



GAUTENG ENTERPRISE PROPELLER
Servicing and supporting the Gauteng small business community



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“Entrepreneurs are vital to South Africa if the country is to create jobs of a diversified nature, produce new products, services, or technology, and enhance overall productivity at that national and global level”



A GUIDE TO GAUTENG ENTERPRISE PROPELLER BUSINESS PRODUCTS AND SERVICES

WHO WE ARE

Gauteng Enterprise Propeller (GEP) is a provincial government agency established under the auspices of the Department of Economic Development to provide support to small, medium and micro-sized enterprises (SMMEs) and co-operatives in Gauteng.

GEP was established to address the market failures through support to co-operatives and informal businesses with the intention of advancing economic justice and exclusivity. Globally and locally, SMME's and Cooperatives are the engines of growth. The new focus on the inclusive economy and radical economic transformation intends to accelerate shared growth and bring previously marginalised into the mainstream economy. Through the focus on Township Economic Revitalisation and Transformation, Modernisation and Re-industrialisation (TMR), the Gauteng province intends to close apartheid economic geography by promoting the economy from below. This will in turn address inequalities, stimulate local economies and promote resource redistribution.

“The significant participation and meaningful inclusion of the people of the township into the mainstream economy of Gauteng through their own township enterprises that are supported by the government and big business will be one of the key game changers...The townships must be self-sufficient and vibrant economic centres.”

Premier David Makhura, State of the Province Address (June 2014)

OUR ROLE AND FUNCTION



Increase the participation of SMMEs & Co-operatives in the Province's mainstream economy.

GEP provides unique tailor-made financial and non-financial support services that meet the specific needs of beneficiaries. Financial assistance is either direct or in-direct lending. Non-financial services concentrate on building entrepreneurial and economic skills. Both services are designed to promote integrated and flexible solutions which encourage business sustainability and growth.



Contribute to and facilitate the revitalization of Gauteng's township economies.

GEP focuses on supporting the development of township enterprises, co-operatives and SMMEs.



Contribute to the growth and development of the Eco system centres

GEP develops the capabilities of SMME's and co-operatives by assisting them to become noteworthy role-players in the economy through services. One of GEP's game changing projects is an Entrepreneurship Fund which increases the financial resources required to provide and sustain the revised development path for SMMEs and co-ops.

OUR MANDATE

The Gauteng Enterprise Propeller (GEP)'s mandate is to:

- Promote entrepreneurship, mobilize resources and facilitate an integrated approach to entrepreneurial development and support within the Province;
- Provide financial and non-financial support for the development, growth and sustainability of small enterprises;
- Facilitate investment in high-impact business enterprises that transform the structure and competitiveness of industrial sectors in the Province.

VISION

A responsive and impactful propeller for sustainable business enterprises in the Gauteng Province.

MISSION

- Promoting entrepreneurship and facilitating an integrated approach to entrepreneurial development and support within the Province;
- Creating Strategic Partnerships with a range of institutions for sustainable small enterprises and Co-operative development and support;
- Developing innovative financial solutions, tools and channels to speed-up increased market participation in the provision of affordable finance;
- Facilitating investment in high-impact business enterprises that transform the structure and competitiveness of industrial sectors.

DO YOU HAVE WHAT IT TAKES TO BE AN ENTREPRENEUR?

Passion: A passion for your start-up business drives you to turn your idea into a reality.

Perseverance: What makes entrepreneurs great is having the perseverance to carry on and grow despite problems and even failure.

Resourcefulness: Your assets as a new entrepreneur's limited, you will need wisdom and resourcefulness to manage them efficiently.

Open-mindedness: If your dream start-up business isn't likely to make money you may need to change your thinking and focus on something else.

Sponge like nature: Becoming an entrepreneur is a learning process. Be willing to learn or leave the start-up world. Soak in every experience, every bit of knowledge just like a sponge.

