

Application to GIZ Gender Competition with our support to WOMEN'S ENTREPRENEURIAL PROGRAMME

By Responsible & Inclusive Business Hub (RIBH) SADC team: Annamarie Grobler and Rebecca Szrama, South Africa

SECTION 1: PROMOTING GENDER EQUALITY

The current situation in South Africa

The majority of South Africa's unemployed (about 60% of the total) come from townships and informal settlements. Townships have always been a hive for entrepreneurial activity but the main challenge has been unlocking the potential in order to generate broader economic benefits.

According to research only 25% of money generated in the townships is spent there. With estimates valuing South Africa's township economy at around R220 billion, there's massive scope for small business growth. Research by the World Bank Group shows that the township of Diepsloot has a R2 billion economy, most of which is spent in the surrounding suburbs of Sandton and Fourways.

Our Approach

Reviving the township economy means we need to do things differently. Changing the Community through citizen involvement rather than through increased services or government handouts, thereby increasing their sense of dignity. Thus was born the one-year Women's Entrepreneurial Programme by Business & Professional Women South Africa (BPW South Africa, <http://www.bpw-jhbsa.co.za/>), supported by RIBH SADC, which introduces a number of interventions to aide unemployed township women support their families through entrepreneurship.

- a. The intervention was run in Diepsloot - a township in Johannesburg. Diepsloot is a cauldron of corrugated iron shacks, small brick homes, dusty roads, shebeens, and pavement hawkers. A township packed with humanity, it is home to 200 000 unemployed and low income South Africans squeezed into only five square kilometres.
- b. Over 100 unemployed women were put through a rigorous pre-selection process and 50 were selected to participate with 47 ultimately graduating from the programme.
- c. The intervention is aimed at identifying and training unemployed women to commence an entrepreneurial career within their own township, thereby ensuring that the money circulates within the community. This is done through an Asset Based Community Development intervention (ABCD) which assists community members in identifying the assets that are already found in the community and then mobilising these individuals to build on these assets.
- d. The programme also provides basic business skills training which includes legislation, marketing and sales, operations, numeracy and basic bookkeeping, purchasing, costing and pricing, credit control and record keeping.
- e. Four different types of entrepreneurs have emerged from the programme. They are:
 - Entrepreneurs
 - Micro-Franchisees
 - Co-operatives
 - Informal Business owners.

The goal in 2016 is to assist them with micro financing (potentially through the Department of Trade & Industry (dti)) and incubation and mentoring. This will ensure that when they graduate from the programme they are a viable business with long-term sustainability. Our process identifies and packages successful and profitable businesses based in townships and these are then franchised out to the entrepreneurs who have completed the Women's Entrepreneurial programme. These franchisors are then also marketed to the larger South African private companies for supply chain purposes. Micro-franchising is still at its infancy stage in South Africa. RIBH SADC and BPW South Africa are planning a matchmaking event in 2016 to link these SMMEs with SMEs in the market.

Incubation has been identified as key to the development of a vibrant and growing small enterprise sector. BPW South Africa will provide vital support as well as mentorship and support programmes to the SMMEs; and will function as an on-site practical business facility. The City of Johannesburg has also offered their Diepsloot library to the candidates at no cost.

Results to date (Programme commenced on 3 November, 2015)

- a. Of the initial 50 candidates, 29 have been selected as potential entrepreneurs. This is a groundbreaking 58% success rate – unheard of in the township areas.
- b. The programme has been fully supported by the Counsellor of the City of Johannesburg who not only sponsored the training venue but also attended every day of training, and fully participated in each day's events. They were extremely helpful in providing suppliers in the Diepsloot area for the programme, ie catering, venue, etc. This had the added benefit of us being able to ensure that the costs of the programme benefited the local community.
- c. Additional potential partners have shown an interest in joining the programme in 2016.

Impacts Expected

In the short term we aim to have made the following impacts:

- a. Give community members back their dignity as everyone has something to contribute and the community needs their "gifts" and assets.
- b. Strengthen the confidence, worth and potential of individuals from the community in their own capacities to inspire them to take action and recognize social capital.
- c. A shift in poverty mindset, away from entitlement, towards positive thinking and an attitude of 'doing it ourselves'.
- d. Considering entrepreneurship as a viable career path, rather than going into business as an alternative to unemployment or waiting to be employed.
- e. By exposing more women to entrepreneurship, we change their mindset from that of being mere caregivers to self reliant businesswomen.

In the medium to long term we aim to have made the following impacts:

- a. These township enterprises will be sources of employment, and help bring the township economy into the mainstream.
- b. Microfranchising is a model for the poor, bringing affordable business ownership and training, reliable systems and supply links as well as family employment to many of the businesses communities.
- c. In the long term, more of our micro enterprises will get to participate in the value chain, because as long as the value chain is dominated by a few big companies we will not be able to change the structure of South Africa's economy.
- d. In the long term a much larger number of very small businesses will move from the informal to formal sector to solve South Africa's problems and drive down unemployment. The government can manage the economics of big business interventions but couldn't possibly hope to at this microscale. This is more ably managed by NGO's.

Objectives and results achieved

Our objective is to develop and implement sustainable nation-wide holistic solutions for township communities, businesses and individuals in order to develop skills and businesses in a way that addresses the root cause of unemployment in South Africa. The outcome of this initiative will be a dynamic group of female entrepreneurs who have the self-confidence, knowledge and skills to operate their own small businesses, be incubated as well as have access to markets.

