

# Gauteng

ENTREPRENEURIAL  
ECOSYSTEM  
SNAPSHOT



SOUTH AFRICA



Aspen Network of  
Development Entrepreneurs

WITH SUPPORT  
FROM



# Gauteng

## ENTREPRENEURIAL ECOSYSTEM SNAPSHOT

South Africa has the second largest economy in Africa. Yet, due to a variety of structural, historical, and political factors, - the economy is susceptible to fluctuations. Persistent challenges to economic growth in turn affect the ability to start and grow businesses. The [OECD](#) identifies high unemployment rates, high interest rates, and rising oil prices as a few of these challenges. In addition, South Africa remains [one of the most unequal countries in the world](#). In an effort to reduce inequality and eliminate poverty by 2030, South Africa produced the [National Development Plan 2030](#), which provides a long-term vision for the country to achieve economic growth.

Within this larger economic context, a concentrated examination of one region within South Africa can provide greater insight into a specific geographic area, close information gaps, and help foster a local environment in which entrepreneurs can thrive. This snapshot commenced in February 2018 with support from the Department for International Development (DFID). It provides an in-depth look at programmatic support available to entrepreneurs in South Africa's economic hub, the Gauteng province.

In this snapshot of the Gauteng province, the Aspen Network of Development Entrepreneurs (ANDE) identified 265 programs supporting entrepreneurs.

These organizations collectively operate 219 programs that provide non-financial support, 92 programs that provide financial support and seven programs that provide other support services to entrepreneurs in Gauteng.

This snapshot also builds on previous efforts to identify support for entrepreneurs in South Africa. ANDE's South Africa Chapter created its first snapshot in 2015 and released [an update](#) in 2017.

Programs in Gauteng are clustered in Johannesburg, with over 87% of programs with offices and/or staff located in the metropolitan area. Within the Johannesburg metropolitan area, 63% of programs have a physical presence in the wealthy Sandton suburb. Only 13% of programs operate in the lower income townships of Soweto, and less than 10% work in the Roodepoort and Southern townships.

55% of these programs are sector agnostic and mainly focus on employment generation, due to South Africa's high unemployment rate. In addition, most programs state that they focus on supporting women and youth. In terms of investment models, only 15% of respondents included impact investing strategies in their business models, and equity was the preferred investment instrument overall.

### METHODOLOGY



Review of Existing Literature



Surveys and Interviews



Stakeholder Meetings

To see more data and findings, see the digital version of ANDE's Ecosystem Snapshots at: [ecosystems.andeglobal.org](https://ecosystems.andeglobal.org)



