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Small Business Development
REPUBLIC OF SOUTH AFRICA

KEYNOTE ADDRESS BY MINISTER STELLA NADABENI-ABRAHAMS DSBD WOMEN'S DAY EVENT 28 AUGUST 2024

Programme Director

Our host Ms Nkuna-Kgopa

Leadership from the different spheres of government

DG and staff from DSBD

Stakeholders

Women entrepreneurs

This month of August is Women's Month, in honour of the more than 20 000 women who marched to the Union Building in 1956 to protest the extension of pass laws to women.

These women handed over the petition to then apartheid Prime Minister, JG Strydom, which contained demands to end the infamous pass system and racial oppression, as well as demands for women's empowerment and gender equality. We salute these women who took up the fight for racial and gender equality even as it put their lives at direct risk.

It is with great pride that we honour and remember these fearless heroines, our heroes, who fought for the freedom which we now take for granted.

The theme of this year's commemoration is "Celebrating 30 Years of Democracy Towards Women's Development".

There is much to celebrate. South Africa is ranked amongst the top 10 of all countries to have successfully implemented reforms to improve women's legal rights. South



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Africa has steadily reduced gender disparity, and in 2023 was ranked 20th out of 146 countries in the World Economic Forum's Gender Gap Index.

This is something we must all be proud of as women. It is us who have pushed for our rights and dignity to be respected.

But we are not nearly where we should be. We have a long way to go.

Every day we are confronted by gruesome stories of rape and gender-based violence. Women do not feel safe on the streets, on public transport, in the workplace and in their homes. Even schools have become dangerous places for girls. As a nation we mourn the tragic killing of 16-year-old Deveney Nel at Overberg High School.

This is our new struggle as women – the struggle to be and feel safe.

Our other struggle is for economic equality.

The latest Mastercard Index of Women Entrepreneurs reveals that just 21.9% of all businesses in South Africa are owned by women. And only one in five businesses that trade internationally is owned by women.

So, we make up just over 51% of the population, but just 20% of the economy. Unless we are talking survivalist informal sector work where it is mostly women, or unpaid family labour where it is only women. Ours is the under-recognised and under-rewarded work.

Women face gendered barriers to entry to the economy. They are excluded from male-dominated distribution networks and markets. Black women in townships and rural areas are triple disadvantaged - by gender, by race, and by place of residence. We must ensure that the new Public Procurement Act and the Enterprise Supplier Development programmes of large corporates addresses this.



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Women are less likely than their male counterparts to receive business finance. As the Department of Small Business Development portfolio, we are working to reduce this gender credit gap through the provision of various direct lending, wholesale lending, micro-credit, grants, blended finance and credit guarantees that target women -owned enterprises.

We have instruments like the Township Rural Entrepreneurship Programme, Asset Assist, and the Informal Micro Enterprise Development Programme which all have a grant component and are meant to support entrepreneurs in townships and rural areas. We have the Cooperatives Development Support Programme which provides financial and non-financial support to co-ops. We have the Tourism Equity Fund we are implementing through sefa with the Department of Tourism to address equity, including gender equity, in the tourism sector.

I encourage you to go onto our DSBD website and that of Seda and sefa to look at the various offerings.

Since inception in 2012, sefa has disbursed R6,38 billion to women-owned small enterprises.

We are almost hitting our target of 40% of funding going to women owned SMMEs and co-operatives.

But we must agree that we cannot be happy with 40%. We must shift this to 50% and even higher otherwise we will never address the gender imbalance in our economy.

For this we must be unapologetic.

We are establishing incubators and implementing programmes to develop entrepreneurship and business skills for women-owned startups. The gender digital



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divide is real. Women are also benefitting less from digitalization and 4IR. The 2023 SME Tech Index done by Nashua found South Africa's SME Tech Index score was 72% for men and 56% for women. Neither are good enough – we should be above 80% - but it is concerning that women-led businesses have a far lower tech index score than their male counterparts.

This means as government we must tilt our tech support towards women. I will instruct Seda to make sure we enroll more women than men in our tech incubators.

We must also address the silent barriers to entry. It is easier for men to get ahead because they expect to get ahead. Women must fight to get ahead, and women who are assertive get labelled and undermined. This is the subtle way in which patriarchy works. Changing patriarchal culture will not be easy. But neither was defeating apartheid.

The key to change is to lead. We will not address the gender funding gap unless we have women leading in our DFIs and banks. We will not have gender friendly policy unless women lead in government. We will not benefit from the new Public Procurement Act unless we have women running procurement in government departments.

It is time to step up and lead.

I am happy to state that women are leading in DSBD. We have a woman minister and deputy; a woman DG and two of the three DDGs; a woman who will chair the new SEDFA Board, our new one-stop agency which we have established to provide integrated financial and non-financial support to our MSMEs and co-operatives.

We must celebrate successful woman. We must especially celebrate successful young women and be very deliberate in growing young woman leaders.



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Today is about celebrating our woman entrepreneurs, which is why we are here at the Lindiwe Sanitary Pads Factory. Today is about showcasing women's excellence.

Ms Nkuna-Kgopa represents the resilience and entrepreneurial spirit that we need to take our beautiful country to new heights. She is an inspiration to women who are starting out establishing their businesses.

We must be the change we want to see, and Ms Nkuna-Kgopa is a living example of this.

I end with a quote from American political activist Angela Davis: "I am no longer accepting the things I cannot change. I am changing the things I cannot accept".

I thank you.