

DAKU GROUP



The Fraud and Ethics Hotline reporting platforms are: 0800 072 448 or seda@thehotline.co.za

THE ANNUAL CONSTRUCTION SUMMIT

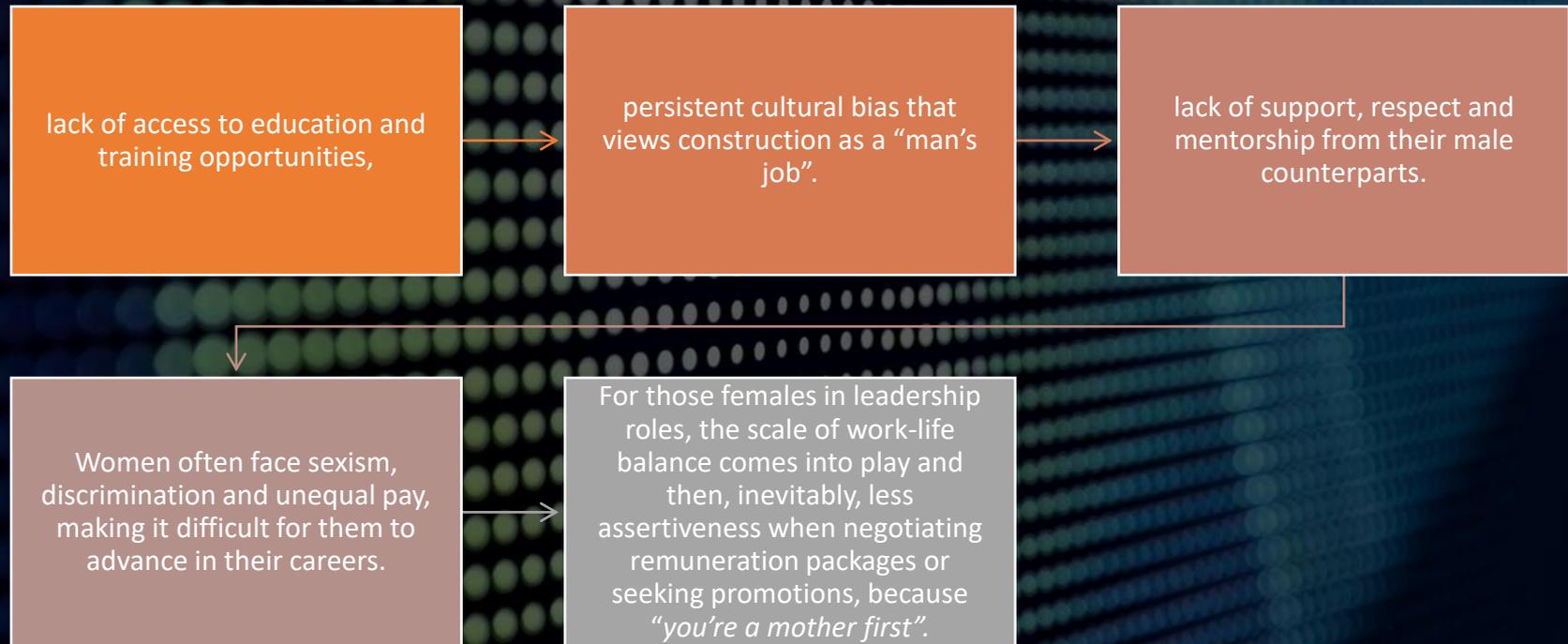
26 March 2024 ELICC

Presentation by XOLISWA DAKU

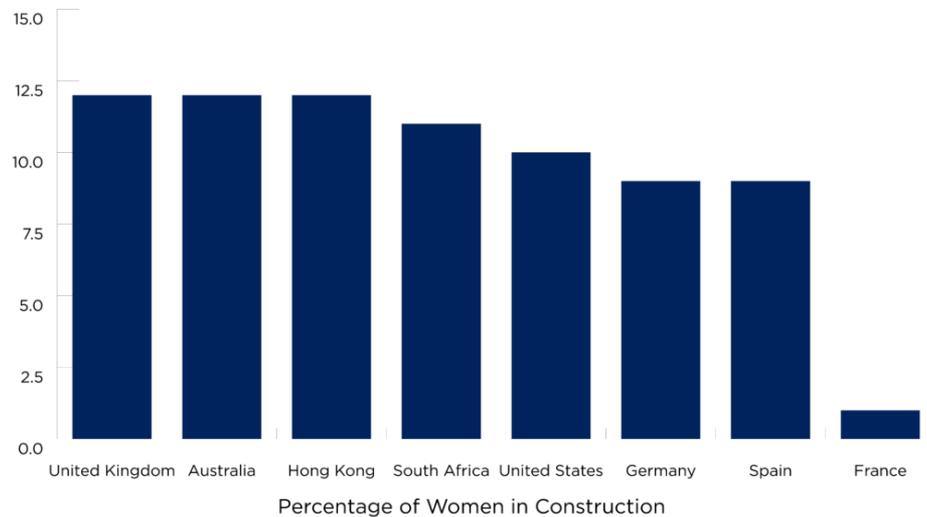
CHAIRPERSON : SEDA

CEO : DAKU GROUP OF COMPANIES

Well know disparity for women in construction



The Global Picture