# SOUTH AFRICA

# SUMMARY

219

NON-FINANCIAL  
SUPPORT PROVIDERS

92

FINANCIAL SUPPORT  
PROVIDERS

7

OTHER ECOSYSTEM  
SUPPORT PROVIDERS

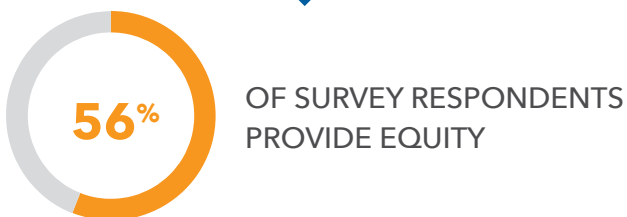
## TOP SECTOR OF FOCUS



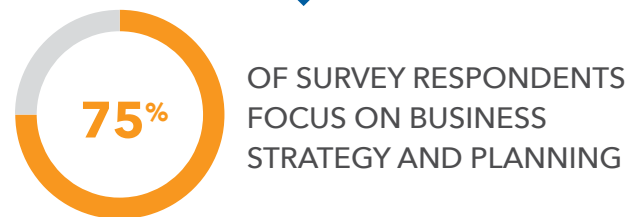
## TOP VERTICALS



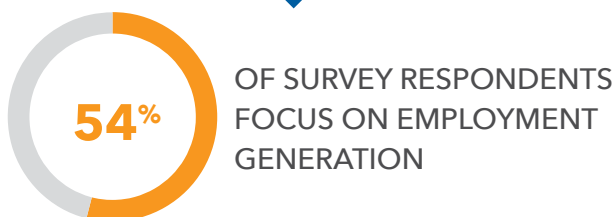
## TOP FINANCIAL INSTRUMENT



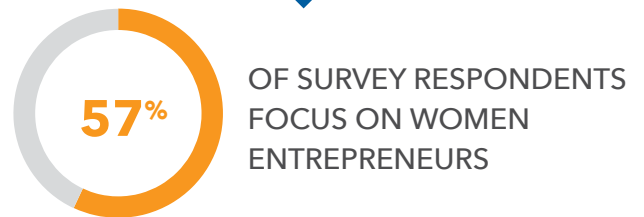
## NON-FINANCIAL SUPPORT



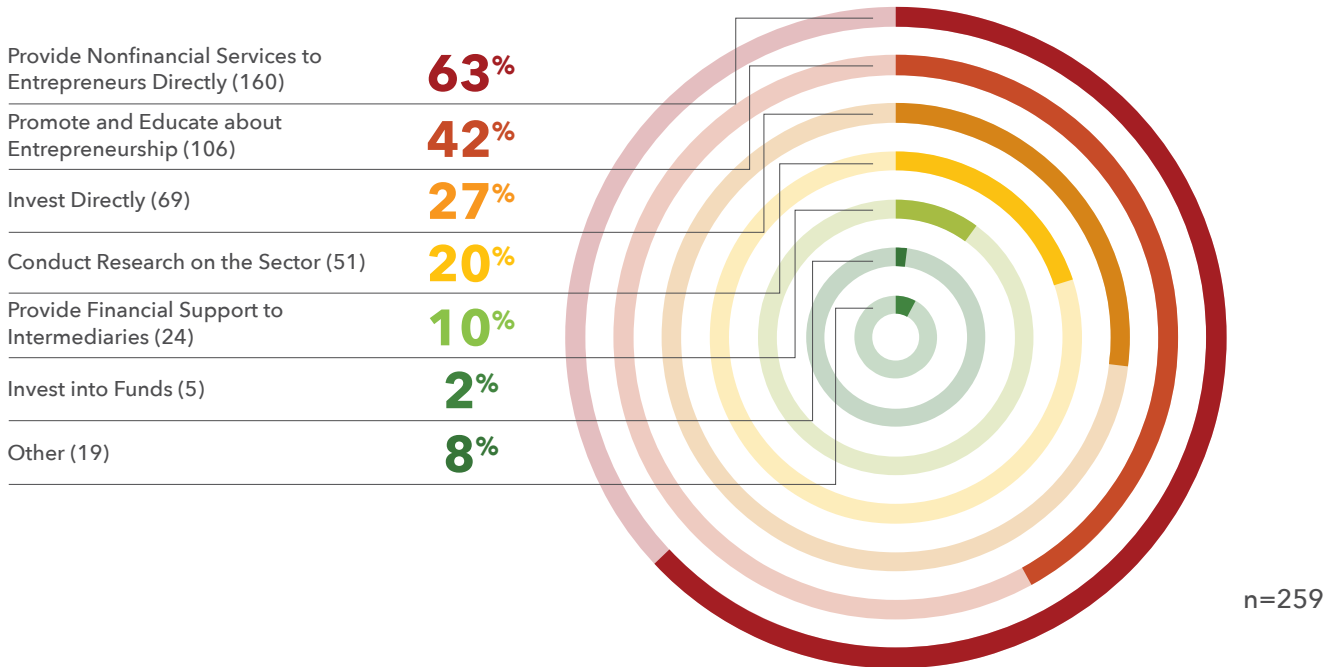
## TOP IMPACT OBJECTIVE



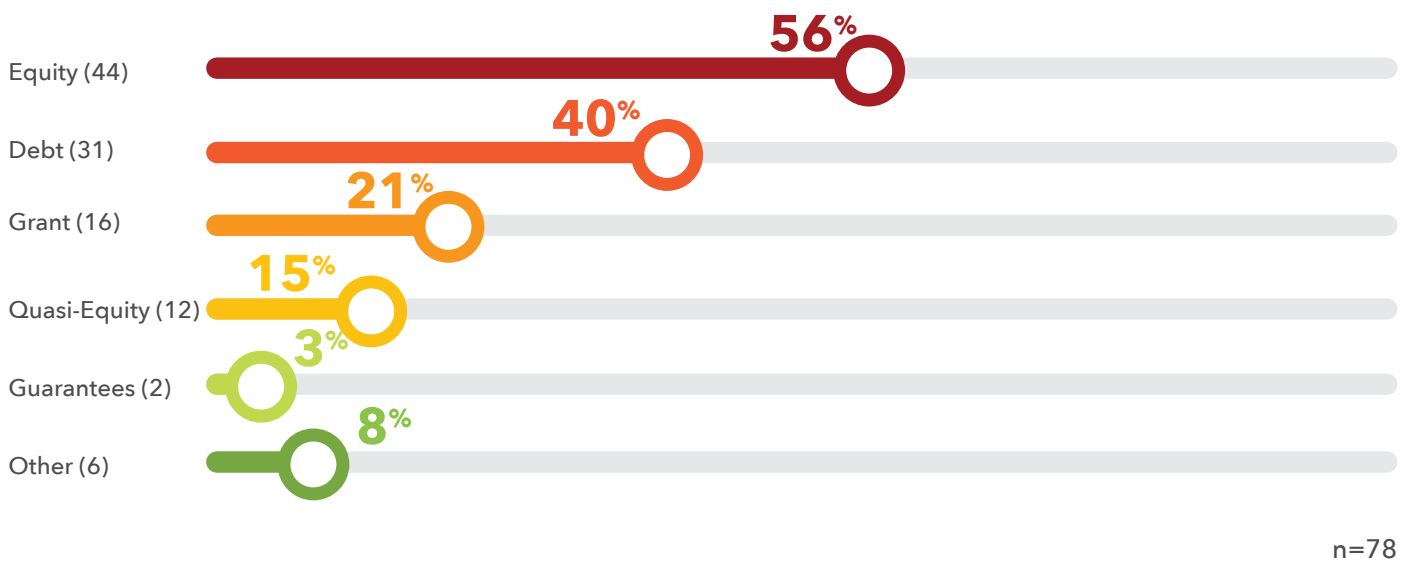
## TOP STAKEHOLDERS FOCUS



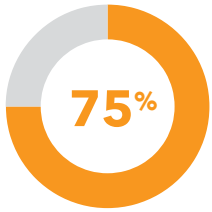
## Intervention Type



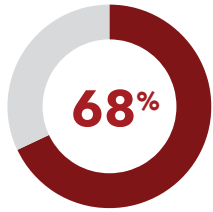
## Investment Instrument



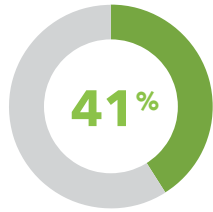
## Nonfinancial Support



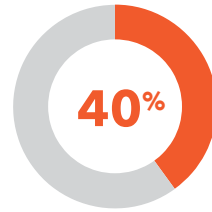
Business Strategy and Planning (126)



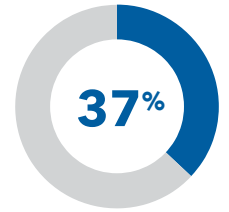
Access to Networks and Partners (114)



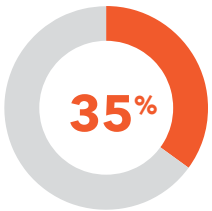
Marketing Support or Market Research (69)



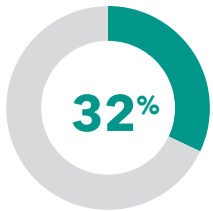
Financial Management (66)



Needs Assessment (62)



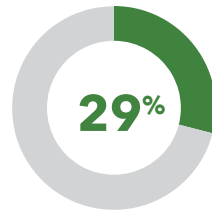
Leadership Development (59)



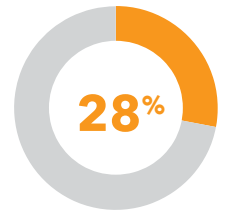
Due Diligence (53)



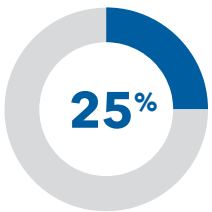
Technology Development or Adoption (49)



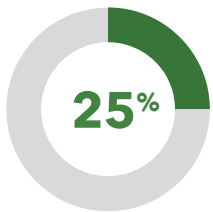
Sector Development (49)



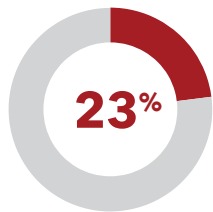
Value/Supply Chain Development (46)



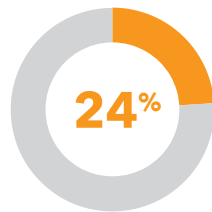
Media Exposure (42)



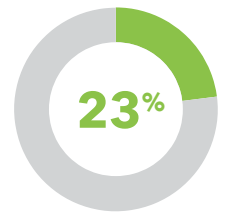
Legal, Accounting, Other Office Services (42)



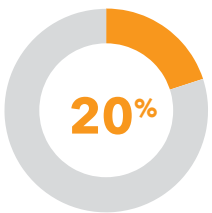
Governance Structure (39)



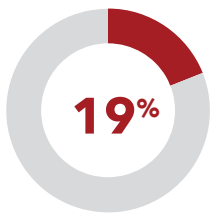
Building HR Capacity (40)



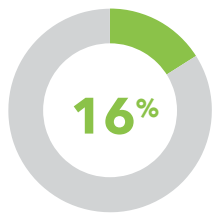
Ideation (38)



Performance management (33)



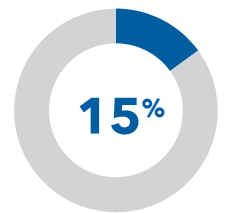
Investor Matchmaking (32)



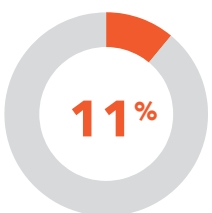
Investor Showcases (27)



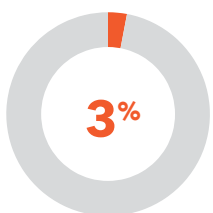
Exit Strategies (26)



Building M&E Capacity (25)



