



Mbabane City Small, Medium and Micro Enterprise (SMME) Development Strategy

2015-2020



Message from the Chief Executive Officer

The success of most leading countries in the world, such as; the US, Japan and the UK, has proven that the only growth sector in the economy is the SMME sector, driven by entrepreneurs. As a result, SMME development is crucial for the alleviation of poverty and mitigating the huge unemployment challenge currently existing, especially amongst the youth, women and other disadvantaged groups in Mbabane.

In 2011 the Council conducted a study on SMMEs in Mbabane; our interest was mainly to evaluate the business environment of the City. Mbabane businesses stated many positives associated with running a business in Mbabane, there were however several challenges that also made the environment inhibiting to business development and success.

The Council has over the years, since the survey, engaged in different projects to correct the business environment of the City. These include; among others, reviewing and implementing an Economic Development Strategy (EDS). The EDS has called for a specific strategy that will ensure that SMMEs are given special attention and that Mbabane's environment is conducive for their success.

This SMME Development Strategy is a framework to be used by the Municipal Council in stimulating the establishment, growth & sustainability of local businesses and to ensure promotion & development of SMMEs towards job creation and economic development of the City.

Mr. Gideon Mhlongo
Municipal Council of Mbabane CEO



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ACRONYMS

AGOA	-	African Growth and Opportunity Act
AIDS	-	Acquired Immunodeficiency Syndrome
AMICAALL	-	Alliance of Mayors Initiative for Community Action on AIDS at the Local Level
CBD	-	Central Business District
CEDO	-	City Economic Development Officer
CEO	-	Chief Executive Officer
CLGF	-	Commonwealth Local Government Forum
COMESA	-	Common Market for Eastern and Southern Africa
DComS	-	Director Community Services
DCS	-	Director Corporate Services
DF	-	Director Finance
DTS	-	Director Technical Services
EBDC	-	Entrepreneurship and Business Development Centre
EDS	-	Economic Development Strategy
FESBC	-	Federation of Swaziland Business Community
FSE&CC	-	Federation of Swaziland Employers and Chamber of Commerce
GDP	-	Gross Domestic Product
HIV	-	Human Immunodeficiency Virus
ICT	-	Information and Communication Technology
IDP	-	Integrated Development Plan
IPRO	-	Information Public Relations Officer
IRM	-	Investor Road Map
JA	-	Junior Achievement
LED	-	Local Economic Development
MCM	-	Municipal Council of Mbabane
MOU	-	Memorandum of Understanding
MULW	-	Mbabane Urban Life Week
NGOs	-	Non-Governmental Organizations
R&D	-	Research and Development
SA	-	South Africa
SCCOM	-	Swaziland Communications Commission
SD	-	Swaziland
SEDCO	-	Small Enterprises Development Company
SIPA	-	Swaziland Investment Promotion Authority
SME	-	Small and Medium Enterprise
SNYC	-	Swaziland National Youth Council
SMME	-	Small, Medium and Micro Enterprise
SPTC	-	Swaziland Post and Telecommunications Corporation
SWASA	-	Swaziland Standards Authority
UK	-	United Kingdom
US	-	United States
UNDP	-	United Nations Development Programme
VAT	-	Value Added Tax



EXECUTIVE SUMMARY

In 2013 an Integrated Development Plan (IDP) for the Municipal Council of Mbabane was developed. One of the key thrusts in the IDP is Local Economic Development. This thrust's main objective is to stimulate economic growth within the City, thereby increasing job opportunities as well as reducing poverty around Mbabane. The Local Economic Development Strategy has five thrusts; Public Private Partnerships, City Industries Development, Human Resource Skills Development, Transport System Development & Infrastructure Improvement and SMME Development.

The strategic objective of the SMME development thrust is to stimulate the establishment, growth & sustainability of local businesses and to ensure promotion & development of SMME towards job creation. To achieve that objective, an SMME Development Strategy has been crafted.

This Strategy has three (3) thrusts;

- Creating an enabling environment
- Promoting Entrepreneurship and Business Training and
- Access to information, mentorship & networking

The interventions of this strategy largely respond to the Economic Development Survey commissioned by the Municipal Council of Mbabane in 2011. The survey was administered to 325 formal and 240 informal businesses located in the Mbabane Central Business District (CBD), Mbabane Industrial Site, Sidvashini, Gwamile Street, the Mall, Swazi Plaza, Msunduzi, Checkers, Mangwaneni, Nkoyoyo, Fonteyn, Mahwalala and Sandla.

The Mbabane City SMME Development Strategy has been planned to operate for five years; 2015 to 2020. The strategy was compiled using mainly the Economic Development Survey for the Municipal Council of Mbabane, Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, Citizens Economic Empowerment Bill, No.23 of 2011, Swaziland Private Sector Development Strategy and the Poverty Reduction Strategy for Selected Cities/Towns in Lesotho, Namibia, Swaziland, South Africa and Zimbabwe.



