



# IMEDP Phokwane

“ Seda assist SMMEs with business development support. ”

The Deputy Minister for Small Business Development, Ms Dipuo Peters handed over working material and equipment to 63 informal businesses of Phokwane Local Municipality as part of Informal Micro Enterprise Programme (IMEDP) in Pampierstad , Northern Cape on 12 May 2023. The purpose of the IMEDP is to provide developmental support to informal and micro businesses that are mostly operating in townships and rural areas of South Africa and owned by historically disadvantaged individuals, thus developing, and strengthening the capacity of these informal and or micro-enterprises to be sustainable, competitive, and profitable.

The beneficiaries are operating in salons, catering, textile, and construction amongst others. The Programme was espoused from the National Informal Business Upliftment Strategy (NIBUS) that was developed in 2012 to address the development void at the lower base of the Small, Micro and Medium Enterprise Development strategy.

The programme is also aimed at unlocking the potential of informal and micro enterprises by creating an enabling environment which allows them to sustain their businesses and evolve into thriving entrepreneurs that will participate in the economy. IMEDP is a 100% grant which aims to develop and strengthen the capacity of credible Informal and or Micro Enterprises through the provision of access to information, business development support services, business infrastructure (machinery, tools, equipment, conversions, wet-works) and working capital (excluding input/raw materials, stock) to a maximum grant of ten thousand rand (R10 000) which includes training fees equalling up to 5% for eligible applicants.

Mayor of Phokwane Local Municipality, Cllr Tebogo Afrika delivered opening remarks. “It is with great pleasure, as the Mayor of Phokwane Local Municipality to welcome you all to this gathering. This is the occasion of joy for all of us as we have come together to celebrate this day,” Afrika said.

“On this important occasion, we get to celebrate the department to its shared commitment to the applicants who will receive machinery and tools to start their businesses,” Afrika said.



In provision of the background and events that led to the delivery of machinery and equipment through IMEDP programme, The Mayor said: "The Phokwane Local Municipality hosted a workshop in April 2022 to present this business opportunity targeted at small medium enterprises and informal traders. The initiative was a response from the Minister of Small Business Development, Stella Ndabeni -Abrahams visit on 18 March 2022, where she addressed business stakeholders and the community on how to unlock business opportunities and how to formalise businesses".

Ms Kedisaletse Williams, Seda Provincial Manager outlined the purpose of IMEDP. "The Informal Micro Enterprise Development Programme and with Shared Economic Infrastructure Facility are instruments of National Informal Business Upliftment Strategy which aims to support informal traders to be competitive and contribute to the mainstream economy," Ms Williams said.

Delivering her message of support, MEC for Women, Youth, People with Disabilities, e-Government and Communication in Northern Cape, Ms Venus Blennies highlighted the role SMMEs, and informal traders play in economic growth .

"SMMEs and informal are the pillar and anchor of every nation's economy. They contribute to the growth of Gross Domestic Product. It is our duty as government to support SMMEs and informal traders to ensure that they play an effective role in economic growth," Blennies said.

Deputy Minister Dipuo Peters indicated that the rise of inequality, poverty and unemployment prompted government to formulate the National Development Plan Vision 2030.

"The National Development (NDP) envisages that by 2030, 11 million jobs should be created and 9 million of these jobs must come from small businesses.

The Department of Small Business Development is mandated to lead in supporting SMMEs to ensure that they contribute to job creation and economic growth," Deputy Minister said.

"The support for small businesses will assist in addressing the triple challenges of poverty, unemployment and inequality," Deputy Minister further said.

Deputy Minister further pointed that job creation is a responsibility of various sectors of the society including SMMEs and the private sector. "It is not government's responsibility to create jobs, but to create an enabling environment for the private sector and SMMEs to create jobs," Deputy Minister said.

"Not everyone, will be employed by government, others are meant to become entrepreneurs to create jobs," Deputy Minister further said.

Deputy Minister outlined the role of Small Enterprise Development Agency (Seda) and Small Enterprise Finance Agency in support of SMMEs.

"Seda assist SMMEs with business development support such as financial management training, while Sefa offers financial support. Seda has also a learner enterprise support programme which is a course offered at a school level to equipment learners with financial management skills," Deputy Minister said.

Deputy Minister encouraged SMMEs to utilise their equipment and tools effectively and for their intended purpose.

"I urge you take care of this tools of trade. My department will be conducting an inspection after six months to ensure that these tools have been used responsibly and for its intended purpose," Deputy Minister.





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