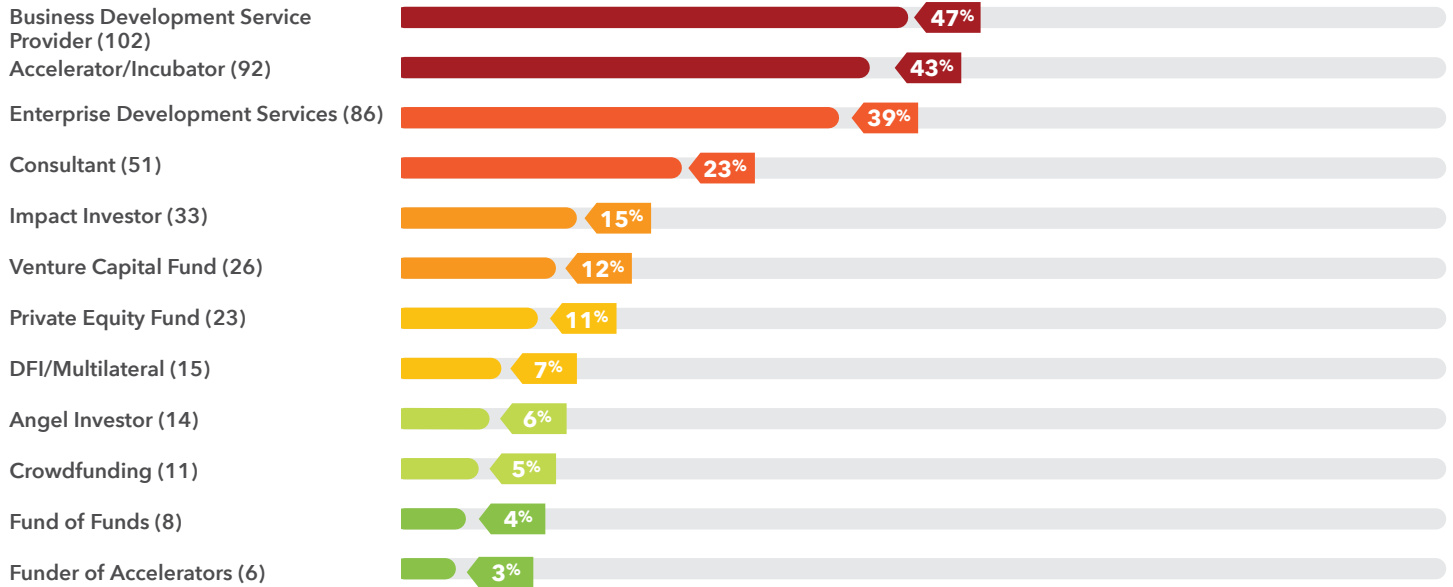
Product Certification (18)



Other (5)