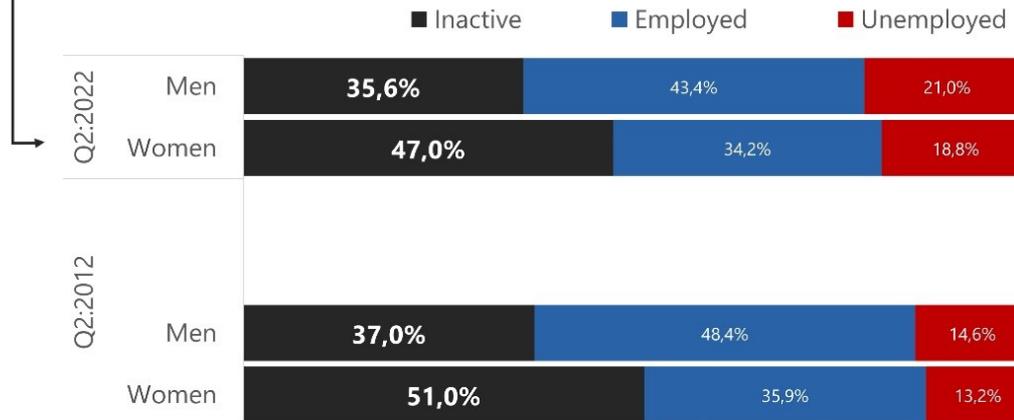


The UK's efforts to create a more diverse and inclusive construction sector are steadily shifting the needle. Several government initiatives such as the **Women in Construction program**, and industry partnerships such as **Women in Property** and the **Women's Engineering Society**, are a few of the contributors to creating the change that is so desperately needed.

