



AEROSPACE MARITIME DEFENCE

ANNUAL REPORT FOR THE
FINANCIAL YEAR **2023/2024**



Oceans Economy Conference & Expo 2024

The Oceans Economy Conference & Expo 2024, held on May 22nd and 23rd in Cape Town, stood as the premier gathering for Southern Africa's maritime industry. This high-level event brought together leaders from both commercial and defence sectors, covering a wide array of topics including transport, logistics, offshore industries, tourism, and security at sea. The conference aimed to propel innovation, ensure the sustainable development of maritime resources, and drive advancements in the sector through the exhibition of cutting-edge technologies and robust industry discussions.

Event Overview

The anticipation for the event was high, with expectations of driving discussions on new maritime technologies and strategies for safeguarding South Africa's maritime assets. The conference aimed to spotlight themes ranging from fishing and environmental affairs to naval strategies and sea rescue. With a diverse audience of industry professionals and decision-makers, the event served as a platform for companies to demonstrate their expertise, engage with potential clients and partners, and enhance collaboration within the maritime sector.

Attendance

The event attracted over 350 delegates, including prominent officials, industry experts, and stakeholders, fostering a comprehensive and inclusive dialogue on the future of the maritime industry.





AAD Fast Facts

- One of the top six exhibitions in the world.
- Premier exhibition on the African Continent.
- Africa's only exhibition that showcases both defence and aerospace technologies.
- Hosted biennially at Waterkloof Air Force Base, City of Tshwane, South Africa's administrative capital.

Trade Exhibition / 18 – 20 September 2024

Public Air Show / 21 – 22 September 2024

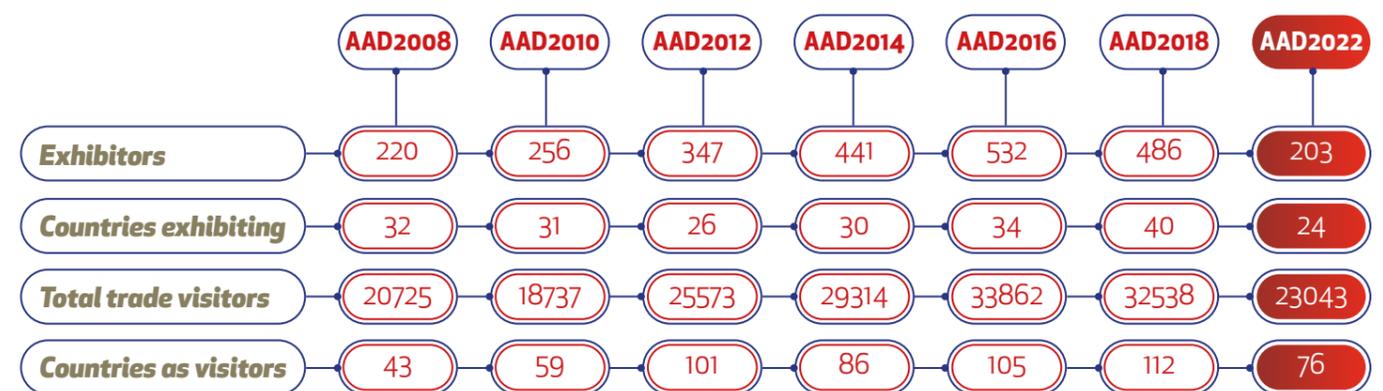
Partners



Supported By



AAD Statistics



About AAD

The exhibition and air show is managed through a partnership between the South African Department of Defence, its acquisition agency, the Armaments Corporation of South Africa (Armscor), the South African Aerospace, Maritime and Defence Industry Association (AMD) and the Commercial Aviation Association of South Africa (CAASA). Each entity has an opportunity to host the event on a rotation basis.

The event is further supported by strategic partners, notably the Gauteng Growth and Development Agency (GGDA) and the City of Tshwane.

Institutional support is provided by several government departments, including the State Security Agency (SSA), Department of Trade, Industry and Competition (DTIC) and the Department of International Relations and Cooperation (DIRCO), as well as the South African Police Service (SAPS) and the Tshwane Metro Police Department (TMPD).



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THE SOUTH AFRICAN DEFENCE INDUSTRY



The SADI's competitive advantages include not only price and quality of their products and systems, but also other considerations that count in its favour



The South African Defence Industry, (SADI), is a cluster of South African private and public sector organizations that are involved in the design, development, manufacture and maintenance of landwards, aerospace and maritime defence systems as well as the provision of mission specific systems and sub-systems along with the required enabling capabilities like training, modelling and simulation.

Recently recognised as a strategic industrial sector of the South African economic landscape, the SADI's

uniqueness is further entrenched by the fact that it this sector is an integral part of the South African National Defence Force's (SANDF) capabilities especially in relation to the support, maintenance, repair and overhaul of operational systems as well as being subject to stringent governmental regulations on non-proliferation and conventional arms control.

The SADI's competitive advantages include not only price and quality of their products and systems, but also other considerations that count in its favour. One of

the key characteristics of the SADI is its jealously guarded 'independence' as a defence industrial capability that can offer a viable alternative to non-aligned / non-NATO defence clients who value access to a reliable supply of defence equipment and services. Second, the size, ingenuity and interdependence of the SADI allow it to respond swiftly and flexibly to new requirements with some developments reaching fruition in 6 to 9 months from inception. Lastly, the SADI's key and primary client, the SANDF, operates in the diverse

and exacting climatic and geographical conditions of the African continent. This means the SADI's offering is designed to function optimally in all these conditions and is thus ideal for most defence applications virtually anywhere in the world. All these factors are then made even more worthwhile by the strong defence electronics bias within the SADI making it an ideal partner that is able to offer systems design, engineering and integration capabilities in upgrading and customising foreign defence systems for third-party markets.



INTERNATIONAL INVESTORS

 **SAFRAN**

aselsan

 **RHEINMETALL**
DENEL MUNITION

 **SAAB**

THALES
Building a future we can all trust

DCD PROTECTED MOBILITY

 **EMBRAER**

DAMEN
SHIPYARDS CAPE TOWN

 **LASER**
SPECIALISED LOGISTICS
Delivering your strategy.

AIRBUS



AMD is the Aerospace, Maritime and Defence Industries Association of South Africa and has as its primary objective the representation of the industry in matters of mutual interest and the promotion of a profitable, sustainable and responsible industry.

The Association is acknowledged as the only trade association of the South African defence industry (SADI) and is mandated by its members to promote and champion the collective interests of the industry. It comprises of a cluster of leading companies in the South African private and public sector engaged in industrial and trade processes of defence-related material, products and services.

AMD assists and provides guidance in harnessing the collective effort of the SADI as these companies play a key role in the defence acquisition and supply chain. This ensures that cost effective and sustainable solutions are offered to its broad client base that meets the most stringent technical requirements, comparing or even exceeding international standards.

AMD member companies supply products and services to the Department of Defence (DOD), government organisations and other contractors, both locally and internationally, in the defence and security market place. As the SADI is one of the cornerstones of a stable and growing South African economy, AMD is responsible for ensuring that a world-class indigenous defence industry capability is maintained in a sustainable manner. Providing high-tech solutions at competitive prices is a constant requirement to secure export orders, which in turn lead to skills development, job creation and retention. This also assists the South African government in executing its foreign policy imperatives and agreed upon international responsibilities in the region and African continent.



AMD'S VISION

"To create an enabling environment for SADI to ensure long-term sustainability locally and internationally".

AMD'S MISSION

"AMD is a credible and legitimate representative of SADI that contributes optimally to national security, industrial and technology objectives".

SADI COMMON INTEREST

- Profitability and sustainability.
- Certainty of planning (content and horizon).
- Home market advantages (including R&D, preferential access).
- Government Support for Export (Political support); and
- Responsible corporate citizenship.



Michelle Nxumalo
ACTING CHAIRPERSON

ACTING CHAIRPERSON REPORT

Welcome to the 2024 AMD Annual Report, I would like to express my gratitude on behalf of the board to the outgoing Chairperson, Ms Nombasa Ndhlovu, and Deputy Chairperson, Mr Deon Olivier, for their contribution and tireless efforts in advancing the association's goals.

This year's report will follow the following structure:

- 1. Overview of Key Highlights:** I will outline the significant achievements and challenges of the financial year under review and discuss the outlook for the remainder of the year.
- 2. Executive Director's Report:** The Executive Director will provide a detailed feedback on AMD's activities over the past financial year.
- 3. Financial Report:** The Honorary Treasurer will present last year's financial statements, followed by a report from the Honorary Secretary.

After these reports, I will deliver my closing address, reflecting on key highlights and challenges from the past year and outlining focal areas for the future.

Achievements

The past year has seen remarkable achievements, demonstrating our resilience and innovation:

- **AMD Capability Demo Day:** This event successfully showcased the cutting-edge capabilities of our industry to both local and international stakeholders. The demonstration highlighted our technological advancements and strategic capabilities, leading to potential collaborations and increased interest from global partners.
- **Sovereign Security Conference:** This pivotal conference provided a platform for discussing critical issues in national security, underscoring the

strategic importance of a robust defence industry. It facilitated high-level dialogues on enhancing sovereign security, resulting in actionable insights and policy recommendations that strengthen our national defence posture.

- **AGOA Participation:** Our involvement in the African Growth and Opportunity Act (AGOA) forum underscored the potential of African growth opportunities and partnerships. It provided a unique opportunity to engage with U.S. stakeholders, exploring avenues for expanding our market reach and strengthening bilateral trade relations.
- **BRICS Expo Participation:** Our members had a successful participation in the BRICS Expo at the Gallagher Estate in August 2023. This event provided an excellent platform for showcasing our industry's capabilities and forging new partnerships with international stakeholders.
- **PPP Conference:** This conference was a significant milestone, fostering essential discussions on public-private partnerships. A key highlight was the scope presentation to the Chief SANDF following the PPP conference. The Chief's support for contracting for availability and capability led to concrete, costed proposals outlining industry contributions to the SANDF. These proposals are now poised for further discussion with the incoming 7th administration, potentially transforming our defence procurement processes.
- **National Safety and Security Town Hall:** This inaugural event addressed pressing issues in safety and security, reinforcing our commitment to the sector. It brought together experts and stakeholders to discuss innovative solutions for enhancing national safety, resulting in a comprehensive

“ we are excited about the upcoming 12th edition of AAD2024 taking place in September, which promises to be an even greater showcase

strategy to tackle emerging security challenges.

- **Oceans Economy Conference and Expo:** This inaugural event emphasised the significance of the maritime sector, with in-depth discussions on innovation and sustainability. It showcased the latest advancements in maritime technology and strategies for sustainable ocean resource management, positioning our maritime industry as a leader in global maritime affairs.
- **AMD Newsletter:** The introduction of the AMD Newsletter has been a resounding success, with five monthly issues published so far. This newsletter has become a vital communication tool, keeping our members informed and engaged with industry developments, policy updates, and upcoming events.
- **Membership Growth:** We have seen a significant increase in AMD membership, reflecting our expanding influence and reach. This growth not only strengthens our collective voice but also enhances our ability to advocate for the interests of the defence industry effectively.

Looking ahead, we are excited about the upcoming 12th edition of AAD2024 taking place in September, which promises to be an even greater showcase of our industries and the globe's advancements. The anticipation is high as we prepare to exhibit cutting-edge technologies and stimulate new collaborations, positioning AAD2024 as a premier event on the global defence calendar.

Challenges

Ladies and gentlemen, despite our successes, we continue to face significant challenges. These include, but are not limited to:

- **Declining Defence Budget:** The reduction in the South African Defence budget has hindered our growth, impacted investment perceptions and has resulted in fewer opportunities and projects.
- **Export Permits:** The slow issuance of export permits remains a major inhibitor to our sector's growth.
- **DCAC still has not gone digital.** This process remains delayed by three years.
- **Technological Obsolescence:** Slow progress in stabilizing the defence sector risks rendering our technological capabilities obsolete in the global arena, diminishing our export potential.

With your support, the AMD office will continue to address these issues, driving for expedient resolutions that strengthen both the Association and the industry.

Future Focus Areas

To navigate these challenges, our focus must include:

- **Exports:** Significantly growing exports with renewed emphasis on SAAMDEC, SADID, and promotional platforms such as DEFCOMS, trade missions, shows, and exhibitions.
- **Localisation and Designation:** Enabling fleet procurement across industry and capability areas, particularly in relation to the national security cluster's requirements.
- **Partnerships:** Forming strategic partnerships with other industries to complement and supplement our unique electronic sub-systems capabilities.

This AGM also brings to an end the Term of Office of the current Board, under the leadership of myself. Despite the numerous challenges that have been faced by the Association and the Sector, in my capacity as Acting Chairperson since the departure of Ms Nombasa Ndhlovu, I have steadily grasped the helm and favourably steered the ship in these last six months of the current Board term.

Closing

Every year brings new challenges to our dynamic industry, but we continue to face them head-on, working tirelessly with all stakeholders to ensure the sector's sustainability and survival. I urge all members to stand together as we navigate these hurdles.

On behalf of the Board, I want to acknowledge and appreciate the outstanding efforts of our Executive Director, Mr Sandile Ndlovu, for his leadership, commitment, and resilience during a challenging year. I also extend my gratitude to the AMD Office staff for their hard work and dedication.

Thank you to all fellow members of AMD for your sacrifices, contributions and invaluable voluntary support in fulfilling your roles as custodians of the Association. I am eternally grateful for the opportunity to serve as Acting Chairperson of the AMD board. It has been a challenging, yet fulfilling and rewarding journey.

This year we will elect a new Board and I want to use this opportunity to pledge my support to them and to wish them all the best in their efforts to steer the Association to greater heights.

We look to the future with much enthusiasm and optimism. Lastly, thank you to our members and every stakeholder for your continued support.

I thank you.

Ms Michelle Nxumalo
AMD Acting Chairperson





SANDILE NDLOVU
EXECUTIVE DIRECTOR

“ Our relentless efforts are finally bearing fruit, as evidenced by the increased interaction between industry and our primary stakeholders, the government and the Department of Defence (DoD)

EXECUTIVE DIRECTOR'S REPORT

Welcome to the AMD Elective Annual General Meeting. It is with great pride and a deep sense of responsibility that I stand before you today. This occasion marks a pivotal moment in the history of our Association. As we gather to reflect on our achievements, confront our challenges and chart a course for the future, I am honoured to share with you the progress we have made, the insights we have garnered and the strategic directions we are poised to take.

Progress achieved through the AMD PoA for Committees

Ladies and gentlemen, over the past year, the AMD Program of Action (PoA) for Committees has achieved remarkable strides. At the core of our association's mission is our role as a lobbying entity, advocating tirelessly for government support.

Our relentless efforts are finally bearing fruit, as evidenced by the increased interaction between industry and our primary stakeholders, the government and the Department of Defence (DoD).

Through the Public-Private Partnership (PPP) initiative, we have successfully undertaken projects that have opened unprecedented access to key governmental bodies such as the Department of Cooperative Governance and the National Treasury. This is a testament to our tireless efforts and the unwavering dedication of our committees.

However, there remains more to be tackled. We must continue to strengthen these relationships, ensuring sustained support and collaboration, and addressing any emerging challenges with agility and foresight.

Repositioning of SADI

In June 2022, the Boards of SAAMDEC and AMD took a visionary step by commissioning a task team under the astute leadership of Mr Peter van der Bijl, a stalwart in our industry. The mandate was clear: to review and confirm the relevance of both AMD and SAAMDEC, especially considering AMD's 30-year legacy. This task team engaged deeply with our critical stakeholders, garnering valuable insights into their perspectives and expectations.

The outcome was a resounding reaffirmation of the relevance of our industry structures. However, it also highlighted areas for improvement to enhance efficiency, effectiveness, and cost reduction. A key recommendation was the appointment of a prominent individual of impeccable stature, with profound knowledge and understanding of our industry, to serve as a lobbyist. This individual will champion and advocate for the collective interests of the South African Defence Industry (SADI) at all levels of government.

Additionally, the task team recommended a combined organisational structure under the Operating Model and Internal Capacity Recommendations.

“ This growth not only strengthens our collective voice but also enhances our capacity to advocate more effectively for the industry’s interests.

This structure envisages a unification of AMD and SAAMDEC under a single CEO/Executive Director, while retaining both Boards. This combined structure is poised to service both organisations more effectively, fostering a cohesive and powerful voice for our industry.

Impact of AMD’s Involvement in Key Conferences and Forums

Our active participation in key conferences and forums has significantly bolstered industry collaborations from an operational perspective. These platforms have facilitated critical discussions, knowledge exchange, and networking opportunities, leading to strengthened partnerships and collaborative ventures. By engaging with industry leaders, policymakers, and stakeholders, we have managed to position AMD as a pivotal player on both the national and the international stage, thereby enhancing our strategic influence and operational efficacy.

Growth and Impact of the AMD Newsletter and Digital Marketing

We acknowledge that communication remains the lifeblood of our association, and the AMD Newsletter has emerged as a powerful tool in this regard. Over the past year, we have witnessed substantial growth in its reach and impact.

The AMD Newsletter has become an indispensable resource for our members, providing timely updates, insights, and analyses on industry trends, regulatory changes, and AMD activities.

Furthermore, our enhanced digital marketing efforts have significantly improved AMD’s visibility. By leveraging social media, targeted campaigns, and digital content, we have successfully reached a wider audience, engaging stakeholders more effectively and amplifying our advocacy efforts.

Significance of Membership Growth and Its Implications for Industry Advocacy

Members, Growing membership is a clear indicator of

our association’s vitality and influence. We are proud to report a steady increase in our membership base, reflecting the growing recognition of AMD’s value proposition.

This growth not only strengthens our collective voice but also enhances our capacity to advocate more effectively for the industry’s interests. Each new member brings unique perspectives, expertise, and resources, enriching our community and bolstering our advocacy efforts.

Transition Management Strategy for Minimising Election Impacts

Chair, the 2024 elections have presented both opportunities and challenges for our industry. To navigate this transition smoothly, we have developed a comprehensive management strategy, with invaluable insights from RisRecon.

A key component of this strategy is the Transition’24 Exercise, designed to track and manage the outcomes of this recent election and their impact on the Defence Manufacturing Industry (DMI). This exercise involves profiling and tracking critical appointments and processes, including the Presidency, presidential advisors, cabinet portfolios, and key committees.

By closely monitoring these developments, we can proactively engage with the new administration and strategically position our industry to influence regulatory decisions and processes. Our focus will be on interpreting election results, projecting government formation scenarios, and mapping the emerging stakeholder landscape to ensure our industry’s interests are well-represented.

Upcoming Events: AAD2024 and Their Potential Importance for the Industry

Looking ahead, we are eagerly anticipating the Africa Aerospace and Defence (AAD) 2024 exhibition. This event represents a crucial opportunity for our industry to showcase its capabilities, innovations, and contributions to national security and economic development. AAD2024 will provide a platform for networking, collaboration, and business development, attracting key stakeholders from around the globe.

It is imperative that we leverage this event to highlight our achievements, explore new opportunities, and reinforce our strategic partnerships.

