

THE BLACK INDUSTRIALIST PROGRAMME: IT'S BENEFITS AND THE VITAL IMPACT IT WILL HAVE ON THE ECONOMY

Addressing the overall objective high on the priority list for the South African Government - to restore the dignity of all citizens and build a society that truly belongs to all who live in it - the Black Industrialist Programme (BIP) has been developed as a practical tool to achieve the demographic transformation of economic power and spatial concentration within the overall industrial strategy, outlined in IPAP and the objectives of national development as articulated in the NDP.

The Black Industrialist Programme (BIP) is a key component of the Department of Trade and Industry's (DTI) Industrial Policy Action Plan (IPAP). According to the South African Government, as identified in IPAP, the Black Industrialists Scheme is the incentive programme of the Black Industrialists Policy, which aims to promote the participation of black industrialists as manufacturers in key sectors of the economy. The purpose of which, is getting black people directly involved in the origination, creation, significant ownership, management and operation of industrial enterprises that derive value from the manufacturing of goods and services at a large scale.

The level of empowerment in manufacturing remains very low in South Africa and there is a need to see the promotion of "hands-on" black business, as opposed to passive shareholding, if we are to see 'South Africa's Vision 2030' of seeking to eradicate poverty and reduce inequality, become a reality. In this context, the State has a moral obligation to creatively harness national resources towards the resolution of the historical injustice of racial, gender and class exclusion in all spheres of life.

Not only should the BIP aim to build a society that is free and fair, but also focus on transforming the patterns of asset ownership in a manner that promotes spatial integration, high levels of decent employment and demographic transformation of our industrial assets, thus transforming the South African economy into an inclusive economy that creates sustainability for all involved.

The main focus is directed towards manufacturing, industrialisation and economic growth, with the purpose of enhancing these elements, through inclusion of the previously disadvantaged black population into the mainstream economy. Being a key driver of job creation, it is imperative that the country invests in and enables a new generation of black industrialists to help repair South Africa's concerning unemployment figures.

The BIP identification process looks at key elements such as the significant influence in an enterprise or industry and the successful candidates must possess control of an enterprise, through shareholding in the capacity of a board or executive management. The going concern would be required to produce goods or services that present a significant solution to a need in the industry.

Amongst the many benefits, the BIP will enhance black manufacturing enterprises by equipping them with the necessary equity to gain access to the private banking sector and finance to enable expansion. Access to markets has for some time, prevented black entrants into the industrial sector because of their limited marketing capacity and market research, which the BIP will address, to ensure these enterprises have the capacity to explore these niche and overcrowded markets.

The BIP will assist black industrialists to gain entry into the capital markets and aid growth in their respective sectors by forming stakeholder relationships with corporations, banks, development finance institutions and state-owned enterprises.

As with any business, the key to operating it successfully, with the aim of keeping it sustainable, is access to relevant skills and industry-specific knowledge. The DTI aims to remedy this by training business owners and workers in the hope to build capacity that will see these black enterprises thrive.

This significant intervention needs key stakeholders to collaborate in order to see the programme move forward, empowering the black industrial enterprises to grow to their full potential. The progress of the BIP was addressed at the Manufacturing Indaba in 2016 and the discussion will continue at the 2017 Manufacturing Indaba.

Book your seat to be a part of the conversation and see the progress yourself.



About the Manufacturing Indaba

The 4th annual Manufacturing Indaba will be hosted at Emperors Palace in the City of Ekurhuleni from the 27 – 28 June 2017. The event will comprise a two-day conference and exhibition. The event is hosted in partnership with the Department of Trade & Industry, the Department of Science & Technology, the Department of Public Enterprises, the Manufacturing Circle, the City of Ekurhuleni as the Host City and the NCPC-SA.

The aim of the Manufacturing Indaba is to focus on and boost the growth potential of key industry sectors within manufacturing, namely: automotive, construction, metals, forestry, paper & packaging, chemicals, aerospace & defence, industry products and services, and to provide a platform for informative and interactive sessions with the prime movers of the nation's manufacturing sectors.

For more info on this event, or to register for the Small Business Indaba, visit www.manufacturingindaba.co.za

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