



“Enterprise Supplier Development can be used as a tool to drive transformation.”  
– Ndabeni-Abrahams.



## ESD SUMMIT

The Department of Small Business Development (DSBD) in partnership with Ecosystems Development for Small Enterprises (EDSE) hosted the Small Business Enterprise Development Supplier Dialogue (ESD) Policy Dialogue from 6-7 June 2023 at Radisson Blue Gautrain in Sandton under the theme: Re-booting Enterprise and Supplier Development for more effective transformation and SMME impact.

The ESD dialogue explored how to improve the practice, measurement, and outcomes of ESD, as well as related support for localisation opportunities, but also looked at systems-level initiatives to achieve these objectives – in particular, the establishment of a credible, national multi-stakeholder Community of Practice for ESD practitioners. Furthermore, DSBD in partnership with the private sector convened this two-day dialogue event in support of the practice of effective ESD aligned to corporate needs while achieving its intended development objectives, as well as improved measurement, knowledge, and best-practice sharing. Those in attendance included key role-players in private-sector and State-Owned Enterprise-supported ESD in South Africa including corporate/ SOE boards and management

transformation and supply chain decision-makers; private ESD business development consultants and practitioners; the managers of various types of ESD Funds; State actors such as the Department of Small Business Development (DSBD), DTIC, Seda, Sefa and certain development agencies; academic institutions; and industry and business chambers and associations.

The dialogue was further aimed at looking at ways to improve practice of ESD which is characterised by lack of knowledge sharing and any structured approach to skills and best practice on the part of the private sector as well as State-Owned Enterprises, through a new and co-ordinated approach. It is believed that the outcomes of ESD, as well as the ability to consistently measure SMME support impact across the ESD landscape will improve.

The Director-General of DSBD, Lindokhuhle Mkhumane delivered a speech with the topic: challenges to market access: the government perspective. The Director-General spoke about DSBD initiated programmes that seeks to address challenges to market access.

"From our side as government, we understand that need to come in and make sure that we provide required tools and equipment. That's why we established the Small Enterprise Manufacturing Support Programme, which is administered through our sefa, where we provide funding up to 15 million per entity so that they can acquire equipment. We can indicate that since this intervention was established in September 2020 during the time of Covid-19 to assist SMMEs to come up with products that are produced locally. So far, we have supported SMMEs to the tune of R548 Million," Mkhumane said.

Mkhumane further indicated that the dialogue was further aimed at exploring ways to support SMMEs to play a meaningful impact in the society.

"We are here attending the policy dialogue to determine how best we can all support SMMEs to play an important role in addressing the three triple challenges that we are facing in the country, poverty, unemployment, and inequality," Mkhumane said.

Mzwanele Memani, Director Valuechain at DSBD participated in panel discussion themed: Implementing ESD programmes that build sustainable supplier relationship. "One programme that we have been pioneering since 2020, is the Localisation programme which has various components. It has a component of assisting businesses to be competitive and produce products of good quality with the support of the entire ecosystem, including our entities Seda and sefa that are there to provide instruments to these businesses," Memani.

"The second programme which is very crucial is the Supplier Development Programme which is aimed at empowering suppliers to get training, skills development, and education. Entrepreneurs must be able to interpret their own business plan," Memani said.

The dialogue closed on 07 June 2023. Day 2 proceeded with case studies, presentations from entrepreneurship ecosystem and keynote address by the Minister of Small Business Development through a video.

Tshediso Matona, Commissioner of B-BBEE speaking spoke about ESD as a component of B-BBEE policy. "Enterprise Supplier Development as part of what the B-BBEE Act proposes is a cross-cut. There is no single element or objective of the act that is not centred on enterprises," Matona.



Jeffrey Ndumo, Acting DDG gave a brief background on DSBD's role in economic transformation and introduced the EU delegation. " We need to implement the new economy start-up. The intervention is aimed at creating more enabling support ecosystem for higher high tech and energy start-ups.

"We are currently putting together an entrepreneurial strategy that is focusing in that area of how we fund those start-ups and high-tech industries. The strategy is expected to create synergy among different policy and strategy initiatives in the country as well as identify and address gaps in various policies, providing guidance in creating an enabling environment for SMMEs to thrive," Ndumo.

Minister Stella Ndabeni-Abrahams delivered a keynote address. Minister spoke briefly about the gazetted framework. "National Integrated Small Enterprise Development Framework calls for all of us in the small business sector to work together to promote and support the creation and growth of small businesses. To be specific, the public and private sector need to work together in resolving the challenges faced by small businesses and provide durable and impactful solutions," Minister said.

Minister Ndabeni-Abrahams also outlined the importance of ESD in economic development and transformation.

"Enterprise Supplier Development can be used as a tool to drive transformation and as such corporates are required to play a crucial role to enable access opportunities and participation of SMMEs in the private sector value chains," Ndabeni-Abrahams said.