CHAPTER 1: INTRODUCTION

1.1. DEFINITION OF SMMES

Table 1.1: Defining small, medium and micro enterprises

Category	Sub-category	Employees	Value of Assets	Turnover
Micro-Enterprise	Informal	0 to 3	Under E50,000	E60,000
Micro-Enterprise	Formal & professional	0	Under E50,000	E60,000
Small Enterprise	Formal	4 to 10	E50,000 to E2 million	Up to E3 million
Medium Enterprise	Formal	11 to 50	E2million to E5million	Up to E8 Million

Where the definition is in conflict, the number of employees should be used as the governing criteria¹. Employees do not include the owner of the enterprises.

1.2. CITY OF MBABANE VISION AND MISSION

1.2.1. VISION

To be the preferred destination in Southern Africa offering quality life.

1.2.2. MISSION

The City of Mbabane shall strive to deliver high quality services through:-

- Preserving, protecting and enhancing the quality of life
- Harnessing growth, development, good governance, responsive quality services for all Stakeholders
- Sustainable development based on modern technological, environmental, economic and social principles.

¹ Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, 2007, p.7



1.3. OBJECTIVES OF THE STRATEGY

The objectives of the strategy are;

- a) To increase the number of formal businesses operating in the City
- b) To reduce the number of SMME failure and increase the sustainability of SMMEs
- c) To increase the number of jobs created by SMMEs and their contribution to the City's economy.

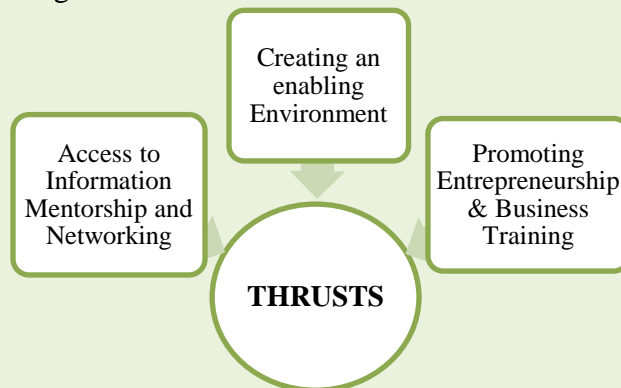
To increase the number of formal businesses operating in the City, Mbabane will create a more enabling environment for the establishment and growth of formal businesses, by implementing several activities, which include amongst others, the Community Champions Programme. This is to be implemented in all the Mbabane Wards. To achieve the second objective, the City will offer trainings to SMMEs both formal and informal and avail information, mentorship and networking opportunities. Activities such as entrepreneurship training, and linking SMMEs to mentorship services in order to cultivate the culture of entrepreneurship, will also be used to increase the number of jobs created by SMMEs and their contribution to the City's economy.

1.4. PURPOSE OF THE STRATEGY

The purpose of this strategy is to provide a framework to be used by the Municipal Council in stimulating the establishment, growth & sustainability of local businesses and to ensure promotion & development of SMME towards job creation.

1.5. STRATEGIC THRUSTS

Figure 1.1: Strategic thrusts



1.6. TARGET GROUP

The main target group for this strategy are Mbabane SMMEs. The implementation of the SMME Development Strategy will be all inclusive and ensure that all Mbabane SMMEs are developed, including those run by women, youth, immigrants and those living with disabilities.



1.7. KEY STRATEGIES TO BE EMPLOYED

Mbabane seeks to have businesses operating largely in technology, services and light industries however since SMMEs are largely demand driven, the City will encourage the development of all Mbabane SMMEs by providing interventions which are demand driven, tailor-made and focused.

CHAPTER 2: SITUATIONAL ANALYSIS

2.1. GLOBAL SMME DEVELOPMENT

The success of most leading countries in the world, such as; the US, Japan and the UK, has proven that the only growth sector in the economy is the SMME sector, driven by entrepreneurs. Economic development can be directly attributed to the level of entrepreneurial activity in a country. Entrepreneurs intend to grow their businesses and are responsible for growth and job creation in the economy².

Globally SMMEs stimulate private ownership and entrepreneurial skills; they are flexible and can adapt quickly to changing market demand and supply situations; they generate employment, help diversify economic activity and make a significant contribution to exports and trade³. It should, however, be emphasized that the SMMEs which exhibit the above characteristics are entrepreneurial in nature.

Empirical evidence shows that most entrepreneurial activity takes place in SMMEs. These comprise over 90% of African business operations and contribute to over 50% of African employment and GDP⁴. SMMEs form 97.5% of all businesses in South Africa (SA)⁵. They generate more than 45% of the SA Gross Domestic Product (GDP) and contribute over 50% of the employment opportunities⁶.

SMMEs face various challenges in the area of human resource development, technology, Research and Development (R&D), access to financing, to name a few.⁷ SMMEs also have a high rate of failure.