Acknowledgement of the Outgoing Board

Before I conclude, it is essential to acknowledge the immense contributions of our outgoing Board. Over the past term, their dedication, leadership, and vision have been instrumental in steering AMD through a period of significant growth and transformation.

Their tireless efforts have laid a strong foundation for our future endeavours. On behalf of the entire association, I extend our deepest gratitude to each member of the outgoing Board for their invaluable service and commitment.

Special thanks to Michelle Nxumalo (outgoing Acting Chairperson) I would like to extend a profound thank you to our outgoing Acting Chairperson, Ms Michelle Nxumalo. Over the past six months, Ms Nxumalo has demonstrated exceptional leadership and dedication, holding down the fort and guiding us through a critical period with grace and determination.

Her contribution has been invaluable, and her leadership has ensured the stability and continued progress of our association. Chair, we are deeply grateful for your service and the positive impact you have made and we wish you all the best in your future endeavours, mam.

Best Wishes to the Incoming Board

As we welcome the incoming Board, I am filled with optimism and confidence. I wish you all the best as you take on this critical responsibility. Your fresh perspectives and innovative ideas will be crucial as we navigate the challenges and opportunities ahead.

I am confident that under your leadership, AMD will continue to thrive and make significant strides in advancing the interests of our industry.

Conclusion

In conclusion, as we reflect on the progress we have made and the challenges that lie ahead, I am filled with optimism and confidence in our collective ability to drive the South African Defence Industry to new heights.

Our achievements are a testament to our resilience, dedication, and unwavering commitment to excellence. Together, we will continue to advocate for our industry’s interests, foster innovation, and strengthen our strategic partnerships.

I thank you all for your tireless efforts, unwavering support, and steadfast commitment to our shared vision. I also extend my gratitude to the AMD Office staff (Sindi, Tshenolo, Samukelo, Magda and Neo) for their hard work and dedication. Let us move forward with renewed vigour, united in our purpose, and resolute in our determination to build a stronger, more vibrant, and globally competitive South African Defence Industry.

Thank you

Sandile Ndlovu
AMD Executive Director



PROGRAMME OF ACTION

A. POLICY & STRATEGY COMMITTEE: 2023 - 2025

DRIVER/GOAL	ACTION	OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
1. Firmly establish Aerospace and Defence as a Key Sector in the wider South African Industry.	Continue to lobby all critical stakeholders for the realisation of this goal. Stakeholders to be lobbied are: <ul style="list-style-type: none"> • Presidency • DIRCO • DOD • DTIC • NCACC 	SADI is accepted as a key economic sector for the country. SADI is adequately supported, especially politically	Recommendations were made by the SADI Repositioning Task team and were approved for implementation by the Board.	A stakeholder engagement strategy needs to be developed. A strategy that will target the identified stakeholders and have very specific message for each stakeholder.
2. Prioritise SADI as a key sector in all bilateral and multilateral engagements by the president and all relevant Ministers Leveraging SA participation in BRICS	Engage the Presidency on the inclusion of SADI in all outgoing and incoming Presidential engagements.	For defence to feature prominently in South Africa's bilateral engagement strategy.	As per recommendations of the SADI Repositioning Task Team, Chairperson of Stature to lead the Board still needs to be elected. This is an ongoing process.	Future Committee needs to ensure the framework for SADI's participation in bilateral and multilateral engagements is operational.
3. Public-Private Partnership policy – as a potential acquisition policy of the State.	Develop a PPP policy framework that is workable and acceptable to DOD.	A minimum of 3 PPP projects implemented.	PPP Conference was hosted. Scope presentation was made to Chief SANDF. Projects have been identified and proposals drafted and sent to the Chief SANDF.	These proposals are now poised for further discussion with the incoming administration SANDF to identify (together with DOD) projects to be implemented through PPP.

B. INNOVATION AND FUTURE DEFENCE COMMITTEE: 2023 - 2025

DRIVER/GOAL	ACTION	OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
1. Providing Mission-centric Technology Solutions	Contribute to SADI's solution package to the Sector-to-Sector engagements through the PPGI platform	A bouquet of SADI offerings made available to AMD Coordinating Office	A framework was developed through Azimuth (AMD Coordinating Office) to ensure a fair and objective participation process. Azimuth briefed the Chair and Vice-Chair of the committee and thereafter, it was made available to the committee members.	None in this regard.

DRIVER/GOAL	ACTION	OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
2. Providing Green Energy Technology Solutions	Alternative energy solutions for Defence Facilities as directed by MOD in the 2023 Ministerial Budget Speech	A bouquet of SADI offerings made available to AMD Coordinating Office	A framework was developed through Azimuth (AMD Coordinating Office) to ensure a fair and objective participation process	None in this regard
3. Contributing towards the DOD/Armcor Procurement Reforms	Aligning the Procurement Process with SANDF Operational Requirements (MODMV Guidelines 2023)	AMD Position Paper	This is an ongoing process	The Draft Position Paper remains to be tabled at the November IFDC Meeting There needs to be an AMD Position paper in place.

C. INNOVATION AND FUTURE DEFENCE COMMITTEE: 2023 - 2025

4. Providing Protection Technology Solutions for Critical Infrastructure	The Critical Infrastructure Act, 2019 requires that all declared C.I. be protected. SADI should be the preferred Sector to provide such protection. The National Commissioner should be engaged to this extent.	An MOU between AMD and the Critical Infrastructure Council or any other structure with the mandate.	This remains an ongoing process.	Future committee still to compile a technology solution for Critical Infrastructure by mid-June. Future Committee to also confirm the availability of individuals to contribute towards inputs in this regard.
5. Participating in the UN Technology in Peacekeeping Programme by providing technology proposals for consideration by the Directorate Ops Support.	Leverage exposure of the PTP6 hosting to access the UN technology market space.	A bouquet of SADI offerings made available to AMD Coordinating Office	This is an ongoing process.	Since the UN entry point is the Government MOU, Armcor/ DTD must still be engaged to buy into the strategy. AMD Coordinating Office to assist.
6. Continuing the push for the Commercialisation of Defence IP	The matter must be elevated to MODMV since she mentioned it in her Budget Vote Speech 2023.	AMD Position Paper	The Proposal was tabled to NDIC in 2021 and armcor is delaying the process. Letter was drafted to CEO of Armcor to discuss item amongst other things.	The future committee should convert this proposal into AMD Position Paper and re-submitted. AMD EXCO/Board to approve. New committee to take further action. 3

D. MANUFACTURING COMMITTEE: 2023 – 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Developing inter-sectoral Defence Industry opportunities in the local and regional environment	<p>Segment the local Market and the regional market by product or end- user.</p> <p>Segment the local market by product Eg Armoured vehicles.</p> <p>Identify and profile potential clients for armoured vehicles (SANDF, Police, Border management Authority, G4S, Protection units of critical infrastructure)</p> <p>-Segmenting the local market at end-user level.</p> <p>-Identify end-user groups (government military forces, law enforcement agencies, private security firms, intelligence agencies)</p> <p>-Conduct in-depth research to understand the unique needs, requirements, and challenges faced by each end-user group</p> <p>-Tailor products, services, and marketing efforts to meet the distinct requirements of different end-user groups within the defense industry.</p>	<p>To identify/ create or develop opportunities that would ensure a long- term relationship between industry and the identified clients.</p> <p>Client identification and profiling by SADI</p> <p>In order to understand the unique challenges and objectives of each client to tailor offerings accordingly.</p> <p>Long term Relationship Building ensured by SADI through:</p> <p>-Focusing on building strategic partnerships rather than one-time transactions.</p> <p>-Providing ongoing support, training, and maintenance services to strengthen the client relationship.</p> <p>-A developed nuanced understanding of the defence industry customer base.</p>	Manufacturing Committee	

D. MANUFACTURING COMMITTEE: 2023 – 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Support new opportunities in Borderline Management	<p>-Identify opportunities for SADI within the borderline management space by having structured engagements with the Borderline management Authority.</p> <p>-Identify relevant role- players to participate in these engagements with the BMA.</p> <p>Develop proposals and project recommendations to the BMA for the rolling out of their security requirements.</p> <p>SADI Reps must then go through these requirements and identify one they would want to sponsor for consideration in a PPP framework.</p>	<p>-Ensuring that whatever is proposed from a collective responsibility is a solution that will encompass the bulk of companies as a defence sector.</p> <p>-A driven team that will ensure fruitful engagements.</p> <p>-Ensuring alignment with BMA initiatives.</p>	Manufacturing Committee	

D. MANUFACTURING COMMITTEE: 2023 - 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Align fully with the opportunities associated with the rebirth of Denel	<ul style="list-style-type: none"> -Engage Denel to determine the opportunities associated with its rebirth. -Identify individuals to implement the identified opportunities. -Develop a robust implementation plan outlining the steps, timelines, and resources needed to capitalise on the identified opportunities. -Draw up a plan addressing potential challenges, risk mitigation strategies, and key performance indicators to measure the success of the initiatives. -Establishment of clear communication channels and reporting structures to ensure transparency and accountability in the implementation process. 	<ul style="list-style-type: none"> -An expected outcome would be to capitalize on the identified opportunities. -A robust task team to oversee the implementation process. -To gain a clear understanding of the scope of work involved in the implementation process. -To ensure preparedness and safeguard against any unforeseen risk and to efficiently monitor progress. -The successful implementation of a fair and equitable implementation process 	Manufacturing Committee	

D. MANUFACTURING COMMITTEE: 2023 - 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Support new opportunities in Borderline Management	<ul style="list-style-type: none"> -Identify opportunities for SADI within the borderline management space by having structured engagements with the Borderline management Authority. -Identify relevant role- players to participate in these engagements with the BMA. Develop proposals and project recommendations to the BMA for the rolling out of their security requirements. SADI Reps must then go through these requirements and identify one they would want to sponsor for consideration in a PPP framework. 	<ul style="list-style-type: none"> -Ensuring that whatever is proposed from a collective responsibility is a solution that will encompass the bulk of companies as a defence sector. -A driven team that will ensure fruitful engagements. -Ensuring alignment with BMA initiatives. 	Manufacturing Committee	

D. MANUFACTURING COMMITTEE: 2023 – 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Africa Continental Free Trade Agreement	<ul style="list-style-type: none"> -Engage Denel to determine the opportunities associated with its rebirth. -Identify individuals to implement the identified opportunities. -Develop a robust implementation plan outlining the steps, timelines, and resources needed to capitalise on the identified opportunities. -Draw up a plan addressing potential challenges, risk mitigation strategies, and key performance indicators to measure the success of the initiatives. -Establishment of clear communication channels and reporting structures to ensure transparency and accountability in the implementation process. 	<ul style="list-style-type: none"> -An expected outcome would be to capitalize on the identified opportunities. -A robust task team to oversee the implementation process. -To gain a clear understanding of the scope of work involved in the implementation process. -To ensure preparedness and safeguard against any unforeseen risk and to efficiently monitor progress. -The successful implementation of a fair and equitable implementation process 	Manufacturing Committee	
Manufacturing Value Chains	Segment value chains by drawing up a clear value chain map (supply chain map, component map)	To gain a clearer understanding of SADI value chains and the number of suppliers involved in the production of a vehicles in order to efficiently determine which value chains to prioritise.	Manufacturing committee	

D. MANUFACTURING COMMITTEE: 2023 – 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
BRICS + opportunities	<ul style="list-style-type: none"> Identify potential trade and export opportunities within BRICs for SADI. -Devise a plan to exploit identified trade and export opportunities through the dtic. Identify individuals who will tackle the scope of work involved in the implementation process of this plan. 	<ul style="list-style-type: none"> Gaining a clear understanding of how SADI can align itself to BRICS initiatives. -Capitalising on trade and export opportunities A team to oversee the successful implementation process of this plan 	Manufacturing Committee	
E. EXPORTS COMMITTEE: 2023 – 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Modernisation and Digitalisation of DCAC to improve efficiencies and facilitate Defence Industry Exports	<ul style="list-style-type: none"> • Engagement with Industry to provide industry feedback on proposed areas of improved (e.g. workshop/survey) 	Survey or Workshop with Industry members to arrive at common position on proposed improvements	Action items for new committee – needs to be treated as a matter of urgency	Awaits DCAC greenlight – will be attended to in the new administration. Still in progress – should not affect process of permits. The Implementation can only be done by the DOD although industry offered their assistance and knowledge.
Engagements with DCAC on the Amendments of the National Conventional Arms Control Act 2002 (41 of 2002)	<ul style="list-style-type: none"> • Engagement with DCAC on Industry feedback/input Planning of SADI Day 	<ul style="list-style-type: none"> Presentation of Industry feedback to DCAC with focus on: - Status of current initiatives - Targets for turnaround plan Focused support required from stakeholders, including government and industry 		<ul style="list-style-type: none"> This issue is long outstanding. The individual (chairperson) to be appointed, was necessary to ensure that the NCACC Act, under the new administration be prioritise to modernise and bring in line with the export focus sector. All inputs from industry are ready and available.

E. EXPORTS COMMITTEE: 2023 - 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
Improvement of market access through focused dialogue with DIRCO/DTIC/DoD/ Presidency	<ul style="list-style-type: none"> Engagement with Industry on market access challenges which may be ameliorated by government dialogue Engagement with relevant government departments to inform the agenda of Bilateral Trade Agreements/ Bilateral Defence Co-operation Agreements and Joint Ministerial Commissions where market access for SA Defence products remains a challenge 	<p>Identify challenges faced by industry</p> <p>Start focused engagement sessions with individual government departments and set targets for follow up</p>	TBA	Government needs to understand the important role that SADI plays in SA.
Improving Competitiveness and Brand Awareness	<p>Engage relevant government departments to access incentive/ stimulus packages available as part of Science & Technology R&D, Industrial Policy Action Plan etc. to improve competitiveness of local industry and thereby bolster exports</p> <p>Use government to act as Brand champions for SA Defence Industry in bilateral relations and other multilateral platforms</p>	<p>Access to government incentive schemes/ support schemes to improve skills, technology, research etc.</p> <p>Active promotion of SA Defence Industry by govt champions, International Marketing Council etc.</p>	TBA	<p>Companies need to take responsibility for the industry to show the important role they play in SA</p> <p>SADI companies need to empower the SMMEs as they are dependent on the bigger SADI companies</p>
Focus on market access where such access may be difficult due to either bureaucratic or political reasons				

F. MARKETING COMMITTEE: 2023 - 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
1. Providing exposure on how AMD represents SADI through its members and stakeholders	Marketing initiatives that feature the stakeholders and AMD members in their different industries: Aerospace, Maritime & Defence	Exposure of AMD and its value to SADI	AMD Office	Committee needs to decide on how to implement
2. Enhance the Image of AMD through social media platforms and website	Consistent provision of content educational and promotional	Attract the youth and women to the defence Industry	AMD Office	Committee needs to decide on how to implement

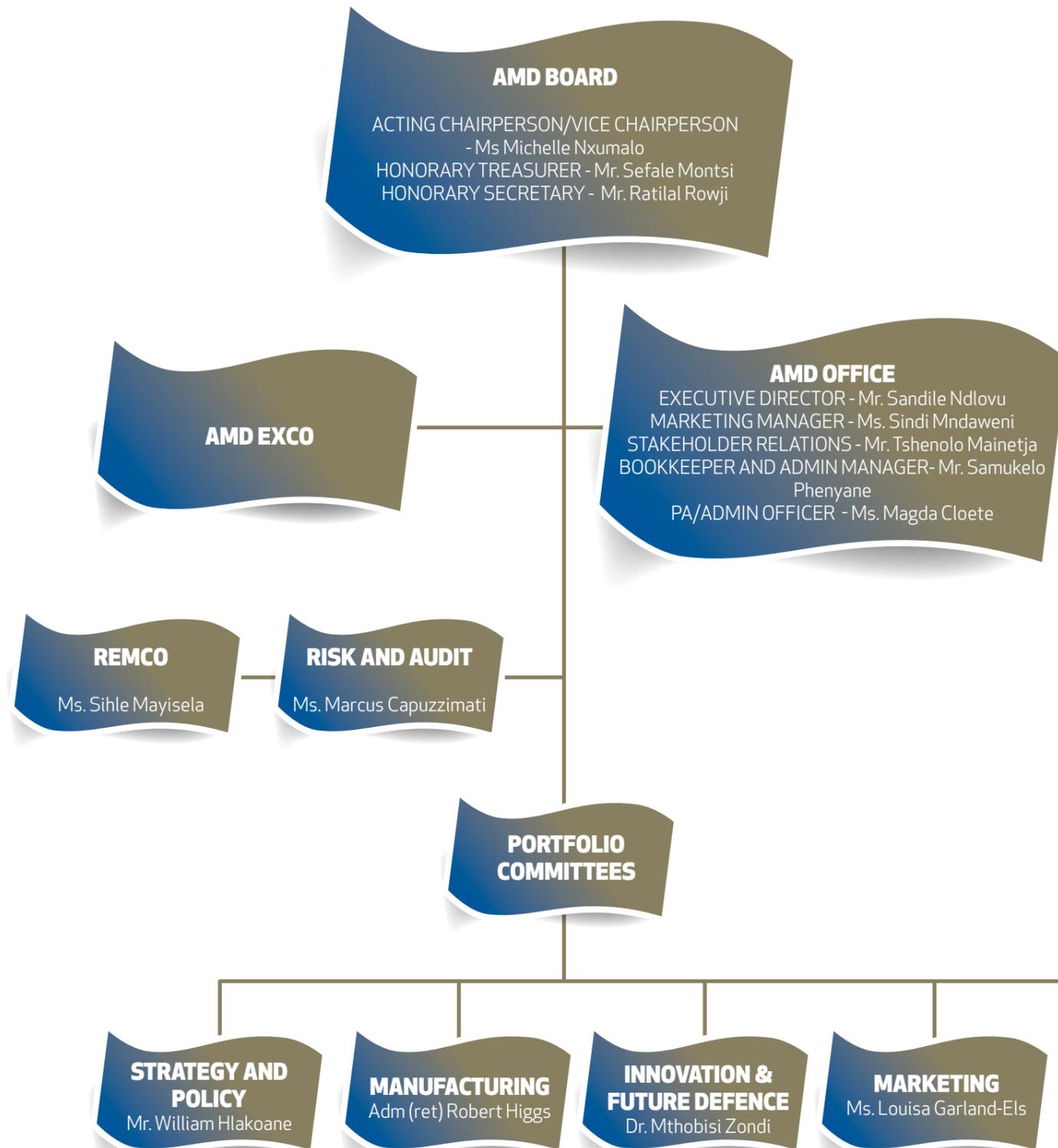
SPACE COMMITTEE: 2023 - 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
1. Collaborations	<p>a) Government departments of AMD focus on Satellite products/technologies and services.</p> <p>b) Support DoD through the SAAF in establishing Space Command Focus.</p> <p>c) Maritime *surveillance of AFCFTA coastline from space.</p> <p>d) Square Kilometre Array (Radio Telescopes) modular technology and skills transfer of ground-based stations in Carnarvon Northern Cape.</p>	To achieve stronger relations with stakeholders through collaborations	Letters were drafted and through the AMD Office, the new Space Committee was introduced to all relevant stakeholders. SANSA representative, Mr Patrick Ndlovu, is now part of current committee and is involved in the fostering of collaborations.	<p>Mr Patrick Ndlovu to propose the invitation of AMD to the secretary of the Steering Committee for the Space Launch Capability and report back to future committee.</p> <p>Mr Patrick Ndlovu to propose the invitation of AMD to the secretary of the Steering Committee for the Space Launch Capability and report back to future committee.</p> <p>Space Command's General Mathebula to be included as part of the mailing list and as part of the future Space committee.</p> <p>Future Space Committee remains to see to the various outstanding collaborations with stakeholders in order to foster stronger relations.</p>
a) Inter-Agency Collaboration				
b) DoD SAAF/AMD Collaboration				
c) Collaboration agreement with SBIDZ and SANSA				
d) SKA Collaboration				
e) Educational and Research Institution Collaboration				

SPACE COMMITTEE: 2023 – 2025				
DRIVER/GOAL	ACTION	EXPECTED OUTCOME	MILESTONES ACHIEVED	OUTSTANDING WORK
2. Alignments a) BRICs b) SANSA/ AMD Alignment regarding all activities c) Technologies development and testing Leverage from existing infrastructure and technologies	a) BRICS Aviation Working Group letter for chairmanship & manufacturing working group IPR alignment to unlock industrialisation (high tech exports) b) SANSA/AMD MoU for defence sector satellites and data. c) Leverage CAV for satellite *telecommunications ecosystem. d) Matjiesfontein (Space Industry Hub), Overberg Air force Base, sites development collaboration/ ecosystem coordination in Western Cape	Attract the youth and women to the defence Industry		Mr Patrick Ndlovu to push and advocate for a briefing between SANSA CEO and the industry on SANSA plans. AMD to assist in the organisation of this engagement. Mr Ndlovu to also provide 3 potential dates and slots for this engagement. Chairperson, Mr Zane Cleophas proposed that the DSI could leverage on this engagement to deliver a presentation on the South African indigenous launching capability so as to contextualise efforts for industry to best align itself accordingly. Future Committee to compile list of all individuals it feels can play a pivotal role in the engagements with SANSA at the AMD Special Committee Briefing/Meeting.

