

## **New dawn for entrepreneurs in KZN's Cornubia, Blackburn communities**

*Linking local communities to local economies is key in facilitating socioeconomically sustainable neighbourhoods, says Bongani Gumede Corporate Director of Tongaat Hulett Developments*

*Durban, 20 June 2016.* Entrepreneurs in Cornubia and Blackburn communities may get assistance to grow their businesses to the next level, thanks to Tongaat Hulett Developments, the property arm of agricultural and agri-processing group Tongaat Hulett's investment in a new business incubator serving the area.

This is the next step in the company's investment in the R25 billion Cornubia development, a new residential, commercial and industrial node 15 km south of Durban's King Shaka airport. "The development started off as a partnership between Durban's eThekweni Municipality and Tongaat Hulett Developments, but it has since been adopted by Cabinet as a national priority project, bringing all spheres of government together as partners," notes Bongani Gumede, Corporate Director of Tongaat Hulett Developments.

According to Robynne Erwin, Director of SMME Diagnostics, about 80 small business owners have been identified and assessments will take place during October 2015 to get a better understanding of the needs of the community and to identify individual business owners who may benefit from programs the incubator may offer.

SMME Diagnostics is one of the entities within in the Catalyx consortium appointed by Tongaat Hulett Developments to develop the incubator.

Erwin says large numbers of small business owners are currently operating in the area, but most of them merely at a survival level. These include construction companies, tuck shops, crèches and other service providers working hard to try and meet the needs of the community.

The entrepreneurs often lack even high school education, let

alone computer skills. They are however very resilient and resourceful and have the potential to develop into suppliers for the developing commercial and industrial node of Cornubia and create much needed jobs.

Apart from business development, skills training is also needed, for example in the construction industry, Erwin says. “Many of the people learn on the job, but they also have to learn how to do costing, for example. A lot has to be done to empower them for the bargaining process. One needs to provide skills while respecting the skills they have and what they do with it.”

She says the focus will be on technical, business and communication skills. Entrepreneurs also need guidance to enable them to identify opportunities in the market.

Discussions regarding the envisaged Incubation and Empowerment Centre started at the end of last year and it is still in the planning stages.

A number of interventions have already been done, including Participative Economic Action Planning (PEAP) community workshops aimed at empowering communities to identify problems and possible solutions to these problems, says Erwin. Job readiness training is also already underway. A site has been identified for the Centre in an old school in the Blackburn area that is not currently being used.

The interventions will be planned in consultation with the community, but include development in the fields of construction, agriculture, landscaping and recycling and other industries in the construction value chain. Basic computer and business skills, including costing, preparing a tender and compliance with tax and other legislation will be on offer. “People currently don’t have access to business information and applicable legislation is not written in layman’s language,” she says. The centre hopes to help demystify the formal environment for entrepreneurs.

Erwin says the challenge is that interventions have to be done in such a way that the entrepreneur can continue running the

business, since he relies on it for his daily bread.

The idea is to eventually partner with companies to provide skills training at the Centre for small businesses to develop into sub-contractors for bigger construction companies.

In parallel with the assessment of the entrepreneurs the consortium is preparing a proposal for co-funding that will be submitted to the department of trade and industry before the end of the year, Erwin says. Other potential co-funders will also be approached. “It makes sense for businesses to fund the incubator, because it can develop and contribute to the development of a reliable supply chain for the funder, Erwin says.”