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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## **THE NATIONAL ASSEMBLY**

### **QUESTION FOR WRITTEN REPLY**

#### **QUESTION NO. 2101**

**Mr S S Zondo (IFP) to ask the Minister of Trade, Industry and Competition:**

- (a) In what manner is funding from the Khoebo Innovation Promotion Programme allocated across different economic sectors;
- (b) Whether specific funding is reserved for high-impact sectors in underserved areas, such as (a) rural regions and (b) townships; if not, what is the position in this regard; if so, what are the relevant details? NW3447E

#### **REPLY:**

I have been advised by the IDC as follows -

- (a) The Khoebo Innovation Promotion Programme funds across all sectors. The current portfolio distribution is shown in the table below.

<b>Sector</b>	<b>Distribution</b>
Agro Industries	9%
Automotive	4%
Chemicals	21%
Financial Services	2%
ICT	34%
Manufacturing	23%
Pharmaceuticals	4%
Textiles	2%

- (b) KIPP funds all economic sectors, with a particular focus on rural and township businesses. Based on current active portfolio, 47% of clients are in rural or township areas and 36% are outside Gauteng and Western Cape.

The Grassroots Innovator Facilitation Scheme (GIFS), one of two schemes under KIPP, provides grant funding of up to R1 million per applicant to support the commercialisation of Grassroot Innovators solving social problems, particularly in rural and township communities.

KIPP also provides additional incentives in the form of concessionary funding for rural and township businesses under the second scheme, the Small and Medium Enterprise Growth (SMEG) scheme. Applicants from designated groups using government facilities to commercialise their innovations can qualify for up to 11% of total funding as a grant.

#### **Debt Funding Incentive Grant Allocation:**

<b>Company ownership</b>	<b>0%</b>	<b>1% - 25%</b>	<b>25,1% - 50%</b>	<b>50,1% - 100%</b>
Black Ownership	0	0,5	1	2
Women Ownership	0	0,5	1	2
People with Disability Ownership	0	0,5	1	2
Youth Ownership	0	0,5	1	2
Use of Government Infrastructure	<b>No</b>	0	<b>Yes</b>	1
Rural / Township Development	<b>No</b>	0	<b>Yes</b>	2
<b>Total Score</b>	<b>Minimum</b>	0		
	<b>Maximum</b>	11		

**-END-**