2.2. NATIONAL SMME DEVELOPMENT

The Swazi Government recognizes the SMME sector as a significant sector in employment creation, income generation, and poverty alleviation and as a base for economic growth⁸. The

² Entrepreneurship: A South African Perspective, 2010, p.4

³ Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, 2007, p.6

⁴ African Journal of Business Management Vol. 5(13), pp. 5048-5056, 4 July, 2011

⁵ Entrepreneurship: A South African Perspective, 2010, p.4

⁶ www.gsb.uct.ac.za

⁷ <http://www.asean.org>; Philippines SME Best Practices

⁸ Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, 2007, p.8



SMME sector in Swaziland is however facing a number of challenges despite the on-going development plans. This is due to a number of factors, which includes; the lack of an entrepreneurial mindset, complex, bureaucratic and costly legal, regulatory and administrative environment and the high cost of new business start-ups, through business registration and application for licensing.

Furthermore, SMMEs experience frustration in accessing financial products and services. The lack of collateral and security, particularly by the Micro Enterprises, and Small and Medium Enterprises in general, consistently disqualifies them from the criteria set by commercial financial institutions.

There is also a problem with demand for development services such as training and counseling, due to cost consideration, lack of knowledge about the benefits of external services in improving competitiveness on the part of the entrepreneurs and weak capacity on the part of most of the Business Development Services Providers.

A study of Government Ministries in Swaziland showed that 16 of the 17 Ministries have some role to play in SMME development. However, there is a lack of collaboration and cooperation between these institutions⁹.

All these challenges normally result to SMME failure. A failure rate of between 40 percent and 60 percent in business start-up is considered quite normal in market economies. In fact studies have shown that at least 50% of all SMME startups will fail. Access to good Business Development Services providing business advice can reduce these failure rates¹⁰.

Currently to create a conducive environment for the development of SMMEs there are different instruments in place. These include;

The Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, whose main objective is to facilitate and support the creation of an enabling environment for SMMEs in order to:

- Foster economic growth and development;
- Increase employment opportunities;
- Alleviate poverty by creating access to sustainable livelihood; and
- Increase levels of ownership in the economy for Swazi and historically underprivileged populations.¹¹

The Citizens Economic Empowerment Bill, No.23 of 2011, whose main objectives are to;

- Establish a Citizens Economic Empowerment Board and to define the functions and powers of the Board;
- Promote the economic empowerment of targeted citizens, citizen empowered companies, citizen influenced companies and citizen owned companies;

⁹ Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, 2007, p.2

¹⁰ Ministry of Enterprise and Employment: National policy of the Kingdom of Swaziland on the development of SMEs, 2005, p.21

¹¹ Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, 2007, p.11



- Promote gender equality in accessing, owning, managing, controlling and exploiting economic resources;
- Encourage an increase in broad-based and effective ownership and meaningful participation of a targeted citizen, a citizen empowered company, a citizen influenced company and a citizen owned company in the economy in order to contribute to sustainable economic growth;
- Remove social customs, statutory provisions or other practices that limit access by a particular gender to skills training that is essential for effective participation in the economic sector;
- Promote equal opportunity of a targeted citizen, a citizen empowered company, a citizen influenced company and a citizen owned company in accessing and being awarded procurement contracts and other services from a State institution;
- Promote Greenfield investment through joint ventures and partnerships between local and foreign investors in order to enhance broad-based economic empowerment;
- Harmonise existing organisations responsible for economic empowerment of citizens; and
- Provide for matters connected therewith or incidental thereto.

The Swaziland Private Sector Development Strategy, whose objectives are;

- To promote inclusive economic development;
- To support SME and value chain growth and
- To encourage and support public-private partnership and collaboration

Even though the Poverty Reduction Strategy for Selected Cities/Towns in Lesotho, Namibia, Swaziland, South Africa and Zimbabwe is not a national framework, it does, however, speak to poverty reduction in selected Local Authorities in Swaziland, which includes Mbabane. The main objectives of this strategy are;

- To build member states capacity in areas of public policies aimed at addressing and ensuring social inclusion and reducing poverty prevalence among the vulnerable groups in society, in particular in Cities (Women, Migrants and Youth) and
- To promote social inclusion and intercultural dialogue to fight poverty, discrimination and exclusion.

2.2.1. SWAZILAND SMME DEVELOPMENT POLICIES AND STRATEGIES

The thematic areas repeated in several of the instruments in the table below include;

- Creating an enabling legal and regulatory environment
- Business Training
- Access to Finance
- Access to Information
- Access to Markets and
- Gender and the Disadvantaged Groups



