



Mpumalanga Regional Update to the dtic



**NATIONAL
EMPOWERMENT
FUND**
Growing Black Economic Participation

Parliamentary Portfolio Committee Site Visit

at Electron (Puno Global Ventures) – 21 April 2022



- The Parliamentary Portfolio Committee of **the dtic** visited Electron which had been funded through the Black Business Manufacturing Programme, a Fund that was allocated to the NEF by **the dtic** for the benefit of black-owned SMEs operating in the manufacturing sector
- Electron is based in Middleburg, in the Mpumalanga Province.
- **UPDATE:** Electrotron has grown faster than forecasted in their first year since the company received funding to the tune of R18 million from the NEF. During the site visit by the Parliamentary Portfolio Committee, the CEO, Mr Jack Moshoeu noted that access to working capital had then become a barrier to the growth of the company and meant that the customers had to wait weeks for their orders to be fulfilled. The NEF is currently at an advanced stage of concluding due diligence to assess Electrotron's application for a working capital facility of additional R15 million. This additional funding will further unlock growth in business and add at least 20 jobs to the current 57.

Mazikenzi Recycling

Update on support provided

- The NEF Mpumalanga Regional Manager conducted a site visit at Mazikenzi recycling on 20 May 2022. From the visit it was established that the business required funding for:
 - ❑ the acquisition of new production equipment
 - ❑ upgrade of the facility to comply with safety and health requirements
 - ❑ working capital to scale up production
- The lead entrepreneur at Mazikenzi Recycling, Mr Koos Msiza was referred to SEDA on 14 June 2022 to assist him with the compilation of the business plan. SEDA had also agreed to assist Mr Msiza in accessing grants that will complement the envisaged NEF loan funding. The SEDA process has taken longer than anticipated
- As of 12 September 2022, the Mpumalanga NEF office has been assisting Mr Msiza directly in packaging his business proposal which among others include:
 - ❑ Calling equipment suppliers for quotations,
 - ❑ assisting in developing health and safety standard requirements,
 - ❑ assisting with floor factory design and layout that will optimally produce goods to the required standards
 - ❑ writing the investment proposal, which includes the financial model to quantify the financial needs and to demonstrate the viability of the business
- The proposal will be presented to the NEF Investment Committee once all this information has been collated during and should be concluded before the end of November 2022

Mazikenzi Recycling

Images from site visit on 20 May 2022



- The images above show some of the challenges faced by the business, as highlighted in **the dtic PC Trade Oversight Report**



Thank you