



















Inclusion of SMMEs— Opportunities & Barriers

By: Dr Jenitha Badul Date: 24 April 2024





Opportunities

Potential to address current socio-economic challenges – break the cycle of poverty

- Opportunities in the primary and secondary value chain includes recycling, re
 use of waste materials. Example: biomass, furniture, curios/crafts, wood chips,
 wood shavings, firewood, charcoal and biochar, compressed wood furniture,
 biomass to energy generation.
- Provides livelihood opportunities
- **Job** creation bulging middle, has the potential to create a huge number of jobs for low and semi skilled labour.
- Access to training and grant opportunities.
- Addressing current socio economic situations





Barriers

- Adequate business development support
- Business Acumen Skills
- Financial stability and avoidance of bankruptcy.
- High risk of bankruptcy.
- Access to finance.
- Medium to long term sustainability
- Dependence on family and friends for business support.
- Regulatory compliance.
- Translating business ideas into meaningful and sustainable business enterprises.
- Inward rather than outward focused.





What holds entrepreneurs back from going green?

- Technical uncertainty: Entrepreneurs may not be certain about the innovation's technical feasibility, usefulness, functionality, or quality.
- Market uncertainty: Many green entrepreneurs are building market demand for a product or service that doesn't exist yet and they are not sure whether the market will be as good as expected.
- **Policy uncertainty:** Green entrepreneurs find it hard to foresee the types of environmental regulations that will come in place and the kind of policy support that will exist for green business in the medium term.
- Staff capacity and competencies: Small companies do not have dedicated staff to work on the environmental aspects of the company. Whereas large companies can have full-time sustainability experts, in small companies the responsibility falls on people who can only spend a small amount of their time on it.



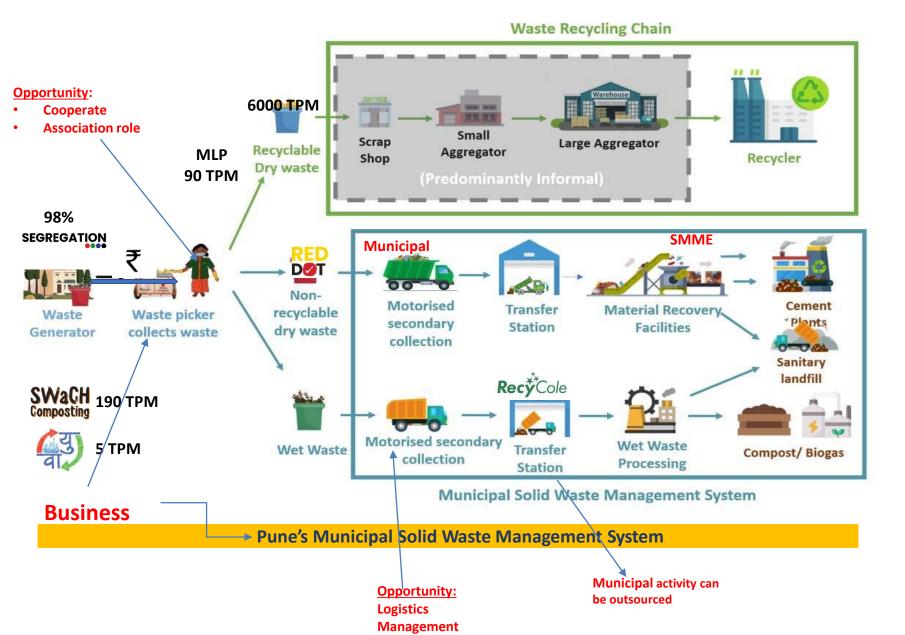


- Green entrepreneurs should be constantly on the look-out for effective
 partnerships and collaborations with suppliers, buyers, other companies,
 financial and business development support institutions that can help them in
 their efforts to eco-innovate and bring green products and services to end
 markets.
- Are SMMEs entering the space driven by necessity or opportunity the majority start in the informal sector
- Characterized by low growth aspirations and high failure rate (first three years)
- Business failure has been exacerbated by the Covid 19 pandemic
- Environment in which small enterprises operate has become increasingly hostile to businesses
- There is an ongoing need for reforms to the business environment to accelerate small enterprise sustainable growth and their contribution to the economy and employment





CONSTANT IMPROVEMENTS





THANK YOU!

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Sustainability Programmes and Projects

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