



SMALL BUSINESS SUPPORT BOOKLET



Welcome

TEP

Tourism Enterprise Support

The Tourism Enterprise Programme (TEP) is an initiative of the Business Trust and implemented on its behalf by Ebony Consulting International (Pty) Ltd (ECI) and a number of designated sub-contractors in some of the provinces. The main aim of TEP is to encourage and facilitate the growth and expansion of tourism enterprises in response to the increasing demand for tourism activity.

The Main services offered by the TEP

TEP assists large operators, investors, SMMEs, and HDE's identify viable linkages or business opportunities. Resources are then tapped to make this opportunity a reality. This often includes assisting the SMME obtain the requisite professional services such as ISO/ SABS quality certification, debt and equity finance, proper business planning, packaging, legal advice, technology needs and marketing. TEP has a Training and Technical Assistance Fund (TTAF), which is utilised on a cost-sharing basis with the enterprise.

In addition to numerous other goals, the primary tangible targets of the TEP are to:

- Foster transactions with SMMEs to the commercial value of R450 million;
- Generate a minimum of 1000 transactions between SMMEs and larger companies / opportunities within the tourism economy;
- Of the 1 000 transactions, 75% or 750 will involve historically disadvantaged enterprises;
- Provide technical assistance and assist at least 2000 enterprises;
- Create between 10 000 and 50 000 job opportunities.

Contact details for more information:

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Western Cape	Shireen Parker Tel: (021) 461 5735 Fax: (021) 461 5775 Email: tep@africanequations.co.za
KwaZulu-Natal	Brian Avnit Tel: (032) 525 6660 Fax: (032) 525 6663 Email: goldenspot@wol.co.za
Mpumalanga	Gay Mokoena Tel: (013) 752 2300 Email: silulu@icon.co.za
Free State	Annemarie Pitout Tel: (051) 444 4811 Fax: (051) 444 4812 Email: servicef@netdial.co.za

THE DEPARTMENT OF TRADE AND INDUSTRY (DTI)

The DTI has developed a range of institutions to cater to specific SMME needs. These are:

NTSIKA ENTERPRISE PROMOTION AGENCY

Ntsika's mission is to render non-financial support services to the SMME sector through a broad range of intermediaries. This is achieved through initiatives in the areas of management and entrepreneurship, developments, marketing, and business linkages, policy, research and business development services. Ntsika supports over 140 local business service centres.

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THE FRANCHISE ADVICE AND INFORMATION NETWORK (FRAIN)

This programme was initiated by the Franchise Association of Southern Africa (FASA) with the support of the Department of Trade & Industry (DTI) and is now managed by the NAMAC Trust with assistance from the CSIR. Its mission is to supply high quality information and support services to individuals and SMMEs to ensure growth and improvement of new and existing franchising businesses. The emphasis is on Historically Disadvantaged Individuals, women and the youth, and the aim is to help them join the mainstream economy by levelling the playing field.

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BUSINESS REFERRAL AND INFORMATION NETWORK (BRAIN)

BRAIN strives to improve the competitiveness and growth of small businesses (SMMEs) in South Africa through the supply of relevant, value-added business information. BRAIN is a Programme of NAMAC TRUST, the National Coordinating Office of the Manufacturing Advisory Centres

or MACS. It is an initiative of the Department of Trade and Industry and is now managed by the Namac Trust. It assists entrepreneurs to start new businesses.

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NAMAC TRUST

NAMAC combines the National Coordination Office for Manufacturing Advisory Centres (MACs) and Business Referral and Information Network (BRAIN). In January 2002 the Franchise Advice and Information Network (FRAIN) was launched, becoming another key arm of NAMAC

NAMAC's task is to implement SMME support programmes on behalf of the DTI and supply high quality information and advisory support to SMMEs.