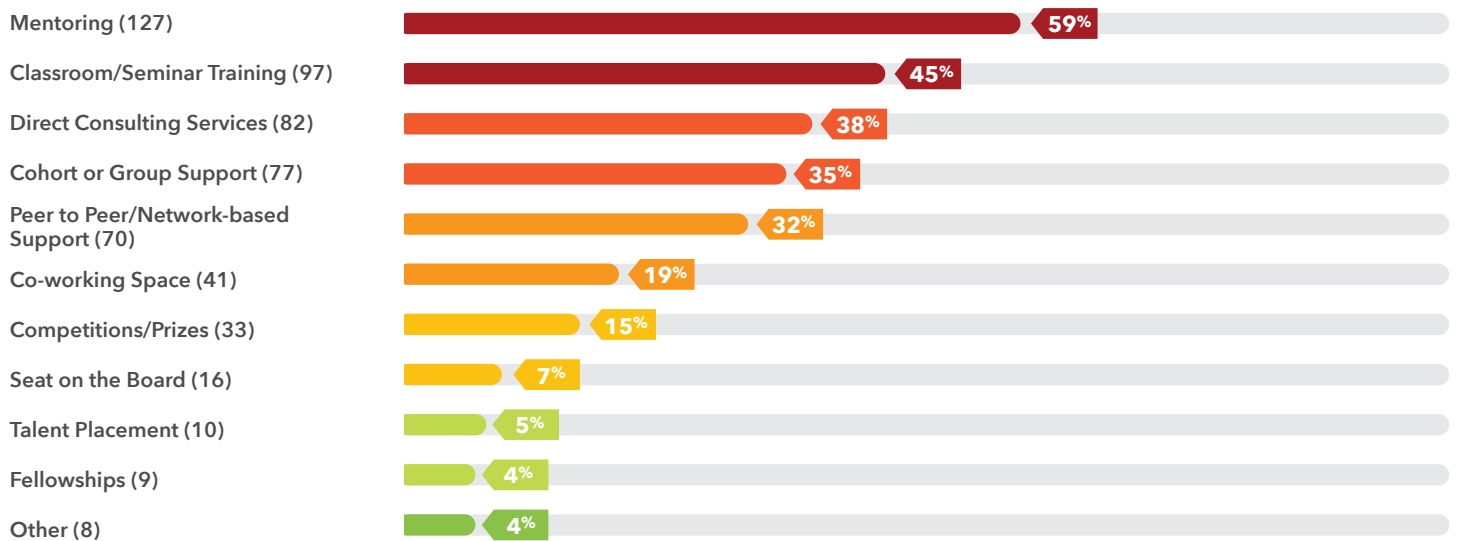
n=167

## Stakeholder Type



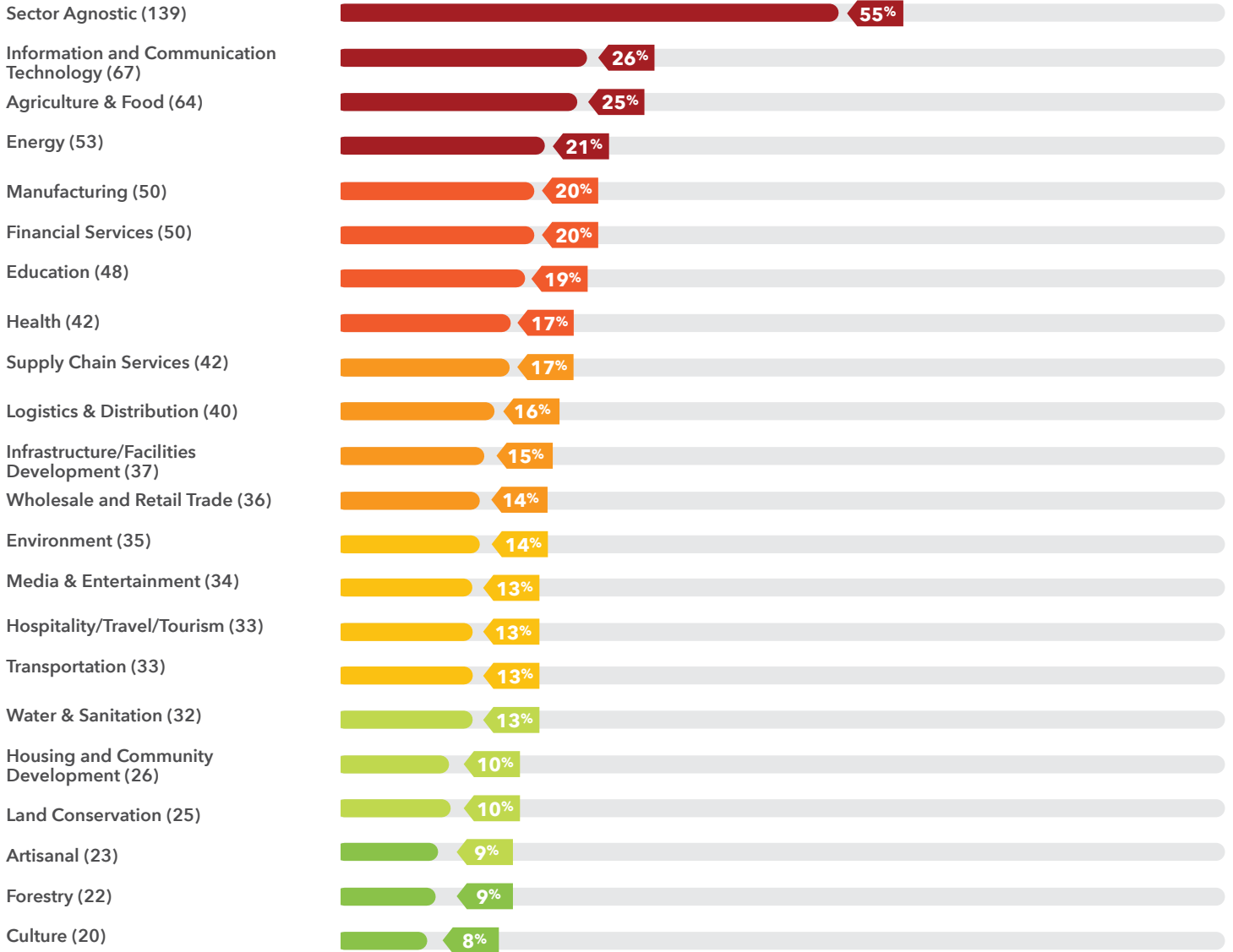
n=219

## Nonfinancial Support Delivery Mechanism



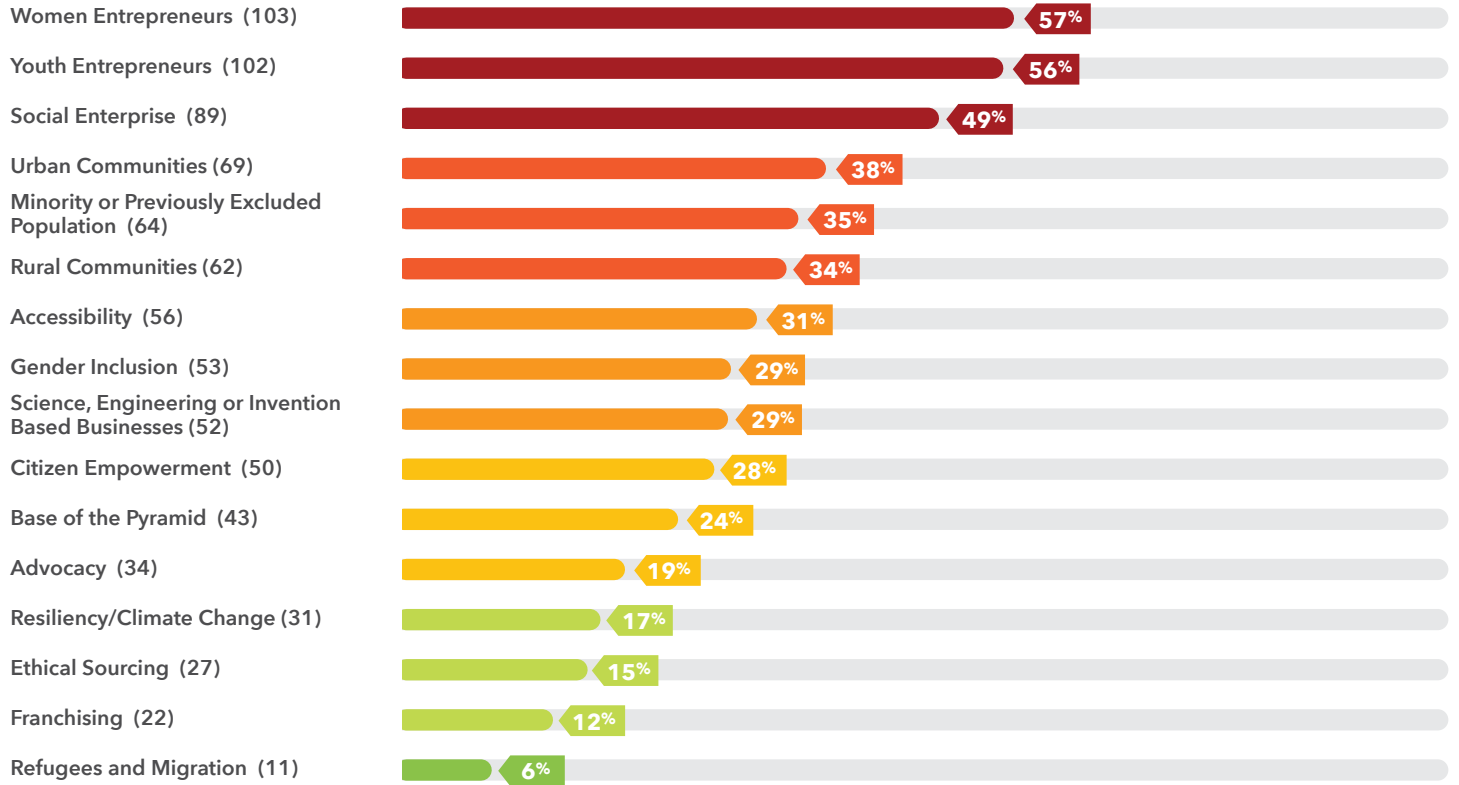
n=217

## Sectors of Focus



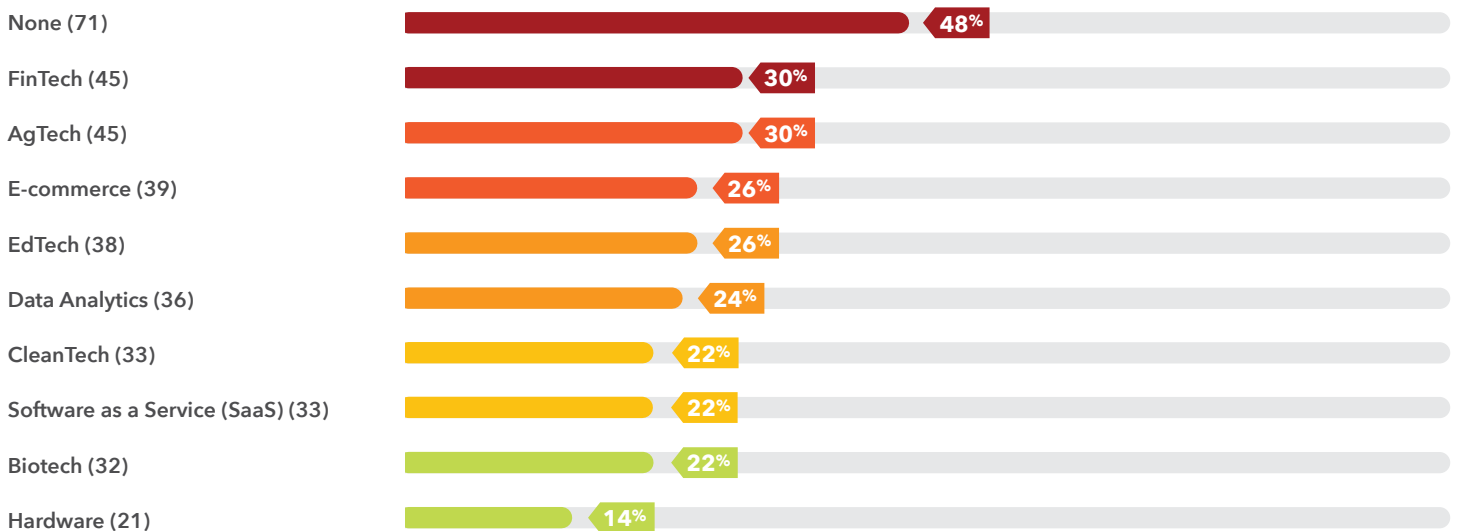
n=254

## Stakeholder or Business Model Focus



n=181

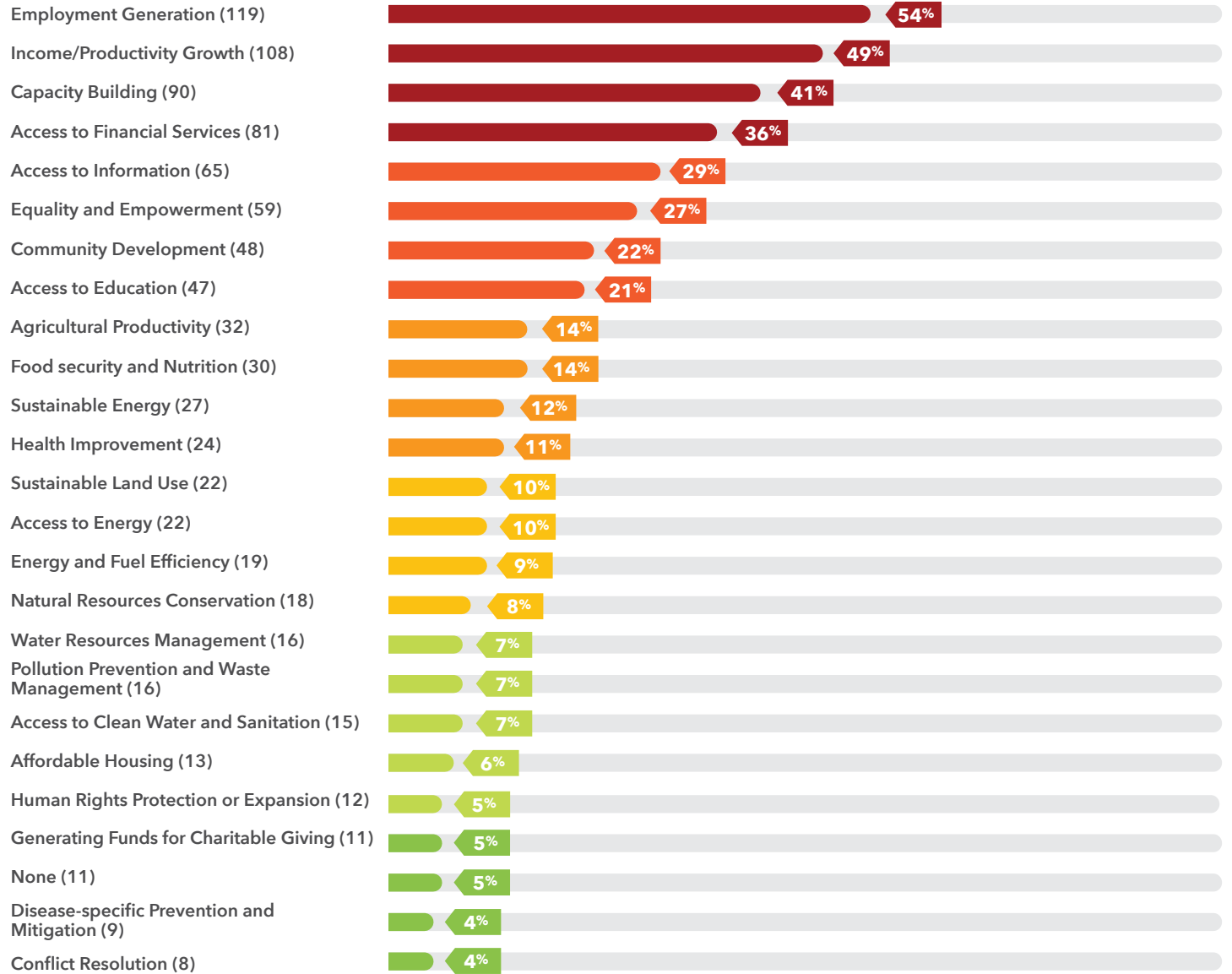
## Verticals



n=148



## Impact Objective








n=222

# STAGES OF SUPPORT

## KINDS OF SUPPORT



## Academic Institution



















	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Anzisha Prize (African Leadership Academy)					
Centre for Development and Enterprise					
Da Vinci Institute					
Entrepreneurship Development Academy (Gordon Institute of Business Science (GIBS))					
GetSmarter					
OSA Ecosystem					
Regenesys Business School (No stage information available)					
The Generator Plus Program (Wits Enterprise)					
Tshimologong: Digital Innovation Precinct (Tshimologong)					
University of Johannesburg's College of Business and Economics (University of Johannesburg)					

**KINDS OF SUPPORT**

- EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 















**Bank or Financial Institution**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 	
Absa Enterprise Development (Absa)						
Deutsche Bank South Africa's Entrepreneurship Centre (Deutsche Bank South Africa)						
Inyosi Enterprise and Supplier Development (Inyosi Empowerment)						