Table 2.1: Focus areas of the Swaziland SMME Development Policies and Strategies

REVISED SMME POLICY	SWAZILAND CITIZENS ECONOMIC EMPOWERMENT BILL	SWAZILAND PRIVATE SECTOR DEVELOPMENT STRATEGY	POVERTY REDUCTION STRATEGY FOR SELECTED CITIES/TOWNS
Creating an enabling legal and regulatory environment	Establish a Citizens Economic Empowerment Advisory Board	Enabling Environment	Education and vocational skills development
Increasing Registration of Informal Sector Enterprises	Promote the economic empowerment of the target group	Trade Facilitation	Governance
Ensuring Fair Competition and a Level Playing Field	Promote gender equality in accessing, owning, managing, controlling and exploiting economic resources	Employment	Engagement and participation
Assisting Micro-Enterprises to Grow	Encourage an increase in broad-based and effective ownership and meaningful participation of the target group	Infrastructure Development	Inequalities
Physical Infrastructure	Remove social customs, statutory provisions or other practices that limit access by a particular gender to skills training that is essential for effective participation in the economic sector	Human Resource Development	Access to information
Business Development Services	Promote equal opportunity of the target group in accessing and being awarded procurement contracts and other services from a State Institution		Policy advocacy and lobby
Business Training	Promote Greenfield investment through joint ventures and partnerships between local and foreign investors in order to enhance broad-based economic empowerment		Access to financing (micro loan, credit schemes)
Access to Finance	Harmonize existing empowerment organizations		SME and IGAS (Income Generating Activities)
Information			Access to employment
Institutional Framework for SMMEs Development			Access to basic services
Rural Development			Monitoring and Evaluation Mechanisms
Technology			
Access to Markets			
Gender and the Disadvantaged Groups			
HIV-AIDS			
Environmental Consideration			



2.3. LOCAL SMME DEVELOPMENT

2.3.1. ECONOMIC DEVELOPMENT SURVEY OF THE MBABANE MUNICIPALITY

Table 2.2: Results of the Economic Development Survey

SECTOR	EXAMPLES	THRUST	CHALLENGES
Informal Sector	Selling fruits & vegetables, clothes, sewing, shoe repairs, car washing, handicraft and art	Creating an enabling environment	<ul style="list-style-type: none"> ▪ Most informal places do not have power supply which restricts operating hours ▪ Rent from City Council is high for some vendors ▪ Stagnant growth due to lack of funding ▪ High cost of mobile phone services ▪ The informal sector is not well regulated
		Promoting Entrepreneurship & business training	<ul style="list-style-type: none"> ▪ No support from Local and National Government, in terms of empowerment, training and development ▪ Stagnant growth due to lack of training
Formal Sector	Registered businesses in retail, real estate, education, tourism, manufacturing, transport, health, professional services and financial sectors	Creating an enabling environment	<ul style="list-style-type: none"> ▪ Poor drainage and flooding ▪ High cost of electricity and water ▪ Lack of wholesale shops nearby ▪ Lack of or poor public toilets; some landlords not maintaining their toilets and buildings ▪ Pot holes in most roads, they are not easily accessible ▪ Poor / lack of parking facilities including loading bays ▪ Poor and slow internet services ▪ Expensive telecommunications tariffs- both SPTC and MTN ▪ Expensive banking services ▪ Limited industrial land ▪ Costly rentals for office space compared to other cities ▪ Government Bureaucracy ▪ Expensive trading licenses ▪ Decreasing purchasing power due to retrenchments and government economic conditions ▪ Only a few organizations can make use of trade protocols such as AGOA, COMESA etc., as these are geared towards manufacturing ▪ Lack of industrial space for factory shells.
		Promoting Entrepreneurship & business training	<ul style="list-style-type: none"> ▪ Unfriendly financial sector for loans to expand business - this perception might be caused by lack of business planning skills
		Access to information, mentorship & networking	<ul style="list-style-type: none"> ▪ Unfriendly financial sector for loans to expand business - this perception might also be caused by lack of information on the banks requirements

Since this survey was undertaken in 2011, some of the challenges have already been mitigated but most of them still remain relevant and need to be addressed.



2.3.2. SWOT ANALYSIS

The SWOT analysis below is based on the Economic Development Survey undertaken by the Municipal Council of Mbabane in 2011. Since the challenges collected by this survey are synonymous with the weaknesses and threats, only a few of the challenges were selected to be written under this section, to minimize repetition.

