



FUND ON INTERNATIONAL ENERGY (PIE) AN INTERNATIONAL PLATFORM HOSTED AT STICHTING EUROPEAN CLIMATE FOUNDATION

TIPS- ECF Fund- SMME in Just Transition Participation
Water Sector Focus Group: 13 March 2024

Trade & Industrial Policy Strategies (TIPS), Elize Hattingh, Dr Michael Hector & Dominic Ramos



Contents

1. Welcoming & Introduction
2. Stakeholder presentations
3. SMME presentations
4. Green Business Barrier Discussion
5. Policy recommendations, considerations
6. Conclusion

Introduction

Project Team

**Project
Lead**

Elize Hattingh

elize@tips.org.za

Buhle

Project
Coordinator

buhle@tips.org.za

Dominic

Intern

dominic@tips.org.za

Michael

Researcher

michael@tips.org.za

Seutame

Economist

Seutame@tips.org.za

Workshop Outcomes

- To identify opportunities for SMMEs in the Water Sector (youth-owned, female-owned)
- To unpack green business barriers for local green entrepreneurs in the Water sector
- To put forward recommendations for policy interventions
- To foster collaboration across stakeholders

Program

10:00 to 10:10 Welcome & Overview of the Focus
Group Session

10:10 to 10:40 Opportunities for SMME`s in the
Water Sector (30 min)

Topic A) Water and Sanitation Industry Master Plan
(Gillian Chigumira, TIPS)

- Trade opportunities, procurement and budgets, masterplans and transformation and localization leading to support SMMES.
- Opportunities in innovation and tech standards and required certification.

Program

Topic B) Ecosystem Overview & Stakeholders (Panel)

Access to Finance

Access to Funding (Social Impact Investing), IRCD Group, Lucky

Access to Market

Green Cape Water Sector Desk: Market Intelligence

• Technology Development

Department of Science and Innovation: Water Technologies Demonstration Programme (WADER), Water Research Commission: Guide for Innovators.

• **Business Development & Incubation Programs**

Youth Bridge Trust: Manzipreneur Program, Ntsiki

Green Matter: Imvelisi Program (DSI Funder), Karen

NBI IRM Overview

Program

11:00 to 11:40 Discussion signature issues (40 min)

11:40 to 12:00 Conclusion – summary of signature
issues identified (20 min)

GREEN BUSINESS OPPORTUNITIES

See slide decks:

Gillian (TIPS)
Akona (Green Cape)
Ntiski (Youth Bridge Trust)

