



DSBD Strategic Repositioning Workshop

The Minister for Small Business Development (SBD), Stella Ndabeni-Abrahams chaired the all-important two-day Strategic Repositioning Workshop (SRW) at Mount Grace Hotel & Spa in Magaliesburg mountains, north of Pretoria.

This reconfiguration management workshop is set to change the course and trajectory of the department. Minister Ndabeni-Abrahams wants to handle all issues affecting small businesses as the ministry enters uncharted waters in planning, funding, and implementation.

Being at the coal face of Small, Micro and Medium Enterprises (SMMEs), Department of Small Business Development is expected to spear-head the growth of small businesses and lead the economic emancipation of people in townships as well as villages by commanding a coordinated approach to the promotion as well as development of entrepreneurship in areas inhabited by the majority.

She intends to launch more SMMEs, small shops, small businesses registration, co-operatives empowerment and the development of enabling legislative as well as create a conducive policy environment to support their growth and sustainability in the long run.

Minister Stella Ndabeni-Abrahams delivered the keynote address and preached the gospel from the 20th of March 1995 Parliamentary White paper on National Strategy for the Development and Promotion of small business in South Africa.

“The document identified the need for a coordinated national approach within which framework, policies and procedures at all spheres of government could be marshalled towards the creation of an enabling environment for small enterprises”.

“We derive our mandate from various vital pieces of legislation but not limited to the National Small Enterprise Act of 1996, the Co-operatives Development Act of 2005, the Preferential Procurement Framework Act of 2000 and the Co-operatives Policy of 2004,” said Minister Ndabeni-Abrahams.





Acting Director-General, Ms Thulisile Manzini at the Department of Small Business Development (DSBD) got the ball rolling by introduction Minister and all the relevant stakeholders present. She narrated the role played by DSBD in bringing SMMEs, co-operatives and other micro ventures into the mainstream economy.

“The South African economy has not grown at the required levels to create jobs, narrow inequalities and reduce poverty. The domain of SMMEs and Co-operatives support is highly fragmented, leading to minimal positive impact in growing the sector, hence Cabinet has approved of the merge of various entities to create a super powerful unit that will support all players in the field”.

Cabinet resolved to incorporate Small Enterprise Finance Agency (sefa) and the small enterprise development agency (SEDA) to enable integrated approach to support small businesses”.

Acting Director-General, Ms Thulisile Manzini went on to further elaborate of the main rationale for the creation of a single unit that can facilitate access to the full spectrum of financial and non-financial support needed by SMMEs across their lifecycles in all parts of the country.

“The Minister of Small Business Development issued a Notice in terms of Section 16b(3) and 16b(3) of the National Small Business Amendment, Act 29 of 2004 of the intention to merge the Small Enterprise Finance Agency and Small Enterprise Development Agency into a single unit”.

The main rationale for a new entity is to create a single integrated institution that can facilitate

access to the full spectrum of financial and non-financial support.

Government proposed the establishment of a single Small Enterprise Development Finance Agency (SEDFA), through the amalgamation of three entities Seda, sefa and Co-operative Bank Development agency (CBDA) will improve access to government services and reduce red tape for Small Micro and Medium Enterprises.

Minister Ndabeni-Abrahams further said “We grew up as the stepchild or little brother of the Department of Trade and Industry (DTI) (now Department of Trade and Industry and Competition), and haven’t really, I feel, transitioned into adulthood. Partly I think this is because we don’t have a strong and embedded vision for the small business sector and accompanying theory of change. This was picked up by the National School of Government in their diagnostic. If we don’t have a clear vision and theory of change to get there, how do we play the leadership role expected of us?”

“I would take this further to say many of you have become quite comfortable playing a peripheral role. This must change, the state of our economy and the small business and co-operatives sector necessitates that we take centre-stage and provide leadership and direction to the entire eco-system. This intent is at least clearly articulated in the NISED, our third iteration SMME strategy as a country. We can no longer just be content implementing the few programmes we have. It’s now about exercising leadership, and as senior officials in DSBD and executive management in the entities, this is what you get paid to do”.

She emphasised the need for everyone to come up with solutions to curb the current stalemate in the funding and establishments of successful SMMEs and Co-operatives in rural areas and peri urban settings across the country.

“This brings me to the second change we need to make as a department and broader portfolio to ignite the MSME and co-operatives sector. We need to become more knowledge-based, and evidence driven. At its most basic level, this means knowing what all other role-players and stakeholders in our eco-system are doing. We cannot begin to strategically co-ordinate and direct the eco-system if we do not understand what others are doing, the gaps, and where we need to play to most add value” said Minister Ndabeni-Abrahams.

“I am very pleased that our new organogram has several new research posts, and we will also be employing a few research interns. We also don't have to try and do everything in-house but need to leverage partnerships to build our knowledge base as a departments and portfolio. It's the importance we ascribe to knowledge and evidence that matters. This is what must change. The advisory body we are establishing will also leverage eco-system expertise for our benefit” she concluded.

Dr Michael Suttcliffe delivered a lesson on Urban Planning and Opportunities for Small Businesses, where Joe de Beer gave a blow-by-blow account on small business economic statistics and market access.

Deputy Director-General for learning and professional development at National School

of Government (NSG), Ms Phindile Mkhwanazi led the deliberations which began on redtape cutting and addressing regulatory impediments affecting Small Micro and Medium Enterprises as well as Co-operatives.

Executive Manager of Strategy and Business at South African Social Security Agency, Ms Raphaale Ramokgopa spoke at length about digital enablement to improve the agency's new digital enhancement that is set to improve service delivery at the state welfare apparatus.

“SASSA has opened a new way for considering serving and paying clients in government and that constitutes a technology driven and paperless environment. Technological advancement in government is now more evident than ever as we are in the 4IR era,” said Ms Ramakgopa.

Minister Ndabeni-Abrahams concluded the Strategic Reposition Workshop by encouraging the staff that they need to co-create a conducive environment for SMMEs and Co-operatives, rise to the ecosystem demands which make the change in the society, address financial constraints on small businesses, develop economic transformation and focus on apex priorities such as Township and Rural Enterprise Programme and other supporting programmes. As the two days of robust deliberation flew past, delegates retired to their rooms at the magnificent Grace Hotel and Spa to unwind and digest the resolutions adopted which will have to be implemented soon to address issues affecting small businesses.