Table 2.3: SWOT Analysis of the Mbabane Business Environment

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> ▪ An administrative Capital City and business destination with most government services and international offices ▪ The export and SME Guarantee Scheme is housed in Mbabane ▪ High demand for accommodation makes rental income higher in Mbabane ▪ Occupation rates are high in Mbabane (good for landlords) ▪ Most foreigners prefer Mbabane for residence ▪ Crime rate is relatively low in Mbabane compared to other Cities in Swaziland ▪ Mbabane is close to the Ngwenya Boarder Post ▪ Many professional services are found in Mbabane, e.g. Accounting Firms, Law firms etc. ▪ Easily accessible from anywhere in the country ▪ Easy access to suppliers of raw material ▪ Easy access to markets ▪ The City has international Sister-Cities who facilitate an easy access to their markets ▪ Mbabane has excelling schools and colleges. The MCM collaborates with the Principals and Directors to ensure the production of the relevant skills for the market ▪ Vast amount of office space ▪ An MCM Unit to assist investors 	<p style="text-align: center;">WEAKNESSES</p> <ul style="list-style-type: none"> ▪ Poor drainage and flooding ▪ Poor road conditions ▪ Limited industrial land ▪ Costly rentals for office compared to other cities ▪ Most informal trading areas do not have power supply and therefore cannot extend their business hours in winter ▪ Rent from City Council is high for some informal businesses ▪ Government and City Council do not seem to support SMMEs in terms of empowerment, training and development ▪ SMMEs do not grow due to lack of funding and training ▪ Expensive accommodation ▪ Lack of specialized skills
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> ▪ Promoting entrepreneurship under the Public Private Partnerships framework and forming supportive alliances with SIPA, SEDCO, SME Unit etc. ▪ Positioning herself as a Smart City with wired and wireless broadband technology ▪ To position herself as the City with the most skilled labour (with market relevant skills) in Swaziland ▪ The common view that Mbabane has an affluent community with purchasing power ▪ Mild weather 	<p style="text-align: center;">THREATS</p> <ul style="list-style-type: none"> ▪ Unappealing national investor climate coupled with international economic instability ▪ The financial sector is mostly controlled in RSA; it fails to respond to peculiar needs of Swaziland ▪ Expensive utilities costs and business registration ▪ The governance of the country is not understood by the international community ▪ Government Bureaucracy ▪ Few SMMEs can make use of trade protocols like: AGOA, COMESA etc., as these are geared towards manufacturing



CHAPTER 3: STRATEGIC THRUSTS

3.1. CREATING AN ENABLING ENVIRONMENT

An enabling small business environment is a supportive environment in which emerging entrepreneurs can function. The government, whether local or national, should help create this by means of creating and implementing legislation and policies. This means there should be a minimal set of rules and simplification of procedures and requirements for SMMEs.

An enabling environment takes into account the following elements;

- Legislation
- Regulatory measures
- Access to finance – this ensures there is access to financing from different sources, such as banks, venture capitalists, cooperatives etc.
- Physical infrastructure
- Opportunities
- Access to markets, training and technology

In addition, a cooperative environment must be fostered where collaboration with all institutions, such as; tertiary institutions, institutions providing business support, institutions providing finance, NGOs and international agencies, takes place to promote entrepreneurship¹².

The Swaziland Government has put in place many programmes to ensure an enabling environment for SMME development. These include; the Revised SMME Policy, the Citizens Economic Empowerment Bill, No.23 of 2011, Credit Guarantee and Export Schemes, SEDCO Incubation Programme, Trade Fairs and different training programmes.

Mbabane has in place the LED Strategy which has SMME Development as one of the main pillars. In this strategy Mbabane seeks to formulate and implement additional programmes to complement the Central Government's efforts. Implementation of these programmes will be demand driven, tailor-made and focused.

3.2. PROMOTING ENTREPRENEURSHIP AND BUSINESS TRAINING

The National Policy on SMME Development identifies entrepreneurship and business training as one of the key challenges faced by Swazi SMMEs¹³. The Prime Minister of Swaziland believes that the youth in particular have a low entrepreneurial spirit¹⁴. This is evidenced by the lack of diversification on the products offered by the SMME sector. This then means that one of the key trainings will have to be in creativity and innovation, which are the backbone of entrepreneurship.

¹² Entrepreneurship: A South African Perspective, 2010, p.197-198

¹³ Revised National Policy of the Government of Swaziland on the Development of Small, Micro and Medium-sized Enterprises, 2007, p.2

¹⁴ The Brenthurst Foundation, 2011, p.8



Studies have shown that entrepreneurship training needs to address specific knowledge gaps and be substantial in order to be effective, where substantial means that the training runs over an entire year with at least one training session per week. But due to resources constraints this is always a challenge. Some entrepreneurship training interventions also include financial assistance and it seems that this combination of finance and training is particularly successful.¹⁵

To this end, the Council has partnered with SEDCO to offer the trainings and then link the SMMEs to commercial Banks. The Council has also partnered with the University of Swaziland's Entrepreneurship and Business Development Centre (EBDC) to offer trainings that will empower SMMEs with negotiating skills to access finance from non-financial institutions, like relatives, Business Angels, and Venture Capitalists etc.

These trainings will then emphasize on the power of innovation, value addition, diversifying products being offered and R&D. The SMMEs will be taught to use the internet to access information that will help improve their businesses, and to submit winning tenders. SMMEs will also be trained on how to access innovative financial products such as hire purchase schemes, leasing, inventory financing and Credit Schemes.

3.3. ACCESS TO INFORMATION, MENTORSHIP AND NETWORKING

The Municipal Council of Mbabane is currently implementing a City wide WIFI program with the aim of ensuring access to information at reduced costs for all Mbabane citizens, which includes SMMEs. Lowering of the costs of accessing the internet coupled with it being readily available will lead to increased networking and accessing mentorship online. This will also lead to SMMEs undertaking R&D as they will have access to a vast amount of data online. Some of the trainings to be provided to the SMMEs will be conducting research online; this module will be simplified for easy understanding and uptake.

