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# Skills ecosystem mapping of MSMEs located within the Nkangala District Municipality

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## Abstract

This paper investigates the skills ecosystem supporting Micro, Small and Medium Enterprises (MSMEs) in the Nkangala District Municipality (NDM), Mpumalanga—a coal-dependent region at the forefront of South Africa's Just Energy Transition (JET). Using a systemic skills ecosystem framework, the study maps the horizontal (local networks), vertical (policy and institutional alignment), and mediation (coordination and leadership) dimensions that shape MSME development in the context of inclusive, low-carbon economic restructuring.

Based on 254 MSME interviews, 22 stakeholder interviews, and policy analysis, the research finds that MSMEs, while central to employment and economic diversification, are structurally excluded from JET-related opportunities. Most operate informally and rely on fragmented, survivalist strategies. Only 11% receive structured support, and 68% have never engaged with local training institutions, despite the presence of providers like Nkangala TVET College. Skills training offerings are often misaligned with MSME needs, and sector-specific opportunities in green industries—solar, recycling, sustainable agriculture—remain underdeveloped at the local level.

At the vertical level, there is strong policy vision at national and provincial levels for green industrialisation and skills development. However, municipal implementation is weak due to institutional fragmentation, capacity constraints, and misalignment between policy ambitions and

local realities. Mediation mechanisms to bridge these gaps are largely ineffective, and most MSMEs remain disconnected from the formal structures driving the JET.

A notable exception is Steve Tshwete Municipality, where catalytic interventions—such as the Steel Incubation Programme—demonstrate how proactive local leadership and public-private collaboration can strengthen MSME participation in green industrial value chains.

The study concludes that unlocking the transformative potential of MSMEs in South Africa's JET requires stronger ecosystem leadership, integrated skills planning, and locally grounded interventions that bridge top-down strategies with grassroots enterprise realities.

**Keywords:** Just Energy Transition; Skills Ecosystems; Local Economic Development; South Africa

**JEL Codes:** I25; J24; Q56

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## Résumé

Cet article examine l'écosystème de compétences soutenant les micro, petites et moyennes entreprises (MPME) dans la municipalité de district de Nkangala (NDM), dans la province du Mpumalanga — une région historiquement dépendante du charbon et aujourd'hui au cœur de la transition énergétique juste (TEJ) en Afrique du Sud. En mobilisant un cadre analytique fondé sur les dimensions horizontale (réseaux locaux), verticale (politiques et institutions) et de médiation (coordination et leadership), l'étude cartographie les interactions qui façonnent la capacité des MPME à participer à une économie verte et inclusive.

Basée sur 254 enquêtes téléphoniques auprès de MPME, 22 entretiens avec des acteurs institutionnels et une analyse

documentaire, l'étude révèle que les MPME, bien qu'essentielles à l'emploi et à la diversification économique, sont largement exclues des opportunités liées à la TEJ. Majoritairement informelles, elles dépendent de réseaux de proximité et peinent à accéder aux chaînes de valeur ou au soutien public. Seulement 11 % bénéficient d'un accompagnement structuré, et 68 % n'ont jamais collaboré avec des institutions de formation, malgré la présence d'offres telles que celles du collège TVET de Nkangala.

Sur le plan vertical, les politiques nationales et provinciales en faveur de la transition juste sont ambitieuses, mais leur mise en œuvre locale reste limitée par des ressources humaines et financières insuffisantes. Les mécanismes de médiation sont faibles, et les municipalités peinent à traduire les

orientations stratégiques en actions concrètes pour les MPME.

Un contre-exemple marquant est la municipalité de Steve Tshwete, où un leadership local proactif et des partenariats ciblés ont permis d'intégrer les MPME dans les chaînes de valeur industrielles vertes.

L'étude conclut que pour libérer le potentiel transformateur des MPME dans la TEJ, il faut renforcer le leadership écosystémique, intégrer la planification des compétences, et mettre en œuvre des interventions ancrées localement qui relient les stratégies descendantes aux réalités des entreprises de terrain.

**Mots clés :** Transition énergétique juste ; Écosystème de compétences ; Développement économique local ; Afrique du Sud

# 1. Introduction

Skills are a cornerstone of a just energy transition (JET), and act as a catalyst for inclusive and sustainable change. For skills to play a central role in driving a green and just recovery, it is essential to identify, anticipate and develop the right capabilities. Investment in the development of people to obtain relevant skills not only empowers the individuals but also strengthens local economies and equips communities to participate in and benefit from the just energy transition.

The literature globally highlights the critical role of skills development in a JET that protects workers' rights, while shifting from high-carbon industries to sustainable sectors. The importance of these interventions is outlined in a study undertaken by Sun et al., (2023) who highlight that the energy transition can have significant social impacts, including changes in employment and income levels. The research emphasises the need for comprehensive assessment of the social impact to understand and mitigate the potential adverse effects on communities. Moreover, the study points out that developing countries may face greater challenges owing to their dependence on traditional biomass and fossil fuels; this necessitates targeted skills development strategies to support affected workers (Sun et al., 2023). The importance of focusing on comprehensive reskilling and upskilling initiatives that address the regional disparities in skills availability (Bray et al., 2022) and ensure equitable access to the benefits of energy transitions, is particularly important for marginalized communities (Awolesi et al., 2024). This is also highlighted widely in the literature.

However, in South Africa, the discourse about JET reveals a fragmented approach to skills development, with discontinuous pathways into green jobs and a need for systemic reforms to enhance skills planning and anticipation (Ramsarup et al., 2024). Furthermore, the evolution of JET concepts reflects a broad integration of climate, energy, and environmental justice; this underscores the necessity for collaborative frameworks that promote community involvement and transparency in the transition process (Lee, 2022).

These perspectives emphasise that in the context of JET it is critical to address the intersection of skills development and inequality. Without deliberate interventions, existing socio-economic disparities may be heightened, as marginalised communities often lack access to quality education and training opportunities. The International Labour Organisation (ILO) emphasises that skills policies must be inclusive and equitable to ensure that all workers, especially those in vulnerable communities, can benefit from the transition to a green economy. This includes addressing barriers such as affordability, accessibility, and relevance of training programmes (ILO, 2022a).

However, the skills and strategies that are needed to support the transition are not fully developed and different stakeholders need tailored, innovative interventions. Therefore, Ramsarup et al (2024) argue that the green transition requires a revitalised approach to how skills development can be conceptualised and implemented. It must move beyond the individual to organisations and systems with the purpose of fostering broader systemic change. This paper

uses the concept of a skills ecosystem to inform a place-based perspective on skills.

This research study focused on mapping the skills ecosystem in the Nkangala District Municipality (NDM), Mpumalanga (see section 2.2, which provides the context of the district). The key focus is on understanding the skills ecosystem required to support Micro Small Medium Enterprises (MSMEs) in the district. This study adopts a broad definition of MSMEs that includes both formalised enterprises and informal businesses operating within townships. The MSMEs that we engaged in this study, span both the formal and informal sectors and generate formal, informal, or non-standard forms of employment. The skills ecosystem conceptual approach provides a lens to explore the factors that catalyse and hinder skills development at a local level and the conditions that foster or challenge sustainable MSME growth. It allows for an examination of the relationships between key stakeholders—education providers, employers, policymakers, and individuals within municipal and township-level economies.

MSMEs in South Africa's economy, particularly within the township economy, are drivers of employment and growth in the townships. MSME artisanal roles account for approximately 2 million jobs, and represent 12% of all employment in the country (NBI, 2024). Similarly, the South African government, through its National Development Plan (NDP), emphasises the critical role of MSMEs in achieving economic objectives. The NDP projects that by 2030, MSMEs will generate 90% of new employment opportunities and contribute 60%–80% to GDP, creating 9,72 million jobs (National Planning Commission, 2012).

In the context of a just energy transition, MSMEs play a pivotal role in advancing and driving inclusive and localised economic development. As a key employer in many communities, particularly in vulnerable and rural areas, MSMEs can help to cushion the social impacts of the shift away from carbon-intensive industries by creating alternative livelihoods (ILO, 2022b). Their agility enables them to rapidly adopt green technologies and business models, especially in sectors such as renewable energy, recycling, sustainable agriculture, and repair services (UNEP, 2021; GreenCape, 2023). However, to fully harness their potential to support job creation and local economic development, the ability for MSMEs to absorb labour needs to be unlocked (OECD, 2021; NBI, 2024).

The paper begins by providing a contextual overview of NDM, outlining its economic landscape, its historical reliance on coal mining, and the structural challenges it faces in transitioning towards a more diversified economy. The paper then identifies MSMEs within the local skills ecosystem, examining their role in economic development and the challenges they face. It highlights that MSMEs in the district operate within a constrained environment, characterised by limited access to finance, weak business support services, and a lack of integration into formal value chains. The analysis explores how the local skills ecosystem either enables or hinders the growth of MSMEs, and emphasises the need for more targeted and coordinated interventions.

