

poverty alleviation and says it has disbursed 24 000 business loans over the past three years.

Youth unemployment currently affects more than half of all graduates, while Stats SA pegs general unemployment at more than 25% in the formal sector. 'Entrepreneurship among young people is critical to economic growth and transformation,' says NYDA spokesperson Siyabonga Magadla.

Successes

DTI Minister Rob Davies cites the new Preferential Procurement Policy Framework Act (PPPFA) regulations and the amendment BBBEE bill currently awaiting public comments, as achievements in fine-tuning BEE.

'The PPPFA regulations is the first step towards ensuring that procurement from the public sector promotes BBBEE and that it also promotes local production, while the aim of the Amendment Bill is to deal with fronting, establish a commission to monitor BBBEE

implementation and strengthen the verification system,' says Davies.

'This will result in an Independent Regulatory Board for Auditors, as the accreditation body that will regulate and professionalise the verification industry.

'Our main challenge continues to be in the area of monitoring of what is happening in the economy with regard to BBBEE implementation, hence with the Amendment Bill; we will be putting our monitoring systems in place, including the establishment of the commission to do the monitoring.

'The BEE Commission will have the capacity to note some of the transactions that are happening in the country and also to conduct research on various BBBEE initiatives that are taking place across all sectors of the economy.'

Meanwhile, Busa CEO Kganki Matabane threw his weight behind the minister saying that a well-resourced BEE Commission will

go a long way in ensuring that economic transformation policies are implemented. 'There is a serious need to push for enterprise development and to ensure that those enterprises are given preferential procurement opportunities to allow them to grow and create the much needed jobs.'

On fronting, Matabane welcomed plans to make it a criminal offence. 'We recognise that fronting is not only confined to the misuse of black employees or partners to improve a white-owned company's BEE credentials unfairly. Collusion also occurs, often in the form of a black person or a black-owned enterprise entering into a questionable partnership purely for financial gain, without any intention of making a real contribution to the business at hand.'

Beyond policy changes, Davies points to the new Chartered Accountancy Sector Charter that was finalised in the past year, saying it will go a long way in addressing skills shortages in the chartered accountancy profession and result in the historically black universities of Fort Hare and Limpopo being assisted to train future chartered accountants. This function was previously done solely by historically white universities.

The minister also names Microsoft's R472-million Equity Equivalent programme (for multinationals exempt from selling equity anywhere in world except in their home country), as a joint achievement by the DTI and Microsoft. 'This will benefit six black-owned software developers and assist in building the local software economy and developing scarce technology skills in the country,' says Davies. ■

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Assisting entrepreneurs to establish businesses



The Hope Factory is an established Enterprise Development company that develops, equips and supports previously disadvantaged South Africans to create, establish and grow businesses.

Potential entrepreneurs receive assistance in business, technical and life skills through a unique Entrepreneur Development Programme, while entrepreneurs participate in the Entrepreneur Support Programme.

This consists of a bouquet of services underpinned by ongoing mentoring and business development and includes network opportunities, workshops, seed capital investments, support in accessing markets and further business training. In addition, The Hope Hub provides selected entrepreneurs with office space and resources to further establish and grow their businesses.

Many of our entrepreneurs begin by starting a "home-based enterprise" (HBE) which should not be underestimated as HBE's contribute over R6 billion to the economy annually. Growth of the enterprise is key and, with the ongoing assistance provided through extensive mentoring and support programmes, we ensure that our enterprises are set up for success.

The Hope Factory has assisted more than 200 companies, to not only achieve their scorecard points, but to be part of real business creation and growth. The Hope Factory's programmes have empowered over 900 South Africans, 76% of whom have remained financially sustainable over the past 3 years.

The Hope Factory is part of the South African Institute of Chartered Accountants (SAICA) and falls under the Enterprise Development and Socio-Economic Development categories in the BEE scorecard.

By investing in The Hope Factory, you are assured, through our past track record and through consistent management and monitoring that your investment will result in empowered, productive entrepreneurs.

Do you want a stress free way to achieve your **Enterprise Development and Socio-Economic Development** points?
Contact The Hope Factory

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