The Smart City concept states that Cities should have “smart” businesses with integrated ICT and sustainability since this will result to a “smart” economy. A “smart” economy is about people thinking and working smarter, generating new ideas and getting more for less which results to greater productivity and in turn sustainable jobs.¹⁶

The Council will readily avail information on the policies and laws applicable to SMMEs and information on the shelters allowed by Council for informal businesses and how to access those shelters.

The Council has a Memorandum of Understanding (MOU) with the EBDC for mentorship purposes of Mbabane businesses. There are also other institutions that have mentorship programmes and work with Swazi businesses, like Development Squared, a Non-Governmental Organization (NGO) based in the UK.

¹⁵ Interventions for employment creation in micro, small and medium sized enterprises in low and middle income countries – A systematic review, 2014, p.viii

¹⁶ www.djei.ie : A ‘smart’ economy means greater productivity and sustainable jobs , 2010



CHAPTER 4: IMPLEMENTATION PLAN

ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
1. Influence Government policy/actions on the improvement of the business environment	1. Participate fully in government forums set up to improve ease of doing business e.g. Investment Technical Working Committee	Government forums attended	Report on proposed legislation changes produced	IRM Unit SIPA SEDCO Government Ministries SMMEs FSE&CC
2. Review Council's policies and By-laws (e.g. cost of health report) to ensure a conducive SMME environment	1. To identify local laws and policy bottlenecks and propose regulatory/operational changes	Local laws and Policies bottlenecks identified	A list of proposed policy and by- laws changes submitted to Council	DComS DCS SMMEs SMME Unit SEDCO JA Enactus IRM Unit
3. Access to Finance	1. Formulate Savings Groups/Cooperatives	Savings Groups/ Cooperatives formed and operational	Number of SMMEs accessing finance through Savings Groups /Cooperatives	World Vision Co-operatives Development Mbabane Citizens
	2. Recommend SMMEs to Financial Institutions for loans	MOUs signed	Number of SMMEs accessing finance through this link	SMMEs Financial Institutions SEDCO Bankers Association
	3.Link businesses to other sources of finance	Collaboration established/ MOUs signed	Number of SMMEs accessing finance through this link	Micro Projects KickStart SNYC UNDP
4. Access to Markets	1. Facilitate trading space for traders	Trading space made available for traders	Number of new trading spaces availed to traders	Traders Trading Committee
	2. Ensure future road constructions make	A policy for availing trading space to vendors	Number of roads with adequate trading space	DComs CEDO

ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	adequate provision for street vendors where appropriate	compiled and implemented	through the implementation of the Policy	
	3. Facilitate quality certification of SMME products	SMME products certified for quality	Number of SMMEs with quality certified products	SMMEs SWASA Financial institutions
	4. Facilitate the signing of agreements between SMMEs, their customers and suppliers (vertical & horizontal linkages)	Technical expertise provided	MOUs/ contracts in place between SMMEs and customers	SMMEs DCS DComS AMICAALL SMMEs Customers
	5. Facilitate goods/services exports	Information for exporting provided	Number of SMMEs exporting	SMMEs Enactus
	6. Assist SMMEs market their products	Products marketed in different forums	Amount of products sold	SMMEs Enactus Financial Institutions
	7. Host a monthly flea market	Flea market hosted monthly	Number of flea markets hosted	CEDO DCS DTS
5. Launch the Annual Mbabane Urban Life Week	1. Engage the relevant stakeholders to participate on this day	Stakeholders engaged	Number of stakeholders with buy-in	Private Sector Mbabane residents Banks
	2. Engage an Events management company to facilitate and coordinate the activities of the week	Events Management Company engaged	Successful hosting of the MULW	Private sector Mbabane residents CEDO
6. Infrastructure development for vendors	1. Write Proposals for the development of infrastructure for vendors	Proposals written and submitted to potential funders	Funding received for infrastructure development	SMME Unit DComs SEDCO SIPA Financial Institutions Development Partners



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	2. Ensure access and visibility of the Mbabane handcraft market	Signs erected and parking for tourist buses prepared	Percentage increase in the number of customers visiting the handcraft market	DComS CEDO Market vendors
	3. Ensure there is access to water, ablution facilities and electricity in all Mbabane trading areas	Public Health Act enforced	Number of trading areas with access to water, ablution facilities and electricity	SMMEs CEDO Trading Committee Financial Institutions
	4. Ensure regular maintenance of trading areas	Trading areas maintained regularly	Number of trading areas maintained regularly	Vendors DTS CEDO
7. Implement recommendations of the 2014 Umsebe Accord Business Forum	1. Set up a Youth Chamber of Commerce	Youth Chamber set up and operational	Number of youth SMMEs subscribing to the Youth Chamber	SNYC Mbabane Youth FSE&CC FESBC UNDP JA & Enactus
	2. Ensure the availability of security in all trading points for the informal sector	Informal trading points secure	Percentage reduction of crime in the informal trading points	Police Force DComS Informal Traders Security Companies CEDO
	3. Ensure there is enforcement of the informal sector By-laws	By-laws enforced	Number of enforcement cases	Police Force DComS Informal Traders CEDO
	4. Lobby for the extension of Border Gates hours in SD, SA and Mozambique	Border Gate hours extended	Number of borders with extended hours	Revenue Authorities Police Forces Immigration Officers
	5. Lobby for all Border Posts to have a One Stop Commercial Border	One Stop Commercial Border established	Availability of functional One Stop Commercial Border	Revenue Authorities Police Forces Immigration Officers
	6. Lobby for the reduction/eradication of VAT at the Border Posts	VAT reduced or eradicated	Number of meetings held with Revenue Authorities	Revenue Authorities Businesses



