

ADDRESS BY THE MEC FOR ECONOMIC DEVELOPMENT AND TOURISM, Ms. MC MASILELA, MPL, DURING THE OCCASION OF THE SEMINAR AND EXHIBITION FOR MSME AND COOPERATIVES HELD AT THULAMAHASHE, BUSHBUCKRIDGE LOCAL MUNICIPALITY

Tuesday, 20 May 2025

Programme Director, who is also the Speaker of the Council, Cllr. Busisiwe Raganya;
Our host, the Executive Mayor of Bushbuckridge Local Municipality, Cllr. Lydia Moroane;
Other Councillors present here;
Head of Department of Economic Development and Tourism, Ms. Immy Serakalala;
Officials from National, Provincial Government and Local Municipality;
MSMEs and Cooperatives present here;
Representatives from SEDFA, NYDA, MGCA, Standard Bank;
Organisers of this event;
Members of the Media present;
Distinguished guests;
Ladies and gentlemen.

Good morning, Avuxeni!

1. Programme Director; we appreciate the opportunity to address this momentous occasion. We extend our profound appreciation to the leadership of the **Bushbuckridge Local Municipality under the stewardship of Imbokodo, the Executive Mayor**, for collaborating with the Department in organising this much-needed seminar and exhibition for MSMEs and Cooperatives, which is crucial for laying the foundation for a financially viable municipality.

2. We are holding this seminar and exhibition for MSMEs and cooperatives at the back of a successful similar event that we held yesterday in the Thaba Chweu Local Municipality. Now, judging by the level of engagements of yesterday and today, I am confident more than ever that we are on the right path towards the revival of our small business sector.
3. Programme Director, I must indicate that these events are not only intended to impart valuable economic development information and skills, but we also use them as a barometer to gauge the level of awareness of our small enterprises about the programmes and interventions by government in collaboration with private sector geared towards stimulating growth of their businesses.
4. Therefore, these seminars and exhibitions are yet another clearest indication of our commitment to strengthen support to MSMEs and Cooperatives, and to even foster partnerships with the private sector so that a huge impact is made in the growth of these businesses.
5. Our focus and priority as the seventh Administration is the implementation of socio-economic interventions aimed at intent and resolve to maximise job creation, eradicate poverty and reduce inequality. We have also committed to work with the private sector and our social partners to create jobs for our people and support small enterprise development.
6. Therefore, you will agree with me when I say that this enterprise development seminar and exhibition is one strategic intervention that seeks to breathe life to government's resolve to support small businesses and create a conducive environment for them to thrive.

7. Programme Director, as the Department of Economic Development and Tourism, one crucial function within our mandate, is **to support MSMEs and cooperatives by empowering and nurturing them. MSMEs are, in fact, the backbone of our economy**, and if we do not support them, our economy will not grow, it will become stagnant.
8. Economic transformation remain close to the heart of the governing party, the ANC, in this Province. We hold a firm view that MSME development remain the appropriate vehicle to drive the economic transformation agenda.
9. Programme Director, I must however indicate that this seminar is taking place few day after Statistics SA revealed that close to **300 000 jobs** have been lost between January and March, this year. Youth unemployment remains above the national unemployment rate at 40%.
10. Therefore, as the Provincial Government, in partnership with the municipality and the private sector, we are using this occasion to mitigate this crisis by providing information and guidance, which is intended to change the trajectory for the better, for our MSMEs and Co-operatives including the youth of this municipality to take up opportunities that can create the much-needed jobs.
11. Evidently, if we are to turn around our economic fortunes, we need to redirect our collective energies towards building and growing a self-sufficient small business sector.
12. Programme Director; the Department has initiated the **Township and Rural Entrepreneurship Programme (TREP)** which support businesses including bakeries and confectionaries, clothing and textiles businesses, auto maintenance and repair and trade in a form of spaza shops. This intervention is part of our priority to make our township and rural areas a hive of economic activities.