Several key findings emerge from the ecosystem analysis, structured around three key dimensions of the skills ecosystem approach. These dimensions

highlight the dynamic interactions between different dimensions of the skills ecosystem:

- 1) **Horizontal dimension:** In this dimension the networks and multi-layered relationships that impact MSMEs at the local level are explored. It examines how businesses, communities, and social partners interact with each other and with the MSMEs, and identifies gaps in collaboration and opportunities to strengthen business support services. The analysis shows that there is limited engagement between MSMEs and formal business networks, weak industry–education linkages, and challenges in accessing skills training that is tailored to small enterprises.
- 2) **Vertical dimension:** In this dimension the alignment between national, provincial, and district-level priorities are assessed, focusing on how policy structures, regulations, and government initiatives facilitate or hinder MSME growth. We found that government policies exist to support MSMEs, but implementation challenges, policy misalignments, and bureaucratic inefficiencies reduce their effectiveness. There is also a disconnect between provincial and municipal priorities and the actual needs of MSMEs in Nkangala.
- 3) **Mediation and coordination:** Building on the horizontal and

vertical dimensions, this dimension examines existing structures for coordination and identifies leadership gaps, engagement challenges, and weaknesses in a long-term strategy for sustainable MSME development. We found that there is a lack of strong intermediaries (such as business incubators, industry associations, and training institutions) that can bridge the gap between policy frameworks and local economic development (LED) and there is a need for improved collaboration between stakeholders.

The paper concludes with a discussion on building a stronger skills ecosystem to support MSMEs, and offers recommendations to strengthen NDM's skills interventions and enterprise development. A key finding is that a catalyst is needed to facilitate a more comprehensive role for municipalities to facilitate MSME growth. This is illustrated through a case study of one of the six municipalities in the Nkangala District Municipality, Steve Tshwete Local Municipality (STM), which stands out from other municipalities in the NDM because of its targeted interventions for MSMEs. In addition, the role of Nkangala Technical and Vocational Education and Training (TVET) community colleges is highlighted as crucial in anchoring skills development for MSMEs. The discussion emphasises the importance of intermediaries, such as business incubators, industry associations, and training institutions, in providing the necessary support for MSMEs to thrive.



## 2. Methodology

This research was undertaken in several municipalities within Nkangala District Municipality in Mpumalanga, particularly focusing on where Nkangala TVET College is located, along with Victor Khanye (formerly known as Delmas), Steve Tshwete, Emakhazeni, Thembisile Hani, and Dr JS Moroka Local Municipalities. It focuses on four key growth sectors:

- 1) agriculture, forestry, and fishing;
- 2) mining and quarrying;
- 3) manufacturing; and
- 4) tourism.

These sectors were specifically chosen because they are the priority economic sectors identified by the Presidential Climate Commission (PCC) in its *Short-term, private sector-led employment opportunities in the Mpumalanga report* (2023a). The PCC identifies two types of economic opportunities for Mpumalanga: growing existing sectors and adding new industries. The first approach, based on economic data and consultations with experts, highlights three key sectors that have the potential for growth within the context of just transition: the wood, citrus, and tourism value chains, which could generate between 33 000 and 47 000 direct jobs by 2030 in Mpumalanga (Presidential Climate Commission, 2023a). There are also new industries, which have been identified based on the assessment of experts; these include industrial hemp, sustainable aviation fuel, global business services, and agrivoltaics (Presidential Climate Commission, 2023a). These emerging sectors have the potential to create up to 60 000 jobs in Mpumalanga.

A desktop review was conducted to develop a contextual profile of the NDM, and to provide insights into its economic, social, and environmental dynamics. This desktop review informed the development of research tools and the fieldwork plan (including stakeholder mapping). This helped the research team identify who should be included in the key informant interviews. Based on this process, we completed 22 stakeholder interviews with representatives from the government, industry, and education sectors.

In addition, the fieldwork included 254 computer-assisted telephone interviews (CATI), which were conducted with small businesses between 22 October and 6 December 2024 (most of which operate in eMalahleni and Dr. JS Moroka local municipalities where there are the largest number of MSMEs. These small business respondents were identified through social media searches and local contacts; and data was gathered on business size, nature of operations, workforce composition, skills, opportunities, and challenges within NDM's green economy skills ecosystem. Within the six municipalities, there is limited visibility of green economy activity within the horizontal dimension of Nkangala's skills ecosystem. However, the green economy and renewable energy priorities associated with the JET are strongly articulated at the vertical dimension through national policies, strategic frameworks, and institutional coordination. These shifts are not yet evident at the horizontal dimension, particularly among MSMEs. It was challenging to find MSMEs active in the emerging sectors highlighted by the PCC, such as industrial hemp, sustainable aviation fuel, global business services, and agrivoltaics. The study identified MSMEs actively engaged in solar installation and maintenance, aqua agriculture, dog food manufacturing, paint

production, recycling of mined products, such as converting ash into bricks, waste management, and fine arts design.

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## **2.1. Purpose of the study**

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This study examined the skills ecosystem in NDM and identified where it effectively balances supply and demand which enables MSMEs to access and retain economic opportunities. It also explored weaknesses in the skills ecosystem surrounding MSMEs to determine where improvements are needed. In addition, we assessed mechanisms that help leaders build a shared understanding of skill requirements and to access data for monitoring to inform interventions. This is directly aligned with the objectives of South Africa's Just Energy Transition Investment Plan (JET IP) developed in 2023, which recognises the centrality of reskilling and enterprise support in coal-dependent regions such as Mpumalanga. The JET IP highlights the urgent need for integrated, place-based skills interventions that can mitigate job losses, foster green enterprise development, and enable inclusive participation in the green economy. By mapping the local skills ecosystem, this study contributes to operationalising the JET IP's vision of a transition that is not only low-carbon but also equitable and employment-generating.

In undertaking this study, we placed a strong emphasis on understanding the extent to which the skills ecosystem supports MSMEs to enable them to absorb and retain employees. This focus assumes that formal sector jobs are unlikely to be created at the scale needed. As a result, there is a need to strengthen MSMEs to enable them to grow and expand their capacity to absorb and retain labour, particularly young people through: linking them to localised market opportunities, to increasing the demand for skilled labour, which could lead to the creation of employment opportunities. Therefore, it is a direct response to the youth unemployment challenge. The NBI strongly supports this view and government policies (such as the National Development Plan) consistently promote MSMEs as crucial to economic transformation and job creation. An independent economic research nonprofit organisation (NPO), Trade and Industrial Policy Strategies (TIPS) provides a nuanced perspective on the role of MSMEs in South Africa, especially in relation to the green economy. While acknowledging their potential, TIPS emphasises that without systemic reforms, MSMEs may not fulfil the ambitious roles often ascribed to them in policy narratives.

To meet the study objectives the following key questions were adopted by the study:

- 1) What enables or constrains MSME growth and their ability to absorb and retain new entrants?
- 2) Are there interventions in place (including TVET provision) to enable young people to develop the skills required by MSMEs in the area, taking into account the work opportunities that they are seeking to access in the just transition?
- 3) What interventions are needed to strengthen MSMEs within the skills ecosystem?

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## **2.2. Context: Nkangala District Municipality**

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Nkangala District Municipality (NDM) is one of three district municipalities in Mpumalanga Province, strategically positioned near Gauteng, which makes it a key economic hub. It has a population of over 1.5 million and it comprises six local municipalities: Victor Khanye Local

Municipality (Delmas), EMalahleni, Emakhazeni, Thembisile Hani, Dr JS Moroka, and Steve Tshwete, with Middelburg as its administrative capital and an industrial and mining centre (Nkangala District Municipality, 2024).

The district plays a vital role in Mpumalanga's economy, primarily driven by coal mining and energy production, it supplies power stations such as Kusile and Kendal (Mpumalanga Economic Growth Agency [MEGA], n.d.). In addition, it has a strong manufacturing sector, particularly in steel production in Middelburg and EMalahleni, alongside commercial and subsistence agriculture (Nkangala District Municipality, 2022) and other economic diversification efforts are in progress. The retail and service industries are expanding, especially in EMalahleni, due to its proximity to Gauteng. In addition to reducing dependence on coal, there is a growing interest in agribusiness, tourism, and renewable energy (Nkangala District Municipality, 2022). According to the Nkangala District Municipality Integrated Development Plan (IDP) 2022–2027, initiatives include investment in climate-smart agriculture, agro-processing hubs, and support for emerging farmers to enhance food production and supply chains (Nkangala District Municipality, 2022). Other initiatives include leveraging its natural and cultural heritage to generate projects focusing on eco-tourism and heritage sites (Mpumalanga Department of Economic Development and Tourism, 2023). In addition, the renewable energy sector is expanding, with increased interest in solar and wind energy projects, as well as skills development programmes to support the green economy (Department of Mineral Resources and Energy, 2023).

