



## **Remarks by Minister of Small Business Development, Ms Stella Ndabeni-Abrahams, on the occasion of the IMEDP Equipment Handover in Elundini Local Municipality**

1 May 2024 (MaClear, Elundini Local Municipality)

Programme Director,  
Executive Mayor of Chris Hani District Municipality,  
The Mayor of Elunidini Local Municipality,  
Acting Director General of DSBD, Ms Thulisile Manzini,  
All councillors present here today,  
The leadership of seda and sefa,  
Distinguished guests,  
Ladies and gentlemen,

I am delighted to be here to deliver on our undertakings to support and help grow the informal business sector. Today's event is a loud and unequivocal statement that we will, as a department, do whatever it takes to ensure that we build an inclusive economy that propels the historically marginalized into the mainstream of the economy.

I am proud to be handing over equipment to 59 beneficiaries from Elundini Local Municipality and surrounding areas. This is a massive intervention and a huge boost to informal traders and micro enterprises.

The Department of Small Business Development (DSBD) and its agencies have developed a set of incentive programs that are targeting a wide range of micro, small and medium enterprises. The incentives schemes are meant to stimulate and facilitate the development of sustainable, competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.

The DSBD portfolio has a number of programmes that seek to support SMMEs and Cooperatives throughout the country through financial and non-financial support to ensure that they are sustainable and competitive. Through our development agencies, the Small Enterprise Development Agency (Seda) and the Small enterprise Finance Agency (sefa), we are capacitating small businesses through our IMEDP programme which provides training in business skills development as well as, providing the recipients with implements/tool of trade to enable them to be sustainable.

The National Informal Business Upliftment Strategy (NIBUS) addresses the development void at the lower base of Small, Medium and Micro Enterprise (SMME) Development. The strategy specifically targets entrepreneurs in the informal economy and the focus is mainly on designated groups, i.e. women, youth and people with disabilities, in townships and rural areas of South Africa.

We believe that if our programmes are coordinated with all three spheres of government, and all relevant departments, we will deliver on a better service to our SMMEs and, this will enhance our entrepreneurial ecosystem.

The IMEDP programme is targeted at informal and micro enterprises to assist them in improving their competitiveness and sustainability. The programme is now implemented through Seda due to its vast network of branches and experience in similar programmes. The programme supports informal and micro enterprises by providing them with operations support equipment.

Small businesses are the cornerstone of local economic development and are recognised as the drivers of growth and jobs in most fast-growing economies.

As the Small Business Development Ministry, our priorities for the term of government that is ending were framed around economic recovery especially following the devastating COVID-19 pandemic and economic transformation (faster and more inclusive growth).

We paid particular attention on supporting enterprises from under-served communities, including black-owned, women-owned, youth-owned and PWD-owned MSMEs and co-ops, and with a spatial focus on townships and marginalised rural areas.

The following are some of the key interventions of the department and its agencies:

- **The Township and Rural Entrepreneurship Programme (TREP)** which supports businesses including bakeries and confectionaries, butcheries, clothing and textile businesses, taxi and auto maintenance and repair, and trade.

- **The Informal and Micro Enterprise Development Programme (IMEDP)** supports informal businesses with start-up operational equipment, with the aim of supporting those who are interested in formalizing and upscaling to fully-fledged formal enterprises.
- **Youth Challenge Fund (YCF)** a financial and non-financial support fund aimed at stimulating innovation amongst youth start-ups to enable them to acquire digital capability in order to participate fully in the digital Industrial Revolution - 4IR and beyond.
- **Incubator programme through Seda**, where we partner with local TVET Colleges to support start-ups.
- **Localisation and market access support** - Developed the localisation policy framework in 2020 where products manufactured, and services rendered by small businesses were introduced to private sector supply chains to access market opportunities.
- **Small Enterprise Manufacturing Support Programme (SEMSP)** aimed at building and supporting SMMEs participating in the manufacturing value chain as part of South Africa's localisation strategy.
- **Shared Economic Infrastructure Facility (SEIF)**- We have redesigned our Shared Economic Infrastructure Facility to focus more on Product Markets, which provide business infrastructure, including renewable energy supply, but also bring in market access,

business support and access to finance for beneficiaries. We are currently developing and rolling out 9 product market projects.

- **Township Economy Revitalisation** The objective of project is the formulation of the National Township Revitalisation Policy to addresses the economic challenges and obstacles facing the development of township economies.

Some key legislative and policy interventions are currently underway. The National Small Enterprise Amendment Bill which is currently in Parliament as one of this terms priority legislation. Among other things, the Bill seeks to improve support to small businesses by creating a Small Enterprise Development Finance Agency (SEDFA) which will consolidate government support for small enterprises, offer financial and non-financial assistance, business advice, investment support, facilitation, and incubator services.

The Bill also proposes the establishment of the Office of the Small Enterprise Ombud Service which will serve as an impartial mediator in disputes, especially for small enterprises, without the need for costly litigation processes. The Small Enterprise Ombud Service will promote accessible and affordable justice for small enterprises.

We are also amending the outdated Businesses Act and have developed a Business Licensing Policy which has just been gazetted for public comment. The policy suggests ways to streamline and strengthen the business licensing system in the country, including tackling the issue of unfair competition by illegal foreign traders. We plan to take the Business Licensing Amendment Bill to Parliament early in the 7th Administration

The vision of the Department of Small Business Development and its agencies is to create a vibrant culture of entrepreneurship and enterprise growth, where small businesses and co-operatives act as drivers of job creation and inclusive economic growth. Our collective mandate is to ensure the growth of our economy through the promotion and development of sustainable and competitive entrepreneurs, small businesses and co-operatives that contribute to job creation and economic growth.

As a department, we are determined to support township and rural businesses with a series of targeted support interventions aimed at addressing the legacy of spatial exclusion faced by these businesses.

Programme Director, it will be important for all entrepreneurs and aspirant entrepreneurs to inform themselves about the programmes and offerings of the department to enable them to seize available opportunities.

Today's event is a demonstration that our delivery train is firmly on track! Our message to small businesses in other areas is: We are coming to you. Our delivery train is on the way!"

I thank you