NAMAC does not directly interface with SMMEs. It channels its support via selected intermediaries, assisting these with training and support where necessary, to service SMMEs at local level. The core focus of NAMAC at all times is on job creation, job retention and product quality improvement and competitiveness.

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THETA

Sector: Tourism training

Project: Tourism Learnership Project

Strategic Partner: Tourism, Hospitality and Sport Education and Training Authority (THETA)

Co-funder: The Department of Labour

Basic idea: Boost training and skills in the tourism and hospitality sector

Background:

The training programme is structured within the requirements of the Skills Development Act. It is based on:

- The development of accredited qualifications, the development of unit standards, the assembly of unit standards into qualifications and the registration of qualifications by the South African Qualifications authority;
- The certification of the competence of skilled workers and the provision of training for the unemployed.

The TLP has three core objectives:

- to accelerate the development of national qualifications (NQs) for all primary sub-sectors of the tourism sector. It is estimated that the project will cut the time to develop these qualifications by up to 10 years;
- the availability of NQs, which will trigger increased investment in training by employers in the sector because they have clearly articulated standards of competence against which to measure the impact of training. This will assist employers in accessing levy grants in terms of the Skills Development Act.
- develop systems and support the training of unemployed people through learnerships that provide them with the skills necessary to find jobs in a growing job market. It will generate 40 new NQs in different disciplines in the tourism industry and some 1 250 new unit standards. It will award 10 000 national qualifications in the next four years and implement 5000 learnerships for both employed and unemployed people.

Targets:

- Train more than 10 000 people already in the sector and a further 5 000 unemployed by 2003
- Design and register 35 new national tourism qualifications for trades.

Contact details: Thami Vallihu

UMSOBOMVU YOUTH FUND

Umsobomvu Youth Fund is a development funding institution established by the South African Government as a direct response to the high youth unemployment in the country. It's mandate is to create a platform for job creation, skills development and transfer for young people and thus promote economic citizenship for the youth of South Africa. The aim of the programme is to enhance the participation of young people in the mainstream economy by helping them access sustainable business opportunities through enterprise, finance and business development services.

BDS Voucher Programme

Umsobomvu intends launching one of the first voucher programmes in South Africa, the second on the African Continent after Kenya. A voucher is a document given to selected clients entitling them to buy business support services (technical assistance) from approved service providers.

Target group

The target group for the voucher programme is mainly out-of-school youth between the ages 18 and 35 who require business support services to start or improve their businesses. They could fall into any of the following categories: unemployed graduates, young women, rural youth, urban youth and youth in conflict with the law.

BDS Service Mix

The voucher programme will assist young entrepreneurs to access the following business development support services: company registration, market access services inclusive of marketing, product development and improvement, accounting and booking services, human resource development, contract drafting, market research and business plan development (inclusive of pro-investment analysis and feasibility studies), tax advisory services and mentorship.

Target Sectors

The voucher programme will be product-based and aims to improve youth owned enterprises in the following growth orientated sectors: tourism, information and communication and technology (ICT), manufacturing, construction and agro-processing.

Implementation

The BDS voucher system will be implemented through the following key players:

- Voucher Allocation Agents
- Service Providers

Pilot Areas

Initially the voucher programme will be piloted in five provinces: Eastern Cape, Gauteng, KwaZulu-Natal, Limpopo and Western Cape.

Contact Details

<i>Province</i>	<i>Allocation Agent</i>
Eastern Cape	Community Self Employment Centre (COMSEC) Tel: (041) 487 3996
Gauteng	Shireen Warren Open For Business Tel: (011) 836 9000 Fax: (011) 836 9014 Email: shireen@thebusinessplace.co.za
KwaZulu-Natal	Thekwini Business Development Centre Tel: (031) 309 5432
Limpopo	Junior Achievement Tel: (015) 291 1609
Western Cape	Institute for Development Services Tel: (021) 683 1350

BLACK BUSINESS SUPPLIERS DEVELOPMENT PROGRAMME

Introduction and objectives

The objective of the Black Business Suppliers Development Programme is to promote the growth of black enterprises by fostering linkages between black SMMEs, corporates and the public sector. Linkages are to be promoted by enhancing the capacity of targeted SMMEs to compete for, win and successfully deliver on tenders from corporates and public sector entities.