Merchant Capital						
Nedbank Enterprise Development (Nedbank)						
Old Mutual						 
Royal Fields Enterprise Development Programme (Royal Fields Finance)						
SME Toolkit Online Resource for SMEs (Business Partners Limited)						
Spartan SME Growth Finance (Spartan SME Finance)						
Thundafund Crowdfunding Platform (Thundafund Pty Ltd)						
Uprise Africa						 

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 






 **Capacity Development Provider**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 	
A-Game Business Blueprint (A-Game Business Consulting)						
Acceleration Services (IM IN Accelerator)						
Access to Markets Workshop (YIEDI (Pty) Ltd)						
African Women in Agriculture (Intellectap)						
ASISA Enterprise and Supplier Development Fund					   	
Athari Consulting and Advisory						
Aurik Business Accelerator and Business Growth Funding (Aurik Business Accelerator)						 
Awethu Project Incubator						
BizCre8 (Sophiatown The Mix)						
Black Umbrellas Incubation Programme (Black Umbrellas NPC)						
Business Elevator for Acceleration (SA Business Hub (Pty) Ltd)						
Business Mentorship and Market Access (Smile Business Creation)						
Climate Innovation Centre South Africa (The Innovation Hub)						
Columba Values Based Leadership Programme (Columba Leadership)						
Creative Enterprises Hub Development Programme (Creative Business Cup   Creative Enterprises Hub)						