DRIVER/GOAL	ACTION	DUE BY	RESPONSIBLE COMMITTEE
Inter Agency Collaboration	Inform relevant government departments of AMD focus on Satellite products/technologies and services	2024	Space Committee
Technologies development and testing	Leverage CAV for satellite *telecommunications ecosystem	2024	Space Committee
	Gauteng war-room alignment	2024	Space Committee
DoD SAAF/AMD collaboration	Support DoD through the SAAF in establishing Space Command Focus	2024	Space Committee
Collaboration Agreement with SBIDZ and SAMSA	Maritime *surveillance of AfCFTA coastline from space	2024	Space Committee
BRICS alignment	BRICS Aviation Working Group letter for chairmanship & manufacturing working group IPR alignment to unlock industrialisation (high tech exports)	2024	Space Committee

DRIVER/GOAL	ACTION	DUE BY	RESPONSIBLE COMMITTEE
SANSA/AMD Alignment regarding all space activities	SANSA/AMD MoU for defence sector satellites and data	2024	Space Committee
Leverage from existing infrastructure and technologies	Matjiesfontein (Space Industry Hub), Overberg Test Range, Overberg Airforce Base, sites development collaboration/ ecosystem coordination in Western Cape	2024	Space Committee
Collaboration with SKA	Square Kilometre Array (Radio Telescopes) modular technology and skills transfer of ground based stations in Carnarvon Northern Cape	2024	Space Committee
Educational and Research Institution Collaboration	Call think tank/inaugural collaboration discussion with all relevant institutions	2024	Space Committee

AMD ORGANISATIONAL STRUCTURE



AMD BOARD OF DIRECTORS

AMD is governed by a Board of Directors of company representatives who are elected by the membership of the Association for a two-year period. The Board meets four times a year to discuss matters of policy and strategy as well as to provide guidance and oversight whilst ensuring accountability of all AMD activities and is supported by four member-run committees, who focus on specific activities.

The Board is further supported by the Executive Committee which consists of the Chairperson, Vice Chairperson, Honorary Treasurer, Honorary Secretary, the Executive Director and Chairpersons of the Committees.

NAME	POSITION
Mr. Sandile Ndlovu	ED SAAMDEC / AMD ED
Ms. Michelle Nxumalo	Acting Chairperson and Vice Chairperson
Ms. Sefale Montsi	Honorary Treasurer
Mr. Ratilal Rowji	Honorary Secretary
Mr William Hlakoane	Vice Chairperson: Policy and Strategy Committee
Mr Gilbert Do Nascimento	Representative (GEW Technologies)
Mr. Sihle Mayisela	Chairperson: REMCO
Brig Gen (ret) Chris Gildenhuys	Representative (OTT Technologies)
Mr. Rob Kihn	Representative (Paramount Industrial Holdings)
Mr. Trevor Raman	Representative (Reutech)
Dr. Frank Dirksen	Representative (RDM)
Adm (ret) Robert Higgs	Chairperson: Manufacturing committee
Dr. Nivan Moodley	Representative (Saab Grintek Defence)
Dr. Mthobisi Zondi	(Chairperson Innovation and Future Defence Committee)
Mr. Cornelius Grundling	Representative (DCD)
Ms. Nadine Rynners	Representative (ICP – REVA)
Mr. Johan Agenbag	Representative (Thales SA Systems)
Mr. Shafiek Hendricks	Representative (GRIMMS)
Mr Zane Cleophas	Chairperson: Space committee
Mr. Andre Olivier	Representative (OTT Solutions)
Ms. Louisa Garland-Els	Chairperson: Marketing committee
Mr. Nico Troostheide	Representative (GAC Lacer)
Ms. Idah Mabaso	Chairperson NIP/DIP Special Category
Mr. Jacob Mohlamme	(Chairperson BEE SMME Skills Development) Special Category
Mr. Isaac Motale	(Chairperson Arms Control) (NDIC representative)
Mr. Marcus Capuzzimati	Chairperson: Risk and Audit committee
Mr. Sihle Mayisela	Chairperson: REMCO
Brig Gen (ret) Damian de Lange	Representative (Twiga)
Mr. Petrus Pelser	Representative (Etion Create)
Mr. Buti Ramfolo	(Chairperson Arms Control) Special Category)

AMD ACTIVITIES

The association participated in various engagements with stakeholders and companies within the defence sector with the singular aim of revitalising the Association into a credible and effective representative of the SADI. AMD remains in the centre stage of all crucial matters relating to the future of the defence industry and is stronger now despite the negative impacts from the COVID-19 pandemic.

The Association remains focused on the achievement of its goals as encapsulated in the 2022/2023 Programme

of Action elements of which will be reviewed in the messages by the Chairperson and the Executive Director and are reported upon in the relevant sections of this Annual Report. The Programme of Action is a tool that is used by the AMD Excom to guide the activities of the Association and by the Board to measure progress in each of the designated areas. The Programme of Action goals have been implemented and some reached completion and will, based on upcoming assessment and review by the Board, subsumed into future versions.

DEFCOMS

EVENT	DATES
RSA-Brazil	22 - 23 March 2023
RSA- Sweden	23 - 27 May 2023
RSA - DRC - Rustenburg	30 May 2023
RSA - USA	7 - 8 June 2023
Mozambique BNC	21 June 2023
RSA - DRC Defcom Technical Team	30 June - 06 July 2023
Kenya - RSA	29 August 2023
RSA - Algeria	19 - 20 September 2023
Namibia - RSA BNC	10 - 13 October 2023
Senegal - RSA	23 - 27 October 2023
Uganda Defence Industry Visit	15 March 2024
Nigerian Armed Forces Study Group	03 May 2024



AMD ACTIVITIES *(continued)*

CONFERENCES AND SEMINARS

The AMD Office assisted in arrangements of, participated in and/or coordinated industry involvement in the following conferences and seminars:

EVENT	DATE	LOCATION
AISI Industry Day	23 March 2023	CSIR
AfCFTA Business Forum	17 April 2023	Cape Town
Public Private Partnership Model for Defence (PPP)	19 May 2023	
Securex 2023	7 June 2023	Gallagher Estate
General Aviation Conference	14 June 2023	Lanseria Airport
NCACC Workshop	17 June 2023	Virtual
CET Conference South Africa - Middle East's longest running Marketing Technology and CX Conference	15 August 2023	Melrose Arch, Sandton
Public-Private Partnerships (PPP) Conference for Defence and Security Clusters	16 August 2023	CSIR
Brics Summit	21 - 23 August 2023	Gallagher Estate
Defence Conference and Inaugural Capability Demonstration Day	20 - 21 September 2023	Gerotek
Exercise Vuk'hlome	22 - 23 November 2023	Lohatla
AMD National Safety and Security Townhall	15 May 2024	Workshop17, Sandton
Oceans Economy Conference and Expo	22 - 23 May 2024	Cape Town ICC

EXHIBITIONS & SHOWS

COUNTRY	DATES	LOCATION
IDEF	22 - 28 July 2023	Turkey
DSEI	12 - 15 September 2023	London
La Rochelle Boatshow	18 - 26 September 2023	France
BME Symposium	16 - 21 October 2023	Germany
China International Import Expo	31 October 2023	China
Agoa exhibition	01 - 04 November 2023	Gallagher Estate
EDEX	04 - 07 December 2023	Egypt
DSA 2024	06 - 09 May 2024	Malaysia

AMD FINANCIAL STATEMENTS

AMD's financial statements have been completed and audited by PKF Auditors. The results thereof have been reviewed by the AMD Risk and Audit Committee. The Association has been found to be in good financial health and declared a going concern making it possible for us to continue and serve members.

AMD MEMBERSHIP

Membership of the Association is voluntary and is open to any South African registered company, body, organization, society, association, research and educational institute, person and official representative of a foreign registered company. The AMD Board of Directors may prescribe who, in its opinion, has a substantial operation in South Africa who will meaningful value to the material and services supplied to the defence, aerospace, maritime and landwards sectors, locally and internationally and thus determine their involvement in AMD activities.

CATEGORY	NUMBER	MINIMUM TURNOVER
Class A	9	Turnover exceeding R250 million per year
Class B	9	Turnover between R50 and R250 million per year
Class C	5	Turnover between R25 and R50 million per year
Class D	8	Turnover between R10 and R25 million per year
Class E	28	Turnover less than R10 million per year
Special Members	7	Research/Educational Organisations /institutes (non- profit)
Associate member	0	
TOTAL	66	

AMD MEMBERSHIP

Areta Holdings

Tel: 012 003 3240
www.aretaco.za

Armiger (Pty) Ltd

Tel: 012 650 2028
www.armiger.co.za

Aselsan

Tel no: 083 388 4050
www.aselsan.com

Aves Holdings

Tel no: 082 216 3980
www.avesholdings.com

Black Eagle Aviation Services

Tel no: 0861 000 365
www.blackeagle-aviation.co.za

Bohlabela Wheels

Tel: 013 753 6000
www.brabys.com

CAM Steel

Tel no: 083 200 7383
www.camsteel.co.za

Clear Bec Group

Tel no: 079 955 8066
Email: simpwiwe.balfour@limitlessvantage.com

Cobra Aviation (Pty) Ltd

Tel: 011 395 1473
www.cobraaviation.co.za

Compliance and Security Advisory Services (Pty) Ltd

Tel: 011 518 3700
www.csas.co.za

Damen Shipyards

Tel no: 021 447 1714
www.damen.co.za

DCD Protected Mobility

Tel no: 011 281 7300
www.dcd.co.za

Defencetek CSIR

Tel: (012) 841-3139
www.csir.co.za

Denel SOC

Tel: (012) 671 2938
www.denel.co.za

DIRTT Africa (Pty) Ltd

Tel no: 011 472 6649

Emzansi Engineering Consultants

Tel no: (012) 345 3383
www.emzansi.com

FIMM Tech (Pty) Ltd

Tel no: 083 235 9647
idahm@fimmtech.co.za

GAC Laser International Logistics

Tel no: 012 345 5109
www.gaclaser.co.za

GEW Technologies (Pty) Ltd

Tel no: 012 421 6212
www.gew.co.za

Global Command and Control Technologies

Tel no: 087 094 9009
www.gc2t.com

Grimms Group

Tel no: 021 510 1383
www.grimms.co.za

Hensoldt SA (Pty) Ltd

Tel no: 012 674 0012
www.hensoldt.net

Hlamalane Projects (Pty) Ltd

Tel no: 010 020 1883
www.hlamalaneprojects.co.za

Imperial Armour

Tel no: 031 700 2650
www.imperial-armour.com

Katlego Global Logistics

Tel no: 011 315 8125
www.katlegoint.co.za

Lorris Duncker Consultancy & Services (Pty) Ltd

Tel no: 082 902 1127
armscontrol@lduncker.com

“ At inception, the Association had only 39 members, today the Association has 66 members from the South African Defence Industry ”

LS of SA Radio Comms Services

Tel no: 011 958 5153
www.lsofsa.co.za

Milkor (Pty) Ltd

Tel no: 012 333 3134
www.milkor.com

MN Group (Pty) Ltd

Tel no: 083 591 7271
www.mngroup.co.za

M-Tek

Tel: (012) 653 2528
www.mtek.co.za

Mzansiat (Pty) Ltd

Tel no: 083 655 1715

Natcom Group

Tel no: 012 804 1148
www.natcom.co.za

Natco SA International Transport (Pty) Ltd

Tel no: 011 608 2340
www.natco.co.za

North Park Group (Pty) Ltd

Tel no: 087 720 1345
www.northparktelecoms.com

Optronics Africa cc

Tel no: 082 454 8733
www.optronics.co.za

OTT Solutions

Tel no: 082 539 2793
www.ottolutions.co.za

OTT Technologies

Tel no: 012 802 8700
www.ott.co.za

Paramount Group

Tel no 011 086 6800
www.paramountgroup.com

Pearl Coral 1173 t/a TFASA

Tel no: 044 272 2825
www.tfasa.co.za

Pula Nala Petroleum (Pty) Ltd

Tel no: 082 587 7387

RCS SA

Tel no: (012) 671 1010
www.rcssa.com

Reutech Ltd

Tel no: (011) 652 5555
www.reutech.co.za

RGC Engineering

Tel: (011) 887 0800
www.rgcengineering.co.za

Rheinmetall Denel Munition

Tel no: 021 850 2004
www.rheinmetall-denelmunition.com

Richard Harper Logistics

Tel no: 082 900 1653
www.harperlogistics.com

Rippel Effect Systems

Tel no: 012 803 4346
www.rippeleffect.com

Saab Grintek Defence

Tel: 012 492 2968
www.saabgroup.com

Sandock Austral Shipyards

Tel no: 031 274 1810
www.sda.co.za

AMD MEMBERSHIP

SAP Africa Region

Tel no: 011 235 6000
www.saps.com

Siemens Energy (Pty) Ltd

Tel no: (031) 710-4120
www.siemens-energy.com

Simteq Engineering (Pty) Ltd

Tel no: 012 004 1362
www.simteq.co.za

Snode Technologies

Tel no: 012 880 0989
www.snode.com

Special Vehicle Innovation

Tel no: 012 999 3082
www.svi.co.za

Stealth Tactical and Arms

Tel no: 082 9400434
www.stealthtactical.co.za

Swatek Electronics (Pty) Ltd

Tel no: 012 644 1085
www.swatek.co.za

TAU Aerospace

Tel no: 011 397 6260
www.tauaerospace.co.za

Thales SA Systems

Tel no: 011 313 9123
www.thalesgroup.com

Thuthuka Harness Solutions

Tel no: 070 610 6281
www.thuthukasolutions.co.za

TMi Dynamics

Tel: (012) 844 0310
www.tmi-za.com

Twiga Services & Logistics

Tel no: 012 345 5109
www.twiga-africa.com

Umkhombe Marine (Pty) Ltd

Tel no: 012 003 8053
www.umkhombemarine.co.za

Vepac Electronics

Tel no: 011 454 8053
www.vepac.co.za

WSP Group Africa (Pty) Ltd

Tel no: 011 361 1402
www.wsp.com

ZD Investment t/a ZD Utilities

Tel no: 012 348 5338
www.zdutilities.co.za

Zebra Armour

Tel no: 031 700 8077
www.zebraarmour.com

Zutari

Tel no: 076 260 7340
www.zutari.com

The following members joined the Association during the period 2023 - 2024:

No	COMPANY	MONTH
1	Aselsan	June 2024
2	LS of SA Radio Communication Services (Pty) Ltd	November 2023
3	Thuthuka Harness Solutions	February 2024
4	CAMSteel	September 2023
5	Pula Nala Petroleum (Pty) Ltd	September 2023
6	Aves Holdings	October 2023
7	Black Eagle Aviation Services	March 2024
8	Stealth Tactical and Arms	March 2024
9	Orion Consultancy	July 2024
10	Incomar	July 2024



AMD ANNUAL REPORT
Annual Financial Statements
for the year ended 29 February 2024



AMD FINANCIAL STATEMENTS

South African Aerospace, Maritime and Defence Industries Association (Registration number: 1992/001049/08) Annual Financial Statements for the year ended 29 February 2024

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of South African Aerospace, Maritime and Defence Industries Association for the year ended 29 February 2024.

1. Nature of business

South African Aerospace, Maritime and Defence Industries Association was incorporated in South Africa with interests in the industry. The association is engaged in activities aimed at the encouragement of trade in the aerospace, maritime and defence sectors in South Africa and seek to protect the interest and promote the prospects of the South African Aerospace, Maritime Defence Industries. The company operates in South Africa.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements.

3. Directors

The directors in office at the date of this report are as follows:

Directors	Office
MS. N NDHLOVU	Chairperson
MS. S MONTSI	Honorary Treasurer
MR S NDLOVU	Executive Director
MR RATILAL ROWJI	Honorary Secretary
MR S MAYISELA	Class A
MR C GRUNDLING	Class B
MR Z CLEOPHAS	Class CDE

4. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

5. Secretary

Mr Damien De Lange is no longer Honorary Secretary and has been replaced by Mr Ratilal Rowji.