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	7. Facilitate an Indaba for formal Businesses during the Umsebe Accord Business Forum with adequate time	Business Indaba facilitated	Number of businesses from the 4 Cities participating in the Indaba	Mbombela Matola Nkomazi Mbabane
	8. Establish an Umsebe Office	An Umsebe Office established	Office in place and operational	Mbabane Matola Nkomazi
	9. Lobby for government to tackle the issue of corruption by training the security forces	Corruption reduced/ eradicated	Number of meetings held with the Police Forces	Police forces in the four Cities CEDO Business Community
	10. Lobby for Central government to ensure security of investment	Investment security laws passed /enforced	Number of meetings held with government/ government agencies	SIPA Business Community
	11. Attract a new Mobile Company like Vodacom to Swaziland	Mobile company established and operational in Swaziland	Percentage reduction of mobile costs	Mobile Companies SCCOM
8. Stimulate economically sustainable livelihoods in low income areas	1. Facilitate the establishment of two recycling centres and drop-off points using locally available material	Recycling centres and drop off points established	Number of recycling centres established	Mbabane Informal Communities CEDO CLGF
	2. Facilitate the establishment of 200 climate smart gardens	Climate smart gardens established	Number of climate smart gardens established	Mbabane Informal Communities CEDO CLGF Meteorological Services Horticulture Specialists



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	3. Facilitate production of commercial products using reusable waste material by 200 residents of the target communities	Commercial products from reusable waste produced	Number of trainers involved in the production of commercial products using reusable waste material	Mbabane Informal Communities CEDO CLGF
	4. Facilitate building of four dry toilet sanitation	Dry toilet sanitation units built	Number of sustainable Dry Toilet Sanitation built	Mbabane Informal Communities CEDO CLGF
	5. Facilitate production of four compost heaps and packaging	Compost heaps produced and packaged	Number of compost heaps built and mass of compost packaged	Mbabane Informal Communities CEDO CLGF
9. Implement a Community Champions Programme in all the 12 Wards	1. Collaborate with Limkokwing, SEDCO, UNDP, SNYC and EBDC in implementing this programme	Community Champions Programme implemented	Number of people benefiting from the programme	Councilors Zone Leaders SEDCO SNYC EBDC UNDP Mbabane Youth Limkokwing University of Technology
	2. Compile a report on lessons learnt from SEDCO's Incubation Programme	Lessons learnt compiled	Report on lessons learnt available	SEDCO SEDCO Business in Incubation Programme
	3. Conduct a research on saturated areas of business and areas of opportunities	Research conducted	List of saturated areas and opportunities compiled	SEDCO SMMEs Financial Institutions SMME Unit Academic Institutions
10. Mitigate the skills mismatch	1. Conduct a skills audit for the City (formal sector)	Skills audit conducted	Skills audit report produced	Mbabane citizens Academic Institutions



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	2. Facilitate collaboration between the industry and academic institutions to mitigate for skills mismatch	Collaboration established among stakeholders	Number of meetings held by the stakeholders to discuss the curriculum	Ministry of Education Private Sector Tertiary Institutions JA Enactus
	3. Provide an online database where Interns and companies can locate each other	Online database set up	Number of people accessing and utilizing the database	Ministry of Education and Training Private Sector Tertiary Institutions Students
11. Stimulate Economic Activity in the City for longer hours	1. Pilot Mbabane businesses closing at midnight or later at a central place with diverse services	Longer operating hours for businesses in Mbabane	Number of businesses closing at midnight or later	Private Sector DCS DComS Vendors
12. Implement a Socio-economic capacitation /empowerment Programme for women, youth, immigrants and people living with disabilities	1. Develop the programme and implement it in collaboration with different stakeholders	Programme implemented	Number of target group benefiting from the programme	AMICAAL DComS SNYC JA Enactus EBDC SEDCO Mbabane Citizens Financial Institutions
13. Implement a Public works programme for SMMEs empowerment	1. Review and revise policies and other regulations to forbid bigger established companies from bidding for small works and to reward bigger companies	Policies and other regulations reviewed and revised	1. Number of policies and other regulations reviewed, revised and implemented 2. Number of Mbabane SMMEs supported	CEO DF DTS DCS DComs SMMEs



