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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

**THE NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY**

QUESTION NO. 85

Mr T M Langa (IFP) to ask the Minister of Trade, Industry and Competition:

What (a) is the detailed breakdown of the R100 billion Transformation Fund and (b) specific governance and/or oversight mechanisms will be put in place to ensure that the R100 billion target is transparently mobilised and it effectively reaches the intended beneficiaries? NW103E

REPLY:

- (a) Section 9(2) of the Constitution of the Republic places a collective burden on all to advocate for equality and redress when it states, “Equality includes the full and equal enjoyment of all rights and freedoms”. The Constitutional undertaking is given legislative impetus through Section 2(h) of the B-BBEE Act, which obliges the government to “increase the effective economic participation of black-owned and managed enterprises, including small, medium and micro enterprises and co-operatives and enhance their access to financial and non-financial support”.

The Transformation Fund is established to address access to funding for black-owned enterprises and SMMEs to increase their economic participation and income-earning potential in line with the Constitution. This will be achieved through aggregation of various funds such as the Enterprise and Supplier Development (“ESD”) contributions and the Equity Equivalent Investment Programme (“EEIP”).

- (b) The Transformation Fund will be administered through a partnership between the private and public sector with the governance structure consisting of a board and oversight committees.

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