AMD FINANCIAL STATEMENTS

Statement of Financial Position as at 29 February 2024

	2024	2023
ASSETS		
Non-Current Assets		
Property, plant and equipment	28 560	-
Current Assets		
Trade and other receivables	1 788 526	1 974 219
Cash and cash equivalents	3 700 089	2 630 519
	5 488 615	4 604 738
	5 517 175	4 604 738
Total Assets		
Equity And Liabilities		
Equity		
Retained income	4 997 033	4 051 712
Liabilities		
Current Liabilities		
Trade and Other Payables	520 142	553 025
Total Equity and Liabilities	5 517 175	4 604 737

AMD FINANCIAL STATEMENTS

Statement of Profit or Loss and other Comprehensive Income

	2024	2023
Revenue	5 811 191	4 920 524
Other income	329 195	617 104
Operating expenses	(5 364 958)	(4 273 003)
Operating profit	775 428	1 264 625
Investment revenue	169 893	40 130
Profit for the year	945 321	1 304 755
Other comprehensive income	-	-
Total comprehensive income for the year	945 321	1 304 755

AMD FINANCIAL STATEMENTS

Statement of Cash Flows

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	6 431 703	3 507 831
Cash paid to suppliers and employees	(5 405 354)	(2 304 510)
Cash generated from operations	936 349	1 203 321
Interest income	169 893	40 130
Net cash from operating activities	1 106 242	1 243 451
Cash flows from investing activities		
Purchase of property, plant and equipment	(36 675)	-
Total cash movement for the year	1 069 567	1 243 451
Cash and cash equivalents at the beginning of the year	2 630 519	1 387 069
Total cash at end of the year	3 700 086	2 630 520



EXPORT COUNCIL ANNUAL REPORT

SAAMDEC YEAR: 2023/2024





SAAMDEC CHAIRPERSON REPORT



Cornelius Grundling
SAAMDEC CHAIRPERSON

“ This past year has seen a significant surge in our activities, highlighted by an increase in Defence Committees (DefComs) and various conferences organized by SAAMDEC

Welcome to all our strategic partners from the DTIC, DOD, and Armscor. A special greeting to the members of the SAAMDEC Board and, most importantly, a heartfelt welcome to our esteemed members. Without your support and dedication, none of this would be possible.

Today, for the first time in 5 years, we convene physically for our Annual General Meeting. This is a crucial time for us to fully account to you, our members, for all the activities and decisions made over the past financial year. Accountability is the cornerstone upon which our organisation is built, and it is imperative that we uphold this principle not only to our members but also to our stakeholders, particularly the DTIC.

I will take this opportunity to reflect on the past year and provide a comprehensive account of how your resources were utilized, as well as to outline our plans for the coming year. Following my address, our CEO will detail our strategic initiatives for the upcoming year.

**Reflecting on SAAMDEC’s Financial Year:
Navigating Challenges and Embracing Opportunities**

It is fitting at this juncture to look back on the accomplishments, challenges, and opportunities we encountered over the past year. From navigating global economic uncertainties to embracing technological advancements, SAAMDEC has been on a transformative journey

Ladies and Gentlemen, as the South African Aerospace

Maritime & Defence Industries Association (SAAMDEC) reflects on its past financial year, it is a momentous occasion to reflect on the notable milestones, successes, and challenges encountered during this period. The dynamic landscape we operate in has presented both obstacles and opportunities, which we have navigated to set the stage for an exciting new financial year ahead.

Milestones and Achievements

Increased Activities and Successful Commissions: This past year has seen a significant surge in our activities, highlighted by an increase in Defence Committees (DefComs) and various conferences organized by SAAMDEC. Notably, our association secured commissions from two prestigious international events - IDEF and DSEI. These engagements significantly boosted our Export Council Income, leading to a doubling of our income compared to what was originally budgeted. This achievement underscores SAAMDEC’s ability to leverage international opportunities for the benefit of our members.

The culmination of the South African Defence Industry (SADI) Task Team’s work marks a notable achievement. The recommendations provided by the Task Team are poised to drive meaningful changes and enhancements within our industry, paving the way for future growth and increased competitiveness.

International Showcases: SAAMDEC successfully coordinated the South African National Pavilion at three major international exhibitions – DSEI2023, IDEX2023, and

“ Our international relationships are vital in ensuring market access and encouraging trust between South Africa and other nations

IDEF2023. These showcases not only highlighted South Africa’s capabilities on a global stage but also facilitated invaluable networking and business opportunities for our local industry players.

NCACC Workshop

The NCACC workshop held on June 27, 2023, was another significant milestone. This workshop provided a critical platform to discuss proposed amendments to the National Conventional Arms Control Committee (NCACC) Act. Our proactive engagement in this area underscores SAAMDEC’s commitment to addressing regulatory issues and advocating for policy reforms that support industry growth and compliance.

Emphasising Export Focus in Africa

We are, by nature, an export-oriented industry. Our success and sustainability heavily rely on an efficient and effective regulatory framework. Transparency and predictability within this framework are essential for our operations. When the regulatory environment lacks these qualities, our industry suffers.

While we have made significant strides from where we stood three years ago, there remains much work to be done. We need to modernize our regulatory regime, embrace digital transformation, and initiate a review and amendment process for the NCAC Act where necessary. Additionally, advocating for the full capacitation and resourcing of DCAC is crucial. Without these steps, we will likely face recurring challenges in the years ahead.

Africa-Specific Export Challenges: One of the significant barriers to our export competitiveness is the gradual erosion of our status as the dominant defence industry on the African continent. Countries such as Nigeria, Morocco, and Sudan have made substantial investments in their defence sectors over the past five years, posing a challenge to our pre-eminence. To regain and maintain our leadership, we must enhance our export strategies, increase our global footprint, and continuously innovate.

The Need for Improved Defence Foreign Relations

For the Export Council to thrive, strengthening our defence foreign relations is paramount. Our international relationships are vital in ensuring market access and encouraging trust between South Africa and other nations. Improved defence foreign relations pave the way for collaboration, joint ventures, and strategic partnerships that can significantly benefit our industry. By nurturing these relationships, we can enhance market access, facilitate knowledge exchange and promote stability and growth with other nations creating a more favourable environment for trade and investment. This stability is crucial for long-term growth and sustainability in our sector.

Importance of Trade Visits and Defence Committee Meetings

With regards to Delegation Visits, we hosted delegations from Nigeria, Pakistan, Zambia and the Educational Study Tour by Uganda National Defence College, reinforcing our international ties and exploring potential collaborations that could enhance our export capabilities and global reach.

We ought to push for greater momentum when coming to trade visits and Defence Committee meetings play a crucial role in fostering international relationships and enhancing our export capabilities. These interactions allow us to showcase our industry’s strengths, identify potential partners, and understand the needs and challenges of other markets. In addition, trade visits provide a platform to demonstrate our technological advancements, products, and services to potential international buyers and partners. Furthermore, these visits are opportunities to build and strengthen relationships with key stakeholders, government officials, and industry leaders in other countries. Lastly, through trade visits, we can identify new business opportunities, understand market trends, and tailor our offerings to meet the specific needs of different markets.

Defence committee Meetings

Defence Committee Meetings are equally of paramount importance as they allow us to advocate for policies that support the growth and competitiveness of our industry. Engaging with policymakers helps ensure that our regulatory environment is conducive to business. Additionally, these meetings facilitate collaboration and coordination among industry players, government agencies, and international partners. This collaboration is essential for addressing common challenges and leveraging collective strengths. Furthermore, they provide a forum for strategic planning, enabling us to align our efforts with national and international priorities and to develop comprehensive strategies for industry growth.

Looking Ahead to the New Financial Year 2024/25

As SAAMDEC embarks on the new financial year, there are several exciting initiatives and events on the horizon:

- 1. Pursuing a Larger Matching Grant:** We are actively seeking a larger matching grant from the Department of Trade, Industry, and Competition (DTIC). If successful, this grant will provide additional resources to support industry development initiatives and further our mission.
- 2. Africa Aerospace and Defence (AAD) 2024:** SAAMDEC will place a special focus on the Africa Aerospace and Defence (AAD) 2024 exhibition. This event will serve as a vital platform for networking among stakeholders, showcasing our advancements, and fostering new collaborations.

In conclusion dear members, reflecting on the achievements and challenges of the past financial year,



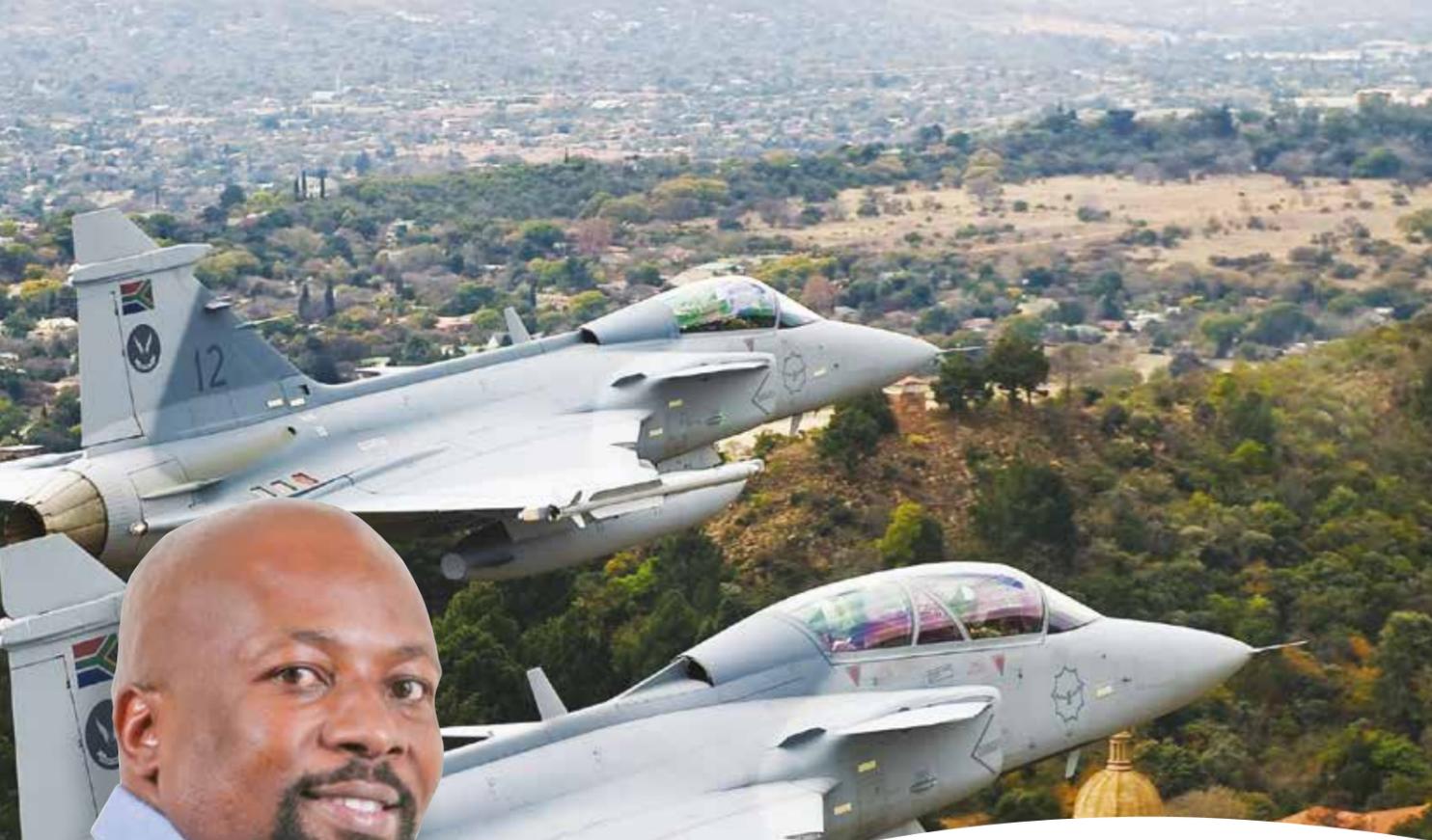
we approach the future with a sense of optimism and anticipation. By building on our successes, fostering collaboration, and advocating for industry-friendly policies, SAAMDEC is well-positioned to drive growth, innovation, and competitiveness within South Africa’s aerospace, maritime, and defence sectors in the coming year and beyond.

Despite the challenges we face, our commitment to the sustainability and growth of our industry remains steadfast. On behalf of the Board, I want to acknowledge and commend the outstanding efforts of our CEO and the entire SAAMDEC team for their leadership, dedication, and resilience over the past year. I also extend my deepest gratitude to all our members for your sacrifices, contributions, and invaluable support.

Serving as Chairperson of the SAAMDEC Board has been a challenging yet immensely rewarding journey. We look to the future with great enthusiasm and confidence, ready to overcome any obstacles and seize new opportunities.

For your continued support, I thank you.

Cornelius Grundling
SAAMDEC Chairperson



SANDILE NDLOVU
CHIEF EXECUTIVE OFFICER

“Visibility at these international events is of paramount importance. It sends a strong signal to the world about our capabilities and our commitment to excellence.”

CHIEF EXECUTIVE OFFICER'S REPORT

Welcome all our Members, Export Council Board, and to our esteemed stakeholders – the DTIC, Armscor and DOD. to the SAAMDEC Annual Report for 2024.

It is with great joy and a sense of accomplishment that I stand before you today, marking our first physical meeting in five years. The past meetings, as you all know, were held virtually due to the hindrance posed by the Covid-19 pandemic. It feels wonderful to reconnect in person, and I believe this face-to-face interaction will strengthen our bonds and collaborative efforts.

We have had quite an eventful year, as the Chairperson has reported. We managed to persevere and deliver the best that we can, with the resources at our disposal. But there is no time to rest, nor do we have any respite. While a lot has been achieved, a lot more still needs to be done.

It is my great pleasure to present to you some of our programs and activities that will consume our time, efforts and resources in the year that we are in.

Importance of DTIC Support for a South African National Pavilion

Ladies and Gentlemen, Firstly, I want to emphasise the critical importance of securing support from the Department of Trade, Industry, and Competition (DTIC) for a South African National Pavilion at international shows and exhibitions. The National Pavilion is not merely a showcase of our products; it represents the collective strength, innovation, and potential of our industry on a global stage. These pavilions act as strategic platforms where we can engage with international partners, attract investments, and open up new markets for our Small, Medium, and Micro Enterprises (SMMEs). A national pavilion offers a centralised platform for South African companies to present themselves to potential clients,

enhancing visibility and promoting a sense of national identity. Visibility at these international events is of paramount importance. It sends a strong signal to the world about our capabilities and our commitment to excellence. By having a cohesive and well-supported presence, we can significantly enhance our brand and create numerous opportunities for our industry players.

Given the current budget constraints faced by the DTIC, it is essential that we explore all avenues of support, including collaborative contributions from industry giants like Denel and the potential for industry members to share costs.

Regulatory Reforms and Modernisation

Honourable Members, regulatory reforms and modernisation are imperative for our industry's growth. The capacitation of the Directorate Conventional Arms Control (DCAC) is particularly crucial. Streamlining regulations and reducing bureaucratic red tape will facilitate faster approval processes, enhance operational efficiency, and improve our competitiveness. Ensuring that the DCAC is well-resourced will enable it to support the industry's needs more effectively. Modernising our regulatory framework will also help us keep pace with global industry standards and technological advancements.

Justification for Capacitation of the DCAC

We acknowledge that the current challenges faced by the DCAC in implementing the arms control regime, hamper our ability to compete and successfully export due to inefficiencies. The unpredictability of the system results not only in current contracted losses but also future opportunities being missed. Key issues include:

1. **Inefficient Resourcing:** The DCAC remains under-

resourced, affecting its capability to process applications and manage arms control effectively.

2. Slow Progress in Digitisation: The slow progress in digitising the arms control system leads to delays and inefficiencies, hindering our industry's operational capabilities.

3. Modus Operandi: The existing system and operational methods are outdated and not aligned with modern business practices, impacting our competitiveness. Chair, addressing these issues through capacitation and modernization of the DCAC is essential for streamlining operations, reducing delays, and enhancing our export competitiveness.

Export Competitiveness in Africa

SAAMDEC faces unique challenges in maintaining export competitiveness within Africa. These include logistical hurdles, varying regulatory environments, and intense competition from global players. To overcome these challenges, we must adopt a comprehensive strategy that includes:

- **Improving Logistical Networks:** Enhancing our supply chain infrastructure to ensure timely and cost-effective delivery of products.
- **Harmonised Regulations:** Advocating for standardised regulations across African markets to simplify compliance and reduce trade barriers.
- **Leveraging Strengths:** Capitalizing on our unique strengths and innovations to offer superior value propositions in the marketplace.

By addressing these challenges head-on, we can position ourselves as a leading player in the African defence market.

Upcoming Initiatives and Pursuit of a Larger DTIC Matching Grant

Looking ahead, we have several exciting initiatives on the horizon. We are actively pursuing a larger DTIC matching grant to support our strategic projects and initiatives. This grant is critical for us as it will provide the necessary financial backing to implement our plans effectively. The benefits of securing this larger grant include:

- **Enhanced Operational Capacity:** With increased funding, we can expand our operational capabilities and execute our strategic plans more efficiently.
- **Increased Support for SMMEs:** Additional funding will allow us to provide more substantial support to SMMEs, helping them to scale and compete internationally.

Celebrating SAAMDEC's 10-Year Milestone

As we approach our 10-year celebration in 2025, we have much to look forward to. This milestone is a testament to our resilience, dedication and the collective effort of

everyone involved in SAAMDEC. The celebration will not only mark a decade of achievements but also set the stage for future growth and success. It will be an opportunity to reflect on our journey, celebrate our successes, and outline our vision for the next decade.

Need for a Strategic Planning Work Session

To ensure we remain aligned with our goals and the broader Aerospace and Defence Masterplan, it is essential to convene a strategic planning work session.

This session will help us design a Programme of Action that focuses on the issues within our influence and control.

While the Masterplan provides a comprehensive framework, our focus will be on actionable items that directly impact our industry's growth and sustainability. This targeted approach will enable us to address specific challenges and leverage opportunities more effectively.

Operational Perspective and Future Growth

From an operational perspective, we must continue to focus on efficiency, collaboration and strategic planning. Increasing our staff is a key priority. Currently, as the only employee of SAAMDEC, I understand the limitations this poses. Expanding our team will enhance our capacity to support our members, execute our plans, and drive industry growth.

Conclusion

Mr Chairperson, as I conclude, let me clarify that what I have presented today is a portion of our work that lies ahead. These are some, but not all, of the initiatives we will be undertaking.

As Members can see, we have a significant workload ahead. To achieve our goals, we require your full support. I am confident that with our collective efforts, we can navigate the challenges ahead and seize the opportunities that lie before us. Let us continue to work together, innovate and push the boundaries of what we can achieve. Allow me to end by expressing my gratitude to the Board for their leadership and guidance, to our DTIC colleagues from the Sector Desk and the Export Council Support Team for their ongoing support. I also want to acknowledge the AMD/SAAMDEC office for their continuous support, despite the numerous challenges we face. Finally, but certainly not least, I extend my heartfelt thanks to our members for their unwavering support and the confidence they continue to place in us.

Thank you

Sandile Ndlovu
SAAMDEC CEO



While the Masterplan provides a comprehensive framework, our focus will be on actionable items that directly impact our industry's growth and sustainability.

1.BACKGROUND OF THE SECTOR

1.1 Overview of the Sector and Performance Environment

The South African Defence Industry (SADI) is a cluster of South African private and public sector organisations that are involved in the design, development, manufacture and maintenance, repair and overhaul of landwards-, aerospace- and maritime defence systems as well as the provision of mission specific systems and sub-systems along with the required enabling capabilities such as training, modelling and simulation.