WHAT GEP CAN DO FOR YOU

- GEP is a one-stop-shop for SMMEs and offers a tailored service for our clients depending on the needs of their enterprise.
- We offer financial and non-financial support to qualifying SMMEs and Co-operatives.
- We also provide customized non-financial programs to assist entrepreneurs in running their businesses efficiently, including facilitating CIPC registration, giving business advice and commissioning business development support interventions.
- We assist with developing a variety of business development support interventions such as:
 - Planning Support (development of business plans, expansion plans, product improvement plans etc.)
 - Financial Management (Bookkeeping, Preparation of Budget, Costing and Pricing etc.)
 - Marketing Support (Development of Marketing plans and strategy, development of marketing tools etc.)
 - Quality Support (Development of QMS, HACCP, OHSAS etc.)
 - Technical Support (Installation of Point-of-Sale system, Electronic Financial Management system, ERP system (Enterprise Resource Planning etc.)
 - Product Development and Testing
 - Capacity Building Training (Business Skills Training)
- We provide Post investment and aftercare services to the supported SMME.
- We support businesses in all sectors of the economy provided they meet all the stipulated requirements.

FINANCIAL SUPPORT

To be considered for financial support, businesses need to submit all the standard mandatory documents such as CIPC registration; tax clearance; FICA requirements; company profiles and management profiles.

Businesses also need to submit a business plan (GEP will assist in the development where applicable within GEP's qualification processes) where funding is for start-up, expansion and franchise purposes. For contract finance, a business plan is not required. The viability assessment of contract financing is based on the actual contract or purchase order.

Business plans are not required for micro-finance applications below R50 000. All products under financial support will be assessed and funded based on assessment report.

Our financial support offerings include:

- ① Start-up Finance
- ② Growth and Expansion Finance
- ③ Franchise Finance
- ④ Contract Finance
- ⑤ Sponsorship and Partnerships



① **Start-up Finance**

Start-up Finance Programme is dedicated to helping SMME's and co-operatives to secure the finances they need to jump start your business.

② **Contract Finance**

This type of loan caters for entrepreneurs and SMMEs who secure contracts from government departments, public entities and private sector companies.

③ **Growth Finance**

This programme assist viable existing businesses looking to expand their operations by securing additional capital.

④ **Franchise Finance**

GEP Franchise Finance Programme assists with funding to acquire a new or existing franchise, as well as the much needed working capital.

⑤ **Sponsorships/Partnership Marketing**

GEP may also partner with organisations that promote SMME development and the economic participation of women, youth and people with disabilities.

NON-FINANCIAL SUPPORT

Handholding Process

GEP works with qualifying entrepreneurs over a period of time to prepare them for sustainability over the years. The handholding approach intends to create sustainable and productive SMME's that would add value to the Gross Domestic Product of Gauteng and to a greater extent, South Africa. The following services have been introduced:

SMME and Cooperative Eco-System Centres

SMMEs and Cooperative Eco-System Centres refer to an Integrated Entrepreneurship Value Chain Model which consists of interventions geared towards all stages of the SMME's business life cycle. Among others, the business life cycle will entail project identification in line with priority sectors, technical interventions, business development interventions, including access to markets.

Project preparation

Project preparation involves pre-funding interventions. In line with the handholding process, GEP would focus on assisting SMMEs and Cooperatives with project preparation. This will entail further development of a business plan, business assessments, matching of funding needs, feasibility, due diligence, market and competitor analysis, as well as business pitching. The stages of project preparation will serve as a catalyst in developing their full potential as we shift towards production (manufacturing).

SMME and Co-Op Ombudsman

Provides SMME's and co-ops with independent investigative, arbitration and negotiation support for situations where they experience unfair treatment and injustices that directly affect the growth and sustainability of their businesses. The services of SMME's and Co-operatives Ombudsman are available at the Department of Economic Development Consumer Court.

Oversight Bodies

A Sector Advisory panel of experts will develop and capacitate SMME's and Cooperatives to become sustainable and competitive businesses. The sector specific approach would assist in stimulating the ailing sectors and assist in creating manufacturers. This will in turn move a number of SMME's operating within the distribution and services space to productive and decent employment. This is part of GEP's handholding approach to produce sustainable and productive SMME's and co-operatives.

