



small business
development

Department:
Small Business Development
REPUBLIC OF SOUTH AFRICA

MINISTER SPEAKING NOTES FOR THE 14TH ANNUAL PROUDLY SA BUY LOCAL SUMMIT & EXPO

17 MARCH 2026

Chair of the Proudly SA Board, Howard Gabriels

Members of the Board and Executive Team led by Eustace Mashimbye

DG of DSBD and senior officials of government

Representatives of the private sector and other stakeholders

Sponsors

Members of the Media

Ladies and gentlemen,

And most importantly the entrepreneurs and MSME owners here today

Let me humbly greet you. It gives me great pleasure to address this very important event in the localisation and entrepreneurship calendar.

The theme for this 14th edition of the event is **Localisation – A critical imperative for the economy (#LovedHereMadeHere)**.

This theme could not be more relevant in the context of the current geo-political volatility, and more especially the War in the Middle- East which has severely disrupted global supply chains and made the costs of moving goods from one part of the world to another extremely expensive. Unfortunately, as small businesses and consumers we will have to bear the brunt of these rising costs.

Localisation is not just a nice- to- have. Something that can make us feel good. It is a strategic imperative towards building a more resilient economy. Something we have now prioritized alongside building regional value chains with other countries in SADC and within the AfCFTA.

Building local and regional value chains will make our economy less vulnerable to global supply chain disruptions. It is not a choice. It is a necessity.

Programme Director,

South Africa is a nation filled with creativity, resilience, and entrepreneurial spirit. Across our towns, villages, and cities, small businesses are working hard every day— manufacturing goods, providing services, creating opportunities, solving problems, and keeping our communities alive. From the spaza shop on the corner, to local farmers, artisans, and tech startups, small businesses are the backbone of our economy.

When we **buy local**, we do far more than purchase a product. We support jobs. We strengthen families. We invest in the future of South Africa.

Media, Small, and Micro Enterprises (MSMEs) play a crucial role in addressing some of our country's biggest challenges, including unemployment and inequality. Every rand spent at a local business helps circulate money within our economy, enabling businesses to grow, employ more people, and build communities.

MSMEs employ millions of people – with most reports suggesting this could be as high as 60% of employed persons in the country. They create pathways for young people entering the workforce, they empower women entrepreneurs, and they prop up local economies

across the length and breadth of South Africa. They give innovative ideas the chance to grow into commercially thriving enterprises. But these MSMEs can only succeed when communities support them.

When you choose a locally produced product, you are helping a small business owner pay wages, expand their operations, and reinvest in the community. That purchase might help someone hire a new employee, train an apprentice, or open another store.

As government, we are committed to creating an environment where small businesses can thrive.

Over the course of this 7th Administration, we will as DSBD and SEDFA provide financial and non-financial support to 1 million MSMEs.

We will cut red-tape focusing on measurable reforms that lower compliance costs and improve the ease of doing business. We will ensure that the new Business Licensing Bill makes it easier, not more difficult, to start and operate a small business in South Africa. We will implement our Red Tape Reduction Framework and continue to support municipalities adopt the E-Registration System.

We will improve access to enabling business infrastructure and equipment and will scale-up access to finance for MSMEs across all segments working closely with other DFIs, banks and non-bank financial institutions. Importantly, we will be looking to better integrate our financial offerings with improved market and investment readiness support, as well as with post-investment support for business sustainability. Already SEDFA has adopted this integrated delivery model.

Programme Director

We must acknowledge as government and eco-system role-players gathered here today that we have not achieved the localisation scale and impact that we require, despite having the policy frameworks in place.

There are three major shifts required.

First, we must change consumer behaviour. We have the talent and the quality but still seem enamoured with global brands. This is where Proudly SA plays such an important role, and I encourage you to pick up your promotional and advocacy work to profile our local brands. I have also tasked SEDFA to integrate branding, communications and price competitiveness into all our business development work. We must also support e-commerce platforms that promote locally produced goods, as is currently being done by proudly SA. The global online platforms that offer our consumers cheap mass-produced goods at a fraction of our production costs are a real threat, and we have engaged with relevant countries through our bilateral trade negotiations. We have also intensified our war on the illicit goods which leak through our ports of entry and are produced in backyard factories here at home. But we need citizens to work with us to identify and sanction those responsible.

Second, we must open more procurement opportunities for local enterprises, both in private sector and public sector supply chains. Enterprise Supplier Development remains one of the worst performing elements of BBBEE, with companies often using ESD as a tick-box scorecard rather than a strategic approach to localise supply chains and build new supplier capability. There is also not enough effort to target suppliers from under-served groups – women, youth, and enterprises from townships and rural areas. Similarly in the public sector, procurement remains an administrative compliance function, with very active supplier development. As DSBD, we will be taking a special interest in monitoring procurement compliance and will adopt a naming and shaming approach. We will also directly work with departments, SOCs and corporates to support the development of MSME's in prioritised supply chains, including compliance with industry standards which serve as barriers to entry in many sectors.

Third, we must work together. The more we talk about the need for an eco-system approach, the more we retreat into silos. To strengthen our leadership and co-ordination role in the eco-system, we are developing the MSME One-Plan, which will strengthen eco-

system partnerships and accountability around measurable commitments aligned to the NISED and the National Entrepreneurship Strategy.

Here we will be holding industry roundtables and engaging with all ecosystem role-players to solicit commitments and trade-offs to scale support for MSMEs. In the Budget Speech a few weeks back, Minister Godongwana fired the first shot with his announcement of the increased VAT threshold for MSMEs. We want the rest of government, banks, private corporates, SETAs, universities, everyone, to come to the party and scale their offerings to MSMEs, be it access to markets, finance, training, business infrastructure etc.

We are also developing a digital platform which offers a fully interoperable, AI-enabled one-stop ecosystem integrating finance, business registration, compliance, mentorship, market access, and data intelligence. The platform will serve as a centralised digital gateway linking with other platforms and through which enterprises can access information, apply for support programmes, track application progress, and receive coordinated assistance across relevant government institutions. We are confident that this platform will reduce administrative burdens, eliminate duplication of processes, and improve turnaround times for MSME support services.

We are confident that the One-Plan and the One-Stop Platform will strengthen MSME targeting, scaling and impact across the support eco-system.

Programme Director

As the DSBD, we are pleased to have officially partnered with Proudly SA utilising localisation as a lever to facilitate market access. One of the key objectives of our collaboration is to utilise the **Buy Local Summit & Expo** as a platform to provide small enterprises with the opportunity to showcase their *locally made* products. The event will also enable businesses to network through the business-to-business matchmaking programme, ensuring that they benefit from the import replacement imperative. In addition, participants will be able to utilise the **Business Solutions Hub**, which is designed to strengthen support for the growth, sustainability, and success of their businesses.

We will leverage our relationship with Proudly SA to identify small enterprises who participate in these key platforms and ensure that they are supported through access to information and through linkages to established industry players so that they benefit from this partnership in a very tangible, sustainable, and impactful way.

With a well-organized ecosystem – or let me say better organised eco-system – we can quickly scale and better integrate the localisation interventions we are making.

We are confident this will make a significant contribution towards our NDP target of 9 million of the 11 million jobs by 2030 being created through MSMEs. It will also build critical economic resilience against risks of growing global volatility, trade protectionism, and supply chain disruptions.

By choosing local, we are choosing to build stronger communities, create sustainable jobs, and grow a more inclusive and resilient economy.

Together, let us champion the spirit of “**Proudly South African**” and ensure that our small businesses not only survive, but thrive.

Because when South Africans **buy local**, South Africa **grows stronger**.

I Thank You!