Most of the companies are recognised as original equipment manufacturers (OEM's) in their own right, while the sector also includes a number of small-, micro- and medium enterprises (SMME's). Although the majority of SADI companies are South African owned, the sector has a few companies that are registered in South Africa and provide significant employment opportunities to South Africans whilst they may have majority foreign shareholding/equity ownership.

SADI is recognised as a strategic industrial sector within the South African economic landscape and has a unique distinction of forming, an integral part of the South African National Defence Force's (SANDF) capability portfolio as the sector provides essential technical support in the form of engineering, maintenance, repair overhaul, qualification and certification capabilities for operational systems within the ambit of stringent governmental regulations on non-proliferation and conventional arms control regimes.

The sector invests roughly R500 million (down from R7bn at the height of SADI investments) in own technology development/R&D (Research & Development) annually, and has consistently provided meaningful skilled employment opportunities to about 12,500 highly skilled engineers, technicians and artisans – many of them contributing to key national projects in space, transportation, rail safety, mining, construction, power generation and telecommunications. Conservatively, the sector is estimated to have multiplier factor of 1:4 in terms of direct additional job opportunities in the wider manufacturing and associated services sector, thus supporting at least 60,000 further skilled jobs in the economy.

The SADI's competitive advantages include not only price and quality of its products and systems, but also other key considerations that count in its favour. One of the main characteristics of the SADI is its jealously guarded 'independence' as a defence industrial capability that can offer a viable alternative to non-aligned / non-NATO defence clients who value access to a reliable and unfettered supply of defence equipment and services.

In making this fundamental statement it needs to be noted that all exports of military goods and services are reviewed and authorized by the National Conventional Arms Control Committee, using the United Nations Security Council resolutions and international protocols on the control of conventional arms as well as the non-proliferation of weapons of mass destruction as their primary guidelines to ensure that no South African company will breach these protocols and formal sanctions.

Secondly, the size, ingenuity and interdependence of the SADI allow it to respond swiftly and flexibly to new client requirements with some developments reaching fruition in 6 to 9 months from inception. This ability is based on the niche skills of its engineering and artisan workforce, supported by a balanced skills development regime and innovative spirit that is recognised internationally.

Lastly, the SADI's primary client, the SANDF, operates in the diverse and exacting climatic and geographical conditions of the African continent. This means the SADI's offering is designed to function optimally in all these challenging environmental conditions and is thus ideal for most defence applications virtually anywhere in the world. All these factors are made even more worthwhile by the strong defence electronics bias within the SADI, making SADI an ideal partner that is able to offer systems design, engineering and integration capabilities for upgrading and customising foreign defence systems for third-party markets or integrating South African defence equipment on foreign platforms.

Expected growth in the industry sector is envisaged to be in the areas of cyber security, unmanned aerial vehicles, and protection systems – (both passive and active) as well as providing sub-system through integration into the global supply chain.

1.2 Key current issues, challenges and opportunities in the Sector

Over and above the stringent technical and performance standards that are associated with high tech nature of defence products and services- the SADI's competitiveness is severely restricted by a number of issues which are critical for its success. Top amongst these being the following:

● Market attractiveness and market selection:

- Market size and demand:** whilst defence budget and spend globally may be on the rise, the local defence fiscal constraints continue to be a key challenge to the SADI as this means investment in much needed R&D has declined and the anchor client status and role of the SANDF has been gravely compromised particularly in relation to providing support to SADI exports as well as in terms of the development of future systems since most exports are a product thereof;
- Political stability:** typical political changes both locally and abroad are continuously threatening SADI export prospects particularly the geo-strategic realignment in the Middle East and the evolving political realignment driven by changing US politics especially in South America. The Ukraine/Russia conflict has presented numerous opportunities for countries such as ours. European countries are now embarking on major armaments acquisition drives. This, inevitably, means there will be more market demand. Russia, is likely to be absent on the market, particularly, the African market. This will also present an opportunity for South Africa to exploit. Traditional, Russian allies, the PRC and Turkey are currently the only two countries, outside Eastern Europe, who are supplying the Russians with armaments. This means their presence is likely to be reduced on the African continent. South Africa must move with speed to take advantage of these opportunities.
- Sound financial structures for payment:** the need for reliable and stable financial instruments (including bartering) and export credit guarantee for the SADI is a key requirement for SADI export support;

- Regulatory environment:** the dependability and predictability of the issuance of permits, DCAC capacity and effectiveness and the requirements related to EUC's are key constraints in the current trading environment;
- COVID-19:** has now been brought under control, somewhat, with movement once again possible and life beginning to return to a semblance of reality – pre covid-19.

● Competitiveness within the market

- Being biased towards the production of electronic subsystems means the **SADI has to compete with and dislodge established players in a foreign OEM's supply chain** and this is often viewed as a major risk by the OEM's while also conflicting with possible national security/industry considerations;
- By its nature, the creation of Defence products and capabilities demands **high and constant R&D investment** for the creation of new science and technologies and equipment destined for a demanding client environment. Within a South African context this fundamental aspect of a viable and sustainable local Defence industry is impaired by lack of adequate funding and availability of suitable skills;
- Time frames to secure orders are quite substantial, usually taking anything up to 60 months. Companies with limited cash flows or liquidity often struggle to cope with such prolonged turnaround times;
- Marketing and networking are quite expensive and extensive in this sector. This means only companies that can afford to market themselves stand a chance of getting business.

● Market Access

- The impact of **rigorous Arms Control processes** that often lead to delays in the issuing of permits and thus to customer frustration with SADI as a reliable service provider;
- Defence business is inherently political** and as such there is a crucial need for deliberate and focused political support to SADI transactions in new as well as established export markets;

c. The continued influence of former colonizers on their former colonies also inhibits access to these markets for South African companies.

● **Government support to enhance exports**

- a. A common and shared understanding of the sector is crucial and also how exports work within the sector will assist in better measuring metrics being developed, and agreed to, between the dtic and SADI;
- b. Improved DIRCO and dti support in African countries;

c. Improved measurement and tracking of statistics at a government level

● **Key Projects**

- a. NYDA Collaboration;
- b. SADI Repositioning;
- c. Aerospace and Defence Masterplan;
- d. Defence Export Advocate and Ambassadors;
- e. SAAMDEC Agenda 2024 – Africa Focus.
- f. UN Technology on Peacekeeping Symposium.

1.2.1 Analysis of internal environment (domestic)

POLITICAL

- Current political climate is confusing to international markets and potential clients.
- Executive supportive of business and economic growth.
- Ruling party undergoing seismic events that are destabilising the politics of the country and also the performance of government and its institutions.

ECONOMIC

- Changing funding models as a result of shifting priorities.
- Weak economic growth across many regions globally.
- Lack of investment in key and strategic sectors.
- Financial institutions unwilling to do business with SADI.

SOCIAL

- Inequality and unemployment are great social ills that every South African must confront.
- Low skills base for the majority of South Africans.
- Corruption and inefficiency hinder effective business performance.
- Transformation and economic inclusion are part of the governmental imperatives.

TECHNOLOGICAL

- The Defence and Aerospace Sector rely on a continuous and reliable flow of technologically savvy talent.
- Migration from analogue to digital.
- 5G.
- 4IR
 - 3D printing;
 - Smart and predictive technologies;
 - Robotics;
 - Satellite technologies and weapons;
 - Big Data Analytics;
 - Unmanned Vehicles;
 - Genetics.

LEGAL

- The inefficient regulatory framework continues to be a hindrance and a constraint.
- PFMA is used as an excuse to open up the South African Defence market to external players.
- RSA foreign policy not conducive to supporting defence exports.
- Financial Institutions funding criteria are an obstacle.

ENVIRONMENTAL

- The challenge of finding environmentally friendly ways of producing and disposing of our equipment is great on all of us.
- SADI needs to be seen to be an environmentally friendly sector.

1.2.3 Analysis of Organizational environment (SWOT)

STRENGTHS

- Only government recognized export council for the sector.
- Strong technological and membership base.
- Loyal international clientele.
- Government support (DTIC/DOD) and Non-Aligned RSA Politics.
- Resiliency.

WEAKNESSES

- Inadequate funding for the Export Council.
- Lack of sufficient capacity to implement SAAMDEC projects.
- Little understanding of the power of SADI across government.
- Fragmented government support.
- Lack of coordination across sectors.
- Lack of reliable and up to date statistical information.

OPPORTUNITIES

- Strong demand for RSA Defence Products.
- Dual usability of SADI products and services.
- Technological skills and base – on which to build from.
- 4IR / 5IR
- UAV's

THREATS

- Changing global environment.
- Struggling membership – resulting in inadequate membership fees.
- Proliferation of non-African actors on the African continent.
- Lack of understanding of RSA foreign policy amongst African countries.
- Government that does not take firm and unpopular decisions – Israel/Taiwan/Ukraine

1.3 Five year's Export Performance of the Sector (Trade Figures, Key Export Markets, Market Access barriers, Performance by Sub-Sector and contribution to the outcomes of National Development Plan (NDP) - Medium Term Strategic Framework (MTSF) and Government 7 priorities).

TARGET MARKETS	MOTIVATION	TARGET MARKET GROWTH FIGURES
Sub-Saharan Africa	It is a region on the upward trajectory. The security of borders is foremost on the agenda of African states. This therefore means there is a huge appetite and demand for SADI products especially with the AfCFTA coming into effect.	25%
The Middle East and North Africa	Despite the strong presence of Western influence and money in this region, it still remains a critical region for SADI. With a concerted effort, by all stakeholders, a breakthrough can be achieved.	15%
BRICS Countries - India	The BRICS group of countries, especially India, presents SADI with a unique opportunity due to the close relationship that these countries have. India has embarked on a re-armament process and South African companies can benefit from this opportunity.	15%
ASEAN Countries	These countries are looking to diversify their arsenal in order to counter the perceived, threat and influence of China. They are thus keen to procure equipment that is immune to Chinese tempering and interference.	5%
EU group of countries	To date this market has proven to be a challenge to penetrate. However, the possibility of maintenance contracts and refurbishment contracts does exist. The current currency exchange levels make South Africa a prospective destination for business.	20%
North America - USA	Even though North American countries have highly developed defence industries, they still spend quite a sizeable amount of financial resources procuring from third parties. Of late, we have also been approached by the US Department of Defence with an intention of having stronger and closer ties with the US Armed Forces. This is a golden opportunity that SADI must grab with both hands.	20%

2. BACKGROUND TO THE EXPORT COUNCIL / ASSOCIATION

2.1 Composition

ITEM	DETAILS
No. of Members (companies)	66
Geographical spread (Provincial presence)	Gauteng, Western Cape & KZN, Mpumalanga
Black owned Companies (% of total) [% of companies that can be classified as 51% black owned]	30 - 35
Black Empowered Companies (% of total) [% of companies that can be classified as 26-50% black owned]	35 - 45
Small Medium Micro Enterprises (% of total) [% of companies that can be classified as with turnover of less than R 50 million]	40 - 45
Women Owned Enterprises (% of total) [% of companies that can be classified as 51% women owned]	8
Youth Owned Enterprises (% of total) [In the age group of 18-35 years old]	0

2.2 Governance of the Export Council

2.2.1 List of Board Members

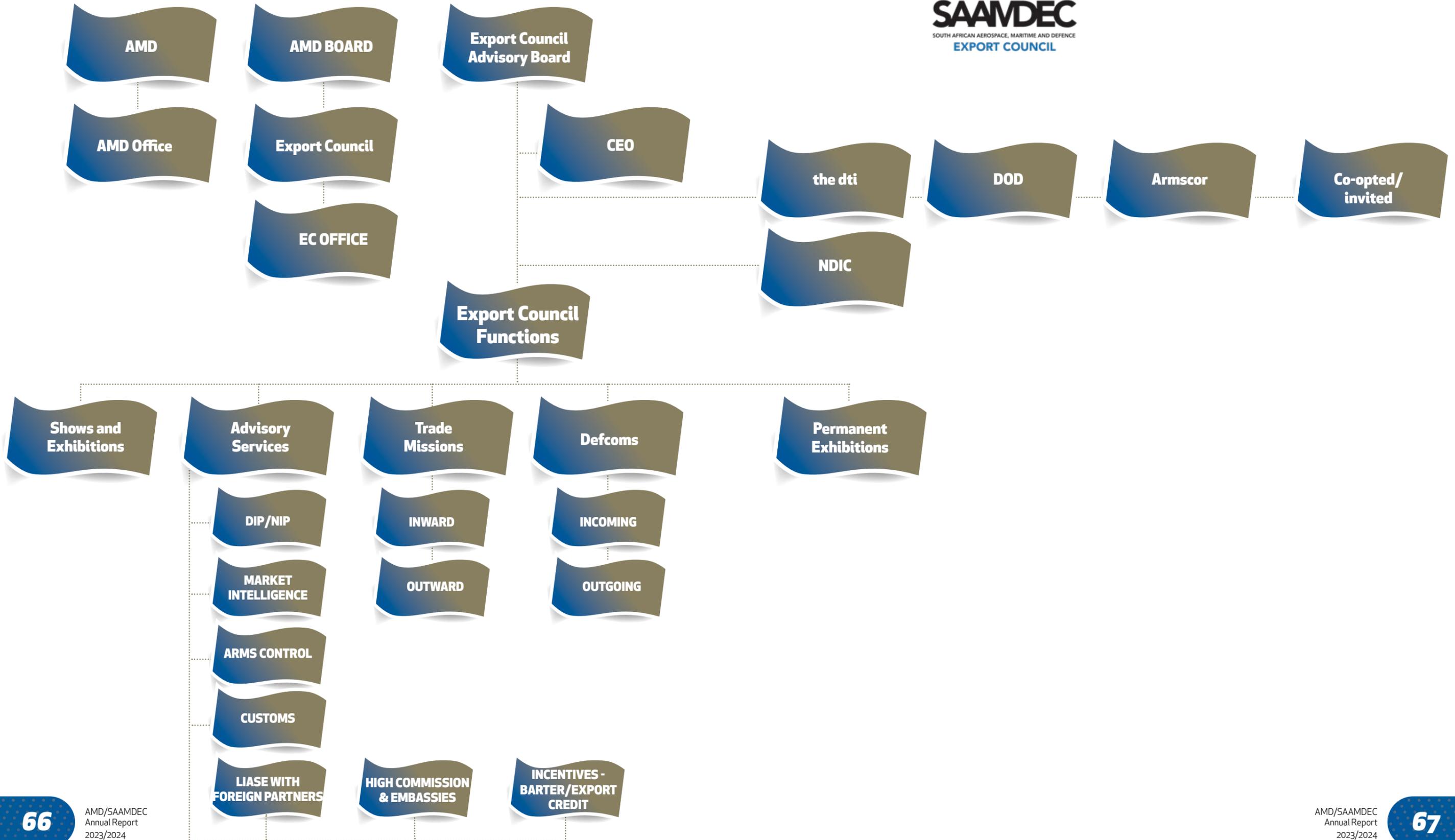
List of Board Members

NAME & SURNAME	DESIGNATION	ORGANISATION	DATE JOINED
Mr Cornelius Grundling	Chairperson	DCD Protected Mobility	08-06-2017
Mr Sihle Mayisela	Vice-Chairperson	Hensoldt Optronics	01-08-2019
Ms Phindile Skosana	dtic Representative	the dtic	01-08-2019
Mr Peter Lebelo	DOD Representative	the DOD	26-11-2021
Mr Sandile Ndlovu	SAAMDEC CEO	SAAMDEC	01-10-2015
Ms Nozipho Magwaza	DOD Representative	DOD	26-11-2021
Ms Segomotso Tire	Armcor Representative	Armcor	01-08-2022
Adm (ret) Rusty Higgs	AMD Representative	RDM	15-06-2023
Mr Isaac Motale	AMD Representative	Tesame	01-03-2023
Ms Sureija Adams	Co-opted AMD Representative	Denel Land Systems	01-03-2023

2.2.2 Dates for Planned Board and AGM Meetings

NAME & SURNAME	DESIGNATION
AMD EXPORT COUNCIL ANNUAL GENERAL MEETING	Q1- 13 June 2024
AMD EXPORT COUNCIL BOARD MEETINGS	Q1 2024: 18 January Q2- 2023: 11 April Q3 2024: 11 July Q4- 2024: 10 October

1. GOVERNANCE OF THE EXPORT COUNCIL



STRATEGIC RISK LANDSCAPE					
RISK NAME	IMPACT	LIKELIHOOD	RISK LEVEL	MITIGATING ACTION	
1	Lack of SAAMDEC sustainability due to inadequate funding by DTIC	High	Unlikely	High	<ul style="list-style-type: none"> • Ensure proper financial and operational management. • Explore new streams of income/revenue.
2	Inadequate staffing or lack of skills to execute SAAMDEC mandate	Medium	Unlikely	Medium	<ul style="list-style-type: none"> • Integrate AMD and SAAMDEC operational activities, so as to allow AMD personnel to assist with SAAMDEC activities. • Define training requirements for SAAMDEC-related tasks • Cross-skilling of current AMD staff.
3	Failure to enable exporters to increase their marketing activities and explore new markets.	High	Very likely	High	<ul style="list-style-type: none"> • Develop Market Intelligence Research • Assist members in obtaining EMIA funding. • Assist members by arranging Trade Missions
4	Inability to execute the SAAMDEC BP (such as NP, OSM) due to the coronavirus – COVID-19 and reduced DTIC support.	High	Likely	Very Likely	<ul style="list-style-type: none"> • Develop an alternative engagement plan. • Assist companies to develop/acquire digital communication platforms so that they can conduct business virtually.

OPERATIONAL RISK LANDSCAPE					
RISK NAME	IMPACT	LIKELIHOOD	RISK LEVEL	MITIGATING ACTION	
1.	Financial Resources	Very High	Likely	High	<ul style="list-style-type: none"> • Mobilising internal resources to supplement DTIC income. • Recruit more members. <p>Review expense or cost model for SAAMDEC</p>

PRIORITIES FOR 2024/2025 FINANCIAL YEAR

Industry Development (Re-imagined Industrial Strategy (RIS) and Sector Master Plans)

For the Financial Year (FY) 24/25 the Export Council will implement the following projects:

- **Implementation of the Aerospace and Defence Sector Masterplan** - Implement the Aerospace and Defence Masterplan in accordance to the four main strategic pillars namely;



- **Market Intelligence Platform** - The objective of this project at SAAMDEC is to implement a marketing and competitive intelligence platform that will provide a single source of accurate information that will:

- Gather market intelligence in order to develop commercially successful business deals;
- Receive detailed contractor product, services and capability descriptions;
- Assess opportunities and threats in new and existing markets;
- Enable narrow segmentation of contractors to provide more tailored solutions;
- Profile potential customers and identify opportunities as support to the industry.

● **Capability Matching System** - The purpose of a capability mapping system is to provide all SADI players (exporting or not) with a platform where they can clearly tabulate and codify their capabilities. This will allow other stakeholders, such as government, to have a clear understanding of the capabilities that are present within the sector. This will ensure that there is informed planning and that the allocation of resources and support programs is informed by what is required.