With the programme only having commenced on the 3rd November we believe that we have already seen some major results:

- a. The concept of asset driven community development has been positively accepted by women in the community.
- b. Women involved in the programme are already commenting that they feel their dignity is being returned to them through this programme.
- c. An awareness has been created and shock expressed at the amount of money circulating within the community and how much of this ultimately is spent outside of the community.
- d. An awareness has been created of potential business opportunities within the community through the mapping exercise – they were previously oblivious to these opportunities.

SECTION 2 – Gender as a quality feature of our work

RIBH SADC is a regional program with no direct partner. RIBH is thus free to choose who it works with.

However, partners inside and outside of GIZ have already taken up on RIBH SADCs gender work:

- RIBH SADC not only supports entrepreneurial training of women living in townships, but also agricultural training. As the E4D program in South Africa also has a gender indicator benefiting females, it took up on RIBH SADCs work. A DPP with Vodacom and other partners in agriculture is in discussion in which RIBH is feeding in its network and also its experience and expertise on training of females in subsistence farming.
- The Gender Unit of the Premiers Office of Gauteng has a need to train young females in entrepreneurship and also farming and is interested in partnering with RIBH SADC and BPW South Africa and replicating the trainings conducted in both areas.
- Furthermore, RIBH SADC has a strong networking character and always links stakeholder where adequate to leverage impact. Within the training with BPW South Africa also some female farmers took part. RIBH SADC now connected BPW South Africa with Vastfontein, a community transformation NPO with which RIBH SADC implements subsistence farmer training for females.

SECTION 3 – Gender and RBM

2 out of 4 indicators for the RIBH program have a gender component:

- a) 8 out of 18 projects with private sector implementing inclusive business approaches are relevant for women.
- b) 1 out of 4 best practice examples from each RIBH documented for BMZ is benefiting women.

With the RIBHs being a new program that started in January 2014, headquarter has set up a regular and detailed monitoring tool. Each RIBH feeds its new activities and impacts into it end of every month. To all events documents are uploaded into DMS and DMS links are provided in the monitoring sheet. Furthermore, numbers on impacted women are also being collected; women impacted through above described entrepreneurship training, subsistence and micro farmer training and side effects such as empowerment through social groups are documented clearly in case studies, presentations and with pictures taken.

SECTION 4 – Cooperation

Partnerships

Partnerships bring with it a combination of expertise, resources and committed leadership which is a powerful force for change. The collective impact of bringing together partners with a common vision and a shared set of measurable goals results in the greatest benefits to the communities.

Furthermore, when we invest in women, it sets a direct path towards gender equality, poverty eradication and inclusive economic growth. Programmes such as this one help women overcome barriers, understand and unlock their potential, and build their business in a sustainable way.

BPW South Africa is a branch of the International Federation of Business & Professional Women, the largest non profit businesswomen's organisation in the world. Its sole purpose is the economic empowerment of women. Besides the RIBH SADC, BPW South Africa collaborates with the UN Global Compact and UN Women with regard to the Women's Empowerment Principles which they have promoted in South Africa since 2009. As mentioned in Section 2, Department of Trade & Industry's gender unit is also interested in partnering with RIBH SADC and BPW South Africa for the empowerment of women.

In this project BPW South Africa has received the full support of the City Councillor for Diepsloot at the City of Johannesburg. Discussions are currently being held regarding the free provision of land owned by the City of Johannesburg in order to set up an incubator for the candidates businesses. Furthermore, discussions with Transnet are going on to provide free shipping containers which will be utilised as offices for the incubator. This will be finalised once the issue of the land has been finalised.

Key success factors

- a. Over and above the professionalism and existing networks of BPW South Africa are a huge boost to the success of this training and project. BPW South Africa has for example already a number of potential SME franchisors available for micro franchising to our candidates. Discussions around the payment of franchising fees is being held with the Department of Trade & Industry.
- b. Another big success is the multiplier effect of this project! RIBH SADC and BPW South Africa started this entrepreneurial training in partnership and out of it and through BPW South Africa's network and good reputation many other opportunities already came out of it, such as free provision of land by the City of Johannesburg, setting up incubator for those businesses etc.
- c. An important key factor for a successful project is a trustful and reliable partnership between the different stakeholders. As BPW South Africa engaged with GIZ in the past there was already a foundation that could be built upon. Partners have a common understanding of concepts and have a common goal they are working towards. RIBH SADC aims to provide people with low income with access to markets, products, income and information. BPW South Africa also aims to empower women in business, also from low income areas.

Challenges

- a. South Africa's government has recognized the need to support entrepreneurial activities in its country and has a dedicated budget for it. However, their approach does not include any mentorship or long term support or planning. Trainees are often left with information overload. Thus we did initially find resistance from the community who complained that organisations "come in, train and leave" simply to make some quick money. There was tremendous distrust which we had to overcome due to this.
- b. Opportunities and needs are multilateral in South Africa, even only in Gauteng region! It is often difficult to decide where to start and how to prioritize. Despite this many demands one needs to focus on one region or project and start there. We have received already numerous requests from women in other areas / provinces to join the programme.