



## KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM  
AND ENVIRONMENTAL AFFAIRS  
REPUBLIC OF SOUTH AFRICA

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B-BBEE OPERATIONS

21 January 2020

To:

*Captains of Industry (CEOs)*

*Transformation Heads*

*Procurement Officials*

*Enterprise Development*

*Chambers*

*Financial Institutions*

*And all relevant SMME stakeholders*

### **RE: THE COMPILATION OF KWAZULU-NATAL BLACK INDUSTRIALISTS DATABASE**

The B-BBEE Act 53 of 2003 as amended regards empowerment of black people as a priority for radical economic transformation. It is on this basis that the KZN B-BBEE Strategy for 2008 was introduced. The central focus of KZN B-BBEE Strategy, among others, is to facilitate and co-ordinate stakeholders for B-BBEE policy implementation across all sectors of economy. Over the years the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) has implemented various strategic initiatives to drive economic transformation in KZN. This includes establishment of key structures as determined by the KZN B-BBEE. The following structures have been established since 2008: B-BBEE Advisory Council, B-BBEE Forums, and B-BBEE Implementation Teams.

The National Black Industrialists policy further fosters economic transformation and economic competitiveness, through interventions, innovation, value addition, industrialisation and entrepreneurship. The DTI has announced a R1 billion incentive scheme directed at creating more than 100 large and competitive black industrialists (BI) in key sectors identified in the

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Industrial Action Plan, particularly in those sectors with potential to significantly drive economic growth. The Black Industrialists fund is expected to attract between R10 billion and R20 billion from other developmental sources like the Industrial Development Corporation, Development Bank of Southern Africa, National Empowerment Fund and the Public Investment Corporation. The National Government has issued guidelines which states that successful project will receives between R30 - R50 millions of grant funding.

In general, black industrialists refers to Black South African entities directly involved in the production of goods and services at a large scale, with an interest of at least 51% in the ownership, management and operation of an industrial enterprise that acts to unlock the country's productive assets for massive employment. In December 2015, the Department of Trade and Industry (DTI) finalised the policy on Black Industrialists. The policy sets out long-term industrial transformation and diversification agenda for South Africa. The Black Industrialists Programme is underpinned by the objects of the National Development Plan (NDP). The Black Industrialists Policy calls for the diversification of sources of growth and improvement of current economic performance, and in the long-run, lifting large sections of the population out of poverty.

The Department seeks to ensure that there is accurate information of the Black Industrialists (BI) in the Province. This will mainly be achieved through the database compilation of a minimum of 100 KZN black industrialists with an annual turn-over of R10 Million and above, that are 51% black owned industrialists from various sectors, and this must be disaggregated in terms of gender, ownership, sector, geographical location, race (African, Coloureds, Indians). The BI data base will also reflect the challenges, capacity, and recommend possible strategic interventions.

The Department of Economic Development, Tourism and Environmental Affairs (EDTEA) has appointed Adamopix (Pty) Ltd to undertake this project on its behalf.

The project leader from Adamopix (Pty) Ltd is Mr Gugulethu Xaba who may be contacted on the following details:

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We, therefore request your participation in this project as it would greatly enhance the information we gather which will in turn be used in crafting focused interventions to address the challenges faced by the Black Industrialists in the Province.

Your assistance in this regard is greatly valued.

Thank you

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**MR. NHLAKANIPHO NKONTWANA**  
**HEAD OF DEPARTMENT**  
**DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL**  
**AFFAIRS**

**Date:**