STATS SA

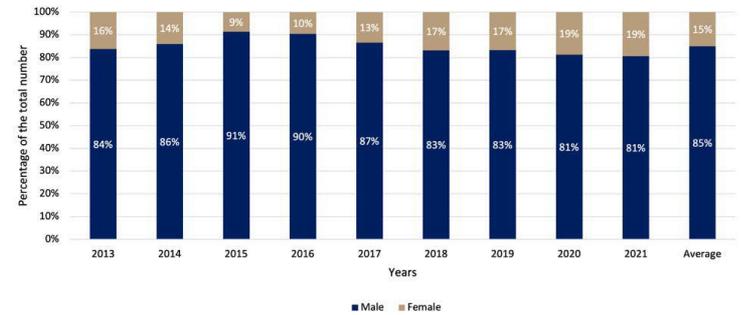
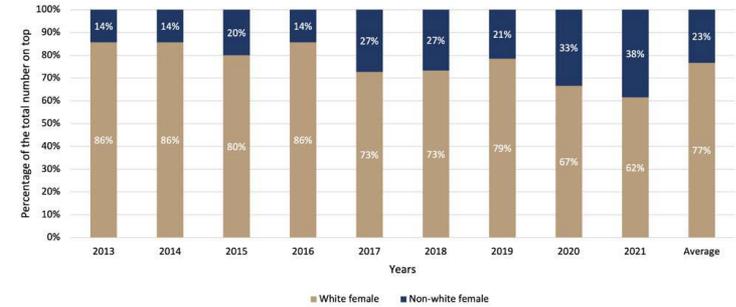
In 2022, **47,0%** of South African women were recorded as **economically inactive**.

Distribution of working age population by main economic status and sex, 2012 and 2022



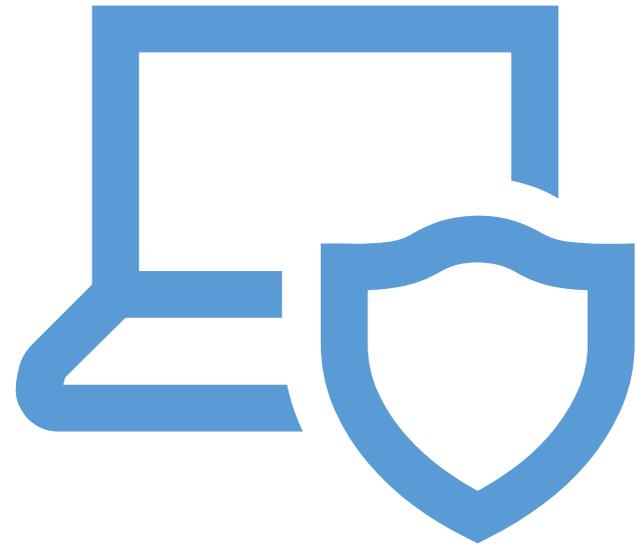
Executive directors in the SA REIT sector from 2013 to 2021, Male vs Female

WPN Study



Value of Public & Public Partnership

- In PPPs, a public service is funded and managed through partnership of government & the private sector.
- PPPs provide long-term arrangements.
- Fair allocation of risks & resources is crucial for successful PPPs.
- PPP is an approach adopted to enhance the economic value of infrastructure outputs.
- The NDP in SA states that infrastructure investment as a percentage of GDP needs to grow from 21% (2015) to 30% by 2030.
- MEGA PROJECTS KEY for Job creation and Economic Growth





Best Practice: 2,1 Billion Completed

WOODSTOCK STATION AFFORDABLE (GAP) HOUSING DEVELOPMENT

Estimated value: R241million



Estimated value: R658million



ST PAULS MIXED USE DEVELOPMENT

Estimated value: R144million



Estimated value: R272million



GREAT KEI KOMGA MIXED USE DEVELOPMENT

Estimated value: R270million



LATIMER'S LANDING MIXED USE DEVELOPMENT

Estimated value: R27,9million



Estimated value: R220million



CIDB STATS

Women Owned by Province - All Provinces

Grade: All Grades
as at: 25 March 2024

Region	Total	Women Owned	% of Total
	0	0	0.00
Eastern Cape	7 048	1 798	25.51
Foreign	2	0	0.00
Free State	2 912	553	18.99
Gauteng	13 263	2 786	21.01
KwaZulu-Natal	13 874	3 108	22.40
Limpopo	5 200	1 015	19.52
Mpumalanga	4 199	1 025	24.41
None	9	2	22.22
North West	3 861	619	16.03
Northern Cape	2 108	160	7.59
Western Cape	2 654	668	25.17
Total	55 130	11 734	21.28