Despite its economic significance and these efforts, the district struggles with high youth unemployment (50,9% in 2023), a “Not in Employment, Education, or Training” (NEET) rate of 45,9%, and rural underdevelopment (Mudiriza et al., 2024). These issues disproportionately affect Black women aged 25–35, particularly those with limited education and employment opportunities (Mudiriza et al., 2024).

Economic inequality remains a pressing concern, with significant income disparities between urban centres such as EMalahleni and Middelburg and rural municipalities such as Dr. JS Moroka and Thembisile Hani, which face persistent challenges in service delivery and unemployment. Rural communities face limited access to quality education, healthcare, and formal employment, this reinforces cycles of poverty and exclusion (Nkangala District Municipality, 2022). In addition, the Gini coefficient for Mpumalanga remains high at 0.63, reflecting severe income inequality across the province (Stats SA, 2023). Government programmes such as the Expanded Public Works Programme (EPWP) and Sector Education and Training Authority (SETA) initiatives aim to address these gaps (Mpumalanga Provincial Government, 2013), but structural inequalities, which limit the impact of these interventions, persist. The disparities in service delivery, including inadequate housing, water, and sanitation infrastructure continue to widen the economic divide, particularly in historically disadvantaged communities (Nkangala District Municipality, 2022).

Urban centres such as EMalahleni and Middelburg benefit from better infrastructure than rural areas, where inadequate road networks, limited water supply, and poor sanitation hinder economic growth and service delivery (Nkangala District Municipality, 2022). Efforts to improve infrastructure include road maintenance projects, water infrastructure

upgrades, and expanded electrification programmes, but gaps remain, affecting business development and quality of life in these areas (Mpumalanga Provincial Government, 2023).

### 3. Framing of our ecosystem analysis

Skill formation is a complex set of moving parts. Therefore, it must be conceptualised as a systemic collective involving individuals, organisations, and systems. In this research, we applied the skills ecosystem model adapted from the work of Spours (2019) to analyse the NDM's skills ecosystem. The model provided a framework to describe the skills ecosystem, understand the extent to which structures, institutions and relationships are working, where the fault lines are and how networks and communication are being mediated. We drew on four core requirements that the literature cites as necessary to create and sustain a skills ecosystem:

- a catalyst (or set of catalysts) to trigger their development
- nourishment to sustain growth on an ongoing basis
- a supportive host environment
- a high degree of interdependence among actors in the system.

These four elements helped us to illustrate the relationship between horizontal and vertical factors and connect macro and meso aspects of the skills ecosystem.

The conceptual model comprises three key dimensions:

- 1) **Collaboration along the horizontal dimension:** This multi-layered dimension examines interactions between individuals, organisations, and institutions within the broader ecosystem. These layers are interrelated and shape the ecosystem.
- 2) **Regulations and policies facilitating interaction in the vertical dimension:** This dimension focuses on policies, regulations, and key structures, analysing how they are implemented and interact to create an enabling environment. It explores who applies these policies, how they function in practice, and their role in fostering economic development and a shared vision. This includes a focus on the ways in which vocational, technical education and training institutions support relevant skills development in the local communities and can engage MSMEs to establish and support their needs.
- 3) **Mediation:** This dimension bridges the horizontal and vertical dimensions by emphasising the importance of leadership engaging and realising a common mission and purpose, as well as ecosystem leadership. Ramsarup and Russom (2022) explain that the common mission is related to the needs of the local community that provides the 'glue' between a diverse set of social partners. This recognises that a multi-scalar approach (that operates across multiple scales) is needed, one that recognises the wide range of stakeholders and institutions involved in skills development (Ramsarup, 2017). In this view local stakeholders depend on regional and national stakeholders, and vice versa through building strong formal and informal cooperative relations. What emerges strongly in this research is that there is a need to support what might be termed "ecosystem leadership." The key functions of ecosystem leadership are to:
  - nurture, cohere and educate the different stakeholders that form part of the skills ecosystem; and

- build a shared mission that cuts across and brings together the different policies, strategies and initiatives within the horizontal and vertical dimensions.

In sum, the aim of the skills ecosystem approach is to understand who the different stakeholders are and to surface the relationships between them: to interrogate whether or not the stakeholders, at the different levels of an ecosystem, are catalysts for development of employment opportunities. There is a particular focus on enabling MSME's to take advantage of opportunities that stimulate growth and employment. This includes a focus on whether or not education and training providers enable the development of a skilled workforce for employers including MSMEs. in the area. This is in the context of efforts to bridge gaps in the support systems and to support the alignment of supply and demand.

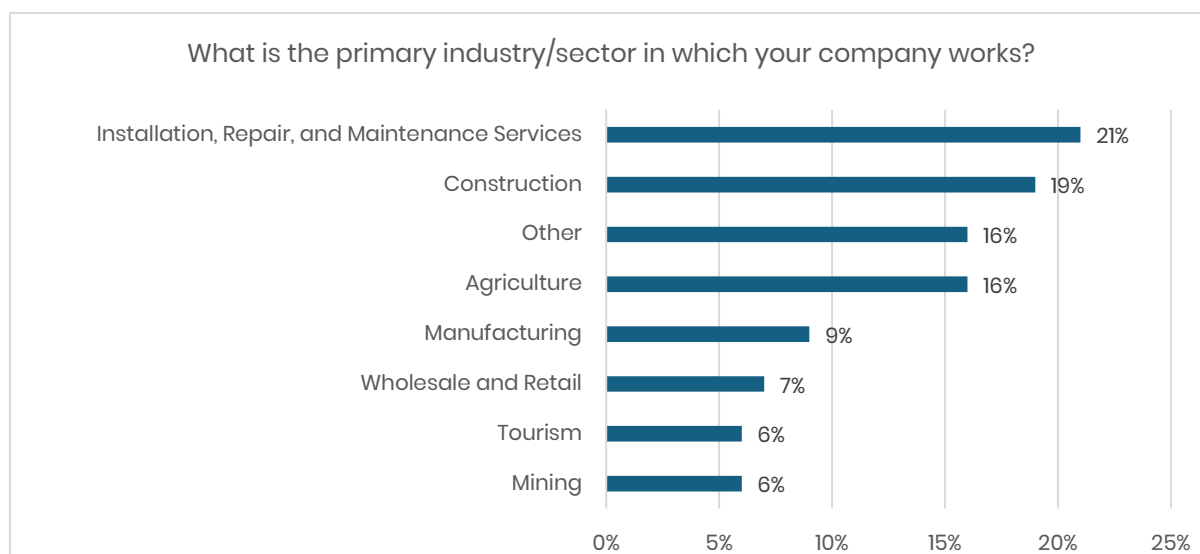
## 4. Locating the MSMEs within the NDM local skills ecosystem

The township MSMEs we surveyed in NDM operate across various sectors, reflecting the district's economic structure, which is driven mainly by coal mining, manufacturing, agriculture, and services. Figure 1 below shows the data from the CATI survey we conducted and illustrates that the majority of the MSMEs' respondents are engaged in installation, repair, and maintenance (IRM) services (21%). This includes businesses that specialise in plumbing, electrical work, solar energy solutions, and general handyman services. Construction was also mentioned (19%), reflecting ongoing infrastructure development and housing projects. Not all MSMEs were operating in IRM. Agriculture (16%) also played a significant role, with businesses involved in crop production, livestock farming, and agro-processing. In addition, a notable portion of businesses are involved in manufacturing (9%), contributing to local production and industrial activities.

The retail and wholesale sector (7%) included spaza shops, informal traders, local restaurants, and small supermarkets. Of the MSMEs surveyed 7,8% were in mining, which remains an important industry, given the district's historical reliance on coal and mineral extraction. Six per cent of the MSMEs surveyed are in tourism, with businesses focusing on accommodation, cultural sites, and eco-tourism activities. The other 16% of industries surveyed encompass a variety of smaller business operations that do not fall strictly within the defined categories, highlighting the diverse nature of entrepreneurship in the region. These are service-based businesses, such as hair salons, car washes, catering, and transport services, which also form a significant part of the township economy. Although there is a growing interest in green and renewable energy businesses, their presence remains relatively small compared to the district's coal-dependent industrial base.

**Figure 1. Primary industry/sector in which MSMEs operate**

Source: CATI MSME survey data



This analysis of the data should be read within the context of district-wide developments: the district has initiated several renewable energy projects, such as the Victor Khanye and Steve Tshwete solar farms, with capacities of 2.7 megawatts of alternating current (AC)

power (MWac) and 1.4 MWac, respectively (Global Energy Monitor, 2024). In addition, Nkangala Energy plans to construct an 860 MW gas-to-energy power plant and establish a local inverter and battery manufacturing facility.

As we only surveyed less than 10% of MSMEs we do not have data about the number of businesses that have been able to access these opportunities. However, when comparing our analysis with data included in other sets of national analyses, such as those by the TIPS, we found that these are consistent with our findings, and they confirm that township economies are characterised by a high concentration of small and informal businesses operating in sectors such as retail, personal services, and informal manufacturing. For instance, a TIPS 2021 report on *Supporting light and small-scale manufacturing in the townships for inclusive industrialisation* notes that MSMEs, which typify the economy of South Africa's densely populated and underdeveloped townships, are estimated to account for at least a third of the total turnover generated by the country's formal business sector.

