



the detea

the department of economic
development, tourism and
environmental affairs
FREE STATE PROVINCE



International
Labour
Organization

Free State SME Development Initiative

"Sustainable enterprises should innovate, adopt appropriate environmentally friendly technologies, develop skills and human resources, and enhance productivity to remain competitive in national and international markets".

International Labour Conference, 2007

"Nurturing SMEs, Creating jobs, Protecting People!" This goal is at the heart of the *Free State SME Development Initiative*, which is a 3 year technical cooperation programme that runs until mid-2014. The SME Initiative supports the government of South Africa and the provincial government of the Free State in meeting its priorities towards broad-based wealth creation and decent work through Small and Medium Enterprise (SME) development.

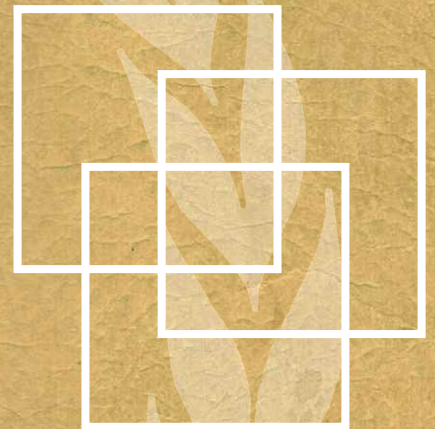
With initial funding made available by the Flanders International Cooperation Agency (FICA) to the International Labour Organization the initiative is a partnership between the Department for Economic Development, Tourism and Environmental Affairs (Detea), Mangaung Metro Municipality and the Municipality of Matjhabeng.

Employers' organizations such as Mangaung/Bloemfontein Chamber of Commerce and Industry (M/BCCI), the Afrikaans Handels Instituut (AHI) and the National African Federation of Chambers of Commerce (NAFCO) are key private sector partners representing the voice of SMEs in the province. Partnerships are being established with education authorities and with financial and non-financial Business Development Service (BDS) providers in the province. The University of the Free State (UFS) is a valuable research partner.

The Initiative seeks to strengthen the capacity of provincial and municipal authorities as well as private sector and civil society to create more and better jobs through SME development. The goal is to support 2'000 SMEs and to create 5'000 decent jobs.

*Promoting business
creating jobs*

Development Goals



In the first phase the focus is on the municipalities of Mangaung Metro and Matjhabeng and activities aim at promoting a culture of entrepreneurship among young men and women preparing them to enter a labour market with scarce formal employment opportunities. Other key goals are to improve the provincial business environment to enable start-up and growth of firms, and to ensure that SMEs have access to as well as demand relevant and commercially affordable BDS. The first phase of the initiative focuses on economic sub-sectors such as agribusiness, construction, tourism, community/social services, including waste recycling to improve the Green Economy.

As a result of the Initiative the following outcomes are foreseen:

- Increased appreciation among Free State people of the merits of entrepreneurship
- Young people have nurtured their entrepreneurial talent through entrepreneurship education
- Provincial policy-level bodies make better informed decisions about SME development
- Better synergies and scale effects between SME development initiatives
- Entrepreneurs have access to business finance
- Entrepreneurs have access to business training and advisory services
- Emerging and established entrepreneurs develop innovative business ideas and - models



Provincial policy-level
SME development
Business training
Develop



fs-sme@ilo.org
www.detea.fs.gov.za

Entrepreneurship education



Develop



Business training



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Advisory services

SME development



MATJHABENG



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