Promotion of Exports and Projected Export Sales

The Export Council's role and activities in facilitating and promoting exports can be categorized into the following categories:

- **Kindred Organizations:** exploiting the existing relationships as already created by its founding Association – AMD – the Export Council will not only build on these [e.g. Korean Defence Industries Association (KDIA – South Korea); Northern Defence Industries Association (NDIA - USA); Aerospace, Defence and Security (ADS - UK); Confederation of Indian Industries (CII - India), ABIMDE of Brazil and National Defence Companies Council (NDCC) - but will also engage other similar organizations in the next 12-18 months in an effort to widen the supportive network of possible partners to the SADI.
- **Trade Missions:** making use of both incoming and outgoing trade missions organized and funded by both the dtic and Export Council/Member funded, to promote SADI exports and to exploit and explore new markets for SADI members. The Trade Missions allow participating companies the opportunity to interact and engage with potential clients in a more formal setting.
- **DEFCOMS:** Over and above providing focused and industry -driven briefing notes to the DOD as an when requested, SAAMDEC will – under the auspices of AMD as the Association – actively participate in most of the bilateral / bi-national Defence to Defence engagements between

the RSA and like-minded nations at the specific request of the SA DOD. Referred to as Defence Committees, these engagements will allow SAAMDEC to partake in state-level discussions in which the government as the potential buyer of Defence and security equipment makes its requirements visible in a fairly secure and confidential environment knowing that though commercial interests are represented, such deliberations occur under the auspices of the SA DOD. Such information is shared as required with likely service providers in the SADI who then respond directly to the clients or via the SA DOD, depending on what arrangements we put in place to protect required levels of confidentiality.

- **Shows and Exhibitions:** In 2024/25 SAAMDEC and SADI plans to participate in the following international exhibitions pending approval of the dtic National Pavilion 2024/25 List:
- **SADID:** on behalf of the SADI, AMD is the owner and co-publisher of the SADID which is issued on a biennial basis. This authoritative publication provides insight into the competencies and capabilities of SADI members as well as that of non- members who choose to place their profiles in the publication.

4.2.1 Promotion of Intra Africa Trade and Implementation of the AfCFTA.

Africa, without a doubt, remains our critical market. SAAMDEC will resuscitate the Africa Focus Group to promote Intra- African Trade. The theme will be "African Solutions to African Challenges". The SADI needs to dominate this market with the AfCFTA having come into effect in January 2021. SAAMDEC will look at penetrating the following countries through outward trade missions:

- Kenya
- Ethiopia
- Ghana
- Tanzania
- Mozambique
- Angola



- Ivory Coast
- DRC
- Bartering System
- Collaboration and partnering

1.1 Grow the Export Base and Exporter retention strategies

In co-operation with the dtic through Export Marketing and Investment Assistance (EMIA) & ARMSCOR's Exhibition's division – AMD has always formed an integral part of efforts to grow the SADI's export base by facilitating the SADI's successful participation at international defence exhibitions and provides on- going marketing support to the industry. These exhibitions provide a platform for the SADI to exhibit and demonstrate its capabilities and encourage exports.

SAAMDEC will actively target and recruit companies that are owned by historically disadvantage individuals, so as to expose them to the export environment. These companies will be supported and developed, so as to enable them to be competitive on the international market.

4.4 Transformation of the Export Council/ Association

- As one of the cardinal pillars and pre-requisite for dtic support, transformation is also an instrumental

component of SADI performance. As such the Export Council pays particular interest to industry transformation and also works through available channels to ensure that transformation is enabled and supported within the Sector.

- Despite the unique nature of the defence industry, transformation has largely taken place in respect of two areas. Firstly, there have been quite a number of new players, at SMME level, that have joined the Sector. Even though barriers to entry are quite high there has been a steady formation of new companies in the Defence Sector. These companies are largely owned by HDI's and PDI's such as youth and women. Secondly, within the big companies such as Paramount and SAAB Grintek Defence, we have seen a formation of new companies that are aimed at addressing transformation imperatives. Paramount South Africa and Global Command and Control Technologies (Pty) Ltd are a case in point.
- The close collaboration between the Export Council and ARMSCOR – as the procurement agency for the State – will allow us to continue with our efforts of bringing the State's procurement might to bear on the transformation agenda. The AMD Industry Association also plays a continuous role, via the SMME sub-committee, in assisting the Sector to achieve the transformational agenda of the State.

Activities / Program/ Project/ Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
AGM	<p>To approve the Annual Report.</p> <p>To approve the Business Plan.</p> <p>To consider recommendations from the Board.</p> <p>To elect new Board members.</p> <p>To approve policies and regulations.</p>			Annual General Meeting 13 June 2024			
Quarterly Board Meetings	<p>Ensure the growth and sustainability of the Export Council.</p> <p>To oversee the work of the Council.</p> <p>To decide on key issues and make recommendations to the AGM.</p>			1 Board Meeting 11 April 2024	1 Board meeting 11 July 2024	1 Board meeting 10 October 2024	1 Board meeting 18 January 2024
Annual Audit	Ensure the growth and sustainability of the Export Council.			Annual Audit submission April till mid-May			
SAAMDEC Strategic Planning Session	<p>To develop a common program of action for the Export Council and its members.</p> <p>To identify areas of common interest for SADI exports.</p> <p>To identify new markets and strategies for SADI exports.</p>				TBC		

Activities / Program/ Project/ Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
SA Defence Industry Day	To create awareness and rapport between the respective stakeholders and industry.			SA Defence Industry day engagement to arranged			
SAAMDEC 10th birthday celebration	To commemorate 10 years in existence of the AMD Export Council.						
MAAC Day	To create awareness and rapport between the respective stakeholders and industry.			MAAC Tour Dates to be confirmed	MAAC Tour Dates to be confirmed		
National Pavilions, Shows and Exhibitions	<p>Facilitate export growth</p> <p>Facilitate exposure to international markets and buyers.</p>						
Targeted country engagements, based on the intel from RSA Defence Attachés abroad.	Relationship building and product/package negotiations.			2 Countries to be targeted.	2 Countries to be targeted	2 Countries to be targeted	2 Countries to be targeted
African trade delegation visits to SADI.	<p>To explore opportunities of entering the African market</p> <p>To increase visibility and awareness of the SADI</p> <p>To promote South African products and services on the African continent</p>			As per DOD calendar and foreign requests 8 companies to participate	As per DOD calendar and foreign requests 8 companies to participate	As per DOD calendar and foreign requests 8 companies to participate	As per DOD calendar and foreign requests 8 companies to participate

Activities / Program/ Project/ Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
DoD Supplier Day	To build relationship with suppliers, stakeholders and SMME To provide members of the export council with an opportunity to exhibit their goods & services to potential customers. To provide members of the Export Council with an opportunity to discuss challenges directly with DoD					DoD supplier day to be attended 10 members to participate	
Targeted Recruitment	Enable the Export Council to diversify and transform the export base.			Recruit 1 company per quarter			
SAAMDEC Communication Platforms	Promote the SAAMDEC, members and SADI; • Facebook • Instagram • AMD Website			Update the website and social networks On-going			
	Provide an entry point for prospective buyers into the SADI. Member portal for two-way communication. Keep Members Informed and remind them of upcoming events, shows etc.						
	Promote SADI members and potential members.			1 Annual General Meeting			
EXPORT DEVELOPMENT							
Building Export Capacity workshop	Run specific courses and workshops to address changes in legislation or build export capacity.		1 workshop per annum		1 workshop		
Regional Africa Focus Groups Workshops.	Run specific courses and workshops to address issues that are pertinent to each trade region.		1 workshop per quarter. 15 Export and Non-Export companies to attend	(dates to be confirmed) 15 Export and Non-Export companies to attend	(dates to be confirmed) 15 Export and Non-Export companies to attend	(dates to be confirmed) 15 Export and Non-Export companies to attend	Feb 24 (dates to be confirmed) 15 Export and Non-Export companies to attend

Activities / Program/ Project/ Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
Expanded Security Workshop	To engage all stakeholders in the security and cyber security space, as per the expanded definition of the sector.						1 Workshop 15 Export and Non-Export companies to attend
Provincial and Municipal Growth Agencies	Incentivizing investment in local jurisdictions Positioning SADI globally as the preferred supplier of Defence and Security products and services Develop programs to promote and encourage the establishment of small businesses in the Aerospace and Defence Sector	2024/25 MOU with GGDA MOU with TEDA	Improved support to Gauteng based companies. Joint support promotion programs for the Sector. SMME/ transformation specific programs to aide transformation in the Sector.				
Governmental Finance Institutions • IDC • NEF • SEDA • DTIC Incentive Schemes Small Business Development Departure	Develop special finance packages for the development of small businesses. Consider SADI as a sector worth supporting and investing in. Work with DIF to meet its objectives. Support Small Businesses through targeted incentives. Incentivized big business to encourage participation by BIG companies		Workshops on available funding mechanisms				On-going and continuous.

Activities / Program/ Project/ Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
Market Intelligence Research	To develop a real-time system that will allow for the collation and analysis of information from various sources, both open and restricted.		Make the System available to all members.				
Export Portal	To develop a portal through which the system will be accessed.		Continuously monitor and update the information on the system.				
Capability Mapping	To identify and map ALL SADI capabilities.						
Arms Control Compliance Support	Assist members in understanding the arms control environment and legislation.		40 companies per annum	10 companies to be assisted	10 companies to be assisted	10 companies to be assisted	10 companies to be assisted
PROJECTS							
SADI Repositioning	To embark on an exercise to reposition the Aerospace and Defence sector.		A Sector that is properly positioned with ALL the stakeholders agreeing to and accepting the centrality of the Sector.	Develop ToR's. Establish the Task Team	Task Team to finalise its work		
Sector and Member Marketing	Update Member's directory. Develop specific material for SMME group of companies. Access dti marketing funding.		On-going		Update Members directory		

Activities / Program/ Project/ Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
SAAMDEC media engagement initiative. •Defenceweb •Emnothweni •DTIC Publications •DOD Soldier •Import Export Magazine •Wesgro Publication •TEDA publication	Develop articles for publications in various media platforms.		One article per quarter. An article per Trade Mission/ event. Articles by members as and when required.	One article per quarter	One article per quarter	One article per quarter	One article per quarter
NYDA Partnership	Embark on a project to get more youth, women and people with disabilities involved in the Sector.		Two projects to be implemented in the financial year with at least 250 beneficiaries.	Identify areas of collaboration.	Develop and submit proposal. Enter into a partnership through an MOU or SLA.	Implement project. Monitor and Evaluate.	Implement, monitor and evaluate.
UNISA Enterprise Development Partnership	Promote entrepreneurship and economic development. – Provide resources and support for aspiring entrepreneurs. – Foster collaboration between academia, industry, and government to promote innovation and business growth. – Offer training, mentorship, and networking opportunities for startup ventures.						

Activities / Program / Project / Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
Aerospace Indaba	Facilitate collaboration and networking within the aerospace industry. – Promote innovation and technological advancements in aerospace. - Provide a platform for industry stakeholders to discuss challenges and opportunities. – Foster partnerships and business opportunities within the aerospace sector.						
Oceans Economy Conference	Bringing together key stakeholders from both the commercial and defence sectors. This two-day event will cover a wide range of topics including transport, logistics and shipping, offshore oil and gas, fisheries, tourism, as well as defence and security at sea. It will also serve as a platform to showcase cutting-edge technologies, innovative solutions, and industry advancements in the oceans economy sector.						

Activities / Program / Project / Initiative	Objectives	Estimated Budget	Estimated KPI Target 2020/21	Quarterly Milestones			
				1st	2nd	3rd	4th
National Public Safety Townhall	Address pressing issues related to National security and public safety. Raise awareness about current threats and challenges. – Facilitate discussions on policy development and implementation. – Strengthen collaboration between government agencies, law enforcement, and public safety organizations.						
Special Focus on AAD	Fully preparing for AMD events at AAD ie Chalet and bookings						
Defence Exports Advocates and Ambassadors	Identify Export Advocates and Ambassadors, from former SANDF Retired Generals/ Admirals and Senior retired Industry experts. Conduct a workshop with the Advocates and Ambassadors.		Defence Exports Advocates and Ambassadors to be available as and when required by Industry.	Identify Advocates and Ambassadors. Conduct a training or information workshop.	Adv. and Amb. to accompany SADI on Trade Missions and National Pavilions.	Adv. and Amb. to accompany SADI on Trade Missions and National Pavilions.	Adv. and Amb. to accompany SADI on Trade Missions and National Pavilions.

BUDGET

	2023/2024	2024/2025
REVENUE		
Membership Fees:	500,000.00	500,000.00
dtic Matching Grant Funding:	1,000,000.00	1,000,000.00
Other sources of income:		202,840.00
Interest Income:		
Total Revenue	1,500,000.00	1,702,840.00
OPERATING EXPENSES		
Marketing Materials:	-	-
Local Exhibitions:		
Missions:		
Export readiness training:		
Accounting fees:	10,520.52	11,862.72
Bank charges:	3,600.00	3,816.00
Courier and postage:	6,360.00	6,360.00
Salaries:	1,341,773.03	1,422,279.43
Insurance:		
IT expenses:	6,360.00	8,870.00
Office expenses:		
Operating lease:		
Secretarial fees:		
Subscriptions:	7,632.00	7,632.00
Telephone and internet:	14,400.00	15,264.00
Travel & Subsistence:	90,000.00	90,000.00
Website/Internet:	7,950.00	8,430.00
Audit and legal fees, etc.	11,200.00	11,875.00
Total Operating Expenses	1,499,795.55	1,586,389.15
Operating Surplus/ Loss for 2021/2022 & 2022/2023	204.44	116,450.85
Notes:		

SIGNATORIES

BOARD APPROVAL

Name:

Designation:

Signature:

Date:

EXPORT COUNCIL

Name: Sandile Theophelus Ndlovu

Designation: CEO

Signature:

Date:

DTIC REPRESENTATIVE

Name:

Designation:

Signature:

Date:

MEMBERSHIP LIST

MEMBERSHIP LIST OF EXPORT COUNCIL - 2023/2024 FINANCIAL YEAR

NO	NAME OF COMPANY	CONTACT PERSON	CONTACT DETAILS (Email & Tel no)	MEMBERSHIP CONTRIBUTION (RAND)	PROVINCE
1	Areta Holdings (Pty) Ltd	Zane Cleophas CEO	Southdowns Ridge Office Park c/o John Vorster Drive and Nellmapius Drive, Irene, Centurion, Pretoria, Southdowns PO Box 45, Celtisridge, 0130 Tel no: 012 003 3240 Email: zane@aretaconsult.co.za	R820.39	Gauteng
2	Armiger	JC van Schalkwyk Director Commercial	PO Box 516, Raslouw Tel no: 012 650 2028 Email: jc.vanschalkwyk@armiger.co.za	R820.39	Gauteng
3	Aselsan				
4	Aves Holdings	Valentine Duma	D3 Building Denel Aviation Campus, 3-5 Atlas Road, Bonaero Park, 1619, O.R. Tambo International Airport. Tel: +(27) 73 011 4351, +(27) 11 568 7677 Email: info@avesholdings.com	R820.39	Gauteng
5	Black Eagle Aviation services	Segran Govender Managing Member	PO Box 1302, Lanseria, 1748 Tel: 084 024 7365/ 0861 000 365 Email: segran@blackeagle-aviation.co.za	R820.39	Gauteng
6	Bohabela Wheels (Pty) Ltd	Ms Nora Fakude-Nkuna Managing Director	P.O. Box 2597, Nelspruit, 1200 Tel: 013-7536000 / 013 7536014 E-mail: nfakude@buscor.co.za/lventer@buscor.co.za	R820.39	Mpumalanga
7	CAM Steel	Mr Leonard Peters Director	1 Jockey Street, Stormill, Roodepoort Tel: 083 200 7383/ 010 222 0289 Email: leonard@camsteel.co.za	R820.39	Gauteng
8	Clear Bec Group	Simpiwe Balfour Commercial Director	Suite 403, Private Bag X1, Melrose Arch, 2076 Tel no: 079 955 8066 Email: simpuwe.balfour@gmail.com	R820.39	Gauteng
9	Cobra Aviation (Pty) Ltd	MR Javid Malik CEO	K1 Hanger, Denel Kempton Park Campus, Atlas Road, 1620 Tel no: 011 395 1473 Email: malik@cobraaviation.co.za	R2461.17	Gauteng
10	Compliance and Security Advisory Services (Pty) Ltd	Linda Moni Chairman	PO Box 1059, Bramley, 2018 Tel: 011 518 3700 Email: linda@csas.co.za	R820.39	Gauteng
11	Damen Shipyards Cape Town	Mr Arie Midavaine Managing Director	PO Box 6075, Roggebaai, 8012 Tel no: 021 4471714 Email: sefale@montsi.co.za	R64428.75	Western Cape

12	DCD Protected Mobility	Cornelius Grundling General Manager	PO Box 895, Isando, 1600 Tel no: 011 281 7300 Email: cornelius@dcd.co.za	R20,509.74	Gauteng
13	Defencetek CSIR	Executive Manager	P.O. Box 395, Pretoria, 0001 Tel: (012) 841-3139/012 841 3594 E-mail: Smbhokota@csir.co.za	R820.39	Gauteng
14	DENEL	Mr William Hlakoane	Tel: 012 671 2858 E-mail: williamh@denel.co.za marietjies@denel.co.za	R71952.19	Gauteng
15	DIRTT Africa (Pty) Ltd	Ms Ndzalama Maluleke Financial Director	17 3rd Street, Maraisburg, 1709 Tel no: 011 472 6649 Email: ndzalama@dirtafrica.com	R820.39	Gauteng
16	Emzansi Engineering Consultants	Aubrey Mackenzie	P.O. Box 2323, Wingate Park, 0153 Tel no: (012) 345 3383 E-mail: aubrey@emzansi.com	R820.39	Gauteng
17	FIMM Tech	Ms Florence Musengi CEO	PO Box 3795 The Reeds, Centurion, 0158 Tel no: 012 880 1866 Email: Florencem@fimmtech.co.za	R820.39	Gauteng
18	GAC Laser International Logistics Trading as: GAC Laser Specialised Logistics (Pty) Ltd	Ms Sandra Monareng Sales and Marketing Manager	PO Box 25116, Monument Park, 0105 Tel no: 012 345 5109 Email: sandram@gaclaser.co.za	R8,203.89	Gauteng
19	GEW Technologies (Pty) Ltd	Mr Hennie Venter	PO Box 912-561, Silverton, 0127 Tel no: 012 421 6212 Email: hventer@gew.co.za	R56,025.00	Gauteng
20	Global Command and Control Technologies	Mr Ratilal Rowji CEO	PO Box 11766, Centurion.0046 Tel no: 082 450 9049 Email: ratilal.rowji@gc2t.com	R20509.74	Gauteng
21	GRIMMS Group	Mr Ernest Carelse Marine Spares Manager	Unit1, Jack's Park, Capricorn Drive, Capricorn Business Park, Muizenberg, 7995 Email: ecarelse@grimms.co.za	R20509.74	Cape Town
22	Hlamalane Projects (Pty) Ltd	Pitso P Mokete Director	PO Box 256, Kelvin, 2024 Tel no: 010 020 1883 Email: pitso@hlamalane.co.za	R820.39	Gauteng
23	HENSOLDT Optronics (Pty) Ltd	Mr Sihle Mayisela	PO Box 8859, Centurion, 0046 Tel no: 012 674 0012 e-mail: Sihle.Mayisela@hensoldt.netcxc	R58,125.94	Gauteng
24	Imperial Armour	Ms Louisa Garland-Els Managing Director	PO Box 29231, Westmead, 3624 3 Clark Road, Westmead Tel no: 031 700 2650 E-mail: imperial-armour@mweb.co.za	R820.39	KwaZulu-Natal