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	with mentoring programmes for Mbabane SMMEs			
14. Lobby for the reduction of utility costs	1.Capacitate Mbabane businesses to lobby for the reduction of utility costs to regulatory bodies	Reduction in utility costs	Percentage Reduction in utility costs	SPTC MTN SMMEs FSE&CC FESBC Regulatory Bodies
15. Profile/ define informal and formal SMMEs in Mbabane	1.Create a profile and describe the characteristics of formal and informal SMMEs in Mbabane	Profile created for formal and informal SMMEs in Mbabane	A profile for informal and formal SMMEs in Mbabane in place	DComS SMME Unit Academic Institutions SMME Unit SEDCO
1. Conduct informal traders trainings	1. Conduct a skills audit for the City (informal sector)	Skills audit conducted	Skills audit report produced	Informal traders DComS SEDCO EBDC Technoserve JA Enactus MFU
	2. Develop a Training curriculum based on the skills gaps recognized	Training curriculum developed	Training manual produced	SEDCO EBDC Informal Traders Technoserve JA Enactus MFU
	3.Conduct Training	Training conducted	Number of informal traders trained	SEDCO EBDC Informal Traders Technoserve JA



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
				Enactus MFU
2. Conduct Training outreaches for service providers in the tourism sector	1. Develop a training curriculum	Training curriculum developed	Training manual produced	Tourism Industry Swaziland Tourism Authority (STA)
	2. Select tourism service providers to be trained	Service providers selected	List of service providers produced	Tourism Industry Swaziland Tourism Authority (STA)
	3. Conduct training	Training conducted	Number of tourism service providers trained	Tourism Industry Swaziland Tourism Authority (STA)
3. Conduct Trainings for the formal sector	1. Select SMMEs with skills gaps and conduct training	Training conducted	Number of SMME trained	Private Sector SEDCO EBDC Enactus JA
4. Capacity building of community structures on LED and inclusive service delivery	1. Conduct training to different community structures on LED and inclusive service delivery	Communities capacitated and empowered around LED and inclusive service delivery	Number of trainings /meetings conducted on LED and inclusive service delivery	Councilors Zone Leaders Head Teachers Heads of Colleges LED Steering Committee Mbabane Citizens
1. Access to information	1. Compile a comprehensive sectorial Mbabane SMME database	Database produced	Number of people accessing and utilizing the database	DComS FESBC FSE&CC Central Statistics Office Ministry of Commerce, Industry and Trade
	2. Set up a business directory online (Umsebe Accord), with youth businesses clearly marked	Business directory set up	Number of people accessing and utilizing the directory	Mbabane Businesses FSE&CC FESBC



ACTIVITY	SUB-ACTIVITY	OUTPUT	INDICATOR	STAKEHOLDERS
	3. Have a well-resourced LED Office to function as a one stop shop for information in running a business in Mbabane	LED Office with adequate information	Number of investors / SMMEs assisted with adequate information	Investors SMMEs Business Support Service Providers SIPA
2. Access to Mentorship Programmes	1. Disseminate information on the available mentorship programmes	Information disseminated	Number of SMMEs participating in the mentorship programmes	FESBC FSE&CC SMMEs EBDC Development Squared
	2 Link SMMEs to mentorship services to cultivate the culture of entrepreneurship	SMMEs linked to mentorship services	Number of SMMEs participating in mentorship programmes	FESBC FSE&CC SMMEs EBDC Development Squared Financial Institutions
3. Access to networking	1. Facilitate that SMMEs participate in the Umsebe Accord Events	SMMEs invited to the Umsebe Accord Events	Number of SMMEs participating in the Umsebe Accord Events	Nkomazi Mbombela Matola Mbabane SMMEs
	2. Exposure trips for SMMEs through the Umsebe Accord and in collaboration with other partners	Exposure trips undertaken	Number of exposure trips undertaken	Nkomazi Mbombela Matola UNDP
	3. Quarterly Mbabane Youth Business Forums	Youth forums hosted	Number of Youth Business Forums hosted	Mbabane Youth Chamber Youth SMMEs
	4. Semi-annual Umsebe Accord Youth Business Forums	Umsebe Accord Youth forums hosted /attended	Number of Umsebe Youth Business Forums hosted/ attended	Mbabane Youth Umsebe Municipalities and Youth Chambers



CHAPTER 5: MONITORING AND EVALUATION

Monitoring will be undertaken and reporting done in monthly, quarterly and annual reports. This will be done by the Council's Local Economic Development (LED) Unit in collaboration with National Bodies such as the Office of the Registrar of Companies, the Central Statistics Office and the SMME Unit. Internally; the Strategic Planning and Budgetary Unit will be collaborated with. The basis of the monitoring will be the indicators and targets set in this document. Evaluation will be undertaken by an independent company, upon the lapsing of the five year period.