

CDC prioritizes jobs and SMME development



Nomdi's Construction, an SMME working at the Coega Special Economic Zone, multi-user facility Phase 2, Zone 3.

South Africa, Gqeberha, 14 March 2022 – The Coega Development Corporation's (CDC) vision to champion socio-economic development remains central to its standing, as a preferred investment destination and trusted infrastructure implementing agent of choice in South Africa. "Our entire business model is based on the ability to deliver sustainable long-term business development while being cognisant of the need to improve the lives of people through job creation and related opportunities. Therefore, the focus on sustainability strengthens the value proposition for investors and clients of the future," says Ms. Unathi Maholwana, CDC's SMME Programme Manager.

Grounded in the knowledge of the increasing rate of unemployment in South Africa, and guided by relevant legislative requirements, the CDC has long risen to the challenge of small, medium, and micro-sized enterprise (SMME) development. "The CDC recognises that a thriving SMME sector is vital to delivering on the country's economic development objectives," explains Ms. Maholwana. Moreover, SMME development is often undertaken during the construction of infrastructure and related projects.

By way of illustration, through the development of the Tshwane Automotive Special Economic Zone (TASEZ) just last year, R324.3m was achieved on SMME procurement spend out of the R2bn expenditure on the project, from April 2021 to December 2021.

The overall SMME expenditure for the CDC, inclusive of TASEZ, industrial development zone, and external programmes is currently at R811m, highlights Maholwana.

This translates to Black Woman Owned businesses having benefited to tune of R100,796,046.70 with Black Youth Owned businesses coming in at R72,527,600.30 and Black People with Disability businesses at R1,140,023.19.

Access to economic opportunities remains one of the key aspects driving SMME development, and the CDC's objective is to facilitate, promote and drive the inclusion of SMMEs in procurement opportunities. The programme targets SMMEs that are at least 51% black owned, with a Construction Industry Development Board (CIDB) grading of 1 to 6.

The CDC SMME Development Programme, led by the SMME Unit, also comprises the training and mentorship of SMMEs on tendering for construction contracts, basic business concepts, applying health and safety standards, and business finance.

From April 2021 to December 2021, a total of 213 SMMEs benefitted from this training at a cost of R710 300.00. As at 31 December 2021, the CDC's total value of contracts awarded to SMMEs through the SMME Unit's Development Programme equates to R537,852,730.

Furthermore, the SMME Mentorship Programme has ensured that 80% of SMME-awarded contracts have been successfully completed, and 51 SMMEs have successfully improved their CIDB grading through CDC intervention and support during 2021.

"Our objective is to create an enabling environment for the development and participation of SMMEs to ensure sustainability and empowerment through the CDC SMME Database. Key

to this is also ensuring that the CDC spreads the pool of SMMEs benefiting in line with the organisation's footprint. The programme has recorded successes in areas far and wide with a balanced split of SMMEs benefiting in district areas covering Alfred Nzo, Amathole, O.R Tambo and Sarah Baartman, to mention but a few" adds Maholwana.

"CDC is also planning an annual supplier day where all SMMEs will be invited to register to attend an information sharing session that will include Coega project opportunities and developments in the SEZ and Infrastructure Programmes, concludes Maholwana"

CDC SMME Database registration process

- Application forms (coega.co.za > Coega Services > SMME) must be completed in full and returned to the SMME Development Unit with all required supporting documents as stipulated on the application form.
- All supporting documents must be valid and active at the time of submission.
- Once verified, the business will be registered on the database and the applicant will receive a SMS with the reference number of the business registered.