

# DEDT PRESENTATION TO THE NCOP ON MEASURES TO UNLOCK AND GROW TOWNSHIP ECONOMY









## Overview of the key mandate, and Priority Areas for intervention

#### Mandate

 To stimulate economic growth towards creating sustainable and decent employment, economic transformation and alleviation of poverty.

#### Priority Areas for Intervention to drive the mandate

- Influence development growth patterns through building and accelerating inclusive growth where people live.
- Position infrastructure delivery programme to create decent job opportunities, enhance SMME;s development and promotion of Co-operatives.
- Enhance integrated regional growth and development through leveraging on Spatial Development Initiatives such as the Maputo Development Corridor.
- Engage both local and global strategic partners to consolidate existing markets, access new markets and attract foreign direct investment into the provincial economy.
- Create a conducive regulatory environment.





### **Areas of Collaboration with DSBD**

- The upscaling of mineral beneficiation and agro-processing and intensifying inclusive growth in the tourism sector.
- DSBD can work very closely with the province to ensure that SMME;s and Co-operatives meaningfully participate in those sectors.
- Accelerating growth and Development of Rural and Township economies.
- The collaboration that we had with DSBD to roll out the TREP Programme when the COVID-19 pandemic broke out must be intensified.
- The support to women and youth owned small businesses and Cooperatives operating in the Informal Sector need to be up scaled.
- The collaboration in providing relevant skills development and training to assist enterprises to increase export awareness and access to markets for small businesses.





#### **Areas of Collaboration with DSBD**

- The support to women and youth owned small businesses and Co-operatives operating in the Informal Sector need to be up scaled.
- The collaboration in providing relevant skills development and training to assist enterprises to increase export awareness and access to markets for small businesses.
- Co-ordinate and facilitate the roll out of the Mpumalanga Economic Recovery and Reconstruction Plan.
- The co-ordination of DEDT, DSBD and Local Municipalities on the Red Tape Reduction Programme to ensure that the regulatory environment is made easy for SMME's and Cooperatives to conduct their business.
- To strengthen the working relationship of DSBD agencies SEFA and SEDA with the province.
- To co-ordinate DEDT and DSBD in implementing the District Development Model.





## **Enterprise Programme that the Department is involved in** implementing in the 2022/3 Financial Year

- Tyre initiative programme where the Department is supporting small businesses in the township and Rural areas
  - Formalised relationship with Sumitomo Rubber SA (Dunlop)
  - Currently Supporting 10 existing outlets located in all the districts (4 in Ehlanzeni; 3 in both Nkangala and Gert Sibande)
  - ❖ 10 New outlets identified for support





## **Tyre Initiative**









## **Tyre Initiative**









## **Enterprise Programme that the Department is involved in** implementing in the 2022/3 Financial Year

- Donkerhoek Water Bottling Plant where the Department is supporting Co-operatives to be involved in the provision of water.
- The Incubation Programme focussing on Steel in Steve Tshwete (Middleburg) and the Furniture Technology Centre in the city of Mbombela (White River) to capacitate small businesses in the township to access the requisite skills.
- The partnership with the South African Breweries in supporting the youth to start their business through the Kick Start programme with special focus to the township and rural areas.
  - ❖ 35 young entrepreneurs have been trained and 5 of them were awarded with prices that includes laptops in Gert Sibande District.





## **Enterprise Programme that the Department is involved in** implementing in the 2022/3 Financial Year

- Support to retail business in the township such as the Dalamba Enterprise Programme where the retail supermarket are partnering with small businesses in the township to assist them to venture into the market which has been dominated by foreign nationals by providing support to township based enterprises.
  - MEGA is raising funds to operationalize the project.





# Enterprise Programme that the Department is involved in implementing in the 2022/3 Financial Year

- The Department is working with the South African Bureau of Standards to assist Small Businesses and Co-operatives to ensure that their products are SABS compliant.
  - ❖ The Department assisted 10 SMMEs including Cooperatives with SABS accreditation.
- The Department has also assisted 30 salons and 30 car washes with training and Equipment in the three Regions as part Township and rural economy.
- The Department is working with DADLEA to support the small scale waste pickers in order to formalise them and to provide training and equipment so that they can look at waste as a business while ensuring that our townships and rural areas are clean.
  - ❖ 12 waste pickers have been assisted with equipment and PPE's in the three Districts.





# Enterprise Programme that the Department is involved in implementing in the 2022/3 Financial Year

- The Department has partnered with municipalities to ensure that the regulatory environment in the township and rural areas is conducive for business to drive without experiencing red tapes.
- The department has developed a Red Tape
   Reduction Strategy to provide support to
   municipalities in easing the way of doing business
   by SMMEs and the broader informal sector.





## **Key Constraints/Challenges Impacting on Performance**

- Inadequate budget to coordinate implementation of projects.
- Poor co-ordination with National Departments on issues of Enterprise Development.
- Lack of alignment on strategies and APP between Provincial and National Departments.
- Lack of funding for informal traders.





## **THANK YOU**