**KINDS OF SUPPORT**









**Capacity Development Provider**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Digify Africa (Livity Africa)					
Duke Innovation and Growth Master Class (AMSCO)					
Duke Strategic Thinking Masterclass (AMSCO)					
Emerging Public Leaders (Global Development Incubator)					
Endeavor South Africa (Endeavor)					
Enterprise and Supplier Development (Pillars Business Advisory)					
Enterprise and Supplier Development Programme (Property Point)					
Enterprise Programme (Junior Achievement South Africa)					
Enterpriseroom Customised SME Support Model (Enterpriseroom)					
Entrepreneurial Support / Female Developer Programmes (Jozihub)					
EXCEED (Thuthuka Ltd)					
EY Ripples (EY)					
Financial Literacy Training (It's A Breeze Ltd)					
Flames Financial Literacy and Micro Enterprise (Driven Entrepreneurs)					
Food Technology Incubation Programme (Bakery and Food Technology Incubator of South Africa)					

**KINDS OF SUPPORT**










**Capacity Development Provider**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Game-Changer for Girls (Side by Side South Africa)					
GE Health Series (Intellectap)					
GoSustainable Eco-Inclusive Training and Mentorship Model (Pillars Business Advisory)					
Government Capacity Building and Support (PACT)					
Green Economy SMMEs and Start-ups (Sophiatown BizCre8)					
Green Entrepreneurship Support Programme Southern Africa (Hivos)					
Groundswell (Fetola)					
Grow Your Business Programme, Empowering Entrepreneurs Programme (African Management Initiative)					
Hitachi Entrepreneur Programme (Think Room)					
Hub@Goethe (Goethe-Institut Johannesburg)					
IgnitorED Lean Startup and Entrepreneur Development Bootcamps (IgnitorED)					
Impact Hub					
Impact Management and Measurement Course (AMSCO)					
Injini					
ISF Advisors (Global Development Incubator)					

**KINDS OF SUPPORT**

- EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 

 **Capacity Development Provider**






IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Jewellery Manufacturing Training (Ekurhuleni Jewellery Project)				
JoziHub Co-creation Space (Jozihub)				
Justice Accelerator (The Hague Institute for Innovation of Law Grant)				
Khula Business Group (Pty) Ltd (No stage information available)				
KYB Early Childhood Development Enterprise Incubator (Pty) Ltd				
LEAP BDS Support Services (Lean Enterprise Accelerator Programmes)				
Lepharo (Seda Ekurhuleni Base Metals Incubators T/A Lepharo)				
ManualMakers CC				
Membership Network (Venture Network)				
Mentorship Programme (National Mentorship Movement)				
Micro Franchisor Development Program (Business Doctors Midrand)				
My Growth Fund				
Mzansi Creative Hub Development Programme (Mzansi Creative Hub)				
NGM Hybrid incubation Programme (New Generation Mindset)				
Novation Now (Pty) Ltd				

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 



**Capacity Development Provider**







	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
OPEN Workspaces (OPEN)					
Orange Corners Start-Up Hub (Orange Corners)					
Personal Development Programme (The Experience Factory)					
Professional Services To The SMME Market (The Why Effect)					
Reddin 3D Effective Managerial Training (AMSCO)					
Residency Programme (GEN Africa - 22 on Sloane)					
RIH Business Growth and Development Support (Riversands Incubation Hub)					
SAB KickStart Boost Programme (TechnoServe Inc.)					
SAICA Enterprise Development Programme (SAICA ED)					
Sanedi Sunref (Enclude)					
SEDA Automotive Technology Centre (SATeC) (Small Enterprise Development Agency)					
SEDA Incubation Program (GrowthWheel South Africa (Pty) Ltd)					
Seed Academy					
Seed Fund, Incubation, Open IX, Inno8te (The Innovation Hub)					
Socionext Social Innovation & Entrepreneurship Acceleration Programme (Socionext)					



**KINDS OF SUPPORT**













**Capacity Development Provider**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Spark*					
Street Founders (Street Business School)					
Sw7 Accelerate (Sw7)					
T System ESD Programme (Business Doctors)					
Telehealth and Telemedicine Projects (Mamlakah Technology Foundation)					
Televised Entrepreneur Bootcamp and Competition (Ignitor)					
The Box Shop (TechnoServe Inc.)					
The Difference Makers Earth Angels (The Difference Makers)					
The Innovation Hub Management (GrowthWheel South Africa (Pty) Ltd)					
Tholoana Programme Funded by SAB Foundation (Fetola)					
THUD Monthly Entrepreneur Networking Events (THUD)					
TMARA					
UK DIT Global Entrepreneur					
University of Pretoria Business Incubator					
Urban Agriculture Incubator (Urban Agriculture Initiative)					

**KINDS OF SUPPORT**

- EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 






 **Capacity Development Provider**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
WEConnect International in South Africa					
Young Enterprise Scale-UP (YES) Programme (HYBR)					
Youth Employment Service					
Youth Enterprise Development Programme (Junior Achievement South Africa)					
Zevoli Youth Empowerment Programme (Zevoli Consulting)					

**KINDS OF SUPPORT**



**Corporation or Corporate Foundation**











IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
African Greeneurs (Enterprising Africa Regional Network)				
African Technopreneurs (Enterprising Africa Regional Network)				
Business Entrepreneurship & Franchise Expo (Eskom)				
Business Investment Competition (Eskom)				
Business Process Mechanics				
Deshun Deyssel & Associates				
Discovery Enterprise Development (Discovery ESD)				
EARN Biz Support (Enterprising Africa Regional Network)				
Elevation (Elevation Holdings)				
Emzingo Group				
En-novate				
Engen Pitch & Polish (Engen Petroleum)				
Enterprise and Supplier Development (General Electric)				
Everest Transaction Advisory Services & Contract Funding (Everest Ventures)				
Global African Agribusiness Accelerator Platform (Africa Business Group)				

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 











**Corporation or Corporate Foundation**

IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
HackTheWorld (AB InBev)	[Support bar]			
Harvest Time Investments (AFGRI)	[Support bar]			
Ideation Validation Creation (IVC) (Allan Gray Orbis Foundation)	[Support bar]			
KasiHive #OpenCampus (Diepsloot Kasi Hive)	[Support bar]			
Liberty Blue Skies ESD Programme	[Support bar]			
Match and Invest Platform (SA Innovation Summit)		[Support bar]		
Mesh Club	[Support bar]			
Mintor			[Support bar]	
mLab Southern Africa	[Support bar]			
PPC Ntsika Fund (PPC)	[Support bar]			 
Praekelt.org (No stage information available)				
PwC			[Support bar]	
Raizcorp Entrepreneurial Development Programmes (Raizcorp)	[Support bar]			
Red Bull Amaphiko Academy (Redbull Amaphiko)	[Support bar]			
Sappi Project Grow (Sappi)	[Support bar]			

**KINDS OF SUPPORT**



**Corporation or Corporate Foundation**











	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Shared Business Services (Start My Startup)		[Bar from Start Up to Early]			
Smart Procurement World / Enterprise & Supplier Development Expo (Smart Procurement)				[Bar from Growth to Mature]	
SME Snapshot		[Bar from Start Up to Early]			
Standard Bank Incubator (Standard Bank of South Africa)	[Bar from Idea to Start Up]				
Telkom Future Makers (Telkom)	[Bar from Start Up to Growth]				
The Business Place		[Bar from Start Up to Growth]			
Thundamental		[Bar from Start Up to Early]			
Tiger Brands Small Holder Farmer Programme (Tiger Brands)		[Bar from Start Up to Early]			
Zimele Community Fund (Anglo American)		[Bar from Start Up to Growth]			