GREEN BUSINESS BARRIERS

Green Business Barriers

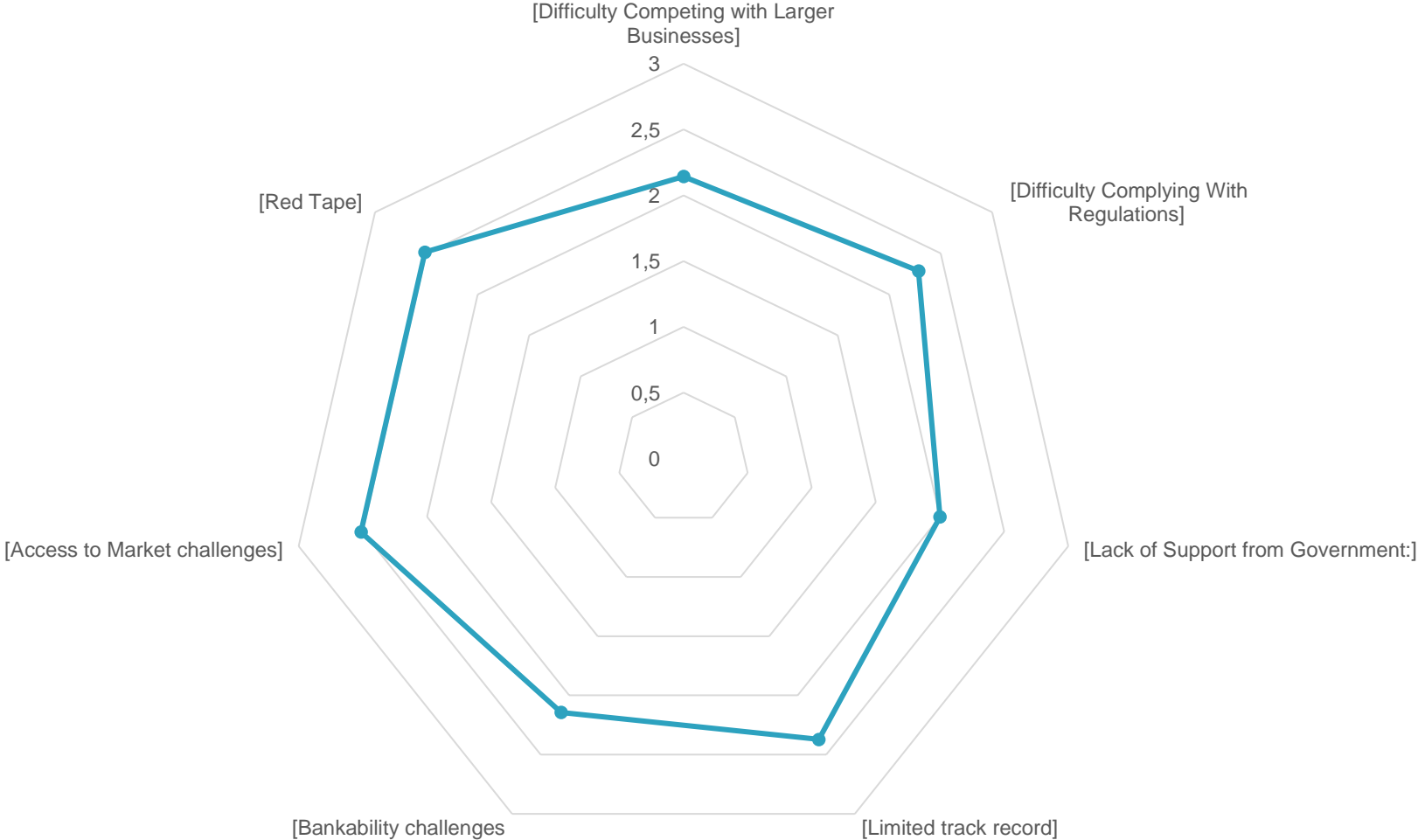
1. Internal
2. External

Green Business Barriers

- Broader Barriers
- Preferential Procurement and Service Localisation
- Loadshedding
- Internal and external business challenges
- Internal Business Barrier Severity Rating
- External Business Barrier Severity Rating

Water Sector SMMs

Broad Business Barrier Severity



Preferential Procurement

- ? Government requirements for preferential procurement has increased with privatising manufacturing
- ? Piping, recycling and construction are the primary procurement areas.
- ? Water treatment has slowly shifted towards localisation

The Energy Crisis

- ? The energy crisis is the largest existential threat to water treatment and distribution.
- ? SMMEs often do not have the capital to invest in renewable energy to offset blackouts.
- ? Continuous blackouts increases the cost of operations and decreases water efficiency and distribution.
- ? Business development into water rights.