The BBSDP will provide eligible black enterprises cost sharing grant to enable them to acquire training and mentoring to address the skills gap that they face.

Eligibility

In order to qualify for the BBSDP grant a business must comply with the following requirements:

- Majority of shares must be black owned
- Its management team must be predominately Black
- It must have a turnover not exceeding R12 million.
- It must have been operating and trading for more than one financial year
- It must exhibit good growth potential
- It must comply with statutory requirements
- It must be registered at SARS

Businesses operating in any sector of the economy can apply for a BBSDP grant.

Eligible Projects

Eligible projects should aim at enhancing the sustainability of a business through competitiveness, capacity building and productivity improvement.

Projects that qualify for BBSDP grants may be classified into one of the following four categories:

- A. Projects aimed at upgrading the capability of the management team of the enterprise through generic management training programmes. Examples of such training programmes are:
- Executive Management
 - Development Programmes
 - Finance for Non Financial Managers
 - Preparation of bids

- for Corporate and Public Sector tenders
- B. Projects aimed at improving the effectiveness of the management systems of an enterprise. Examples of such projects are:
- Production planning and Control Systems
 - Quality Improvement Systems, e.g. ISO 9001 and ISO 14000
 - Financial Management Systems
 - Human Resources Management System
 - Long term business planning
 - Productivity Improvement
- C. Projects aimed at imparting specialized, enterprise specific skills to employees. Examples are welding courses, computer maintenance and repair.
- D. Projects aimed at assisting entry of the business into targeted markets e.g.:
- Development of Marketing plans
 - Design and limited printing of Marketing materials
 - Web Site design

FUNDING AND ELIGIBLE EXPENDITURE

Funding:

The BBSDP will offer a cost-sharing grant on a 80 – 20 basis, meaning that the BBSDP would offer grant assistance to cover 80% of the enterprise training cost and the enterprise would contribute 20% of the cost.

The maximum grant that can be offered by the BBSDP is R100 000 (Hundred Thousand Rand) for example:

If the BBSDP approves a project whose total cost is R125 000 the grant will be calculated as follows:

$$R125\ 000 \times 80\% = R100\ 000 \text{ BBSDP GRANT}$$

An enterprise can apply for multiple projects provided that the accumulative grants awarded to the enterprise does not exceed R100 000

Eligible Expenditure

The following expenditures are not eligible for BBSDP cost sharing grants:

- Rent, staff and hardware costs
- Capital and working capital investment
- Any activity that is already funded by another government scheme or parastatal or that receives any other financial support from an entity other than the business.

Applications For BbsdP Funding

Businesses wishing to access BBSDP funding have to submit the following:

A completed application form to the Secretary of the Governing Committee of the BBSDP. The application should, among others, detail the following:

- Description of the market for the products or services supplied by the Enterprise.
- A plan indicating how the Enterprise envisages to increase growth in turnover

Detail of strategies by which growth will be attained; for example quick turn-around-times, just in time production, lowered production costs, improved marketing, reduced inventories etc.

Adjudication Of Application By The Governing Committee:

The Secretary of the Committee will submit an application with the recommendation for adjudication to the Governing Committee.

Because of the limited nature of public funding available, matching grant support will not be automatically extended to all enterprises that qualify in terms of the criteria outlined in

section one. In deciding to which enterprise to extend matching grant funding, the Governing Committee will give additional consideration to the following aspects of the project plan submitted by an enterprise:

- Probability of a successful venture
- Implementation of the project
- Growth potential of the enterprise
- Job creation
- Women empowerment

Network Facilitator

The BBSDP maintains a database of accredited "Network Facilitators" for use in assisting enterprises to complete and submit BBSDP proposals. The BBSDP will reimburse the network facilitator up to a maximum of 10% of the value of an approved project for services supplied in assisting an enterprise in compiling an application. A maximum of R5000 is available for this purpose. In addition to the application fee, network facilitators can qualify to be paid for a maximum of five man-days for supervising the quality and delivery of the project. The maximum fee for this function is R10000.