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 



**Development Finance Institution or Donor Agency**






	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
COSY (British Council)	[Green bar]				
EIB SME and MIDCAPS Fund (Industrial Development Corporation)			[Orange bar]		
Gro-E Youth Scheme (Industrial Development Corporation)		[Green bar]		[Orange bar]	
Intuthuko and uMaStandi Empowerment Fund (TUHF Ltd)	[Green bar]				
National Youth Development Agency	[Green bar]			[Orange bar]	
Pitching Booster Campaign (Gauteng Enterprise Propeller)	[Green bar]				
Technology Venture Capital Programme (Industrial Development Corporation)		[Green bar]			
Tjala Impact Fund (Kagiso Trust)			[Orange bar]		
uMnotho Fund (National Empowerment Fund)	[Green bar]			[Orange bar]	
XL Africa (The World Bank)		[Green bar]			
Youth Pipeline Development Programme (Industrial Development Corporation)		[Green bar]		[Orange bar]	

**KINDS OF SUPPORT**

- EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 



**Foundation**

<b>IDEA</b> 	<b>START UP</b> 	<b>EARLY</b> 	<b>GROWTH</b> 	<b>MATURE</b> 
Biofuels Business Incubator NPC				
Citi Foundation				
Raymond Ackerman Academy of Entrepreneurial Development				
Technology Enablement (The Wot-If? Trust)				
Young Entrepreneurs Foundation (Young Entrepreneurs)				





## KINDS OF SUPPORT

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 



## Investor



















	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 	
10xe (Edge Growth)						
AccelerateHer - Women Training & Development Programme (WDB Growth Fund)						
Alitheia IDF Fund						
AlphaCode Programme (AlphaCode)						
Angel Network (Jozi Angels)						
Ashburton Credit Enhanced Fund (Ashburton Investments)						
Black Swan Investments						
Caban Investments						
Convergence Partners						
CRE Venture Capital						
Credit Guarantees (Them bani International/Shared Interest)						
CrossBoundary Investment Facilitation (CrossBoundary)						
E2 Elevator 3.0 (E squared)						
Ethos Private Equity (Ethos Capital)						
Field Partnerships and Direct to Social Enterprise Funding (Kiva)						

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 



**Investor**



















	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Fund (Newtown Partners)					
Fund of Fund (SA SME Fund)					
Grindstone 4 (Knife Capital)					
GroFin SGB Fund (GroFin)					
HAVAIC					
Hivos Food & Lifestyle Fund (Hivos Impact Investments)					
Horizon Equity Partners					
Impact Fund at Pearl Ventures (Pearl Ventures)					
Invenfin Venture Capital (Invenfin)					
Kalon Venture Partners					
Kgatelopele Private Equity and Venture Capital					
Kingson Capital Venture Capital Fund (Kingson Capital)					
KNF Ventures (Knife Capital)					
LifeCo UnLtd Enterprizer Network (LifeCo UnLtd SA)					
Louw & Company					

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 








**Investor**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Montegray Capital					
Nesa Enterprise Development Fund (Nesa Capital)					
RainFin					
Sanari Capital (No stage information available)					
Secha Capital - Investment and Operational Support (Secha Capital Partners)					
Seedstars South Africa (Entrepreneur Traction)					 
Silvertree Internet Holdings					
Simanye Trust (Simanye)					 
StartMe					
TriVest					
Venture Capital & Growth Equity (VaalbaraVC)					 
Vumela (Edge Growth)					

**KINDS OF SUPPORT**



**Media Organization**






	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Bandwidth Blog					
Disrupt Africa					
Enterprise & Supplier Development Expo (Smart Procurement)					
Entrepreneur Mag					
Fairlady Santam Women of the Future (Fairlady) (No stage information available)					
Fin24 (No stage information available)					
HTXT Media (Pty) Ltd					
Moneyweb (No stage information available)					
MyBroadband (No stage information available)					
SME South Africa Entrepreneurship Survey (SME South Africa)					
TechCentral (No stage information available)					

**KINDS OF SUPPORT**

EQUITY  QUASI-EQUITY  DEBT  GRANT  GUARANTEES 



**Research or Advisory Service Provider**








	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
Accelerated Business Development Programme (Datacomb)			[Growth/Early]		
Dalberg Global Development Advisors			[Growth/Early]		
EPI Business Development Practitioner Support and Research (Entrepreneurial Planning Institute)	[Idea/Start Up/Early/Growth/Mature]				
Greenthings Projects Izindaba Zokudla (Greenthings Projects)				[Growth]	
Impact Advisory Services (AMSCO GreaterImpact)			[Growth/Early]		
Impact Evaluation Program (Impact Economix)		[Start Up/Early/Growth]			
Monitor Deloitte				[Growth]	
Monitoring and Evaluation Analytics Platform (Catalyst for Growth)		[Start Up/Early/Growth/Mature]			
SA Business Plan	[Idea/Start Up/Early/Growth/Mature]				
SBP				[Growth]	
SEED		[Start Up/Early/Growth]			
SME Research (Osiba Holdings)	[Idea/Start Up/Early/Growth/Mature]				
SMME Recruitment Program (Harambee)		[Start Up/Early/Growth/Mature]			
Tushiyah Advisory Services	[Idea/Start Up/Early/Growth/Mature]				
Uzenzele Capital Raising Services (Uzenzele)				[Growth]	

**KINDS OF SUPPORT**

- EQUITY 
 QUASI-EQUITY 
 DEBT 
 GRANT 
 GUARANTEES 








**Research or Advisory Service Provider**

<b>IDEA</b> 	<b>START UP</b> 	<b>EARLY</b> 	<b>GROWTH</b> 	<b>MATURE</b> 
Venture Finance in Africa (Venture Capital for Africa (VC4A))				
				
Z.A.ZEN Consulting and Entrepreneurship Research (Z.A.ZEN Consulting (Pty) Ltd)				
				