Internal and External Business Challenges

Internal Barriers

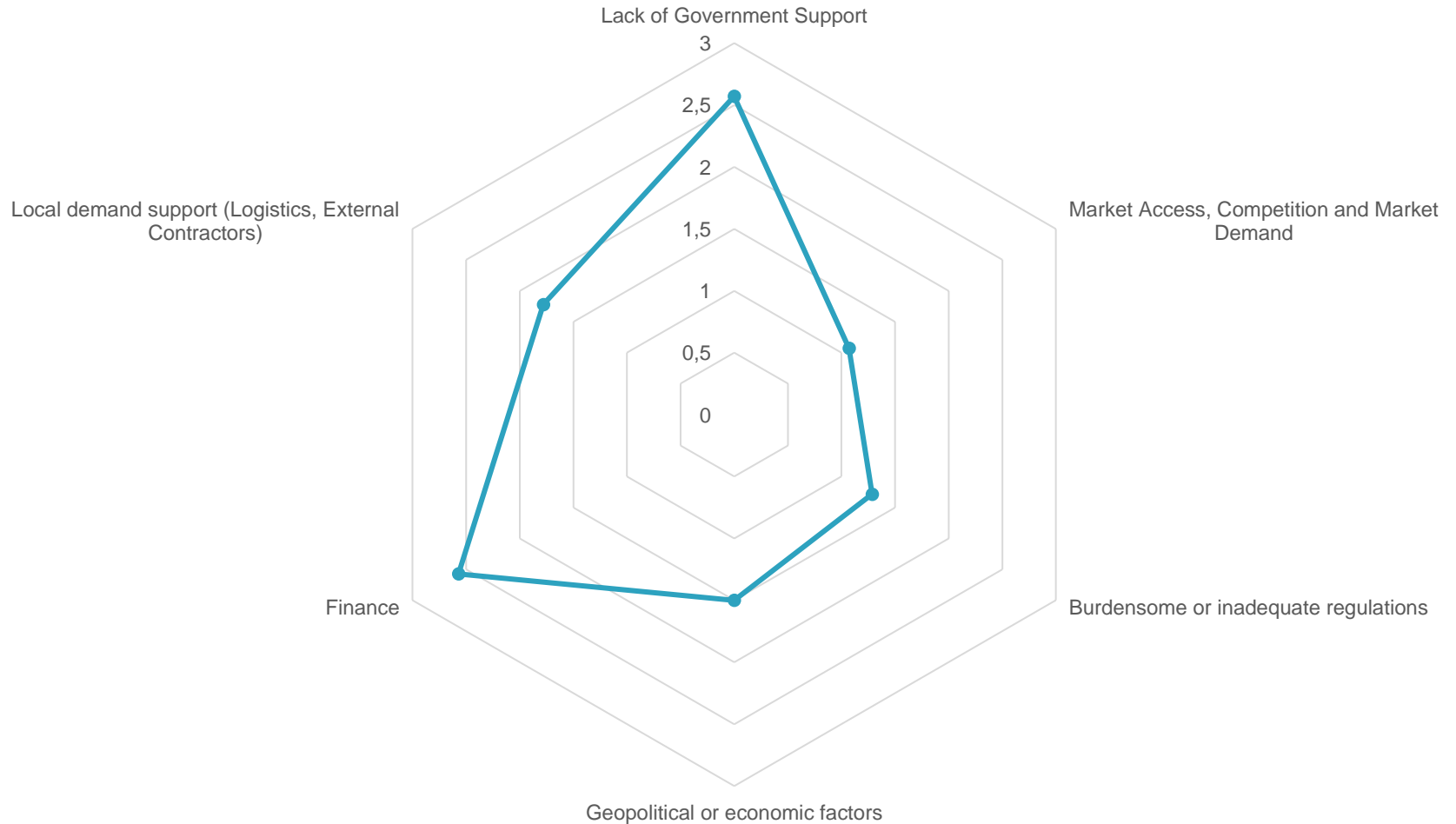
1. Strict Compliance
2. Marketing Capacity
3. Internal Operations
4. Finance and Capital management
5. Skilled Labour and Human resources
6. R&D and patent access

External barriers

1. Reach of Government support
2. Burdensome regulations
3. Geopolitical and macro-economic
4. Finance and Credit access
5. Lack of demand side support (logistics and external contractors)