25	Katlego Global Logistics (Pty) Ltd	Mr Moses Maboi Managing Director	PO Box 7321 Halfway House, 1685 Unit 2, Arcadia Park, Capital Hill Business Park, Le Roux Avenue, Midrand, 1685 Tel no: 011 315 8125 Email: mosesm@katlegoint.co.za	R820.39	Gauteng
26	Lorris Duncker Consultancy & Services (Pty) Ltd				
27	LS SA Radio Communication Services		131 Gelding Ave, Ruimsig, Roodepoort 1724 Johannesburg Tel no: +27 (0)11 9585153 Email: Info(at)LSofSA.co.za	R8203.89	Gauteng
28	Milkor (Pty) Ltd	Marco Rincon	PO Box 10666, Centurion, 0046 Tel no: 012 333 3134 Email: mrincon@milkor.com/ tgimre@milkor.com	R820.39	Gauteng
29	M-Tek (Pty) Ltd	Rodney Cameron Managing Director	Centurion, 0046 Tel : (012) 653 2528 Mobile : 084 209 7349 Fax: 012 653 2524 Email: rodney@mtek.co.za	R8,203.89	Gauteng
30	Mzansisat (Pty) Ltd	Victor Stephanopoli Director	21 Petunia Street, Welgedacht, Stellenbosch, 7530 Tel no: 083 655 1715 Email: victor@mzansisat.com	R820.39	Western Cape
31	MN Group (Pty) Ltd	Sicelo Ngubane Managing Director	19 Valley View Road, New Germany, 3610 Email: siceleon@mngroup.co.za	R820.39	Gauteng
32	Natcom Group of Companies (Pty) Ltd	Mr Dean Mogale Director	PO Box 1804 Silverton, 0127 Tel no: 012 804 1148 E-mail: keke@afprimeasure.co.za	R820.39	Gauteng
33	Natco SA International Transports (Pty) Ltd	Mr Michael Dürig Managing Director	PO Box 25208, East Rand, 1461 Tel no: 011 608 2340 Email: mike@natcosa.co.za	R820.39	Gauteng
34	North Park Group (Pty) Ltd	Jacob Mohlamme Managing Director	PostNet Suite 557, Private Bag X10, Elarduspark, 0047 Tel no: 087 720 1345 Email: jacob@northparktelecoms.com	R820.39	Gauteng
35	Optronics Africa cc	Mr Francois G. Collin	Business Development and Logistics Manager PO Box 5, Innovation Hub, 0087 Tel no: 082 454 8733 Email: Optronics@mweb.co.za	R820.39	Gauteng
36	OTT Solutions	Mr André Olivier Managing Director	PO Box 11296, Hatfield, 0028 Tel no: 012 802 8700 Email: andreo@ottolutions.co.za	R2,461.17	Gauteng

37	OTT Technologies (Pty) Ltd	Mr Stefan Booyen Director	PO Box 11296, Hatfield, 0028 Plot 113, Mooiplaats, Pretoria Tel no: 012 802 8700 Email: chrisg@ott.co.za	R54,000.00	Gauteng
38	Paramount Group	Alison Crooks CEO	998 16th Road, Halfway House, 1685 Tel no 011 086 6800 E-mail: alison.crooks@paramountgroup.com Contact point: Lt Gen (ret) Carlo Gagiano Email: carlo.gagiano@paramountgroup.com Tel no: 082 802 5515	R54,000.00	Gauteng
39	Pearl Coral 1173 t/a TFASA	Mr Jean Jacques Rossouw Chief Executive Officer	PO Box 890, Oudtshoorn, 6620 Tel no: 044 272 2825 Email: admin@tfasa.com / jean@tfasa.com	R820.39	Western Cape
40	Pula Nala Petroleum	Ms Kwanele Maureen Ndlovu Director	R2 Building - Office 204, Denel, 3 Atlas Road, Kempton Park, 1459 Tel no: 082 5877 387 Email: info@pulanalapetroleum.co.za	R820.39	Gauteng
41	Redeployment Camp Systems (RCS)	Ms Karen Coetzer	Denel Office Park Nellmapius Drive, Irene, Centurion PO Box 9359, Centurion, 0046 Tel no: (012) 671 1010 Fax no: (012) 671 1023 E-mail: dunelle@rcssa.com/ karen@rcssa.com	R8,203.89	Gauteng
42	REUTECH Limited	Mr Trevor Raman Chief Operating Officer	PO Box 35, Halfway House, 1685 Tel no: (011) 652 5555 E-mail: daleens@reutech.co.za	R60,305.66	Gauteng
43	RGC Engineering Sales	Mr A.A. Grech Cumbo CEO	P.O. Box 39171, Bramley, 2018 Tel: (011) 887 0800 E-mail: info@rgcengineering.co.za/ aurelio.grechcumbo@rgcengineering.co.za	R820.39	Gauteng
44	Rheinmetall Denel Muniton (Pty) Ltd	Mr Jan-Patrick Helmsen CEO	PO Box 187, Somerset West, 7129 Reeb Road, Firgrove, 7130 Tel no: 021 850 2004 E-mail: Angela.farmer@rheinmetalldenelmuniton.com / Jan-Patrick.Helmsen@rheinmetall-denelmuniton.com	R64,913.39	Western Cape
45	Richard Harper Logistics (Pty) Ltd	Richard Harper Managing Director	PO Box 59191, Kengray, 2194 Tel no: 082 900 1653 Email: Richard@harperlogistics.co.za	R820.39	Gauteng
46	Rippel Effect Systems (Pty) Ltd	Mr Fritz Visser CEO	PO Box 12434, Hatfield, 0028 Tel no: 012 803 4346 Fax no: 012 803 5548 Email: fritz@rippeleffect.co.za	R2,461.17	Gauteng

47	Saab Grintek Defence (Pty) Ltd	Mr Anders Lindgren CFO	PO Box 8792, Centurion, 0046 Tel: 012 492 2968 Email: anders.lindgren@saabgroup.com Secretary – Salome Warriker Salome.warriker@za.saabgroup.com	R58125.00	Gauteng
48	SAP Africa Region	Mr Gabor Petroczi-Farkas	Tel no: 011 235 6000 Email: g.petroczi-farkas@sap.com	R820.39	Gauteng
49	Siemens Energy (Pty) Ltd	Rainer Neff Head of Marine Engineering	PO Box 2095, Pinetown, 3600 Tel: (031) 710-4120 E-mail: rainer.neff@siemens.com	R2,461.17	KwaZulu-Natal
50	Simteq Engineering (Pty) Ltd	Zak Fourie Senior Engineer	Suite 505, Private Bag X025, Lynnwoodridge, 0040 Tel: (012) 004 1362 Email: zak@simteq.co.za	R820.39	Gauteng
51	Sandock Austral Shipyard	Mr Prasheen Maharaj Executive Director	PO Box 17253, Congelia, 4013 Tel no: 031 274 1800 Email: prasheenm@sa-shipyards.co.za	R54,000.00	KwaZulu-Natal
52	Snode Technologies (Pty) Ltd	Mr Nithen Naidoo CEO and Founder	124 Akkerboom Street, Building 12, Centurion Gate Office Park, Centurion Tel no: 012 880 0989 Email: Nithen@Snode.com	R820.39	Gauteng
53	Special Vehicle Innovation (SVI)	Mr Jaco de Kock Director	PostNet Suite 290, Private Bag X8, Elardus Park, 0047 Tel no: 012 999 3082 Email: jdk@svi.co.za	R8,203.89	Gauteng
54	Stealth Tactical Arms	Mr T. A. Rahiman Managing Director	Shop 40, Hillfox Value Centre, C/ OAbert and Hendrik Potgieter Streets, Weltevreden Park, 1724 Tel no: 082 940 0434/ 087 537 9111 Email: mrt@staonline.co.za	R820.39	Gauteng
55	Swatek Electrical (Pty) Ltd	Mrs Khulile Mtsetfwa CEO	PO Box 17249, Lyttelton, 0140 Tel no: 012 644 1085 Email: khulilem@swatek.co.za/lvds@swatek.co.za	R2,461.17	Gauteng
56	TAU Aerospace and Advanced Technologies (Pty) Ltd	Glenrose Kganyago: Managing Director Monique Mulder: Project Supervisor	Unit 13, Jan Smuts Park, Jones Road, Jet Park, Boksburg, 1459, Tel no: 011 397 6260 Email: Glenrose.khanyago@tauaerospace.co.za	R2,461.17	Gauteng

57	Thales SA Systems (Pty) Ltd	George Janse van Rensburg Senior Sales Manager: Defence	P.O. Box 420, Halfway House, 1685 Tel: (011) 088 8653 E-mail: george.jansevanrensburg@thalesgroup.com	R20,509.74	Gauteng
58	Thuthuka Harnesses	Mr Julian Sithole Director	97 Tigris Avenue, Eersterust, 0022 Tel: 012 030 0130/ 076 610 6281 Email: julian@tths.co.za	R820.39	Gauteng
59	TMi Consultancy cc	Mr T. Moodley Managing Member	P.O. Box 4369, Rietvalleirand, 0174 Tel: (012) 844 0310 E-mail: tmoodley@tmi-za.com	R820.39	Gauteng
60	Twiga Services	Brig Gen (ret) Damian de Lange CEO	PostNet suite no 369 Private Bag X8, Elarduspark, 0047 38 Gen van Ryneveld Street, Eulophia Corner, Persequor Technopark, Lynnwood Tel no: 012 345 5109 Email: damian@twig-africa.com	R8203.39	Gauteng
61	Umkhombe Marine (Pty) Ltd	Nombasa Ndhlovu Director and CEO	2063 Vohaire Drive, Dainfern Valley, Fourways, 2191 Tel no: 012 003 3420 Email: nombasa@umkhombemarine.co.za	R20,509.74	Gauteng
62	Vepac Electronics	Edwin Brown Managing Director	PO Box 1438, Edenvale, 1610 Tel no: 011 454 8053 Email: Edwin@vepac.co.za	R820.39	Gauteng
63	WSP Group Africa (Pty) Ltd	Dr Terence Milne Divisional Managing Director	PO Box 98867, Sloane Park, 2152 Tel no: 011 361 1402 Email: terence.milne@wsp.com	R2,461.17	Gauteng
64	ZD Investment t/a ZD Utilities	Ms Zodwa Dlamini Managing Director	PO Box 39080, Faerie Glen, 0043 Tel no: 012 348 5338 Email: zdutilities@gmail.com	R820.39	Gauteng
65	Zebra Armour	Ms Sonja Morphis Company Secretary	PO Box 675, Gillitts, 3603 Tel no: 031 700 8077 Email: Sonja@morphis.co.za / sales@zebrasun.com	R820.39	KwaZulu-Natal
66	Zutari (Pty) Ltd	Lizelle Botha Technical Director Dirk Trollip Technical Director	PO Box 74381, Lynnwood Bridge, 0040 Tel no: 082 5538457 Email: Dirk.Trollip@zutari.com	R820.39	Gauteng

1.1 Changes to the Board of the Organisation

List of Board Members

NAME & SURNAME	DESIGNATION	ORGANISATION	DATE JOINED
Mr Cornelius Grundling	Chairperson	DCD Protected Mobility	08 June 2017
Mr Sihle Mayisela	Vice-Chairperson	Hensoldt Optronics	01 August 2019
Ms Phindile Skosana	dtic Representative	the dtic	01 August 2019
Mr Sandile Ndlovu	SAAMDEC CEO	SAAMDEC	01 October 2015
Mr Peter Lebelo	DOD Representative	DOD	26 November 2021
Ms Nozipho Magwaza	DOD Representative	DOD	
Ms Segomotso Tire	Representative	Arm Scor	01 August 2022
Adm (ret) Rusty Higgs	AMD Representative	RDM	15 June 2023
Mr Isaac Motale	AMD Representation	ILC Lerumo	01 March 2023
Ms Sureija Adams	Co-opted AMD representative	Denel Land Systems	01 March 2023

Changes to the Board of the Organisation

- No changes to report.

1.2 Board Meetings and AGM

The SAAMDEC Board meeting took place on the 18th of January 2024. Minutes of the meeting is available on request.

1.3 Executive Management

- There are no changes to the Executive Management; Mr Sandile Ndlovu remains the Chief Executive Officer and the only employee by the Export Council.

2 HIGHLIGHTS FOR THE PAST QUARTER

2.1 General Overview/ Summary of the Progress Report and Highlights Industry/Sector Developments

Industry Development (Re-imagined Industrial Strategy (RIS) and Sector Master plans)

Implementation of the Aerospace and Defence Sector Master plan – AMD in collaboration with SAAMDEC established the following new sub-committees which include various experts within the sector to implement the Aerospace & Defence Master plan key priorities;

- Innovation and Future Defence;
- Manufacturing;
- Exports;
- Monitoring and Evaluation;
- Marketing;
- Space;
- NCACC.

The committees met during February 2024 and resumed their activities. Progress reports would be made available. Programmes of Actions were compiled and aligned with the Aerospace & Defence Master plan during the Strategic Planning meeting of 31 August 2023.

Industry Development (IPAP)

SAAMDEC IT Project is an IPAP Project.

The project seeks to develop IT systems that will allow the Aerospace and Defence Sector to be competitive, particularly in the export environment. The three systems that are being developed are the following:

- Market Intelligence Platform:** The objective of this project at SAAMDEC is to implement marketing and competitive intelligence platforms that will provide a single source of accurate information that will:
- Gather market intelligence in order to develop commercially successful business deals;
 - Receive detailed contractor product, services and capability descriptions;
 - Assess opportunities and threats in new and existing markets;
 - Enable narrow segmentation of contractors to provide more tailored solutions;
 - Profile potential customers and identify opportunities as support to the industry.

SADI REPOSITIONING TASK TEAM

The purpose of the Task Team will be seized with the task of analysing the current environment under which the entire sector exists, identifying areas where improvements and changes are required and making recommendations to the Boards of AMD and SAAMDEC.

The SADI Task Team completed their report and their recommendations would be implemented as soon as possible. This served at the SAAMDEC AGM and was approved and adopted.

The sub-committee members are:

- Mr Deon Olivier, Deputy Chair (as the Chair of the Committee);

- Mr I. Motale (as the Vice-Chair of the Committee)
- Brig Gen (ret) Damian de Lange, Honorary Secretary;
- Ms S. Montsi, Honorary Treasurer;
- Mr S. Mayisela, REMCO Chairperson;
- Mr S. Ndlovu, ED of AMD.

Recommendations to be implemented:

- The formation of a super structure, and;
- The combination of the administrative offices of AMD and SAAMDEC under one leadership to improve efficiencies and reduce operational costs.

NCACC TASK TEAM

The NCACC Task Team was established by the AMD Special Board on 09 July 2020 with the purpose of assisting the SADI on Arms Control matters relating to End User Certificates (EUC's) and Export Permits. The Task Team consists of the following AMD/SAAMDEC members:

Representative	Company
Ms Nombasa Ndhlovu (Committee Chairperson)	Umkhombi Marine
Adm Higgs	RDM
Mr Sandile Ndlovu	AMD
Mr Isaac Motale	Reutech

Exports remain a critical revenue driver for the South African Defence Industry and the task team has worked tirelessly with the DCAC office to ensure that the permit backlog was resolved and that permits were issued. To date, a number of the Arms Control issues mainly to the Middle East were resolved. AMD/SAAMDEC issues a survey to members monthly for the task team to address various issues with the DCAC Office.

A presentation by the Task Team was presented to Minister Gungubele on 18 March 2022.

- Resolved issues relating to EUC's with Kuwait. Issues with Oman were still on-going.
- The Dep MOD & MV was assisting with resolving

- the export permits to Turkey.
- Several meetings took place with stakeholders regarding the litigation issue of Open Secrets against the NCACC. This matter is still being resolved.

A workshop took place on 27 June 2023 to discuss the proposed Amendments to the NCAC Act and was well attended. Amendments to the Act to be finalised.

Capability Mapping Platform: The purpose of a capability mapping system is to provide all SADI players (exporting or not) with a platform where they can clearly tabulate and codify their capabilities. This will allow other stakeholders, such as government, to have a clear understanding of the capabilities that are present within the sector. This will ensure that there is informed planning and that the allocation of resources and support programs is informed by what is required.

Export Portal Platform: The SADI Export Portal shall seek to support ALL exporters in the defence sector by providing them with a platform where they can promote their products and services. The Portal will also act as a nodal access point to potential clients by providing them with information on all exporters and their capabilities. Finally, the portal will also assist exporters by identifying business opportunities for them through a Decision Support Model.

3.2 Expand the Export Base

- Expanding the Export Base is one of the key activities that we, as the Export Council, take very seriously. The Aerospace and Defence Sector is one of the sectors that are lagging, in as far as transformation – or participation by previously marginalised groupings such as woman, youth and people with disabilities. We are hopefully that the recently gazetted Defence Industry Charter – and other instruments (DIF) – will assist in the promotion of new participants in the sector, especially from the identified groupings.

3 PROGRESS ON ANNUAL BUSINESS PLAN TARGETS

3.1 Promotion of Exports

- The following activities took place during the 4th quarter of 2023/2024. Although the last quarter seems to be quite, it is to note that the 1st quarter of the new financial year will be a very busy month.
 - RSA/Zambia Incoming Defcom: 07 – 09 March 2024
 - Educational Study Tour by Uganda National Defence College (Uganda People's Defence Force): 12 - 16 March 2024
 - Mozambique Armed Forces day: 15 March 2024: Mozambique
 - Global Entrepreneurship Congress + Africa

Key Performance Indicator	Output	Quarterly Target	Quarter 4 reporting	
MEETINGS				
AGM		1 AGM	AGM of 2024 to take place on 13 June 2024. AGM of 2023 took place on 15 June 2023.	finalised
Quarterly Board meetings for 2023/2024	Ensure the growth and sustainability of the Export Council. To oversee the work of the Council. To decide on key issues and make recommendations to the AGM.	1 Board meeting	Board meeting took place on 19 January 2023	finalised
Annual Audit	To ensure that the financial reports are free from material misstatements.		Audit has not yet been done, audit will only start after year end.	
SAAMDEC Strategic Planning Session	To develop a common program of action for the Export Council and its members. To identify areas of common interest for SADI exports. To identify new markets and strategies for SADI exports	Strategic Planning Session		On-going
SA Defence Industry Day			Planned for May 2024	
MAAC Day			MAAC / SADI engagements planned for 2024. SADI planned their own engagements and the MAAC.	
Defence Attaché's (DA) Day			The following meetings took place with DAs: Meetings: Petr Haramul, Czech Rep; Snr Col Peng; Col Elkomy, DA of Egypt; Snr Col Tang Xiao; Functions: Eve of the opening of Parliament, the British High Commissioner; Russian Motherland Defender's day;	No formal DA day.