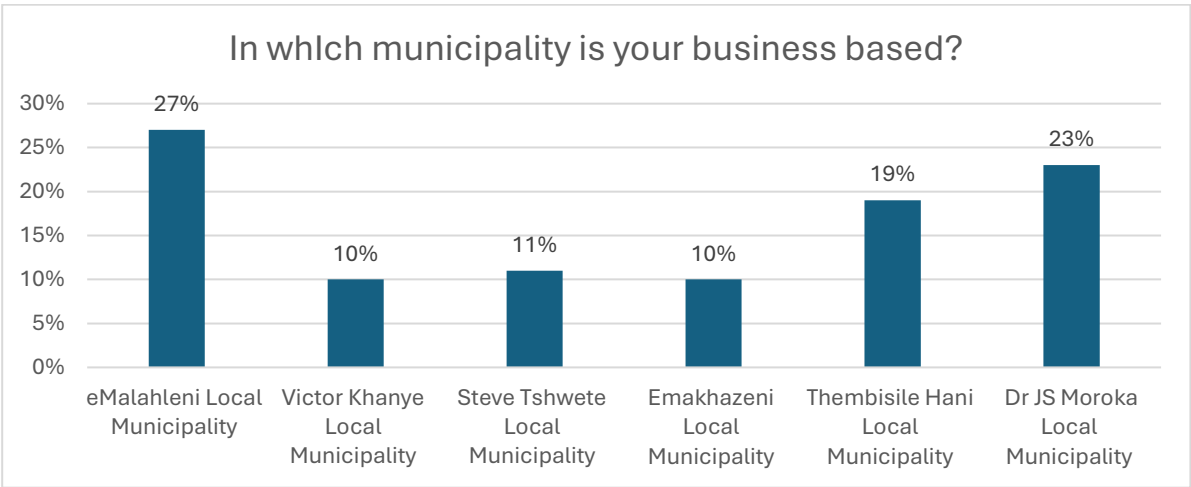


Figure 2. Geographic distribution

Source: CATI MSME survey data

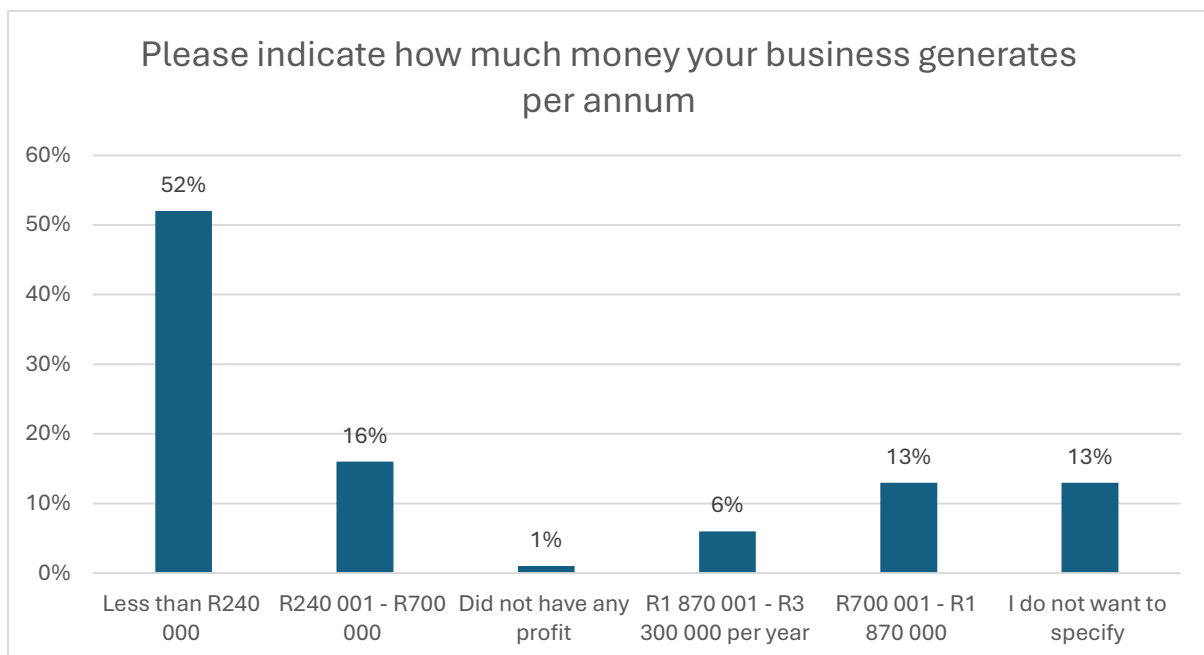
In terms of geographic distribution, Figure 2 above, illustrates that 27% were from the EMalahleni Local Municipality followed by Dr. JS Moroka (23%) and Thembisile Hani (19%). Steve Tshwete (11%), Emakhazeni (10%), and Victor Khanye (10%) had relatively smaller proportions of MSMEs.

When relating the geographic distribution of MSMEs in the district to the demographics in the area the geographic distribution of MSMEs in Nkangala District closely reflects both the economic structure and the demographic patterns of the region. The largest proportion of MSMEs surveyed were located in EMalahleni, Dr. JS Moroka, and Thembisile Hani which are areas that are among the most populous in the district and which reflect high levels of economic activity. These municipalities are also where key industrial sectors, such as mining, energy, and services, are concentrated, suggesting that MSME activity aligns with local economic opportunities and infrastructure availability. Demographically, according to the (2022) Census, NDM has a predominantly working-age population (67,3%), which could be a factor that contributes to a relatively large informal economy as the district had a high youth unemployment of 50,9% in 2022.

In South Africa, MSMEs are officially classified according to the National Small Enterprise Act No. 102 of 1996 (as amended). The classification is based on two main criteria: annual turnover and number of employees, which differ by sector. These are typically grouped into micro, small, and medium enterprises. According to the National Small Enterprise Act micro enterprises typically employ fewer than 10 people and have an annual turnover below R250 000, while small enterprises employ between 11 and 50 people, with turnover ranging from R500 000 to R10 million depending on the industry. Medium enterprises employ between 51 and 200 employees (up to 250 in manufacturing), with turnover between R10 million and R50 million. For instance, in the manufacturing sector, a medium-sized enterprise may have up to 200 employees and an annual turnover of R40 million, whereas in wholesale trade, the limit is 200 employees and R80 million in turnover.

Most of the 256 MSMEs we surveyed in NDM operate at a micro or small scale; Figure 3 below shows that 52% are generating less than R240 000 per year which places them in the micro-enterprise category as defined by South Africa's National Small Enterprise Act. Only a small portion (16%) report turnovers between R240 001 and R700 000, with just 6% exceeding R1,87 million annually. In addition, 1% of MSMEs reported no profit, indicating financial instability.

**Figure 3. Annual turnover**

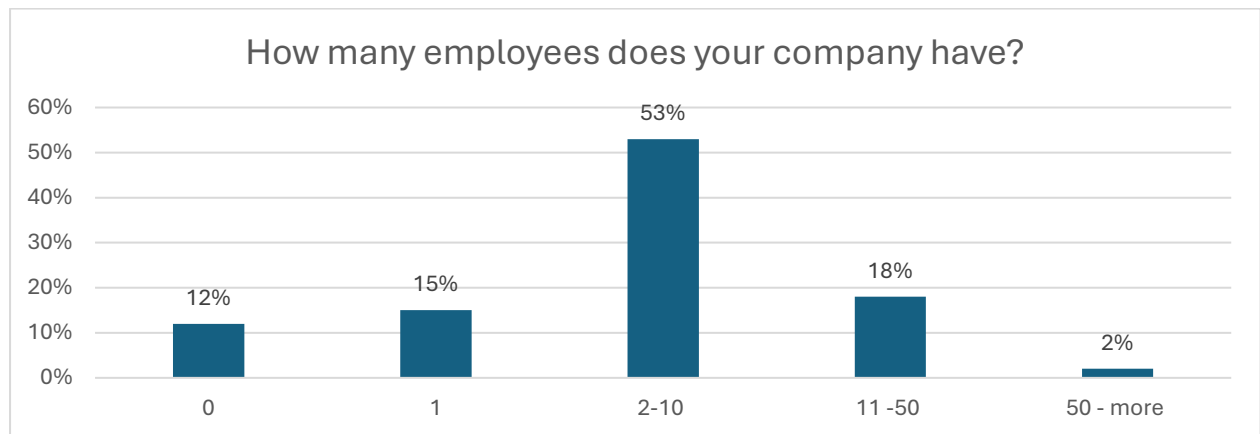


Source: CATI MSME survey data



Employment trends show that most MSMEs remain small, Figure 4 below shows that 53% are employing between 2 and 10 people, and only 2% employing more than 50 workers. Twelve per cent of businesses report having zero employees, indicating a prevalence of sole proprietorships, potentially informal businesses.

