

Western Cape and JSE partner to accelerate SMEs

The results of the 2019 Annual Financial Statistics survey showed that small businesses contributed [22% of the R10.5trn turnover](#) that the formal business sector added to South Africa's GDP. With rising inflation and a contracting economy, local government is seeing the value of stimulating what could be the only growth area for the economy.



Western Cape is becoming the SME capital of South Africa. Source: Jean van der Meulen/Pexels

It's into this business environment that the Western Cape Government's Department of Economic Development and Tourism (DEDAT) and the Johannesburg Stock Exchange (JSE) came together in a multi-year SME development programme to stimulate the growth of the SME sector in the province.

Speaking at the launch, Western Cape minister of finance and economic opportunities, Mireille Wenger, said, "It is a great pleasure to officially launch the SME Accelerator Programme, a unique collaboration with the public and private sector, between the highly esteemed Johannesburg Stock Exchange and the Western Cape Government (WCG), to ensure that a targeted 100 small and medium sized businesses have access to the expertise they need to expand and to create many more jobs in South Africa."

The three-year programme will focus on numerous initiatives to facilitate the development and growth of SMEs in the province. The first year (2023) will focus on a *capital matching* initiative where SMEs will be introduced to capital providers who are interested in funding SME businesses in their growth phases.

Three phase initiative

There are three phases in the initiative: recruitment of SMEs, capital or investor readiness support for the SMEs and an event in Cape Town where SMEs will get the opportunity to present their investment cases to investors for funding consideration.



SMEs in JSE's first acceleration development programme raise nearly R1bn

20 Dec 2022



"I am on a mission to see many more of these kinds of collaborations because I strongly believe that when we come

together, we can succeed in creating a much more prosperous future full of hope, with an economy that is growing, creating jobs, and where all businesses who want to expand, are able to," continued Wenger.

"Small and medium sized businesses are the heart and soul of our economy. If they succeed so too does our economy. I welcome all initiatives and measures that help SMEs realise their full potential," said Premier Alan Winde.

"One such intervention is our growth for jobs (G4J) strategy, which maps out and drives the Western Cape's economic growth and job creation trajectory towards a trillion-rand, jobs-rich, inclusive economy by 2035. To effectively create an enabling environment for economic growth that creates jobs, we need to take the lead and enhance the work of businesses, entrepreneurs, and informal traders."

The Capital Matching Roadshow that will be hosted in Cape Town aims to match 100 companies predominantly from five sectors including tourism and film; agriculture and agricultural processing; real estate; the green economy and technology; and manufacturing with capital providers with the aim of up scaling the SMEs and driving job creation and increased economic activity.

Facilitating access to capital

"The JSE is focused on making a continuous meaningful contribution to the country's national agenda and economy. We devote significant resources in our business to provide tangible solutions to fast-track SME growth and facilitate access to capital," said JSE group CEO, Leila Fourie.

"This new initiative with the WCG is a significant aspect of the JSE's strategy to align our activities and services with the needs of our clients and country. We will continue to work tirelessly to collaborate with government to bring enhanced services that can add much-needed value to economic growth."

"At the very heart of our ambitious economic plan, G4J, is the understanding that it is the private sector, and particularly, citizens, entrepreneurs and SMMEs, that create jobs. To put it simply: it is the private sector that creates jobs, and it is our job as government, to make this as easy as possible. I look forward to tracking the progress of this exciting collaboration, as well as the benefits and expansion of those SMEs participating. There is much to look forward to," concluded Wenger.

For more information on this year's capital matching initiative and entry criteria for SMEs, visit the [JSE website](https://www.bizcommunity.com).