

**GOVERNMENT OF INDIA  
MICRO, SMALL AND MEDIUM ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:1793  
ANSWERED ON:01.12.2011  
CO OPERATION WITH SOUTH AFRICA IN MSME SECTOR  
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**Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:**

- (a) whether the Government has entered into an agreement with South Africa for co-operation in micro, small and medium enterprises (MSMEs) Sector;
- (b) if so, the details thereof, including the terms and conditions of the agreement and
- (c) the benefits likely to accrue from the said agreement?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI VIRBHADRA SINGH)

(a)&(b): No Madam. Ministry of Micro, Small and Medium Enterprises, Government of India has not entered into an agreement with South Africa for co-operation in micro, small and medium enterprises (MSMEs) Sector. However, the National Small Industries Corporation Ltd. (NSIC), a Public Sector Undertaking under the administrative control of the Ministry of Micro, Small and Medium Enterprises (MSME) had signed a Memorandum of Understanding (MoU) with Small Enterprise Development Agency (SEDA) of South Africa in August 2006 for cooperation in the development of SMEs in South Africa. This MoU was valid upto July 2009. The main areas of cooperation between the two organizations for development on mutually agreed terms and conditions for each activity were:

- (i) Supply of small projects;
- (ii) Disseminating information on goods, services and partnership / joint venture possibilities;
- (iii) Entrepreneurship Development;
- (iv) Facilitating enterprise to enterprise contacts;
- (v) Exchange of technology and business missions to enhance business alliances;
- (vi) Organization of technology expositions and participation in International Trade Fairs;
- (vii) Conducting Feasibility Studies;
- (viii) Developing Policy & Institutional Framework and
- (ix) Setting up of Incubation Centres & Vocational Training Centres.

(c) During the period of agreement between NSIC and SEDA, number of official delegation from South Africa visited India and were exposed to manufacturing capabilities of various Indian MSMEs. Business delegation from India also visited South Africa in March, 2007. NSIC has supplied a number of MSME projects to various entrepreneurs/ organizations in South Africa which includes staple pin & gem clip manufacturing machines, aluminum foil rewinding machine, toilet roll manufacturing plant, paper napkin manufacturing plant, wire nail manufacturing machine, toilet roll and band-saw plant and plastic technology projects installed at Soshanguve Manufacturing Technology Demonstration Centre (SMTDC). NSIC has also helped Indian MSME to export several products manufactured by Indian MSMEs viz. builder hardware, black antique hardware, garments, etc. to South Africa.