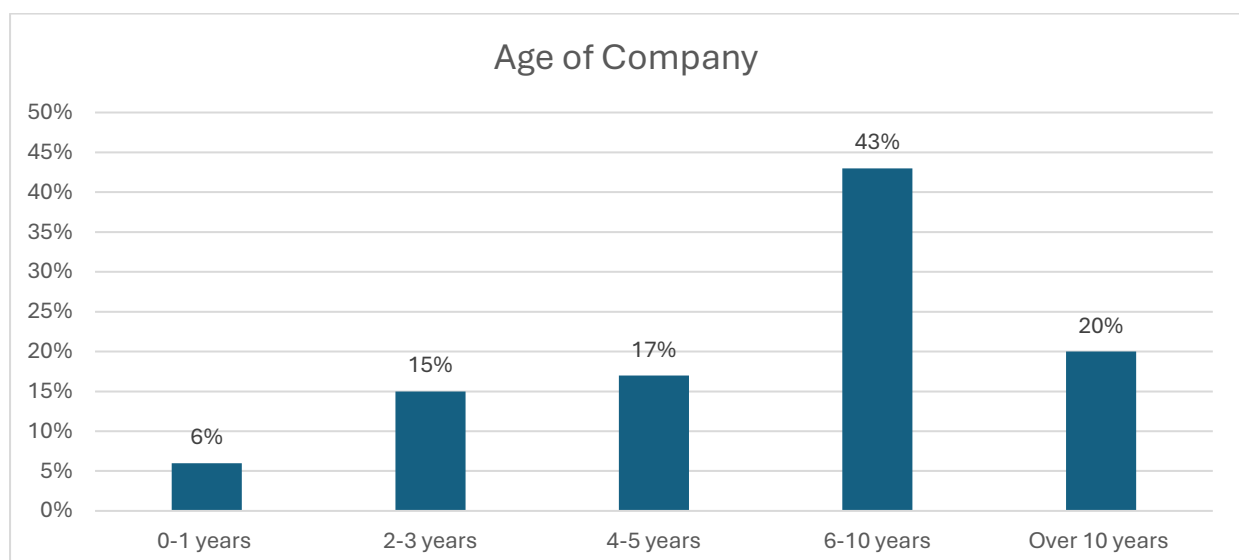
**Figure 4. Number of employees**



Source: CATI MSME survey data

Figure 5 below also draws on the survey data and indicates that the average business age is approximately 8 years. The largest proportion of these enterprises (42%) have been operating for 6 to 10 years, indicating an established base of small businesses in the district. Twenty per cent have been in operation for over 10 years, while 17% have been operating for 4 to 5 years. Newer businesses, those in operation for 0–1 year make up just 6,3% of the total, and businesses operating for 2–3 years account for 15%.

**Figure 5. Age of company**



Source: CATI MSME survey data

The figures above suggest that most MSMEs in NDM are either informal or survivalist in nature, with limited capacity to scale or create formal, employment. This highlights the

need for targeted support interventions, particularly aimed at formalising businesses, enhancing business capabilities, and enabling integration into broader economic value chains.

Figure 6 below shows that access to finance remains the most pressing challenge, with 73% of MSMEs citing difficulties in securing funding. This finding is further evidenced by the finding that 54% of respondents state that they are struggling to procure the necessary equipment and machinery, which limits their ability to scale operations. The MSMEs also stated that there is a lot of competition, with 44% of MSMEs citing that intense competition poses a significant challenge to their sustainability and growth. This perception suggests that many enterprises operate in similar sectors or offer comparable products and services, which can lead to reduced profit margins, and difficulty in attracting and retaining customers. Other factors include that 29% report a shortage of skilled labour, making it harder to sustain or expand their enterprises. High operational costs (26%) and low demand for MSME services (26%) further constrain profitability. Nineteen per cent of businesses struggle with regulatory compliance and point to the burdensome nature of formalisation processes.

Overall, the CATI survey highlights that while in NDM's township MSMEs are both diverse and vital to the local economy, they remain constrained by financial barriers, lack of equipment, and challenges relating to the market. These findings are consistent with those contained in other national-level studies, which also identify access to finance as a top challenge for MSMEs in South Africa. For instance, according to the 2023 Finfind Small Business Survey, 59% of MSMEs nationwide cited lack of finance as a barrier to growth. The OECD (2021) also reported that limited access to credit disproportionately affects micro-enterprises and those in rural areas and this also limits access to machinery and tools as equipment access is frequently cited but often embedded within broader "capital constraints". The Small Enterprise Development Agency (SEDA) 2022 Annual Review notes that access to productive assets is a significant hurdle, especially for informal and micro enterprises, but does not quantify it beyond general capital needs. The fact that informal township businesses face higher costs and less access to production technology than formal firms which stifles productivity, was emphasised by TIPS (2021). All of these findings highlight the need for targeted interventions to support the growth of MSMEs and this is explored further in this report.

## **5. Emerging Findings**

In this section, we present the findings emerging from our skills ecosystem mapping within the NDM Mpumalanga. The findings are arranged in key thematic areas that highlight the dynamic interactions between the vertical and horizontal dimensions stipulated by the skills ecosystem. The findings start by discussing the vertical linkages and assessing the alignment between national, provincial, and district-level priorities, focusing on how policy structures, regulations, and government initiatives facilitate or hinder MSME growth. The findings then highlight the horizontal linkages, and explore the local networks and multi-layered linkages that impact MSMEs in the NDM. This section delves into how businesses, communities, and social partners interact with each other and with MSMEs in this district within the skills ecosystem. The section then ends with a discussion on mediation, building

on the previous two key dimensions, and identifying existing structures for coordination. It highlights gaps in NDM's leadership, engagement, and long-term strategy for sustainable MSME development.

### **5.1. The vertical dimension: The local/regional government, policies, key structures, and regulations that impact MSME growth**

Key to the vertical dimension of the skills ecosystem model is that there should be an enabling national state that empowers local government to provide policies and regulations that facilitate and provide a supportive environment for MSMEs. The key to this is that local government should provide a supportive environment and take on a regulatory regime that is sympathetic to taking risks. This section discusses the extent to which national/provincial policy is aligned with the NDM and also reflects on the local context and regional economic landscape that have an impact on MSMEs. It reviews the key structures in place in the region and whether there is alignment and coordination between the national, provincial, and local levels of government.

#### **5.1.1. *The extent to which national/provincial policy is aligned with the district***

An analysis of policies revealed that in the NDM, several key structures and initiatives drive local economic development (LED), and contribute to economic planning, coordination, and implementation (see Annexure 2). Central to this is the Integrated Development Plan (IDP)<sup>1</sup>, which sets out the municipality's development priorities, budgets, and strategies aimed to stimulate economic growth and to improve service delivery. Complementing the IDP is the District Development Model (DDM)<sup>2</sup>, which plays a crucial role in ensuring coordinated service delivery and fostering collaboration across different spheres of government.

The LED Forum serves as a vital platform for engagement between businesses, government, and civil society, promoting dialogue and cooperation. Similarly, the Spatial Development Framework (SDF) guides land use, zoning, and spatial planning to support sustainable economic growth. The LED strategy is focused specifically on driving local investment, fostering economic diversification, and creating job opportunities within municipalities. Adding to this framework, the Climate Change Strategy promotes environmental sustainability and resilience, encouraging green economy initiatives. In addition, the Expanded Public Works Programme (EPWP) further contributes by creating employment opportunities through infrastructure and community projects.

These policies and structures collectively activate various forms of demand. The Nkangala District Municipality 2022–2027 IDP shows that there is strong demand for skills development in infrastructure development, basic service delivery, and short-term employment creation. These initiatives target a wide range of stakeholders. National and provincial departments such as the Department of Cooperative Governance and Traditional Affairs (COGTA), the

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<sup>1</sup> The IDP is a legal requirement of the Municipal Systems Act that aims to achieve integrated, sustainable, and equitable social and economic development in the district.

<sup>2</sup> The District Development Model is a policy of the national government and which requires that each district develops an Integrated Development Plan.

Department of Trade, Industry and Competition (DTIC), and the Department of Labour are key stakeholders. Local municipalities within Nkangala, Thembisile Hani, Dr JS Moroka, EMalahleni, Steve Tshwete, Emakhazeni, and Victor Khanye are directly involved in implementing LED initiatives. State-owned enterprises (SOEs) such as Eskom, Transnet, and the Industrial Development Corporation (IDC), along with private sector investors and MSMEs, also play significant roles.

