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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 6914

Mr E M Ntshingila (MK) to ask the Minister of Trade, Industry and Competition:

Whether it is his position that the Transformation Fund (TF) is not a sanitised Black Industrialist Programme (BIP) to appease capital since the word black offends foreign investors and may impact adversely on privatisation; if not, what are the (a) relevant differences between the TF and the BIP and (b) timelines of (i) how and (ii) when the budget for the TF will be put in place; if so, what are the relevant details? NW7740E

REPLY

(a)

Transformation Fund is not a sanitised Black Industrialists Programme. Rather, these are two complimentary programmes with the main purpose to advance economic development and industrialisation. The purpose of the Black Industrialists Programme is to accelerate and increase participation of black owned and controlled enterprises in the mainstream of the economy, in targeted industrial sectors and value chains. The programme offers a cost-sharing grant to black-owned entities in the manufacturing sector and related services in the manufacturing value chain.

The Transformation Fund aims to aggregate various financial interventions anchored by B-BBEE to promote and accelerate economic transformation that enable meaningful participation of black people in all sectors of the economy. Therefore, the two programmes complement each other to drive inclusive economic growth.

(b) (i)&(ii)

The Department has completed incorporation of public comments and stakeholder consultation inputs which resulted in the revised final Transformation Fund document to be published once approved. As indicated in the draft concept document published for comments in March 2025, the Transformation Fund will be financed through aggregated funds under the B-BBEE such as ESD and EEIP, as well as other sources. Further information on the Transformation Fund including implementation mechanisms such as the budget and the timelines will be communicated once the internal processes are completed.

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