



Ecosystem Development for Small Enterprise (EDSE)

Contributing towards inclusive and sustainable economic growth and employment creation through supporting SMMEs

KEY MESSAGE

Creating jobs through support to small, micro and medium enterprises (SMMEs) in South Africa.

IMPACT

Supporting inclusive and sustainable economic growth and employment creation in South Africa, in line with the Government's objectives in its National Development Plan, notably to reduce the official unemployment rate from around 25% (2013) to 14% (2020).

GEOGRAPHICAL COVERAGE

South Africa (covering all nine provinces)

FUNDING SUMMARY

CRIS Ref: AFS/2016/039-297
Start/Final dates: 27 Jul 2017 – 24 Jul 2022
Total Budget: EUR 52,245,800
Total Contracted: EUR 51,981,065
Total Paid: EUR 39,751,594
Other contributions: None

BENEFICIARIES

SMMEs in South Africa, Department of Small Business Development (DSBD), Department of Agriculture, Fisheries and Forestry (DAFF), the Small Enterprise Finance Agency (sefa) and the Small Enterprise Development Agency (Seda).

IMPLEMENTING PARTNERS

Department of Small Business Development (DSBD) as lead partner. Other key partners are the two implementing agencies of the DSBD notably, the Small Enterprise Finance Agency (sefa) and the Small Enterprise Development Agency (Seda), as well as the Department of Agriculture, Fisheries and Forestry (DAFF).

PROJECT MANAGER

EU – Mariam Homayoun
Tel: +27 12 452 5227
Email: Mariam.Homayoun@eeas.europa.eu



Specific Objective

- i. to improve the competitiveness of SMMEs and their ability to meet procurement requirements of large multinational/local corporations and state-owned enterprises.
- ii. to improve access to finance for SMMEs with limited/no access to finance.
- iii. to improve the regulatory and administrative environment for SMMEs.

Main project activities in brief

- Business Development Services (BDS) support to SMMEs in targeted value chains in the private sector and in the public sector market.
- Agri-business value chain analysis and development including provision of BDS for SMMEs. Could include activities such as a sanitary and phytosanitary support programme, and an agro-processing certification programme for smallholder producers.
- Wholesale lending initiatives between sefa and other financial institutions specifically focused on increasing access to finance for SMMEs, notably for those with potential as suppliers in corporate or government value chains. These initiatives will leverage sefa's own funding and substantial leveraging of funding from other financial institutions and corporates, is also expected.
- Capacity building of sefa and partners to build internal capacity and enhance further lending to SMMEs.
- Assistance to initiatives guided by the DSBD such as the development of an SMME National Database; development of a small business portal, roll-out of the National Red Tape Municipal Support Programme; and SMME surveys.
- Capacity building of DSBD and other departments around SMME development, such as assistance to undertake research and monitoring and evaluation (M&E), the development of an integrated strategy on the promotion of entrepreneurship and small enterprises in rural and urban areas, and SMME policy dialogues.

Main outcomes/impact/accomplishments to date

From a financial and contractual point of view, the 1st tranche of budget support (EUR 14 mill), the 2nd tranche (EUR 11 mill) and the third tranche (EUR 9 mill) have been disbursed. The Technical Assistance Team has been actively supporting DSBD, seda, sefa and other stakeholders since 1 March 2018.

Team Leader - Nigel Gwen-Evans: Nigel.GEvans@thepalladiumgroup.com