The JET which is being driven by a combination of provincial and national structures, institutions, and initiatives is important to the NDM. Each of these stakeholders play a distinct role in shaping demand, allocating responsibility, and fostering leadership (see Annexure 1). Aligned with the JET IP Chapter on Mpumalanga, the province has established a multi-stakeholder Just Transition and Climate Change Forum, led by the Office of the Premier. In addition, a Just Transition Coordination Committee (JTCC) has been formed, co-chaired by the Department of Economic Development and Tourism (DEDT) and the Department of Agriculture, Rural Development, Land and Environmental Affairs (DARDLEA). The JTCC promotes local economic diversification, clean energy development, and skills enhancement. It brings together provincial and local government, industry, labour, and NGOs, aiming for coordinated action across these sectors. The JTCC plays a pivotal role in policy coordination and driving investments into green projects. Comprising representatives from DEDT, DARDLEA, municipalities, Eskom, and the private sector, the JTCC focuses on strategic oversight and funding allocation. Leadership is co-shared by DEDT and DARDLEA, with policy responsibility resting at the provincial departmental level. In addition, the Mpumalanga Green Cluster Agency (MGCA) serves as a central institution for green industry development, as well as monitoring and evaluating progress in the transition. It engages provincial government bodies, businesses, and research institutions. As the secretariat for these structures, MGCA acts as both the implementing and monitoring agency under provincial government oversight.

In terms of specific initiatives, the JET Grants Register (Just Energy Transition, 2025) currently includes 36 registered projects. Specifically, in NDM, the following projects are being implemented:

- Komati Power Station Repurposing Project;
- Skills Development and Training for Renewable Energy Technicians (Witbank);
- EMalahleni Green Energy Incubator;
- Community Solar Programme (Pilot in Victor Khanye Local Municipality); and
- Agro-PV Farming Initiative.

The JET Grants Register focuses on diversifying local economies, developing local clean energy value chains, strengthening social dialogue, and capacity-building efforts. It involves public-private partnerships, green industry firms, and municipalities. Responsibility for these projects lies primarily with the individual project owners, such as Eskom, private renewable energy companies, and local development agencies; and the provincial government provides funding and technical assistance, varying by project. These structures, institutions, and initiatives collectively create an enabling environment for Mpumalanga's JET. These institutions, structures, and initiatives aim to activate demand for clean energy investments, skills development, and economic diversification within the green economy. They seek to stimulate the growth of renewable energy industries, infrastructure development, and green job creation, particularly in sectors such as solar

and wind energy, and battery storage. In addition, they encourage municipal energy reforms and private sector participation in transitioning away from coal.

The extent of alignment between the provincial priorities and the priorities of the NDM varies. There is alignment between the priorities of the Mpumalanga Province and those of the NDM, particularly in areas such as industrial development, economic diversification, and the JET. Both levels of government prioritise industrial growth, with a shared focus on diversifying the regional economy beyond coal and promoting manufacturing and energy-related industries. The Nkangala IDP and LED strategy closely mirror the provincial push for economic diversification, and recognise the need to leverage the district's industrial base for job creation and to attract investment. Similarly, both the province and the district acknowledge the urgency of the energy transition, integrating climate resilience and green economy strategies into their planning. Nkangala's Climate Change Strategy and participation in national and provincial forums on the JET demonstrate this alignment.

However, the District Development Model (DDM) highlights key challenges for Nkangala municipalities (Nkangala District Municipality, 2022). A primary issue is the lack of strategically located municipal-owned land for residential, socio-economic, and infrastructure development, as most prime land is privately owned. The district also faces increasing informal settlements and land invasions due to the high demand for housing. Another critical challenge is ageing and inadequate infrastructure, which hampers service delivery and economic growth. As a result, municipalities struggle to prioritise JET, and focus instead on addressing immediate infrastructure and service delivery needs.

Although the district recognises the importance of economic development, the emphasis on the green economy, as seen at the provincial level, is less pronounced in district policies. Interviews with municipal officials revealed that municipalities do not oppose the JET in principle, but they lack practical guidance and technical support for implementation. Similarly, Molelekwa (2023) stated that South African municipalities generally support the principles of the JET; however, they face significant challenges in practical implementation. Molelekwa (2023) highlighted that many municipalities, especially those in Mpumalanga, are in dire financial straits which makes them less attractive for the investments necessary for the transition. This financial instability hampers their ability to channel funding intended for LED and new industries associated with the JET.

#### **5.1.2. *The locality of Nkangala District Municipality and the regional economic landscape influencing MSMEs.***

Within the regional landscape, there are wider system levels, including local and regional agencies and government, their policies, broader regional economic conditions, and sectoral dynamics.

The section above has shown that JET is less pronounced in district policies and at a local level. As a result, there is no structured mechanism for MSMEs to benefit from green economy opportunities. For example, key institutions such as the Mpumalanga Green Cluster are engaging with some MSMEs at the district level, supporting MSMEs, and women through initiatives such as the Green Innovation Challenge; Workshops on empowering Change: Coordination on Gender Equality in the Just Energy Transition in Mpumalanga

(collaborating with various stakeholders such as the African Development Bank to discuss ongoing work, identify entry points for increased collaboration and synergies, and work towards a shared vision) but few MSMEs are benefiting from green economy initiatives. Our study found that 11% of MSMEs surveyed receive assistance from government departments or municipalities, either in the form of funding, equipment, or infrastructure support. MSMEs that successfully accessed support often had prior knowledge of available funding or received guidance from intermediaries such as the Nkangala Empowerment and Mentorship Development Fund. Some leveraged relationships with local government officials or participated in municipal programmes that prioritise sectors such as agriculture or manufacturing. Others stated that they repeatedly applied for funding and engaged with officials to navigate complex application processes. However, several small businesses report struggling to secure funding due to strict requirements, limited financial literacy, and a lack of networks to connect them with funding opportunities. Small businesses with better financial records, formal business registrations, and a demonstrated growth potential were favoured. For example, one respondent noted receiving equipment from the Department of Agriculture, which helped sustain their farming operations. Another small business owner highlighted how large companies sometimes offered them loans before they had even started operations, providing a crucial financial lifeline. These cases suggest that access to funding is not solely about eligibility but also about awareness, persistence, and the ability to align with key government or corporate priorities.

With regards to LED, there are various LED strategies, forums, and associations that provide platforms for collaboration and resource-sharing among businesses (see Annexure 3). Notable examples include Business Network International (BNI), the Electrical Contractors Association, and agricultural bodies such as the Mpumalanga Breeders Society and the South African Poultry Association. Despite these forums, many MSMEs perceive them as catering more to larger businesses or political interests rather than offering tangible support to smaller enterprises. As a result, some MSMEs have formed their own informal networks, such as the DUVA Community Forum and the Tswelopele Forum, to address their specific needs. These MSME-led organisations serve as alternative support structures, providing networking opportunities, shared resources, collective bargaining power, and localised business advice. They often focus on immediate challenges such as market access, navigating municipal processes, and pooling resources for joint purchasing. However, MSMEs indicated that these informal networks offer valuable peer support, but their impact remains limited by a lack of formal recognition, funding, and structured engagement with municipalities and larger business associations. However, their existence highlights the gaps in current LED initiatives and suggests a need for more inclusive, small-business-focused interventions within existing LED forums.

Our findings also show that there are local municipal initiatives and LED strategies, such as the Nkangala District Municipality LED Strategy and individual municipal Integrated Development Plans (IDPS) (see Annexure 2) in place, but they often fail to address the real needs of MSMEs. Strategic interviews highlighted a significant gap: municipalities cannot implement these strategies effectively. LED units frequently struggle with a shortage of skilled personnel, insufficient budgets, and poor coordination with business support organisations. One municipality, for instance, reported that its LED office operates with

minimal staff and limited financial resources, making it difficult to provide meaningful support to local businesses.

MSMEs' participation in shaping LED policies is limited, which means municipal strategies often do not reflect MSME needs. For instance, municipalities were allocated approximately R5 million to support MSMEs in the 2023/24 financial year, yet only a small number of businesses benefited. One municipality reported that only 22 MSMEs received financial assistance, highlighting the underutilisation of available resources. Municipalities have allocated funds for MSME support, but access to these resources remain constrained. MSMEs cited bureaucratic red tape, complex application processes, and limited awareness about available funding opportunities as key barriers. In addition, the CATI MSME survey revealed that eligibility criteria set by the municipality also pose a significant barrier. The MSMEs stated that many municipalities require businesses to have been operational for at least three years, provide audited financial statements, and show prior engagement with municipal programmes. These requirements effectively exclude many MSMEs and informal businesses that lack formal records. In addition, MSMEs raised concerns about transparency in the selection process, with some unaware of how funding decisions are made or what criteria are used.

#### **5.1.3. *Reflection on the vertical dimension***

The alignment between national, provincial, and district-level efforts for the JET in Mpumalanga presents both opportunities and challenges for the local ecosystem. At a strategic level, there is good alignment in terms of vision and policy direction. Both the Mpumalanga province and the NDM prioritise economic diversification beyond coal, industrial growth, and the development of the green economy. Nkangala has incorporated climate resilience and green economy strategies into its planning through its Climate Change Strategy, showing a commitment to these shared goals. Provincial structures such as the JTCC, the MCGA, and the active pipeline of green projects provide strong leadership and coordination, creating an enabling environment for clean energy investments, skills development, and green job creation. These structures are well-positioned to drive demand and support the growth of renewable energy industries and infrastructure development.

