

OVERVIEW

DTI :Black Business Supplier Development Programme (BBSDP) OVERVIEW

The Black Business Supplier Development Programme (BBSDP) is a cost-sharing grant offered to black-owned small enterprise to assist them to improve their competitiveness and sustainability in order to become part of the mainstream economy and to create employment.

The programme provides grants to a maximum of R1 million:

R800 000 for tools, machinery and equipment on a 50:50 cost-sharing basis

R200 000 for business development and training interventions per eligible enterprise to improve their corporate governance, management, marketing, productivity and use of modern technology on a 80:20 cost sharing basis.

Objectives of the incentive scheme

- To fast track existing SMMEs that exhibit good potential for growth into the mainstream economy;
- To grow black-owned enterprises by fostering linkages between black SMMEs and the corporate and public sector enterprise;
- To complement current affirmative procurement and outsourcing initiatives of corporate and public sector enterprise;
- To enhance the capacity of grant recipient enterprises to successfully compete for corporate and public sector tenders and outsourcing opportunities.

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- Qualifying criteria of the incentive scheme
- Fifty-one percent (51%) black majority shareholding;
- R250 000 to R35 million turnover per year;
- One year in operation and trading as a business;
- Fifty percent (50%) management positions held by black people (historically disadvantaged individuals);
- Enterprises formally registered for VAT;
- Eligible to obtain funding to a maximum of R1 million:
 - R800 000 for tools, machinery and equipment on a 50:50 cost-sharing basis
 - R200 000 for business development and training interventions per eligible enterprise to improve their corporate governance, management, marketing, productivity and use of modern technology on a 80:20 cost sharing basis.
- Be operating and trading for at least one financial year – at the sole discretion of the dti, an enterprise that has been operational/registered for less than a year may be considered for this incentive, provided that the enterprise can provide sufficient evidence to service a tender/contract.