**A radical socio-economic transformation
requires co-operative governance
anchored by a developmental government
in all spheres.**

BUSINESS DEVELOPMENT SUPPORT (BDS)

The GEP has developed a new strategy which emphasises a shift from a short term approach to the development of sustainable SMME's and Cooperatives. Such an approach would resonate with the Township Economy Revitalisation (TER) and the Transformation Modernisation and Re-industrialisation (TMR) strategy. The BDS includes the following:

- Development of the internal capacity to do pre-feasibility, feasibility studies, due diligence, business plans and project preparation.
- Sector specific products to enhance and move SMME's and cooperatives into manufacturing.
- Radical strategic shift of SMME's and Cooperatives into the mainstream economy.
- Addressing the short-lifespan of Gauteng SMME's and Cooperatives.
- The GEP Eco system centres to provide support to women, People with Disabilities (PwD) and youth.

The mandatory documents for Business Development Support are the same as those for Financial Support. For the Township Business Renewal (TBR) programme, businesses need to submit their title deeds if they own the premises or a long-term lease (at least 60 months) if the premises are leased.

Development of:

- Business plans, marketing tools, financial management systems, quality management systems, training, mentorship, business incubation and business advice.
- Post-investment Support.
- Co-operatives Assistance Programme (CAP).
- Township Business Renewal Program (TBR).
- Community Fund (CF).

COMPULSORY REQUIREMENTS:

The following are the requirements for application to the GEP but not limited to:

- SA citizenship.
- Business must be located in Gauteng.
- The entrepreneur must be the owner and operator of the business.
- The business should have black majority ownership of at least 51%.

BUSINESS DEVELOPMENT SUPPORT (BDS)

BDS PROGRAM & STRATEGIC ALIGNMENT	BDS PROGRAM & STRATEGIC ALIGNMENT SCOPE	QUALIFYING CRITERIA
<p>BDS Interventions</p> <p>Intergraded small enterprise Development Strategy.</p> <p>Cooperatives Development Policy for South Africa</p>	<p>The program includes planning, technical and training interventions implemented for informal traders, small enterprises and Cooperatives to improve business operations.</p>	<p>Businesses with 51% black shareholding to South African citizens.</p> <p>Statutory compliance e.g. Company registration documents, South African Identity document, confirmation of SARS compliance, proof of business address and sworn Affidavit (confirming the number of employees, turnover and number of years in operation)</p>
<p>Township Business Renewal (TBR)</p> <p>Transformation, Modernisation and Reindustrialisation (TMR) Strategy.</p> <p>Township Economy Revitalisation (TER) Strategy</p>	<p>The program includes the purchases of equipment for qualifying SMMEs as identified in the needs assessment report for each business.</p>	<p>The program includes the purchases of equipment for qualifying SMMEs as identified in the needs assessment report for each business. Businesses with 51% black shareholding to South African citizens.</p> <p>The business must be in operation for 2 years.</p> <p>The business must be located in the township or semi-urban area.</p> <p>Statutory compliance e.g. Company registration documents, South African Identity document, confirmation SARS compliance, proof of business address and sworn affidavit (confirming no. of employees and turnover), - year in which the small enterprise started operations.</p>
<p>Cooperatives Assistance Program (CAP)</p>	<p>Cooperatives Assistance Program (CAP)</p> <p>The program includes the purchases of stock/ equipment for qualifying cooperatives as identified in the needs assessment report for each business.</p>	<p>The program includes the purchases of stock/ equipment for qualifying cooperatives as identified in the needs assessment report for each business. Businesses with 51% black shareholding to South African citizens.</p> <p>The business must be in operation for 1 year.</p> <p>Statutory compliance documents include: company registration documents, South African Identity document, confirmation of SARS compliance, proof of business address and sworn affidavit (confirming no. of employees and turnover), year in which the small enterprise started operations.</p>