However, despite this alignment at a policy level, significant challenges persist at the district and municipal levels that limit the skills ecosystem's ability to fully participate in and benefit from the JET. Immediate service delivery issues, including ageing infrastructure, limited access to municipal-owned land for development, and rising pressures from informal settlements, heavily burden Nkangala municipalities. There is in principle support for the JET, but local government officials indicate that they lack the technical guidance, capacity, and financial resources to implement these initiatives effectively. This disconnect means that the broader policy environment is supportive, but local actors remain constrained in their ability to translate strategies into concrete, implementable projects.

For the broader skills ecosystem especially big businesses, training providers, MSMEs, and community organisations, the demand for skills development, local investment, and participation in green economy initiatives is apparent, but local municipalities need substantial support to mobilise these opportunities. The challenges facing MSMEs in the NDM have direct implications for the skills ecosystem. There are several LED strategies and

initiatives in place, but their poor implementation and limited alignment with the needs of MSMEs restrict opportunities for MSME skills development. In addition, JET being less evident at a local level means that MSMEs are not participating in emerging green economy opportunities that could drive demand for new skills and training.

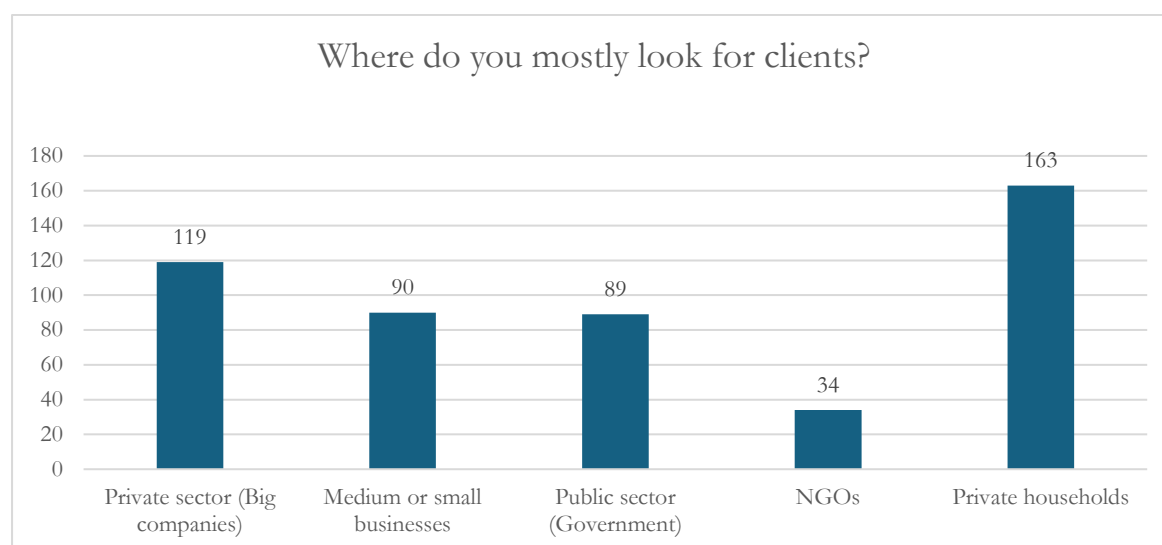
## 5.2. Collaboration along the horizontal dimension: the local networks and multi-layered relationships impacting MSMEs

This section highlights the local networks and multi-layered relationships that impact MSMEs within the horizontal dimension. The skills ecosystem model flags that the horizontal dimension does not exist in isolation but is tied to the region, the national state, and the wider society. In the NDM, there are multiple stakeholders (refer to Annexure 3 for an overview). Using a place-based approach, we examined the relationships among these stakeholders at different skills ecosystem levels. Firstly, we focused on the immediate environment of MSMEs, including the direct support they receive from various stakeholders such as the National Youth Development Agency (NYDA), Exxaro etc., and the close networks they maintain. Secondly, we analysed the broader institutional relationships, such as those with education and training providers. This section reflects on how relationships at these levels contribute to creating an enabling environment for MSME growth through skills development, economic activity, and social dynamics.

### 5.2.1. The immediate environment of the MSMEs

MSMEs in the NDM operate within a diverse and multi-layered business environment, engaging with various client bases and stakeholders. Figure 6 below reflects an analysis of the primary customer base and market focus areas of MSMEs in NDM. It shows that MSMEs were choosing more than one option, indicating that they are involved across multiple sectors. The CATI survey found that the primary customer group for 163 businesses was private households particularly for businesses in retail, home-based care, and small-scale services. These businesses cater directly to individuals rather than institutions, relying on personal relationships and reputation to sustain their customer base.

**Figure 6. Where MSMEs are looking for work**



**Source: CATI MSME survey**

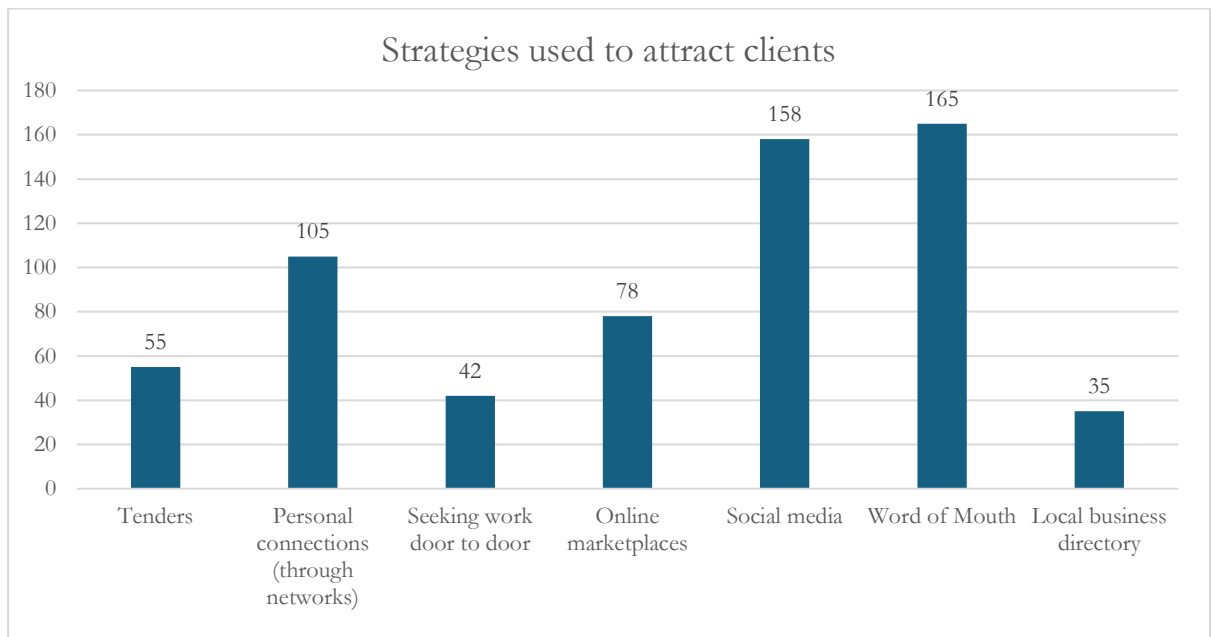


Beyond private households, 119 MSMEs indicated that they look for work from large private sector companies, which represent a key market, especially in industries such as mining, retail, and construction. However, many MSMEs struggle to access opportunities within this space due to competition from larger, more established firms that possess stronger networks and greater financial resources. As a result, subcontracting has become a primary strategy for gaining work opportunities for many MSMEs, allowing them to secure work indirectly through larger companies that hold government contracts.

Ninety MSMEs indicated that they look for work from medium and small businesses and 89 MSMEs indicated that they look for work from public sector institutions. However, securing government contracts presents significant challenges, with MSMEs citing bureaucratic hurdles, lack of access to procurement information, and competition from more established firms. Some MSMEs indicated that they secure government work indirectly through partnerships with primary contractors, as direct procurement remains a challenge. Thirty-four MSMEs indicated that they look for work from non-governmental organisations (NGOs), though some MSMEs collaborate with NGOs that partner with government agencies or larger enterprises.

The CATI survey findings indicate that MSMEs employ a range of strategies to attract clients, with informal marketing playing a dominant role. Figure 7 below shows that 'word of mouth' (165 businesses), and social media (used by 158 businesses) are the most common approaches, highlighting the reliance on personal networks and online platforms to secure work. Many MSMEs prioritise relationship-based marketing, leveraging community connections to sustain their operations. Additional methods include online marketplaces (used by 78 of those surveyed), which offer businesses broader exposure, and tenders (used by 55 MSMEs), signalling an interest in formal procurement channels despite the difficulties involved. More traditional techniques, such as direct sales through door-to-door approaches (42 of those surveyed) and local business directories (35 of the MSMEs surveyed) remain relevant, particularly for smaller businesses with a strong community focus.

