**THE NATIONAL ASSEMBLY**

 **QUESTION FOR WRITTEN REPLY**

**Question 2079**

**Mr N F Shivambu (EFF) to ask the Minister of Trade and Industry:**

Whether (a) his department and/or (b) any entities reporting to him are funding, including by way of discretionary funding, any institution of research and development (i) domestically and/or (ii) internationally; if so, (aa)(aaa) what are the names of the specified institutions and (bbb) what are their functions, (bb) from what date has his department or any entity reporting to him been funding them and (cc) what amount has his department contributed towards such funding? NW2301E

**Response:**

a) No institutions are funded by way of ‘discretionary funding’.

b) No **dti** entities fund institutions by way of ‘discretionary funding’.

(i)(aa)(aaa)(bbb)(bb)(cc)

The department works to promote industrialisation and transformation and respond to unemployment, poverty and inequality. The strategic direction of this work is derived from the National Development plan and is underpinned by outcome 4, outcome 7 and outcome 11. In supporting the implementation of the higher-impact industrial policy action plan, the department conducts research on industrial development, growth and equity through the following institutions.

* The Industrial Policy Support Fund (IPSF), is a fund administered by the Industrial Development Corporation (IDC). The fund is utilised for a range of industrial development research programmes and projects to support the work set out in successive iterations of the Industrial Policy Action Plan.
* Trade and Industrial Policy Strategies (TIPS) is a non-profit organisation, which undertakes a wide range of economic and industrial research, training and support work for government-wide initiatives. This work is not ‘discretionary’ but conforms in general to the research needs and imperatives of the department as part of governments industrialisation effort and as set out in successive iterations of the Industrial Policy Action Plan. All TIPS expenditure is subject to external independent audit as required under the Companies Act. Funds have been transferred to TIPS on an annual basis as set out in Table 1 from 2013.
* NEDLAC Trade and Industry Chamber**:** TIC is a NEDLAC’s Chamber that is responsible for processing legislation with a potential socio-economic impact prior to introduction to Parliament. In 1998, TIC established the Fund for Research into Industrial Development, Growth and Equity (FRIDGE) with the objective of funding research into the competitiveness of local industries and firms in order to access international markets and attract investment into the South African economy. The initial funding was provided by the Japanese government. When the Japanese funding ended in 2003, **the dti** was tasked to provide support because of the type of research produced, which was in line with its mandate the MoA was terminated in September 2014
1. ii) No international institutions are funded for the purposes of research and

development.

1. bb) Table 1: Institutions of research and development funded by the Department of Trade and Industry

|  |  |
| --- | --- |
| **Institutions** | **PERIOD & TOTAL AMOUNT** |
| **2014-2015** | **2015-2016** | **2016-2017** |
| Industrial Policy Support Fund (IPSF), IDC | R16 000 000.00 | R10 046 000.00 | R14 111 000.00 |
| Trade & Industrial Policies Strategies (TIPS) | R 14 570 000.00 | R 22745 684.21 | R26 220 771.93 |
|  |  |  |  |
| NEDLAC Trade & Industry Chamber (funded through IDC) | R 724 000.00 | R 1 982 919.00 | R 0 |
| **Grand total** | **R 31 294  000.00** | **R 34 774 603.21** | **R 40 331 771.93** |
|  |  |  |  |