Women Owned by Grading - All Provinces

Grade: All Grades
as at: 25 March 2024

Designation	Total	Women Owned	% of Total
1	35 587	8 188	23.01
2	5 366	1 044	19.46
3	2 717	466	17.15
4	3 575	678	18.97
5	1 950	341	17.49
6	2 651	477	17.99
7	1 951	318	16.30
8	988	166	16.80
9	345	56	16.23
Total	55 130	11 734	21.28

CIDB Says:

- enterprise factors which often take time to grow and develop, including:
 - financial resources, management skills, and technical capabilities.
 - Other factors such as construction experience, as well as process maturity (business and construction processes) are also relevant for growth.

Women Owned by Province - All Provinces

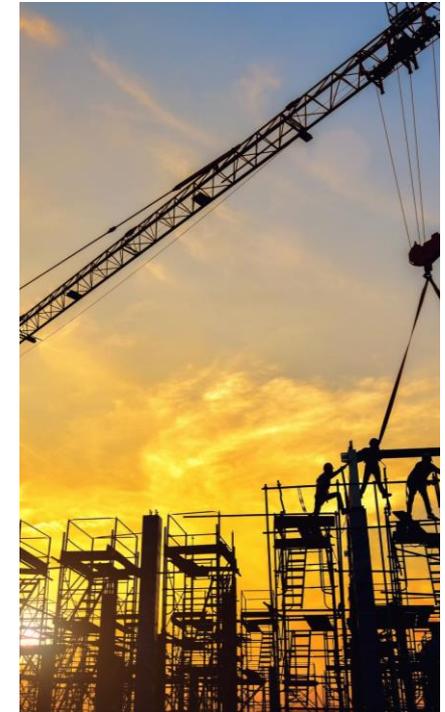
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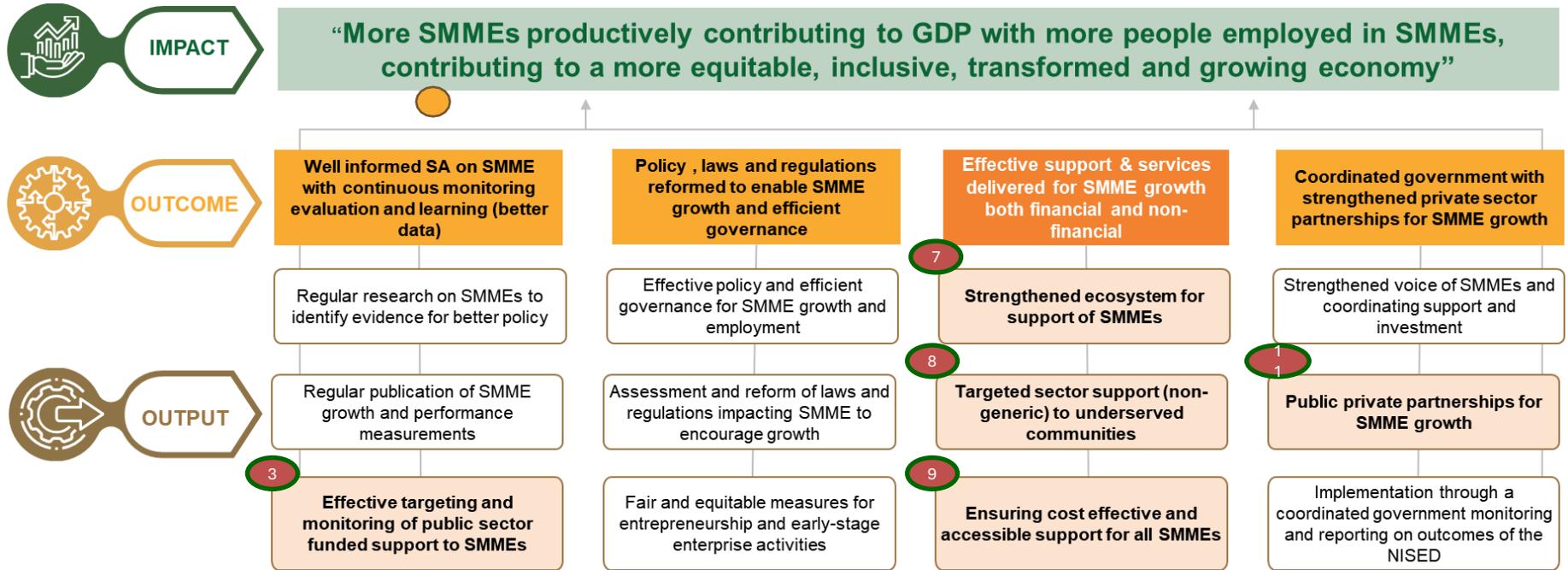
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NISED Strategic Framework