BUSINESS DEVELOPMENT SUPPORT (BDS)

BDS PROGRAM & STRATEGIC ALIGNMENT	BDS PROGRAM & STRATEGIC ALIGNMENT SCOPE	QUALIFYING CRITERIA
Community Fund National Development Plan (NDP) on employment creation. Gauteng Informal Business Upliftment strategy (GIBUS)	The program includes the purchases of stock and/ or working tools for qualifying enterprises as identified in the needs assessment report for each business.	Businesses with 51% black shareholding to South African citizens. The business must be in operation for less than 1 year. In cases where a business was registered more than a year ago, but has not started any operations until less than a year ago, evidence to support such must be provided in the form of an affidavit by the business owner Statutory compliance e.g. Company registration documents, South African Identity document, confirmation of SARS compliance, proof of business address and sworn affidavit (confirming no. of employees and turnover), year in which the small enterprise started operations.
Informal Traders Grant Funding Gauteng Informal Business Upliftment strategy (GIBUS)	The program includes the purchases of stock for qualifying Informal Traders as identified in the needs assessment report for each business.	The business owner must be a South African citizen. Applicant to submit a certified South African Identity document (ID). The business must be trading. Applicant to submit a Trading Permit/affidavit and a proof of address (residential/business premises)

This support includes the following:

- Development of the internal capacity to do pre-feasibility, feasibility studies, due diligence, business plans and project preparation.
- Sector specific products to enhance and move SMME's and co-operatives into manufacturing.
- Shift of SMME's and Co-operatives into the mainstream economy.
- Addressing the short-lifespan of Gauteng SMME's and Co-operatives.

The mandatory documents for Business Development Support are the same as those for Financial Support. For the Township Business Renewal (TBR) programme, businesses need to submit their title deeds if they own the premises or a long-term lease (at least 60 months) if the premises are leased.

Development of:

Business plans, marketing tools, financial management systems, quality management systems, training, mentorship, business incubation, and advice.

- Post-investment Support.
- Co-operatives Assistance Programme (CAP).
- Township Business Renewal Program (TBR).
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COMPULSORY REQUIREMENTS:

The following are the requirements for application to the GEP but not limited to: - SA citizenship.

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- The business should have black majority ownership of at least 51%.

MOULDING ENTREPRENEURS

Together, Moving Gauteng City Region Forward

Enquiries 0870572000

Enquiries@gep.co.za

www.gep.co.za



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FOR MORE INFORMATION CONTACT GEP:

HEAD OFFICE

6th Floor, 124 Main St,
Johannesburg
Tel: 011 085 2001

JOHANNESBURG REGIONAL OFFICE

7th Floor, 124 Main St,
Johannesburg
Tel: 011 085 2002

EKURHULENI REGIONAL OFFICE

Ground Floor, 188 Victoria Street,
Cnr Victoria & Spilsbury,
Germiston
Tel: 011 821 2870

TSHWANE REGIONAL OFFICE

Block G, 333 Grosvenor Street, Hatfield
Gardens,
Hatfield
Tel: 012 430 2359

WEST RAND REGIONAL OFFICE

23 Eloff Street,
Krugersdorp
Tel: 011 950 9870

SEDIBENG REGIONAL OFFICE

36 Merriman Avenue
Vereeniging, 1930
016 910 1216

SATELLITE OFFICE

BRONKHORSTSPRUIT

Lazarus building, 43 Lanham Street,
Bronkhorstspuit
Tel: 013 932 3828

SATELLITE OFFICE HEIDELBERG

52 Voortrekker Road,
PG Glass,
Unit 34,
Heidelberg
Tel: 016 349 2658

SATELLITE OFFICE SOWETO

Maponya Mall, Thusong Centre, 2127
Chris Hani Road, Soweto
Tel: 011 938 4257

SATELLITE OFFICE MOHLAKENG

3521 Ralerata Street, Mohlakeng
Tel: 011 414 1753