

Trade and Industry to launch 10th iteration of IPAP

Trade and Industry Minister Rob Davies will this afternoon launch the tenth iteration of the Industrial Policy Action Plan (IPAP) which places emphasis on stronger interventions to support transformation in the South African economy.



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The IPAP 2018/20 - 2020/21 is the tenth iteration of a rolling annual action plan aligned to successive three year cycles of government planning. It includes a legacy review which provides a high-level summary of the achievements of industrial policy over nine years, said the Department of Trade and Industry (dti).

The plan, which is a key component of the Nine-Point Plan, aims to develop a more competitive and diversified economy with a higher global share of products.

The latest iteration places emphasis on supporting transformation led by the dti's flagship Black Industrialists Scheme inclusive of a bouquet of new and creative incentive measures set out in the incentive section.

"It also outlines a stronger emphasis on a stronger export effort focusing on existing lead and dynamic national export champions and new, especially black-owned entrants.

"IPAP 2018 also includes new, significant interventions to gear up and respond to the challenges and opportunities posed

by the digital industrial revolution,” said the department ahead of the launch.

At the launch of the IPAP nine, the dti reflected on the successes of its predecessor, IPAP eight, which saw major automotive sector investments being made.

The dti said under the Automotive Production and Development Programme (APDP) incentive, R7.8 billion was disbursed, which unlocked R28.5 billion in private investments. These were investments from companies like Toyota SA and the Beijing Automobile International Corporation.

These investments were expected to create approximately 4 720 direct jobs.

When coming to agro-processing, IPAP 2016/17 saw close to R15 billion in private sector investments being leveraged through projects by Nestle, AB Inbev, GWK Farm Foods and Citrus and Deciduous Fruit industries.

The key themes of the ninth iteration of the IPAP which was launched in May 2017 was the focus on contributing to higher levels of inclusive growth, including working with the private sector.

Speaking at the launch of the ninth iteration, Minister Davies said the IPAP is intended to contribute to radical economic transformation.

“I want to say that at its simplest, this means that IPAP must contribute to the achievement of two components simultaneously - that being of bringing about radical change in the structure of our economy in particular to contribute to bringing about structural change that reduces our dependence on the industries and sectors that were designed under colonialism,” said Minister Davies at the time.

Monday’s launch which will take place at Parliament’s Imbizo Media Centre and is expected to get underway at 1pm.

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