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## **South African Manufacturing Sector In A Nutshell**

The manufacturing sector is one of the sectors that felt the impact of global economic downturn of 2008/9 the most. The little recovery the sector has made has had little or no difference in terms of the recovery of the production losses and jobs lost during this period. According to Statistics South Africa from a growth percentage of 4,6% in 2010, manufacturing production gradually slowed to; 1,3% in 2013; 0,1% in 2014; and 0,0% in 2015.

Government has identified the development of small enterprises in this sector as essential to the recovery of the country's economy and ensuring employment creation. Small, innovative enterprises and entrepreneurs therefore require active support from both government and the private sector. Seda is one of the state entities actively involved through various programmes in the development of emerging entrepreneurs in the manufacturing sector. Seda is proud of its continuous contribution to the development of innovative, start-up enterprises in the manufacturing sector. The main contribution has been the cushioning of small enterprises from failure particularly in the nascent 18 months. More importantly, Seda's contribution is also in supporting established enterprises to grow by helping them to access new markets, improving management and strategy through a number of coaching and mentorship programmes.

Through Seda's Technology Programme six incubation centres in the manufacturing sector have been operational for a period of 10 years, focusing on the development of start-ups and acceleration. This is done through provision of tailor made services i.e. access to a shared technology demonstration facility, mentorship and coaching, funding facilitation, training, access to markets etc. The incubation centres are Lepharo (copper, zinc and base metals beneficiation), Furntech (furniture manufacturing), Downstream Aluminium Centre for Technology - DACT (aluminium fabrication and casting), Mpumalanga Stainless steel Initiative - MSI (manufacturing of stainless steel products), Chemin (chemical industry) and Egolibio (bio technology). The success of these incubators have been through partnerships between Seda, Local/Provincial Government and Private sector.

In order to improve the competitiveness of enterprises in this sector, Seda amongst others provides technology transfer funding (TTF) to small enterprises. Through this special funding small enterprises are supported with the acquisition of new technology and equipment. This has a direct impact on the growth of small enterprises through improving their efficiency and thereby production. The TTF programme allows for a maximum of R600 000 per project.

Seda further provides quality and standards interventions to ensure conformity to local and international standards. Quality management systems and compliance to standards improves competitiveness and access to markets, both foreign and local for small enterprises. These interventions entails product testing/certification, quality management systems implementation, audit, and product design and packaging.