0	0	0	15 732 636	7	12
EDUCATION	2 271 823	1	46	0	0	0	2 271 823	1	46
BUSINESS SERVICES	13 217 640	11	58	53 123 562	3	29	66 341 202	14	87
MANUFACTURING	19 105 644	8	10	1 475 495	4	16	20 581 139	12	26
TRANSPORT SERVICES	6 379 845	3	31	82 171 664	1	474	88 551 509	4	505
WHOLESALE AND RETAIL TRADE	99 532 441	33	244	108 725 235	15	839	208 257 676	48	1 083
TOTAL	243 440 388	126	1 356	252 292 130	26	1 444	495 732 518	152	2 800

However, the NEF's new strategy presented to **the dtic** for the next five years aims to transform this landscape by focusing on value chain investments in various sectors to enhance the participation of SMEs in rural and township economies. This approach will not only create jobs but also ensure that economic benefits are distributed equitably to the communities where these businesses operate. Additionally, the strategy seeks to stimulate investment in priority sectors such as manufacturing, the digital economy, technology, and new industries, fostering more sustainable and diversified economic growth in underdeveloped areas.

#### (1)(d)

As outlined in the table above, a total of 2,800 jobs were created during the 2022/23 and 2023/24 financial years. The Wholesale and Trade sector generated the most jobs, accounting for 1,083 jobs (39%), followed by the agriculture sector with 534 jobs (19%). The Community, Personal, and Social Services sector and Transport Services sector each created 507 and 505 jobs respectively, both contributing 18% of the total jobs created.

#### (2)(a)&(b)(i) & (ii)

NEF INVESTMENT/ DISBURSEMENTS IN THE TOURISM SECTOR						
NAME OF THE COMPANY	FINANCIAL YEAR 2022/23		FINANCIAL YEAR 2023/24		TOTAL	
	Amount	Jobs	Amount	Jobs	Amount	Jobs
Dabukazi Afrika(Pty) Ltd	0	0	7 543 303	34	7 543 303	34
Eden Est	14 772 000	13	0	0	14 772 000	13
Golden Valley Game Lodge	3 464 146	11	0	0	3 464 146	11
GRADOSCOPE (PTY) LTD	1 303 571	41	0	0	1 303 571	41
Imvomvo Country Lodge	0	0	3 608 716	30	3 608 716	30
Limakatso Entertainment Centre	1 088 074	46	0	0	1 088 074	46
Nare Leisure Investment (Pty) Ltd	9 565 713	10	88 990	0	9 654 703	10
Rensia Palace and Spa (Pty) Ltd	0	0	6 261 735	34	6 261 735	34
Royal Thonga Safari Lodge	2 122 000	53	0	0	2 122 000	53
Senate and Wandisile Joint Venture	0	0	2 271 453	75	2 271 453	75
South Hill Trading (Pty) Ltd	7 326 454	43	0	0	7 326 454	43
St Eve (Pty) Ltd	1 635 384	10	0	0	1 635 384	10
The Hill Boutique Hotel (Pty) Ltd	0	0	14 098 459	15	14 098 459	15
Wavelength 1356 (Pty) Ltd	5 833 769	44	4 254 862	0	10 088 631	44
TOTAL	47 111 110	271	38 127 518	188	85 238 628	459

The table above provides details of the investments made by the NEF in the tourism sector during the 2022/23 and 2023/24 financial years. Over this period, the NEF disbursed a total of R85.2 million to support 14 entities, with two entities receiving funding over both financial years. In 2022/23, a total of R47.1 million was disbursed to 9 entities, while in 2023/24, R38.1 million was disbursed to 7 entities.

## (2)(c)

The investments led to the creation of a total of 459 jobs in the tourism sector, with 271 jobs created in 2022/23 and 188 jobs created in 2023/24 as a result of disbursements to the entities listed in the above table in the respective financial years.

**-END-**