13. The Province has also collaborated with **Take a lot** to assist young entrepreneurs who have products to sell, by registering them on take a lot platform to sell or to be registered as a driver owner of take a lot products for distribution.
14. Moreover, we have recently through the Mpumalanga Tourism Youth Fund, in collaboration with the National Youth Development Agency (NYDA) awarded funding worth **R3.5 million to twenty-four (24)** tourism youth businesses in Mpumalanga.
15. As part of mitigating the impact of climate change using the Just Energy Transition model, the Province has established the **Mpumalanga Green Cluster Agency (MGCA)** to drive our developmental agenda on the green economy space.
16. In the main, the **MGCA** was established to primarily educate communities on Just Energy Transition issues and to encourage MSMEs and Cooperatives to come up with climate resilient projects such recycling and other creative projects to preserve the environment while creating jobs and imparting skills.
17. Programme Director, the Department of Small Business Development has launched a **R500 million** fund to support local spaza shop owners as a direct response to the food borne diseases and to curb the mushrooming of foreign owned spaza shops in our township. Those who are interested in the fund, officials from Sedfa are here to give you more details on how to apply for and access the fund.
18. The Department through MEGA continues to assist MSMEs and Cooperatives to access funding and to provide business premises in their industrial parks at reasonable rates to conduct their business and to be provided with mentorship and aftercare services. The bigger picture here is to **ultimately stimulate innovation, create jobs and promote sustainable business growth**, especially in rural areas.

19. Programme Director, we reaffirm our commitment to implement government policies designed to support MSME development such as the set-aside policies on designated products. The time has come that we start to monitor very closely the utilisation of government procurement to promote the development of MSMEs. We need a radical paradigm shift. If it calls for the review of the entire procurement value chain, let it be.
20. The support to small enterprises operating in Township and Rural Areas is one of the priorities that the Department will be pursuing going forward. I have already tasked the Department to look at better and efficient ways to promote sustainable MSMEs in the township and Rural areas.
21. One hopes that this new framework will assist the Department, as well as the Province, to develop sustainable and viable small businesses in these targeted areas.
22. Furthermore, the Department will strengthen partnerships with municipalities to ensure that the regulatory environment in the township and rural areas is conducive for business to thrive without experiencing cumbersome red tape.
23. To this end, the Department has developed a **Red Tape Reduction Strategy** to provide support to municipalities in easing the way of doing business by MSMEs and the broader informal sector.
24. As we continue to strengthen our support to small enterprises, we work in collaboration with the private sector, development finance institutions, and all spheres of government. The interventions seeks to address the following:
- ***Inadequate access to early-stage finance for MSMEs and Cooperatives, including youth owned businesses;***
 - ***Inadequate support to businesses and cooperatives in the form of mentors which creates access to networks and markets; and lastly,***
 - ***Inadequate access to working capital, which is critical for business development in the Province.***

25. Programme Director, the DTIC has issued a request for the public and the broader businesses community to comment and input on the **Draft Transformation Fund Concept Document**. The Minister has since extended the deadline for public comments to **28 May 2025**.
26. The Transformation Fund in South Africa is a strategic initiative aimed at providing Black Economic Empowerment and facilitating greater participation of black individuals in the mainstream economy. The fund is set to create a **R100 billion** investment to support black owned businesses and MSMEs.
27. As the MEC responsible for economic development activities in the Province, it will be a dereliction of duty on my part if I fail to invite the business community, including business chambers, women and youth formations of Mpumalanga and all relevant stakeholders to make inputs and comments to this very important strategic **National Transformation Fund Document**.
28. Programme Director; before I retreat, I would like to inform this gathering that our Province has been assigned to **host the G20 Tourism Ministers' meeting on September 12**, later this year.
29. Now, I think it is incumbent upon all of us gathered here to use this international event as a vehicle for our MSMEs and cooperatives in the Province to realise significant growth to their businesses.
30. As about to close, allow me to extend a special appreciation to the presenters from different institutions, who presented here and MSMEs who participated in the discussions through questions and engagements. The level of engagements gives me renewed hope that we are on course to turn around the tide towards economic growth.

31. I therefore, I call upon the private sector to continue to collaborate with government on the journey of creating self-sufficient small businesses by transferring skills and providing the much-needed financial injection to these businesses.

32. Programme Director; let me conclude by wishing all the MSMEs and cooperatives who are participating in this very important seminar and exhibition all the best. We are hoping that this noble intervention by government and its partners will be able to unlock the potential of your businesses.

We Leave No One Behind, as We Grow the Economy of Mpumalanga

I thank you