A network facilitator providing services to an enterprise under the BBSDP scheme cannot qualify for a project supervision fee. Approval to act as a Network Facilitator is required before any service can be provided to the enterprise. Interested consultancies of service providers can apply to the Secretariat of the BBSDP. To be successful an applicant must satisfy the following criteria:

- Proven track record of successfully business development services to SMMEs. Applicants will be requested to submit a list of previous companies assisted.
- Proven project development and implementation skills

Payment Of Claims

If a project by an enterprise is approved the Secretary of the BBSDP will provide a letter to the enterprise and the

service provider informing them of the approval. The letter to the chosen service will also oblige the BBSDP to pay the chosen service provider 80% of the cost of the service to be delivered upon receipt of the following:

- A letter from the enterprise indicating successful completion of the project.
- Proof of the payment of 20% of the project cost by the enterprise.
- A brief report from service provider concerning the project delivery.

The Enterprise Organisation (Teo), headed by Mahlape Mohale a division of the trade and industry department will oversee the incentive programme.

Contact details: Various consultants
 The DTI Customer Contact Centre
 0861 843 384

MPUMALANGA

Training

Training is provided to small businesses in the following areas:

- Business plan writing
- Marketing assistance
- Setting up of an office
- Tour guiding and registration
- Proposal writing once an idea has been identified

Exposure at National and International exhibitions and Conferences

- Assistance with providing transport and encouraging attendance
- Securing accommodation
- Compilation of brochures for marketing

Assistance is also given to small businesses with linkages to big business and to other financial support services available in the province.

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 Fax: (013) 766 4614
 Email: szikalala@nel.mpu.gov.za

FREE STATE

The Free State provincial department of Economic Affairs and Tourism provides the following support to small business:

- Technical advice on how to start a business
- Provision of marketing material for exhibitions and general marketing
- Formation of industry associations
- Linkages with other support structures e.g. TEP and other funding mechanisms
- The facilitation of training in tour guiding, bed & breakfasts, catering and other accommodation and in other small businesses generally
- Assistance with exposure at exhibitions

Contact details Masoabi Phatoe
 Tel: (051) 403 3845
 Fax: (051) 403 3151
 Email: phatoem@majuba.ofs.gov.za

NORTH WEST

North West Parks & Tourism Board

The North West Parks Board (NWP &TB) has a unit in the Marketing Division called the Product Development Unit.

The Unit works mostly with communities in the North West (mainly rural) to contribute to their development. The word contribute is used deliberately since there are other organisations that assist with the development of communities and the Unit focuses mainly on tourism development. This is also to avoid any duplication of processes with other organisations.

The Units' scope of operation

The Unit covers the following engagements with communities:

- Investment promotions
- Community development
- Capacity building
- SMME development and

- Liaison function with neighbouring communities

Smme Development

The range of SMMEs serviced is quite varied. It includes artists (crafters, painters, tour guides/operators, B&B's, shebeeners, etc.)

These are identified and assessed in terms of skills or the lack thereof, and are assisted to go on relevant courses. In addition the shebeeners, tour guides/operators are marketed with the assistance of the NWP&TB for a certain period of time until they are fully operational. Indaba is one of the instruments used for this purpose.

A craft market has been built at Taunyane Gate where SMMEs are invited to sell their wares. A craft factory is in the process of being built with funding from DEAT in an industrial area. Craft is also marketed internationally.