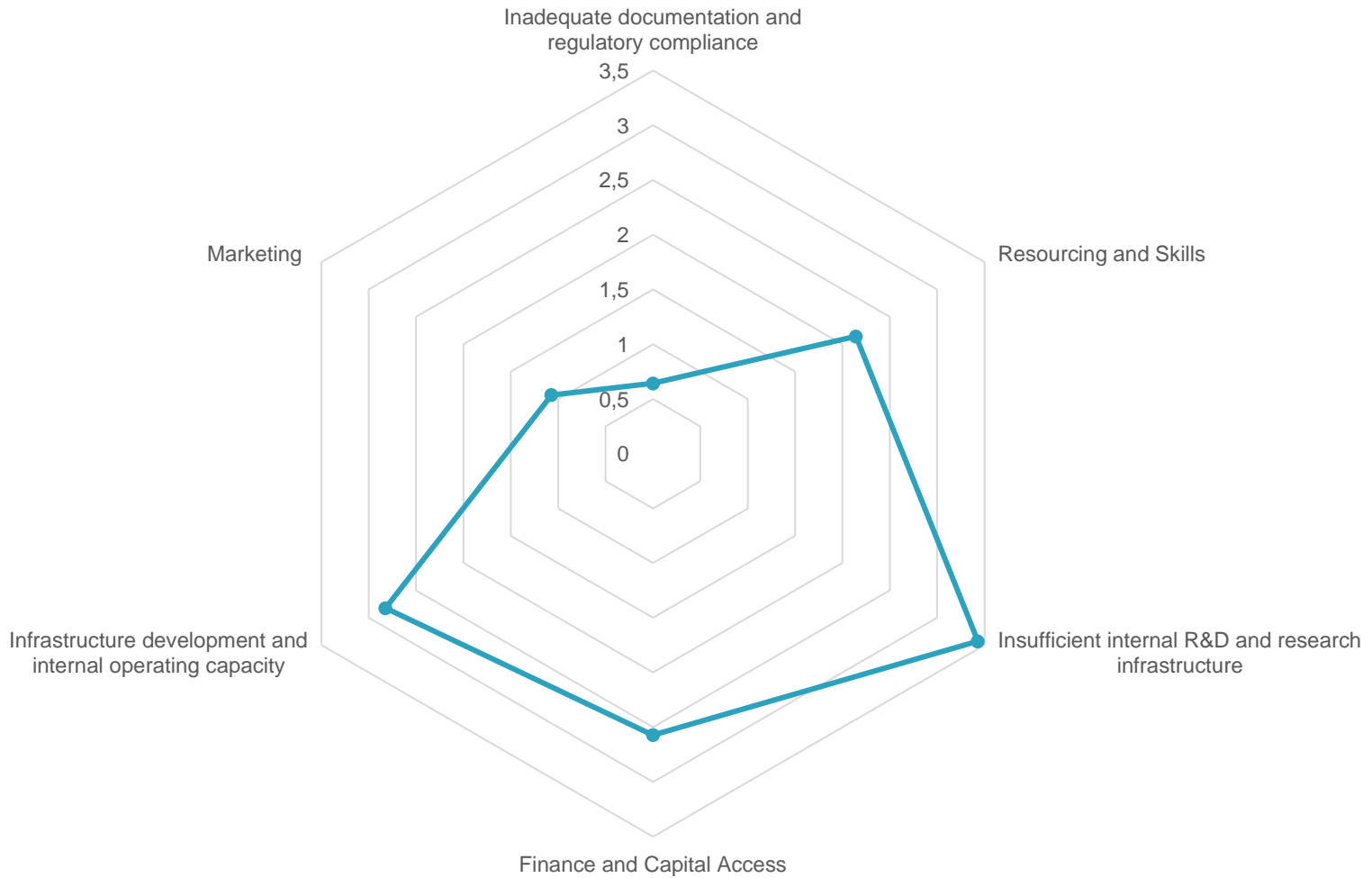
Water Sector SMMEs

External Business Barriers Severity Rating



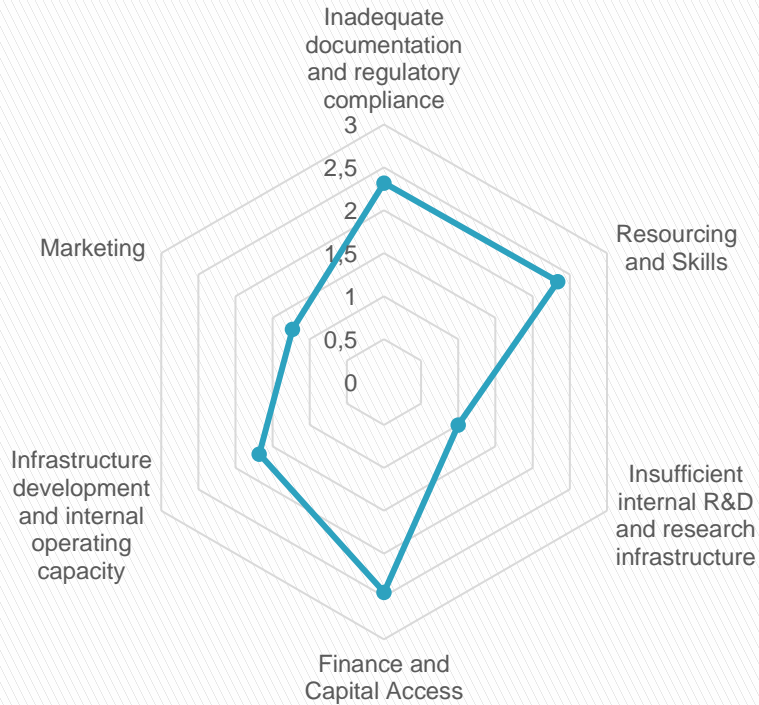
Water Sector SMMEs

Internal Business Barriers Severity Rating

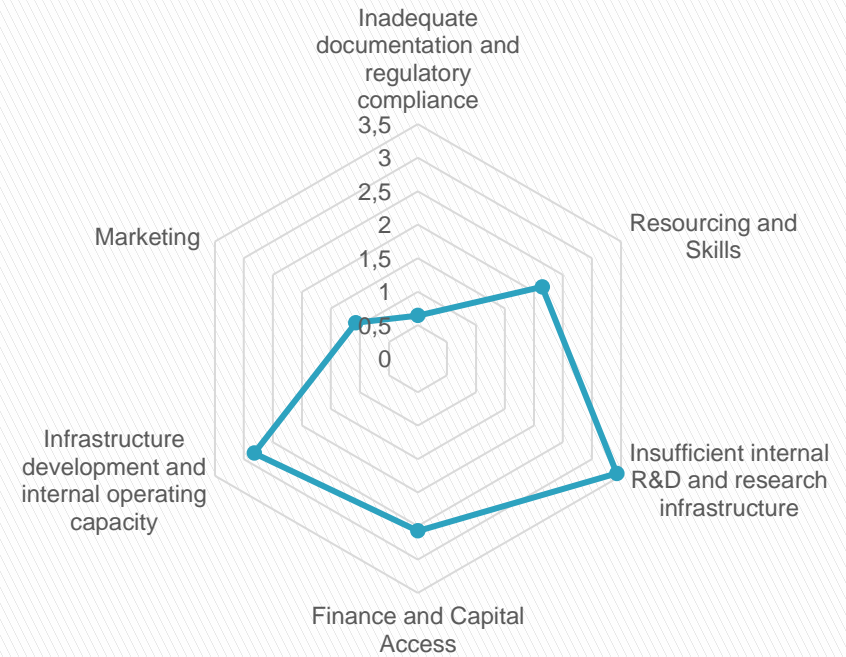


Cross-Cutting Internal Barriers

- Water Sector

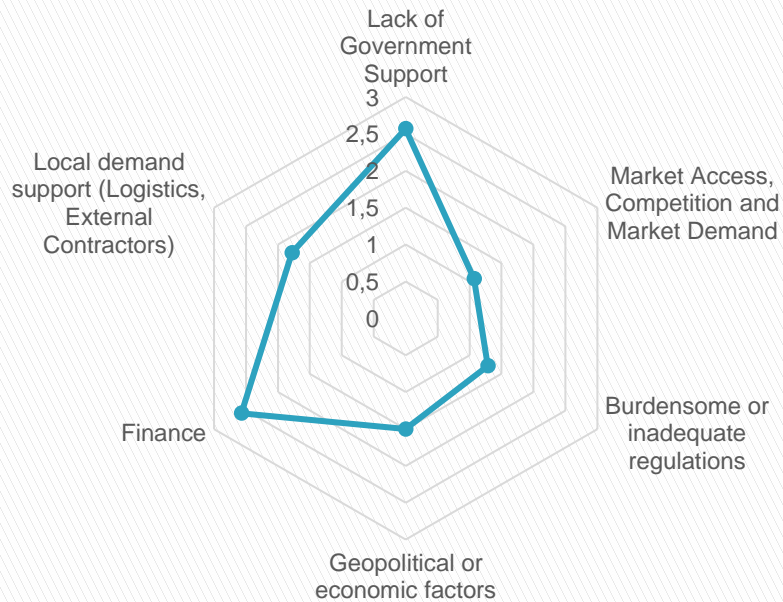


