



# Inclusion of SMMEs— Opportunities & Barriers

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forestry, fisheries  
& the environment

Department:  
Forestry, Fisheries and the Environment  
REPUBLIC OF SOUTH AFRICA



# 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

- Opportunity:**
- Cooperate
  - Association role

98%  
SEGREGATION



SWaCH Composting 190 TPM



MLP 90 TPM

6000 TPM

Recyclable Dry waste



RED DOT Non-recyclable dry waste

Municipal



SMME



Wet Waste



Municipal Solid Waste Management System

**Business**

Pune's Municipal Solid Waste Management System

**Opportunity:**  
Logistics  
Management

Municipal activity can be outsourced



# THANK YOU!

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Sustainability Programmes and Projects

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Thank You



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