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LIMPOPO

The Limpopo provincial department of Economic Development and Tourism has established a section 21 company for smme support. It is a non-financial support information hub and SMME development Agency for the Department.

Its main mandate is to

- establish small businesses generally;
- provide information;
- facilitate training;]
- co-ordinate SMME development initiatives;
- create a linkage with the financial institutions;
- create a climate for access to market
- training on how to tender.

The agency is not involved directly in training, but facilitates, refers (even to financial institutions for funding), linking the relevant institutions necessary to support SMME development.

Contact details: Paul wa ka Marivate
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The Limpopo Tourism Authority

The Limpopo Tourism Authority (LTA) assists SMMEs with the following:

- Marketing
- Promotional material
- Exhibitions
- Training on business start-up
- Partnering SMMEs with the provincial TEP

Plans are underway to establish a forum for SMMEs to encourage networking among the SMMEs to ensure that their products are packaged appropriately and to avoid segmentation in infrastructure. The aim is to develop wholesome packaging for marketing and the streamlining of services. Also in the pipeline is the establishment of a one-stop-shop to assist and mentor SMMEs.

The training of tour guides and operators is housed within the Local Government.

Contact details: Sarah Mhlongo
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Fax: (015) 291 2654
email: smhlongo@finptb.norprov.gov.za

KWAZULU NATAL



DEAT is encouraging the creation of curios or artefacts made from waste materials and invader plants

TKZN will support small business development through:

- The organization's procurement policies;
- Providing information and advice;
- Facilitating marketing support;
- Facilitating access to education and training;
- Facilitating tour guiding development and;
- Business Linkages.

"How to" booklets / Developers Guide

The Authority's "How To" Booklet provides potential tourism entrepreneurs and rural communities with appropriate and relevant information on the establishment of the following tourism facilities or services:

- Bed and Breakfast or a Guesthouse;
- A tour operating business;
- Becoming a tour guide;
- Game farming;
- Cultural village;
- A travel agency and
- Restaurant/ food outlet.

Training and Accreditation

Assistance given to SMMEs and emerging Tour Guides and Tour Operators includes exhibition space at provincial and national shows, printing of marketing brochures and training.

- Training of 'PDI' guides;
- Registration of all tourism service providers including SMMEs;
- Development and running of workshops for existing and new tour guides.

Marketing Assistance

Assistance given to SMMEs and emerging Tour Guides and Tour Operators in the following areas:

- Skills training workshops for SMMEs throughout the year;
- Assist various SMMEs with advertising and promotions;
- Business planning assistance;
- Entrepreneurship training;
- Develop a self-management strategy;
- SWOT analysis;
- Developing marketing plans and
- Feasibility Study formulation.

Procurement policy

Database of tourism entrepreneurs created for own use and the implementation of recommendations arising from TEP project.

Business Linkages

Linking SMMEs with funding institutions within the industry, their criteria for funding, the process for applications and the contact details.



WESTERN CAPE



Craftware from the Western Cape

The main services offered are:

Tourism Grant for:

- Business referral and information network
- Community development projects
- Training of – Operators
- Bed & Breakfast Owners
- Lodge Owners

Tour Guides:

- Business plan assistance
- Business after-care and monitoring

A tourism help desk programme

Help desk agents have been trained in six areas of the province to assist emerging entrepreneurs with business development and planning.

SMME workshops

These workshops are set up to provide information on opportunities to emerging entrepreneurs and to assist them to develop their businesses by the hosting of experts in the fields of tourism, entrepreneurship and marketing.

Development of small business model

This project is being run in partnership with the Development Bank of Southern Africa and the Western Cape Tourism Board. The aim is to provide a model for small business in the industry.

Seven entrepreneurs have been selected to form part of the study.

The mentorship programme

The project is being run in partnership with SATSA who have identified leading entrepreneurs to serve on a mentorship panel. The mentorship panel has been engaged to assist small business with advice and expertise.

