

SPEECH DELIVERED BY SASSETA CEO ZONGEZILE BALOYI AT SOUTH AFRICAN POLICE SERVICES PRETORIA TRAINING INSTITUTION ON THE 5TH FEBRUARY 2010 ON THE OCCASION OF CELEBRATING THE SUCCESSFUL IMPLEMENTATION OF THE NEW VENTURE CREATION PROGRAMME.

**Programme Director
Divisional Commissioner Kruser
Assistant Commissioners
Senior Managers
Representatives from Madyatshamile Holdings
Invited Guests
Ladies and Gentlemen
Entrepreneurs within the NVC programme**

It gives me great pleasure to be part of this significant and historic milestone in acknowledging and celebrating the achievements of our entrepreneurs who have been part of the new venture creation project since it was formally launched at Potchefstroom, North West under the auspices of the South African Police Services, SASSETA and the respective training providers.

We indeed are demonstrating and showcasing that our entrepreneurs, who have been part of this New venture Creation Programme, have been learning business by doing business.

Entrepreneurship in South Africa

Entrepreneurial research indicates that South Africa's performance in international comparisons of entrepreneurial activity tends to be rather unsatisfactory. The most recent South African data show a considerable increase in entrepreneurial levels, but from a very low base. The 2008 figures show that almost eight in 100 adult South Africans own a business less than 3.5 years old. This is significantly behind other low to middle income countries, where, on average, 13 out of 100 adults are building new businesses. The GEM study also reports that only 2.3 percent of South Africans own businesses that have been established for over 3.5 years, indicating a high failure rate among start up businesses.

In a developing country like South Africa, Entrepreneurship performs a central role in the process of development and directly responds to major economic challenges with regard to unemployment, low economic activity, poverty and income inequalities. Most of our youth who have been recruited for this programme of New Venture Creation come from economically depressed surroundings and participation in this programme has fostered a vision amongst themselves to make a difference in their own communities.

National Skills Development Strategy Intentions

The National Skills Development Strategy (NSDS), specifically indicator 4.3 makes reference to the fact that by March 2010, at least 10 000 young people are trained and mentored to form sustainable new ventures and at least 70% of new ventures in operation 12 months after completion of the program.

The implementation of the New Venture Creation programme provides a mechanism enabling us to respond to the youth entrepreneurship skills development needs. All the stakeholders who have been involved in the planning of this programme strived

to ensure that the conceptualisation, design and implementation of this intervention addresses the entrepreneurial needs of the youth selected to participate in this programme.

We want to give the recipients of the NVC interventions the ability to face and take risks and turn their business ideas into feasible business ventures that will be value adding to our economy.

Skills development interventions must provide a foundational platform to support a sustainable youth entrepreneurship process that covers the following areas:

- Acquiring the motivation and competence needed to become an Entrepreneur
- Identification of the business opportunity
- Business planning competencies
- Access and mobilisation of the resources needed to begin a venture
- Introduction to market of goods and services
- Overall Management of the enterprise.

The young entrepreneurs who are here with us tonight to showcase their progress, have been highly exposed to demonstrate knowledge about the entrepreneurial business planning process and have been provided with the experience in developing and running their own business.

Our society at large must embrace all efforts aimed at promoting the culture of entrepreneurship amongst the young population of our country. The widespread awareness of entrepreneurship and its legitimacy must be vigorously pursued to ensure that entrepreneurship is deeply rooted in the national culture. We are placing our hope tonight on you as emerging entrepreneurs to become role models in order to inspire and motivate young people to consider entrepreneurship as an option.

Role of Government

The role of government is to provide an enabling policy, legal and regulatory environment for the development of businesses, and assist in the provision of basic infrastructure, education and information services.

The role of Government in the promotion of youth entrepreneurship in our society is also crucial and cannot be underestimated. Government Departments and agencies must collaborate in providing targeted and integrated support services to sustain business ventures and provide assistance such as:

- Access to Business Development Services
- Access to Finance for young entrepreneurs
- Integration of existing youth entrepreneurs into Government empowerment programmes and Sectorial BEE charters.
- Provision of non-finance support including training, technology and marketing services.

Role of Business

The role of organised business and the entire facets of the private sector is critical particularly in providing business wisdom to potential and aspirant young entrepreneurs who must be assisted in terms of business advice, networking, guidance, coaching and mentoring and sharing of expertise with young entrepreneurs.

Role of Community

Young entrepreneurs that we see today are products of communities. Local communities as consumers of services, have an obligation to support businesses of young people within their communities and use their community buying power to support the development of emerging businesses.

As young entrepreneurs, in your attempt to sustain your businesses, you will be confronted by many environmental challenges. You have to develop the necessary personal coping capacity to pull through and eliminate every barrier standing in your way to success. Hard work, perseverance, patience, commitment and learning become the necessary ingredients necessary to sustain you in pursuing your dreams.

We would like to take this opportunity to immensely thank the Training Division Team of the South African Police Services for the support and commitment you have demonstrated in ensuring that this programme becomes a success.

The training providers who have collaborated together in the delivery of this programme, your efforts and dedication are highly appreciated.

Thank you