Key Performance Indicator	Output	Quarterly Target	Quarter 4 reporting	
NATIONAL PAVILIONS FOR 2023				
Targeted country engagements, based on the intel from RSA Defence Attachés			Attended the following:	
African trade delegation visits to SADI.		As per DOD calendar and foreign requests 8 companies to participate		
DoD Supplier Day		DoD supplier day to be attended 10 members to participate		
Targeted recruitment	Embark on a drive to increase and diversify Export Council membership by targeting HDI owned companies Target in particular, black industrialist	Recruit 1 company per quarter	Three new companies membership were confirmed: Black Eagle Aviation Services; Thuthuka Harnesses; Stealth Tactical Arms. Two companies terminated their membership: SITCA; Cybicom Atlas Defence	On-going
SAAMDEC website and other web platforms	Maintain and update website as and when necessary	Update the website and social networks On-going	On-going	As and when necessary
SAAMDEC Communication Platforms ● Facebook ● Instagram	Maintain and update the social network	Update the website and social networks	On-going	Facebook page and Instagram accessible and managed very well
EXPORT DEVELOPMENT				
Transport and Insurance Workshop	Run specific courses and workshops to address changes in legislation or build export capacity	1 workshop 15 Export and Non-Export companies to attend		
Regional Africa Focus Groups Workshops.	Run specific courses and workshops to address issues that are pertinent to each trade region.	1 Workshop	Global Entrepreneurship Congress + Africa.	
Expanded Security Workshop	To engage all stakeholders in the security and cyber security space, as per the expanded definition of the sector.	1 Workshop 15 Export and Non-Export companies to attend		

Key Performance Indicator	Output	Quarterly Target	Quarter 4 reporting	
Provincial and Municipal Growth Agencies	<p>Incentivizing investment in local jurisdictions</p> <p>Positioning SADI globally as the preferred supplier of Defence and Security products and services</p> <p>Develop programs to promote and encourage the establishment of small businesses in the Aerospace and Defence Sector</p>		CAV Continuous engagements with Wesgro	
Market Intelligence Research Export Portal Capability Mapping	<p>To develop a real-time system that will allow for the collation and analysis of information from various sources, both open and restricted.</p> <p>To develop a portal through which the system will be accessed.</p> <p>To identify and map ALL SADI capabilities.</p>	Launch the system		This activity has suffered due to funding constraints. Both Armscor and the DTIC have had funding challenges affecting most of their programs.
Arms Control Compliance Support	Assist members in understanding the arms control environment and legislation.	10 companies to be assisted	On-going through the work of the Export Committee.	On-going
PROJECTS				
SAAMDEC initiated Trade Missions	<p>Focused SADI Trade Missions.</p> <p>To align Trade Missions to Defence Committees.</p> <p>To identify possible target countries, through engagements with members.</p>	<p>1 Trade Mission</p> <p>5 Companies to participate</p>		
SAAMDEC industry seminars/ conferences (to be confirmed)	<p>To establish strong relations between the two Industries.</p> <p>To enhance cooperation between the two countries.</p>	1 Seminar	<ul style="list-style-type: none"> ● Various meetings with stakeholders on Sector-to-Sector engagements; ● Various engagements re PPP; ● Various meetings with PR Consultancy on National Security Townhall worksession; ● Oceans Economy conference; ● Aerospace and Defence Transformation Webinar; ● Maritime Conference; ● Round table on future of trade 	

Key Performance Indicator	Output	Quarterly Target	Quarter 4 reporting	
KZN Export Week	<p>To register for participation</p> <p>To apply for a stand to exhibit</p> <p>Prepare a presentation and programme for the slot allocated for SAAMDEC.</p> <p>Develop a media plan for SAAMDEC.</p> <p>Develop articles for identified publications (Defenceweb, ARMSCOR publication, TEDA publication and Emnothweni).</p>	<p>SAAMDEC Participation</p> <p>5 Member Industry Panel</p>		Event did not take place.
SAAMDEC media engagement initiative	<ul style="list-style-type: none"> ● defenceWeb ● Emnothweni ● DTIC Publications ● DOD Soldier Magazine ● Import Export Magazine ● Wesgro Publication ● TEDA publication 	Develop articles for publications in various media platforms.	One article per quarter	<p>Meetings took place with: defenceWeb;</p> <p>Meetings with Purpleroom;</p> <p>Meetings with CSM.</p>
UFS Partnership	<p>Develop the terms of the Service Level Agreement.</p> <p>Identify areas of academic development to be covered.</p> <p>Conduct a survey within SADI on academic programs to be covered.</p> <p>Identify research areas to be addressed</p>	<p>Implement two training programs.</p> <p>Identify one research topic.</p>		<p>Programme put on hold due to COVID-19.</p> <p>UFS Business School had to scale down their programs and concentrate on virtual on-line learning programs.</p>

Key Performance Indicator	Output	Quarterly Target	Quarter 4 reporting	
Defence Exports Advocates and Ambassadors	Identify Export Advocates and Ambassadors, from former SANDF Retired Generals/Admirals and Senior retired Industry experts. Conduct a workshop with the Advocates and Ambassadors.	Adv and Amb to accompany SADI on Trade Missions and National Pavilions.	Courtesy calls / functions took place with former SANDF Retired Generals/ Admirals: <ul style="list-style-type: none"> ● Dr September; ● Gen Buthelezi; ● Gen Dlomo; ● Mr Jola; ● Meeting with CSANDF; ● CAirforce re SAAF Capability Conference; ● CSANDF Gala Dinner; ● C Navy; ● Gen Barends, re SADI day; ● Brig Gen Radebe; ● Maj Gen Sitshongaye; ● Attended SANDF Planners event; ● Meeting with National Treasury; ● Meeting with P. Lesufi, Gauteng Premier; ● Dr Khanyile, NDIC; ● Terry Pappas; ● James Xulu; ● Bongekile Gumedede; ● Yasmin George; ● Dr Vasu Gounden; ● Attended SONA. 	This programme is going to be expanded to include the Retired Chief of the Navy and Chief of the Air Force – V Adm Mudimu and Lt Gen Msimang.

Key Performance Indicator	Output	Quarterly Target	Quarter 4 reporting	
DTIC TRADE MISSIONS				
STAKEHOLDER ENGAGEMENTS			<ul style="list-style-type: none"> ● Meetings took place between the Chairperson and CEO of SAAMDEC; ● Meeting with Hensoldt (Mr Sihle Mayisela); ● Afrimeasure and SAFRAN event ● Marijke from Damen; ● Isaac Motale, ILC Lerumo; ● Leonard Peters, CAMSteel; ● Mr Rowji, Adm Higgs, Dr Zondi, Michelle Nxumalo, Isaac Motale; ● Interview with Moneyweb; ● Interview with FMR's Classic Business Show; ● Meeting with Dr Zondi; ● Meeting with Mr Lebelo (DoD), ● James Thaba, CSIR; ● Meeting with Acting Chairperson of AMD, Michelle Nxumalo; ● Meeting with Ms Masego Mayevu; ● ;Julian Sithole, Thuthuka Harnesses; 	On-going

4 REPORT ON MEMBERSHIP EXPORT PIPELINES

Due to the nature of our business our companies are required to sign non-disclosure agreements with their potential clients whereby they are prohibited to make this information available. However, the information can be obtained from Directorate Conventional Arms Control (DCAC), and the DTIC as a government institution is allowed to request this information.

No	Company Name and Class	Sector	Province	Export Product description	Estimated Export Revenue	Comments/ Status
1	Areta Holdings (Pty) Ltd		Gauteng			
2	Armiger		Gauteng			
3	Aves Holdings		Gauteng			
4	Black Eagle Aviation Services		Gauteng			
5	Bohlabela Wheels		Mpumalanga			
6	CAM Steel		Gauteng			
7	Clearbeq Group		Gauteng			
8	Cobra Aviation (Pty) Ltd		Gauteng			
9	Compliance and Security Advisory Services (Pty) Ltd		Gauteng			
10	Damen Shipyards		Western Cape			
11	DCD Protected Mobility		Gauteng			
12	Defencetek CSIR		Gauteng			
13	DENEL		Gauteng			
14	DIRTT Africa (Pty) Ltd		Gauteng			
15	Emzansi Eng Consultants		Gauteng			
16	FIMM Tech		Gauteng			
17	GAC Laser Specialised Logistics (Pty) Ltd		Gauteng			
18	GEW Technologies (Pty) Ltd		Gauteng			
19	Global Command and Control Technologies		Gauteng			
20	GRIMMS Group		Cape Town			
21	Hlamalane Projects (Pty) Ltd		Gauteng			
22	HENSOLDT Optronics (Pty) Ltd		Gauteng			
23	Imperial Armour		KwaZulu Natal			
24	Katlego Global Logistics (Pty) Ltd		Gauteng			
25	LS SA Radio Communication Services		Gauteng			
26	Milkor (Pty) Ltd		Gauteng			
27	M- Tek		Gauteng			
28	Mzansisat (Pty) Ltd		Western Cape			
29	MN Group (Pty) Ltd		Gauteng			
30	Natcom Group of Companies (Pty) Ltd		Gauteng			
31	Natco SA International Transports (Pty) Ltd		Gauteng			

No	Company Name and Class	Sector	Province	Export Product description	Estimated Export Revenue	Comments/ Status
32	North Park Group (Pty) Ltd		Gauteng			
33	Optronics Africa cc		Gauteng			
34	Osprea Logistics SA (Pty) Ltd		Western Cape			
35	OTT Solutions		Gauteng			
36	OTT Technologies (Pty) Ltd		Gauteng			
37	Paramount Logistics		Gauteng			
38	Pearl Coral 1173 t/a TFASA		Western Cape			
39	Pula Nala Petroleum		Gauteng			
40	REVA		Gauteng			
41	Redeployment Camp Systems (RCS)		Gauteng			
42	REUTECH Limited		Gauteng			
43	RGC Engineering Sales		Gauteng			
44	Rheinmetall Denel Munition (Pty) Ltd		Western Cape			
45	Richard Harper Logistics (Pty) Ltd		Gauteng			
46	Rippel Effect Systems (Pty) Ltd		Gauteng			
47	Saab Grintek Defence (Pty) Ltd		Gauteng			
48	SAP Africa Region		Gauteng			
49	Siemens		KwaZulu Natal			
50	Simteq Engineering		Gauteng			
51	Sandock Austral Shipyard		KwaZulu Natal			
52	Snode Technologies (Pty) Ltd		Gauteng			
53	Special Vehicle Innovation(SVI)		Gauteng			
54	Stealth Tactical Arms		Gauteng			
55	Swatek Electrical (Pty) Ltd		Gauteng			
56	TAU Aerospace and Advanced Technologies (Pty) Ltd		Gauteng			
57	Thales SA Systems (Pty) Ltd		Gauteng			
58	Thuthuka Harnesses		Gauteng			
59	TMi Consultancy cc		Gauteng			
60	Twiga Services		Gauteng			
61	Umkhombe Marine (Pty) Ltd		Gauteng			
62	Vepac Electronics		Gauteng			
63	WSP Group Africa (Pty) Ltd		Gauteng			
64	ZD Investment t/a ZD Utilities		Gauteng			
65	Zebra Armour		KwaZulu Natal			
66	Zutari		Gauteng			



AMD ANNUAL REPORT
Annual Financial Statements
for the year ended 29 February 2024



BALANCE SHEET

SOUTH AFRICAN AEROSPACE MARITIME AND DEFENCE EXPORT COUNCIL
PRELIMINARY BALANCE SHEET AS AT 31 MARCH 2024

	29-Feb-24	29-Feb-24	31-Mar-23	31-Mar-22
EQUITY AND LIABILITIES				
Retained Income	(407,422.54)	(407,422.54)	88,110.70	64,500.72
Surplus/(Deficit)	38,267.19	92,665.60	(495,533.24)	23,609.98
	(369,155.35)	(500,088.14)	(407,422.54)	88,110.70
LIABILITIES	946,168.12	940,473.69	968,187.24	714,935.49
CURRENT LIABILITIES				
Provision For Bad Debts	-	-	-	-
Sundry Suppliers	787,123.20	787,123.20	772,143.74	586,727.02
Sars Control Account(Paye,Uif Sdl)	-	-	-	-
Provision For Future Expenses	-	60,950.00	53,313.90	50,060.00
Provision For Leave Pay	136,781.78	92,400.49	142,729.60	78,148.47
Other Financial Liabilities	-	-	-	-
Debtors With Credit Balance	-	-	-	-
Membership Received In Advance	-	-	-	-
Vat/Tax Account	22,263.14	-	-	-
TOTAL EQUITY AND LIABILITIES	577,012.77	440,385.55	560,764.70	803,046.19
ASSETS				
FIXED ASSETS	18,697.75	18,053.00	-	-
Computer equipment-net value	-	18,053.00	-	-
Office equipment - net value	-	-	-	-
CURRENT ASSETS	558,315.02	422,332.55	560,764.70	803,046.19
Debtors	-	-	-	-
Other Receivables	-	-	-	-
Bank: Current Account	558,315.02	407,249.35	554,413.26	796,866.33
Petty Cash	-	-	-	-
Loans Receivable	-	-	-	-
Vat-Control Account	-	15,083.20	6,351.44	6,179.86
Provision For Leave Pay	-	-	-	-
TOTAL ASSETS	577,012.77	440,385.55	560,764.70	803,046.19

INCOME STATEMENT

	YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE
SALES			
Annual Membership fees	518,972.59	5,000,000.00	-18,972.59
SPONSORSHIPS	-	-	-
Conferences /Functions	-	-	-
AAD	-	-	-
SADID	-	-	-
EC Income	750,000.00	1,000,000.00	250,000.00
	1,268,972.59	1,500,000.00	231,027.41
OTHER INCOME			
Interest Received	-	-	-
Pft/Loss on Sale of Non Current Assets	-	-	-
Sundry Income	849,165.12	-	-849,165.12
Other Income	-	-	-
	849,165.12	-	-849,165.12
Gross Income	2,118,137.71	1,500,000.00	-618,137.71
EXPENSES			
Accounting Fees and other fees	11,191.29	10,520.52	-670.77
Advertising and promotions	213,896.13	-	-213,896.13
Legal fees	-	-	-
Bank Charges	518.26	3,600.00	3,081.74
Computer repairs and maintenance	9,093.36	6,360.00	-2,733.36
Consulting Fees	-	-	-
Printing Stationery & Postage	2,831.68	6,360.00	6,360.00
Depreciation- Office equipment	-	-	-
Depreciation- Computer equipment	5,158.00	-	-5,158.00
Office Rental	-	-	-
Office Insurance	12,421.80	-	-12,421.80
Security	-	7,632.00	-
Office refreshments	1,394.37	-	-1,394.37
General Office Expense	10,993.61	-	-10,993.61
Projects	-	-	-
Researcher	-	-	-
Subscription & Publications	2,971.28	-	-2,971.28
Conferences and Workshops	-	-	-
Salaries	1,376,264.67	1,341,773.03	-34,491.64
Administration and Management fees	156,122.60	-	-156,122.60
SnT	110,136.08	-	-110,136.08
Audit fees	65,136.10	11,200.00	-53,936.10
Cellphone Acc- Nashua	17,466.58	14,400.00	-3,066.58
Land line	502.57	-	-502.57
Internet Dial up & Website	16,664.56	7,950.00	-8,714.56
Travel & Accommodation	198,040.37	1,499,795.55	-711,007.76
NET PROFIT / (LOSS)	-92,665.60	204.45	92,870.05

CASH FLOW

	Apr-24	May-24	June-24	July-24	Aug-24	Sept-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	June-25	July-25	Aug-25	Sep-25
Opening Bank Balance	407,249.35	541,036.68	423,764.01	457,551.34	465,278.67	288,649.28	671,376.61	555,163.94	615,731.27	749,518.60	632,245.93	639,973.26	773,760.59	657,547.92	540,275.25	424,062.58	431,789.91	236,491.36
Membership fees				125,000.00	125,000.00			125,000.00			125,000.00					125,000.00	125,000.00	
DTI Matching grant	250,000.00					500,000.00			250,000.00			250,000.00						500,000.00
Conferences			150000															
Commissions								52,840.00										
Total Income	657,249.35	541,036.68	573,764.01	582,551.34	590,278.67	788,649.28	671,376.61	733,003.94	865,731.27	749,518.60	757,245.93	889,973.26	773,760.59	657,547.92	540,275.25	549,062.58	556,789.91	736,491.36
Total Expenses	116,212.67	117,272.67	116,212.67	117,272.67	301,629.39	117,272.67	116,212.67	117,272.67	116,212.67	117,272.67	117,272.67	116,212.67	116,212.67	117,272.67	116,212.67	117,272.67	320,298.55	117,272.67
Accounting Fees and other fees	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56	988.56
Advertising and promotions										-	-							
Legal fees										-	-							
Bank Charges	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00	318.00
Computer repairs and maintenance										-	-							
Consulting Fees										-	-							
Printing Stationery & Postage		1060		1060		1060		1060		1060	1060			1060		1060	1060	1060
Depreciation- Office equipment										-	-							
Depreciation- Computer equipment										-	-							
Security/Overheads	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
Salaries	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11	109,406.11
SnT AMD Staff										-	-							
Audit fees										-	-							
Cellphone Acc	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Internet Dial up & Website	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Travel & Accommodation										-	-							
AMD Debt					185,416.72					-	-						203,025.88	
Closing Bank Balance	541,036.68	423,764.01	457,551.34	465,278.67	288,649.28	671,376.61	555,163.94	615,731.27	749,518.60	632,245.93	639,973.26	773,760.59	657,547.92	540,275.25	424,062.58	431,789.91	236,491.36	619,218.69

BALANCE SHEET

1. ACCOUNTING POLICY

Depreciation is written off on the straight-line basis at a rate of 16.67% for Furniture and 33.333% for Computers per annum.

2. FIXED ASSETS

	Current Assets	DEPRECIATION		Book Value
		Current Month	Accumulated	
Office Furniture	3,790.00	-	3,790.00	-
Computers	39,000.39	644.75	20,947.39	18,053.00
Total	42,790.39	644.75	24,737.39	18,053.00

3. SURPLUS/ (DEFICIT) - YEAR TO DATE

The balance sheet reflects a loss of -R92,665.60 at 31 March 2024

4. DEBTORS

No outstanding debtors for the period.

5. BANK

The bank balances as at 31 March 2024 were:

	R
	Current Assets
Call Account	-
Current Account	407,249.35
Total	407,249.35

6. PROVISION FOR LEAVE PAY

	Opening Balance	Accumulated Leave 2024	Closing Balance
Leave Accrual 2024	142,729.60	50,329.11	92,400.49