- Energy Sector

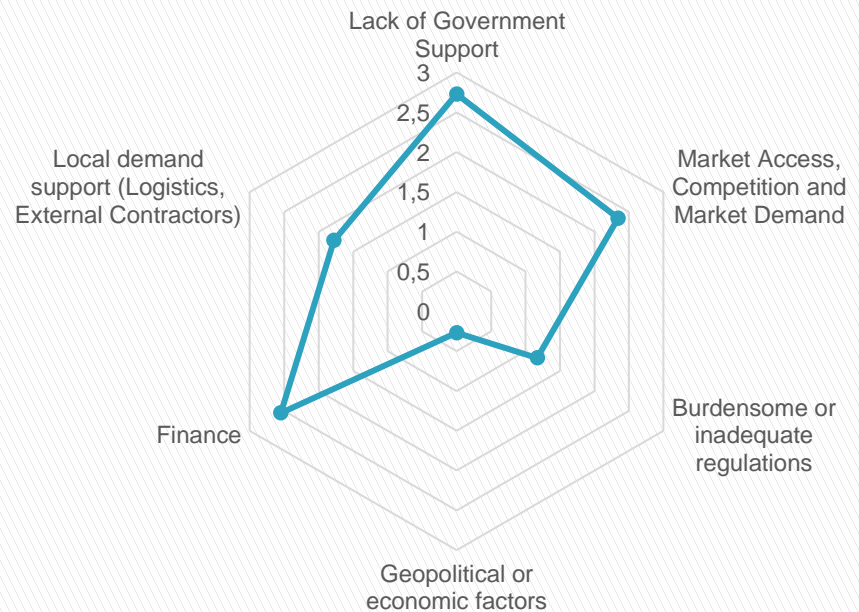


Cross-Cutting External Barriers

- Water Sector



- Energy Sector



Trade & Industrial Policy Strategies

Supporting policy development
through research and dialogue

www.tips.org.za

Elize Hattingh

Sustainable Researcher

TIPS

elize@tips.org.za

+27 72 797 1299

