

CLOTHING AND TEXTILE COMPETITIVENESS PROGRAMME (CTCP) – SPENDING AND PROGRAMME OUTCOMES REVIEW

Government overview of the Clothing and Textile Competitiveness Programme (CTCP). Summary information below is for assessing the overall expenditure and the achieved results of the CTCP initiative.

The Government of South Africa set up the **Clothing and Textile Competitiveness Programme (CTCP)** in response to the millions of local jobs lost due to the 2007/08 global financial crisis.

The programme was designed to stabilise employment and improve overall competitiveness for the sector. Achieved through:

- *Changing the structure of the clothing, textiles, footwear, leather & leather goods manufacturing industries by providing funding assistance to invest in competitiveness improvement interventions.*

The **CTCP** is hosted by the **Industrial Development Corporation (IDC)** and is made up of two components:

- **Production Incentive Programme (PIP)**
- **Competitiveness Improvement Programme (CIP)**

CTCP is a critical component of the Retail, Clothing, Textile, Footwear and Leather (**RCTFL**) Master Plan.



RETAIL



CLOTHING



TEXTILE



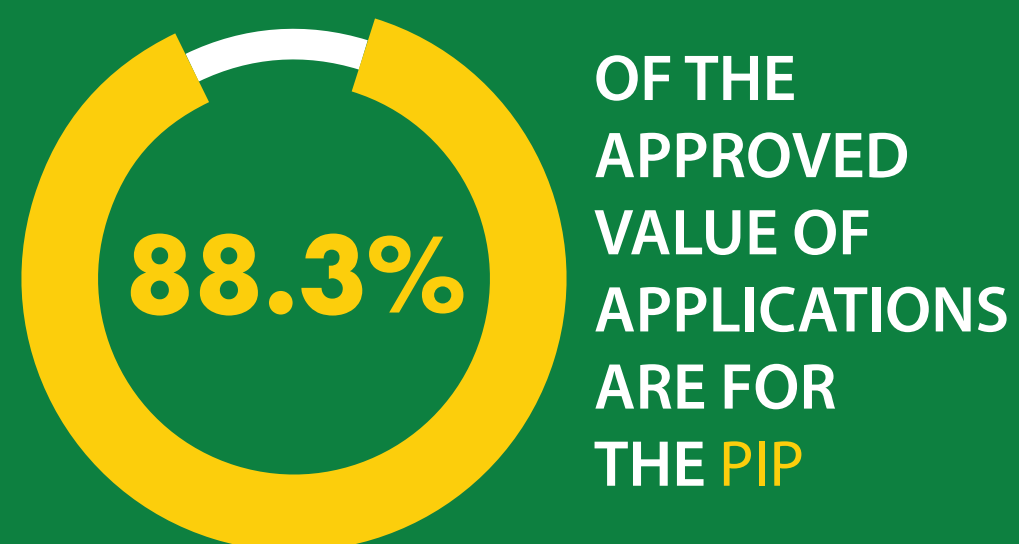
FOOTWEAR



LEATHER

CAN THE CTCP SELF-SUSTAIN IF GOVERNMENT WITHDRAWS OR REDUCES SPENDING ON THE PROGRAMME?

GOVERNMENT SPENDING ON CTCP TO DATE
±R7.6 BILLION



2,392 APPLICATIONS WERE APPROVED } **97.2% UNDER THE PIP**

LARGEST SINGLE BENEFICIARY APPROVED UNDER PIP **R243.1 MILLION**

SMALLEST SINGLE BENEFICIARY APPROVED UNDER PIP **R100,000 MILLION**

CIP approved amounts for each applicant were below **R70 million** with one exception of **R231.6 MILLION** that was granted for a single project

CTCP SPENDING PER SECTOR

TEXTILES SUBSECTOR
R1.3 BILLION

CLOTHING SUBSECTOR
R2.2 BILLION

TECHNICAL TEXTILES
R968 MILLION

FOOTWEAR
R840 MILLION

PIP APPROVALS

CLOTHING
R265.8 MILLION

TEXTILES
R285.1 MILLION

FOOTWEAR
R208.1 MILLION

CIP APPROVALS

POSITIVE GAINS OF THE CTCP



5,699
JOBS CREATED
BETWEEN 2011 & 2018

A comprehensive review of the CTCP is required in order to inform concrete steps towards the programme