CLOSING ADDRESS AT THE SMALL ENTERPRISE DEVELOPMENT AGENCY ANNUAL STAKEHOLDER FORUM, 31 October 2019 in Mbombela, MPUMALANGA

Programme Director

Premier of the Mpumalanga

Non-Executive Directors of the board of Small Enterprise Development Agency, led by Chairman Mr Mbulelo Sogoni

The CEO of SEDA, Mrs Mandisa Tshikwatamba and your team

Representative of the Mpumalanga Provincial Department of Economic Development & Tourism

Officials from all our municipalities

Members of the SMME ecosystem
We could not join you yesterday due to our commitments in parliament where the President of the Republic was responding to questions. Although I was in Cape Town, my thoughts were also with you because a stakeholder forum, more so the one that takes place once a year. Like the President, Deputy President and Ministers answer questions in parliament about the work we are doing, so must Seda answer questions about its work to its stakeholders. I asked myself, who are the Seda stakeholders and what engagement do we want to have with them, as this important occasion cannot be about ticking boxes. My view is that municipalities are our partners, and to cement the partnership with municipalities, we have committed that Seda and Sefa services will be made accessible through the municipalities Local Economic Development (LED) units. The department is finalizing the modalities to enable this including the necessary consultations. We have however, committed to commence in OR Tambo, Waterberg, Vhembe Districts and Ethekwini Metro as we tie our work with the roll-out of the District Development Model.
Programme Director

We have gathered over these two days, when the 3rd Quarter Employment survey results showed a rise in unemployment to 29.1%, the Minister of Finance had painted a very grim picture on state of our economy and we are a few hours away from the ratings decision of the only ratings agency who still holds us in investment grade. As President Ramaphosa’s articulated yesterday in parliament, SMMEs have a greater role to play in turning around this grim economic position our country finds herself in. We are of the view that with adequate support, the dynamism and agility of small businesses can help create jobs and grow the economy.

Three days ago, I had the privilege of joining SEDA’s sister agency SEFA at their strategic planning session and we reminded them of the mandate of the 6th administration – the task of supporting SMMEs to create at least 1 million jobs by 2024.
We have indicated that we are not going to sign-off on the Strategic Plan that does not address the critical matter of creating 1 million jobs. Even with the funding task directed to Sefa, we are fully aware it will not be possible without the direct support of SEDA, so Chairperson, I have committed to the Board of SEFA and executive team that the Minister for Small Business Development will similarly not sign-off on the SEDA Strategic Plan which does not demonstrate how SEDA will support at a minimum those SMMEs funded by SEFA, NEF, Land Bank and the IDC at a minimum. For we are committed to the SMME ecosystem, for it is only when we start to functioning as an ecosystem that SEDA shall make a meaningful impact.

Chairperson

On the 14th of November 2019, we shall host a media briefing at one of SEDA’s Centre for Entrepreneurship and Rapid Incubation to announce a Package of measures and SMME Funding Instruments for improved funding of SMMEs. These
measures include the Common Application Template. In January 2020, we will hold a media briefing to announce measures to support SMMEs focused on enterprise development. At that time, we shall be unveiling a minimum incubation model for South Africa, which will provide both guidelines and standards for business incubation in South Africa. This will be the commencement of SEDA to operate as a lead incubator of South Africa. We are confident we should be able to announce the locations of the incubators that will be rolled out in 2020/2021 financial year, which as directed by the President, will be located in townships and rural areas - we remain committed to deliver minimum 270 incubators over the 5 years until 2024 including the partnerships with all the former black universities including the university of Limpopo. To support the SMME funding programme that we are announcing next week, we shall also announce the revised Post-Funding Care programme that Seda and Sefa will jointly run until with a view that Seda will take-over the SMME Post-Funding Care. We should at that time be able to announce the SMME Business Support Indicator / Index for
South Africa. At the same occasion, we will launch our revised Annual Tech-StartUp Conference which will be on the sidelines of the 3rd Investment Conference – this will be an upgrade of the current SEDA’s Pitch & Perfect initiative. From the work that SEDA has been doing over the years with tech-startups, we are confident that we are ready to massify the programme and also give it international exposure.

Programme Director

We are committed to the promotion of export competitiveness of SMMEs as a key ingredient to widening access to broader business value chains. We appreciate the value of partnerships with international trade facilitating bodies as a way of extending export opportunities to SMMEs. In this regard, we are strengthening by re-activating our partnership with the International Trade Council (ITC). In this regard and as part of our commitment to promote female entrepreneurs, South Africa is taking its rightful place in the ITC’s SheTrade platform and
through this platform, we are challenging women-owned enterprises, of course with government’s full support, to take up export opportunities that will be facilitated through the SheTrade platform. The ITC has committed to facilitate export opportunities for at least 3 million women entrepreneurs from Africa by 2021 and we think South African women must account for at least 1 million of those entrepreneurs. We hope women entrepreneurs of Mpumalanga province will take part in this initiative.

As I conclude, I would like us join the rest of South Africa in wishing our Springboks the best in tomorrow’s Rugby World Cup Finals match against England, GO BOKKE, BRING IT HOME, StrongerTogether