DISTRICT ECOSYSTEM DEVELOPMENT FACILITATION

SEDFA Mandate

Agency's powers and functions

13. In the exercise of its powers and the performance of its functions to manage the business and affairs of the Agency, the Board must, subject to section 11—

- | | |
|---|----|
| (a) implement the policy of the national government for small enterprise development inclusive of both financial and non-financial support | 25 |
| (b) design and implement a standard national delivery network that must uniformly apply throughout the Republic in respect of small enterprise development; | 30 |
| (c) design and implement small enterprise development support programmes in order to— | |
| (i) facilitate the building of sustainable and competitive small enterprises; | |
| (ii) facilitate the promotion of entrepreneurship; | 35 |
| (iii) facilitate the provision of financial and non-financial resources, capacity-building services, products and services; | 40 |
| (v) promote participation of historically disadvantaged persons in small enterprises; | |
| (vi) facilitate international and national market access for products and services of small enterprises; | |
| (vii) foster partnerships across all spheres of government, the private sector and relevant stakeholders to assist the Agency to achieve its objectives; | 45 |
| (viii) promote a service delivery network to facilitate access and outreach to development support for small enterprises; | |
| (ix) facilitate and co-ordinate research relating to small enterprise support programmes; | 50 |
| (x) provide support in the implementation of the Small Enterprise Development Policy; | |
| (xi) co-operate with, and assist, including through providing | |

Branches - 53
Incubators - 96
Colocations - 81



Challenges

1. Business Support - fragmented and uncoordinated, lacks collaboration and is missing a team approach.
2. Coordination between 3 spheres of government – not satisfactory (double dipping and grant hunting)
3. A lack of transparency and Information sharing between business development providers - waste of time, money and other resources resulting in smaller impact
4. Limitations of the current Seda and sefa delivery models

District Ecosystem Development Facilitation Model (DEF)

Initially implemented in 2019/20, it aims to **support the implementation of a new approach that will support a concerted effort to build start-up ecosystems in at least 44 District municipalities across the country** in the next 5 years – and in so doing, transform the way small business support is delivered.

BDS ecosystems will coordinate and facilitate the development of start-ups by encouraging entrepreneurship, new business ideas, business models, innovative technologies and scalable concepts and developing those into new sustainable and profitable long-term businesses.