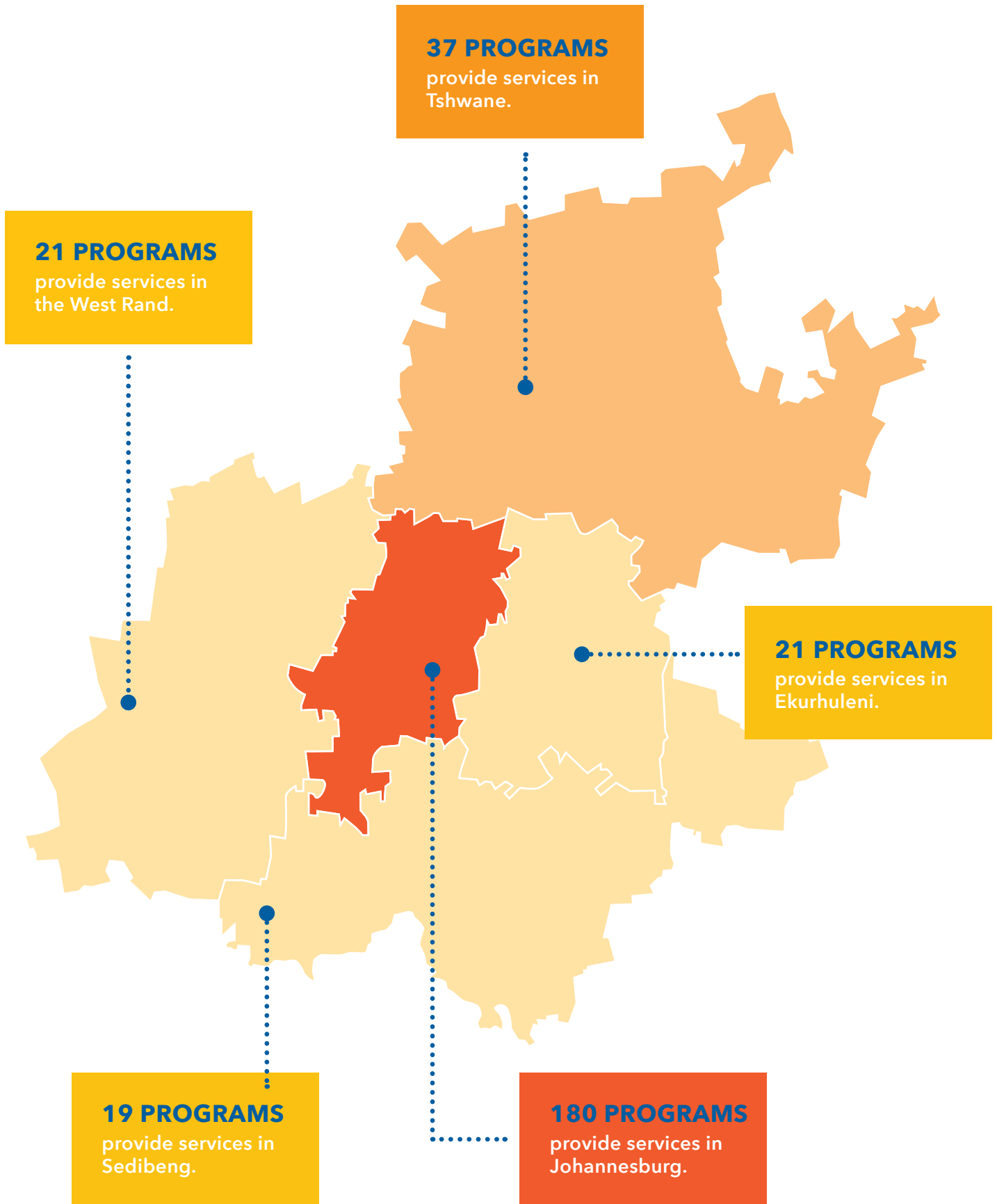
**KINDS OF SUPPORT**



**Sector Association**

	IDEA 	START UP 	EARLY 	GROWTH 	MATURE 
African Crowdfunding Association (African Crowdfunding Association)					
Business Incubation and Skills Development in Furniture (Furntech)					
Business Unity South Africa (BUSA)					
Institute of Business Advisors Southern Africa (IBASA)					
LeaderX (SiMODiSA)					
Lionesses of Africa Digital Accelerator Programme (Lionesses of Africa)					
SME Movement					
Social Entrepreneurship Fellowship and Leadership Development (Echoing Green) (No stage information available)					
South African Business Angel Network					
Southern African Business and Technology Incubation Association (SABTIA)					
Southern African Venture Capital and Private Equity Association (SAVCA)					
The South African Innovation Network (SAINe)					
Venture Central (SiMODiSA Start Up)					

# MAP





# CHALLENGES AND OPPORTUNITIES

## CHALLENGES

### in the Gauteng Entrepreneurial Ecosystem

Over 60% of programs have offices and/or staff in the more affluent suburbs of Gauteng. Less than 13% of programs have a physical presence in the more impoverished and low income rural and informal settlements

There is a shortage of funds that make investments into other funds which invest in the growth of SGBs. This contributes to a shortage of seed- and early-stage funding for SGBs and hinders support for entrepreneurs at the ideation stage.

Anecdotal evidence suggests that there is a shortage of skilled or experienced candidates applying for jobs at entrepreneur support organizations. Current program practitioners in the sector often lack the necessary professional skills to help aspiring entrepreneurs not only develop their businesses, but also overcome personal challenges that may affect their entrepreneurial success.

The ability of ecosystem players to make informed decisions and fill the most critical gaps is limited by the shortage of robust local ecosystem research and siloed approaches.

A lack of agreed upon, commonly used definitions and language in the ecosystem causes confusion for intermediaries and entrepreneurs.

SGBs in the supply chains of government entities and corporations often wait well over 30 days for invoice payments. This negatively affects the businesses' cashflow and limits their ability to access opportunities for growth ([Anderson, 2018](#)).

## OPPORTUNITIES

### in the Gauteng Entrepreneurial Ecosystem

The government is committed to the entrepreneurship agenda. Support programs include Gauteng's Growth and Development Strategy (GDS), Gauteng Township Economy Revitalisation Strategy, the National Development Plan (NDP) and the Youth Employment Service (YES) program. The Department of Small Business Development also has a number of support programmes.

An active yet fragmented Gauteng entrepreneurial ecosystem lends itself to a better coordinated provincial strategy with targeted roles, effective partnerships, and collaboration.

The majority of corporations in South Africa are headquartered in Gauteng and are equally committed to small business development through the SA SME Fund—a fund of funds to support the growth of high-potential businesses that will positively impact economic growth.

Venture Capital Companies (VCC's) in Gauteng are on the rise, which is influenced by Section 12J, a tax incentive for VCC's introduced by the government. This is encouraging to early stage businesses needing to unlock financial support.

Few investors identify as impact investors in Gauteng. Enterprise development, corporate social investment and philanthropy offer opportunities to de-risk early stage investments. Impact enterprises can take the pressure off the public sector by providing goods and services.

Examples of public private partnerships have shown the potential that innovative finance mechanisms, such as guarantees for entrepreneurs who lack capital and capacity, can offer to unlock support for early stage entrepreneurs.

Gauteng is the most developed province in South Africa but suffers from disparities of support between wealthier and poorer suburbs. There is a gap in the market for ecosystem players that are interested in investing in infrastructure improvements in underserved areas, such as shared workspaces, internet access, and incubation hubs.

# RECOMMENDATIONS



## COLLABORATION

Actors in the Gauteng entrepreneurial ecosystem need to be more aligned with one another and with larger national economic objectives. Greater collaboration will reduce fragmentation and the number of players operating in silos, thereby creating a more effective network.

## PIPELINE

There is an increased need for platforms that successfully match entrepreneurs to relevant support, opportunities, and investments. This would expose entrepreneurs to development programs that are best-suited to their needs and minimize the likelihood of entrepreneurs hopping from one entrepreneurship development program to the next.

## RESEARCH AND INFORMATION SHARING

There is an increased need for more data, entrepreneurship education, and research in the ecosystem on what works and what does not. To achieve this, entrepreneurship development practitioners need to conduct measurement and evaluation practices in their daily tasks. This will provide the ecosystem with robust information and a better understanding of each other and lay the groundwork for a shared research agenda.

## ACCESS TO FUNDING FOR EARLY STAGE ENTREPRENEURS

More early stage risk capital should be made available to aspiring entrepreneurs in the ideation and early stages to develop their business ideas into commercially viable products. This will encourage more innovative and opportunity driven entrepreneurship. It would also ensure a more inclusive environment for entrepreneurs from more vulnerable populations in South Africa, including women and youth.

## BREAKING MARKET BARRIERS FOR VULNERABLE ENTREPRENEURS

Most support programs have their offices in the plush suburbs of Gauteng. This increases barriers to market access for entrepreneurs in rural and township areas. Increasing programs' physical presence in rural and township areas will help more vulnerable and aspiring entrepreneurs access support more easily.



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