Co-ordination of the Western Cape Chapter of the African Travel Association

This project co-ordinates the interaction of SMMEs in the sector with the association whose main aim is to facilitate travel by North Americans to Africa.

Contact Details

Brent Walters
Tel: 021- 483 5819
Email:bwalters@pawc.wcape.gov.za

Bursaries

A pilot bursary scheme in partnership with the Cape Technikon is currently being run. The fund is administered by the Cape Technikon on behalf of the Department. Four bursaries in the tourism and hospitality industry are available per annum. These bursaries cover full tuition and related costs.

Details for Cape Technikon are as follows:

Michael Ngetich
Cape Technikon
Tel: 021 419 2833
Fax: 021 419 27 06
Email:ngetich@ctech.ac.za

NORTHERN CAPE

The Department of Economic Affairs and Tourism in the Northern Cape gives the following support to SMMEs in tourism:

- Encourage the start up of new ventures by marketing the services offered by the department
- Facilitate exposure to tourism SMMEs at national and international tourism exhibitions
- SMME are also referred to other relevant institution by making contact on their behalf and assist in ensuring that the relevant information is disseminated to SMMEs
- Market of their products and services within the overall marketing plan of the Province and major activities like the Northern Cape Expo which is held annually
- To ensure that SMMEs participate in all services offered by National Government, e.g. the TEP programme
- The local business service centre assists SMMEs with the drawing up business plans
- Mentorship is given to SMMEs to ensure that their businesses succeed
- General advice on the business selection and feasibility

Contact details: Siphso Mampe
 Tel: (053) 839 4015
 Fax: (053) 831 3668
 email : smampe@met.ncape.gov.za



A Shelter Under Construction At Khoi-San Village in the Northern Cape

EASTERN CAPE



Craft Market – an outlet for the considerable talents of local craftspeople and artists.

The Eastern Cape Tourism Board offers SMMEs the following services:

Training

- Capacity building
- Skills development
- Tour guide training/ upgrading and registration
- Mentoring and business skills development
- Business plans write up training

Exhibitions

- Assistance with travel and accommodation for local national and international exhibitions
- Participation in other national initiatives like the Welcome Host programme

Marketing

- The ECTB also assists with brochure development and general marketing assistance

Linkages

Businesses are actively linked to other support services and structures existing throughout the province.

Contact details
Keketso Koftile
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Fax: (043) 701 9649
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GAUTENG

The Gauteng provincial department offers the following to small businesses and these services are provided through the Gauteng Tourism Authority (GTA):

The objectives of the assistance are to:

- Provide critical infrastructure for tourism in order to promote investment and accelerate industry growth
- Enhance the level and quality of community participation in tourism
- Improve the quality of lives of beneficiaries
- Support the development of t
- Tourism gateways, routes, nodes and clusters
- Support training, skills development and capacity building initiatives in the travel and hospitality sectors
- Improve and enhance the overall visitor experience

Eligibility

Projects must be based in Gauteng, and must ideally contribute towards the empowerment of Non-Governmental Organisations or Community Based Structures. Projects will need to clearly demonstrate how they meet the needs of Local Economic Development and Integrated Development Planning.

Qualifying criteria

Funding will be made available for community based tourism initiatives that are geared towards the provision of:

- Critical tourism infrastructure
- Responsible tourism products and resources
- Training, skills development and capacity building programmes
- Business linkages, marketing and support programmes.

Projects that benefit Gauteng residents who are poor and unemployed will qualify for assistance. Proposals must clearly demonstrate how tourism will contribute towards the upliftment of a particular community in a sustainable manner.

Applicants must be able to prove that they have the support of their local authorities.

In addition to the above, projects will be assessed in line with the following micro criteria:

- Gender equality must be promoted
- The employment of disabled persons and youth is desirable
- The project must be able to demonstrate that it will clearly enhance tourism and improve the environment
- The project must promote the creation of SMME's and advantage previously disadvantaged persons.

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