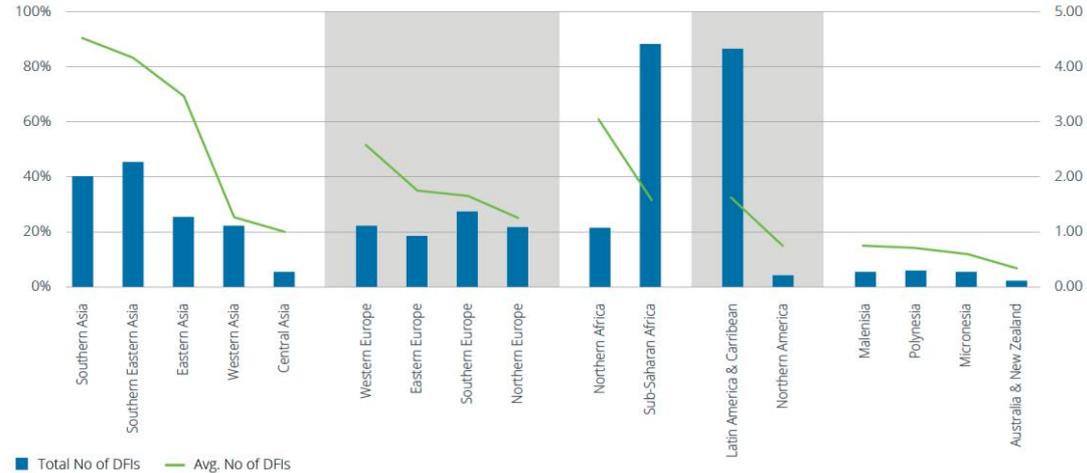
This new approach aims to **align with the draft Incubator and Business Development Services Policy (DSBD)** and District Development Model, and to the priorities of the 6th Administration as expressed in the DSBD's SMME Master Plan.

STRATEGIC CHOICES TO BUILD A SUSTAINABLE SERVICE DELIVERY MODEL

Reference: Development Financial Institutions - Strategic choices to build a sustainable operating model (Deloitte, 2021)

Context:

- There are more than 500 National Public DFIs in the world, serving as specialised institutions aimed at fulfilling policy objectives of providing finance to market segments that are unlikely to be funded by the commercial financial sector.
- DFIs have emerged as a source of finance and preferred vehicles to deliver financial stimulus support provided by the governments to support struggling industries, invest in necessary infrastructure and lead the way out of a recession. This has brought into focus the importance of well-functioning DFIs to the overall economic development of economies.
- Due to their importance, developed and developing countries are establishing more DFIs.
- The figure shows that Sub-Saharan Africa has the highest average number of national DFIs (total number of DFIs divided by the number of countries in the region).



Source : Mapping Development Finance Institutions Worldwide: Definitions, Rationales, and Varieties. Jiajun Xu, Xiaomeng Ren, and Xinyue Wu

- Key intervention areas of DFIs across economies includes large infrastructure projects, **SME financing**, **trade financing**, agriculture, housing, etc.
- Due to the different operational nature of these DFIs and more importantly, risk-intensive sectors they operate in, it is **imperative that the DFIs achieve the optimum balance of effectively addressing a policy objective while being operationally sustainable.**

Should not plan that from the onset (baseline scenario), the merged entity is projected to be loss making, with little impact different to the current.

The merged entity will be facilitated and enabled by legislation



Given the policy mandate as well as the identified needs of the sector, **the primary functions of SEDFA:**

FINANCIAL

1. Capital and fund-raising (Medium Term)
2. Provision of financial support (loans and grants), on a wholesale basis through the ecosystem
3. Provision of financial support (loans) on direct (retail) basis
4. Provision of credit-enhancement (e.g., Guarantees), through the ecosystem

NON- FINANCIAL

1. Provision of business development services, directly and through the ecosystem
2. Provision of market-access support
3. Incubation services and facilities, directly and through the ecosystem
4. Support and capacity building to ecosystem intermediaries

Management of a national small business platform / portal (case- management system) | Monitoring and Reporting

These functions require the following to be in place:

- **A focused, well-capacitated entity with national reach;**
- **A degree of independence** to make funding decisions and separation from direct political influence, i.e., integrity of lending and ability to collect;
- **Ability to leverage its balance sheet and access multiple sources of funding** (including loans and grants) to significantly scale-up operations and meet a clear developmental agenda; and
- **Ability to attract and retain the requisite specialist skills**, especially in respect of finance and SMME finance products.

*Note: These functions and objectives may not be exhaustive, but they do **suggest that corporate forms located outside of the public service and within the public sector would be the appropriate choice.***