



**TERMS OF REFERENCE**

**PROGRAMME: ENTERPRISE DEVELOPMENT**

**PROJECT: FORMULATION OF AN ACTION-ORIENTED AND IMPLEMENTABLE KWAZULU-NATAL SMME MASTERPLAN**

**Introduction**

The Moses Kotane Institute (MKI) has been contracted by the Department of Economic Development Tourism and Environmental Affairs (EDTEA) to facilitate the development of the KwaZulu-Natal **(**KZN**)** SMME Masterplan.

To this end, MKI is looking for professionals with expertise in the SMME sector who may be contracted as independent contractors.

# Hypothesis

The hypothesis of the KZN SMME Masterplan is that the SMME sector has been compromised by, among others, factors such as:

* Legislation;
* Restricted and costly access to information and advice;
* Restricted access to procurement and market opportunities;
* Limited access to finance;
* Restricted and limited access to accredited production facilities;
* Difficulties in accessing affordable trading facilities and infrastructure;
* Limited business skills and capacity;
* Limited access to appropriate technology;
* Problematic industrial relations and labour environment;
* Lack of joint ventures that can enable the enterprises’ leveraging of the limited resources;
* Harsh taxation paradigm and other financial burdens;
* Lack of coordinated business support; and
* Lack of coordination amongst small enterprises.

These seemingly intractable challenges have led to a high rate of failure and limited growth of SMMEs in the province. Despite, the aforementioned challenges, the SMME sector remains one of the priority areas identified, in the National Development Plan (NDP) and the Provincial Growth and Development Strategy (PGDS), as a pillar for employment creation and economic growth.

It is against this backdrop that the KZN SMME Masterplan should, therefore provide evidence-based confirmation or rejection of the hypothesis. The basis of the evidence must meet scientific research standards.

**Envisaged solution from the Masterplan**

The KZN SMME Masterplan must:

* diagnose the SMME sector and provide solutions on how to change the fortunes of small business enterprises;
* provide ***practical*** and ***implementable solutions*** to the challenges that compromise the development and growth of SMMEs;
* be located within the broader context of a global economy that is currently being impacted upon by, among others, technological disruptions and the tectonic shift in the world economic landscape which has seen the rise of frontier markets in the developing world;
* provide a road map on how KZN small business enterprises should position themselves within the shifting sands of the changing architecture of the global economy;
* be a lodestar of how small business enterprises in the province should carve a niche for themselves to position the province as the gateway to the African continent as captured in the KZN Growth and Development Strategy;
* provide coordinating mechanisms to avoid and eliminate duplication of support services, align planning, and ensure common understanding of SMME challenges.

# Project Deliverables

* Detailed analysis of all the identified challenges as well as the respective practical solutions. The analysis should also include how such challenges have been addressed in other provinces in South Africa and in other countries. The practical solutions must provide guidance and direct the activities aimed at SMME promotion and development;
* Detailed practical, action-oriented and implementable KZN SMME Master plan. The Masterplan must ensure smooth development and promotion of SMMEs;
* Detailed implementation plan outlining how the initiatives and interventions identified in the Masterplan will be implemented by the stakeholders. The implementation plan must answer the following germane questions:
  + Where would these interventions happen?
  + Who will be the implementing stakeholder(s)?
  + Who are the beneficiaries?
  + What is the cost implication?
  + How are the interventions going to be funded?
* Recommendations for SMME policy and legislation catalytic to SMME development and promotion;
* Monitoring and evaluation mechanism for tracking the activities identified within the Masterplan;
* Clear institutional arrangement for the implementation of the Masterplan.

# Who can apply?

Individuals who meet the following criteria:

* experience in the development of masterplan(s);
* relevant experience in the SMME sector;
* extensive experience in policy development and analysis;
* completion of the application form.

# Approach

Subsequent to the appointment of the independent contractors, the project activities will include a project commencement workshop wherein the contributors / contractors will discuss the approach for the development of the Masterplan, discuss timelines, discuss terms of payment and divide tasks accordingly. This process will take place under the guidance of MKI that will provide project management and oversight.

The SMME Masterplan is to be formulated through an extensive participatory process whereby all key stakeholders and interested parties should be afforded an opportunity to engage in the process for the purpose of providing their diagnosis of KZN SMMEs as well as possible solutions. One of the most important prerequisite activities includes the scanning of the current KZN SMMEs reality, i.e. the state of SMMEs in the province.

Due to the complexity of the challenge, a holistic approach to address the challenges of KZN SMMEs is required.

# Time Frames

* The independent contractors must submit monthly progress reports to the Project Manager at MKI
* Specific timeframes will be discussed at the pre-commencement workshop

**Submission of applications**

For more information, kindly contact Dr. Thembinkosi Twalo via email: thembinkosi.twalo@moseskotane.com

Applications must be submitted via email to: [applications@moseskotane.com](mailto:applications@moseskotane.com)

The closing date for applications is 14 June 2021**.**

The application must comprise:

* Completion of the SMME Masterplan Application Form (see below)
* Your CV
* ID Copy

**KZN SMME** **Masterplan** **Application Form**

|  |  |
| --- | --- |
| **Name** |  |
| **Surname** |  |
|  | **Please outline your relevant experience in the following** |
| Development of masterplan(s) |  |
| SMME sector |  |
| Policy development and analysis |  |