

BEE sector leader supplies to mining industry



FLOCCULENT PLANT

The level three BEE company develops its own products, which include thickeners, clarifiers and flocculent plants

Process equipment company MIP Process Technologies has risen to the challenge of black economic empowerment (BEE) by becoming the first majority black-owned process technology company in South Africa that supplies its equipment to the mining industry.

MIP Process Technology MD **Philip Hoff** states that it has been rated as a level three BEE company by BEE Rating Solutions, with a compliance level of 110%.

The company has been rated on three out of five BEE areas, and Hoff states that it is still waiting for two other ratings.

He believes that the company's final assessment will push the company up to BEE level two, and that no other process equipment company in South Africa has the same level

of BEE compliance.

The company was started in 2007, after Hoff established that there was no other black-owned process equipment company in the mining industry.

He adds that mining houses had expressed that they wanted to do business with companies that were more BEE compliant, and has used this as a starting point to establish MIP Process Technologies.

The company is 51% black-owned and is continuously expanding. The company will appoint another four young engineers by the end of September this year, of which only one will be nonblack, says Hoff.

He adds that process equipment companies are not always able to attain black ownership, since most of the companies are owned by large corporates out-

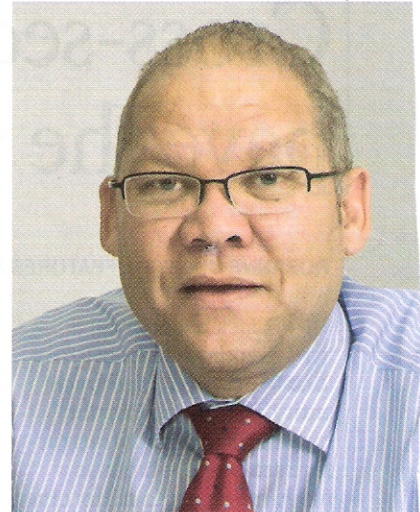
side South Africa, and would, therefore, struggle to achieve the same level of compliance as MIP Process Technologies.

"The barriers to entry in the processing equipment industry are massive, especially on the financial side, as well as the long process of registering as a vendor," he says.

He reiterates that BEE helps companies in business, and that MIP Process Technologies strives to do business at a faster rate than larger process equipment companies.

The company has conducted most of its business outside South Africa, but Hoff adds that if the right BEE policies are in place, it will become easier for South African companies to engage in business together.

Hoff comments that the Department of Trade and Industry



PHILIP HOFF

MIP Process Technologies is 51% black owned and has 110% BEE compliance

(DTI) should assist in ensuring that a consistent accreditation process of BEE is implemented.

He states that, at the moment, BEE rating companies have different requirements measuring compliance.

He believes that the industry could be properly regulated if the DTI were to institute a single assessment questionnaire.

MIP Process Technologies is extending its BEE focus by concentrating on employee training, as well as investing in other development ventures.

Hoff states that it has won a contract for the supply of process equipment worth R20-million for the Central African Mining & Exploration Company, in the Democratic Republic of Congo.

MIP Process Technologies is also supplying a flocculent make-up plant to South African gold-miner Harmony, at its Phakisa mine.

Hoff adds that the company develops its own products, which include flocculent plants, thickeners and clarifiers, and that MIP Process Technologies does business with other companies which share its philosophies and synergy in order to ensure the best service to its customers.

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