**Figure 7. Strategies used to attract clients**



Source: CATI MSME survey

Despite operating within a dynamic economic environment, most MSMEs navigate the business landscape with limited formal support. The MSMEs who responded to the CATI survey indicated that they rely heavily on personal networks, referrals, and informal relationships rather than structured assistance from government institutions or business development agencies. Our survey found that 70% of MSMEs reported ineffective engagement from these institutions. The MSMEs cited unresponsive municipal offices, slow feedback on funding applications, and complex permit acquisition processes as key barriers.

Some MSMEs benefit from industry-specific networks, such as DSTV installers working with Multichoice or agricultural enterprises engaging with trade associations, but these connections are not widespread.

Several challenges emerge for MSMEs regarding the access to opportunities, particularly in the nature and the extent of relationships that MSMEs form with other stakeholders in the skills ecosystem. We found that the relationships MSMEs maintain with various stakeholders including government agencies, larger firms, NGOs, and financial institutions are often fragmented and informal. Unlike larger companies that benefit from structured partnerships and supply chain integration, the CATI data show that most MSMEs operate independently or within loosely connected peer networks. This reliance on informal connections creates a cycle where MSMEs remain isolated from larger economic opportunities, limiting their ability to scale and integrate into formal supply chains.

Broader regional economic conditions and sectoral dynamics present additional challenges for MSMEs. Employers have identified compliance as a key challenge for MSMEs, preventing them from accessing procurement opportunities from companies within the community. This creates a fault line for MSMEs, as they acknowledge their struggle with compliance, but big companies require compliant service providers.

Although many large companies maintain supplier databases, the interviews with employers revealed that only a small fraction of registered small businesses are selected for contracts, creating intense competition for limited opportunities. The interviews with employers suggest that four key challenges have contributed to this problem:

- 1) Many MSMEs register for procurement opportunities beyond their operational capacity. This results in selection challenges, as companies such as Exxaro often receive applications from small businesses that lack the necessary expertise or infrastructure. However, Exxaro cannot provide training for all applicants through their Enterprise and Supplier Development (ESD) programme, thus excluding many MSMEs.
- 2) MSMEs lack an understanding of industry-specific regulatory standards, such as ISO certifications and safety compliance requirements, which prevents them from meeting the necessary qualifications. This limits their ability to secure contracts with major companies that require strict adherence to compliance standards.
- 3) The high costs associated with regulatory compliance, including industry-specific licenses, certification processes, and health and safety requirements, create significant financial barriers for MSMEs. Many small businesses struggle to afford these expenses, preventing them from qualifying for key business opportunities.
- 4) Some MSME owners lack financial literacy and proper accounting support, leading to administrative errors, poor record-keeping, and mismanagement of tax and compliance obligations. These issues often result in financial penalties, delayed payments, or disqualification from supplier programmes. As a result of these challenges, MSMEs face systemic exclusion from supply chains, limiting their ability to scale and contribute meaningfully to the local economy.

The findings emerging from our CATI survey reflect that MSMEs in Nkangala rely heavily on informal networks and face limited access to structured support. These findings are consistent with the literature, which highlights that weak institutional linkages and limited participation in structured business ecosystems constrain MSME growth (Berger & Udell, 2006). As a result, small businesses that lack access to formal networks face challenges in scaling operations, diversifying revenue streams, and competing effectively in the broader market (Fatoki & Garwe, 2010). The fragmented nature of MSME relationships with key economic players suggests there are no strong linkages between MSMEs and formal markets and that MSMEs are driven by immediate survival needs rather than long-term growth strategies, which Mhlongo and Daya, (2023) similarly found. Locally constrained MSME contexts, as shown in these findings, limit the ability of MSMEs to build competitive capabilities, innovate, or transition from survivalist enterprises to scalable businesses.

#### **5.2.2. *MSME wider institutional relationships***

This section identifies the multiple settings in which MSMEs actively participate. These include wider institutional relationships between incubators, accelerators, small business support agencies, TVET colleges, universities, and training institutions that provide skills development, as well as banks, microfinance institutions, and local chambers of commerce that offer financial and institutional support.

#### 5.2.2.1. **Small business support agencies**

There is a range of small business support agencies and private sector stakeholders operating within the NDM, each implementing interventions aimed at strengthening the development and sustainability of MSMEs. Annexure 4 provides a detailed mapping of these interventions, including the implementing actors, the nature of support provided, and the duration of these programmes. The landscape of interventions is diverse, encompassing financial assistance, skills training, mentorship and coaching, and efforts to improve market access. Notably, these interventions are tailored to support a variety of beneficiary groups, including youth, entrepreneurs, women-owned enterprises, people living with disabilities, and military veterans. Furthermore, there is a deliberate focus on stimulating growth within priority sectors such as mining, manufacturing, and emerging green industries in alignment with broader regional economic objectives.

Several of these interventions overlap, particularly in their emphasis on financial support mechanisms. Institutions such as NYDA, the Small Enterprise Finance Agency (SEFA), and Small Enterprise Development Agency (SEDA) all provide access to capital for emerging businesses, with a concentrated focus on enterprises located in townships and rural areas. It is noted that 11% of the MSMEs we surveyed indicated that they receive structured support from organisations such as the NYDA, the SEDA, or financial institutions, through participating business management training, funding and mentorship programmes.

In parallel, mentorship and coaching interventions are common across multiple initiatives. Interventions run by NYDA, SEDA, and private stakeholders such as Exxaro aim to build entrepreneurial capabilities and managerial competencies, assisting MSMEs in navigating early-stage business challenges and scaling their operations. Access to these interventions is largely determined by factors such as the demographic profile of the entrepreneur (youth, women, persons with disabilities), the sector of operation, and geographical location, with rural-based and township enterprises being primary beneficiaries.

However, despite the broad range of support on offer, there remains a pronounced gap between the availability of interventions and the actual reach and uptake among MSMEs. Survey data reveals that only 12% of MSMEs reported having engaged with these interventions, while an overwhelming 89% of MSMEs expressed a need for access to such interventions. This discrepancy highlights systemic barriers in outreach and accessibility. Interviews and our survey data suggest several underlying reasons for this gap: limited awareness of available programmes, complex application procedures, fragmented delivery mechanisms, and the absence of effective coordination among service providers. Moreover, only 11% of surveyed MSMEs reported having received assistance directly from government departments or municipalities, indicating that local government support remains limited and not sufficiently integrated with national and private sector initiatives.

In terms of sector-specific support, there are dedicated initiatives aimed at catalysing growth in priority industries. For instance, Exxaro and the Mpumalanga Green Cluster Agency deliver targeted programmes for businesses operating in the mining and green economy sectors, respectively, while MerSETA focuses on the manufacturing and engineering value chains. However, these sector-focused interventions often operate in silos, lacking cross-sectoral integration that would benefit MSMEs working across multiple

industries or seeking to diversify their operations. Furthermore, these interventions predominantly cater to early-stage enterprises, providing critical start-up support but fall short in delivering the post-growth, scale-up assistance required for established MSMEs aiming to expand or innovate further due to a lack of acceleration support 1-2 years post creation. Interviews with strategic partners revealed a significant gap in facilitating market access for MSMEs. While the interventions mapped in Annexure 4 prioritise local-level support and operational improvements, they offer limited pathways for businesses to connect with larger markets, whether regional or national. Funding schemes such as Amavulindlela and Inyamazane provide crucial support for targeted groups, including persons with disabilities and military veterans, yet they overlook the needs of micro and informal businesses that lie outside these specific categories. Moreover, while corporations such as Glencore and Exxaro are active in providing industry-specific support, there is minimal emphasis on fostering partnerships between MSMEs and larger enterprises, particularly in the form of joint ventures or supply chain integration.

The CATI survey highlights this fragmentation: only a small fraction of MSMEs reported receiving any form of assistance from government departments or municipalities, and a significant majority indicated a pressing need for improved access to support interventions. This signals both a demand-side urgency and supply-side inefficiency in the current skills ecosystem.

In summary, while the interventions outlined in Annexure 4 represent a valuable foundation for MSME development in Nkangala, they are insufficiently coordinated and lack strategic integration. Interventions continue to operate in isolation, leading to duplicated efforts and fragmented service provision. Without mechanisms for stakeholder collaboration and alignment, MSMEs are left to navigate a complex and uncoordinated landscape of support options, often completing training programmes but failing to secure meaningful market access or long-term business opportunities.

#### **5.2.2.2. Incubators and accelerators**

Incubators and accelerators are structured support programmes designed to assist MSMEs in their early and growth stages. Business incubators provide long-term support, offering services such as office space, mentorship, networking opportunities, and access to funding to help start-ups develop sustainable business models (Pauwels et al., 2016). Accelerators, on the other hand, are short-term, intensive programmes that focus on rapid business growth, often culminating in investment opportunities and market expansion (Cohen & Hochberg, 2014). These programmes enhance MSMEs' access to resources, improve their business strategies, and strengthen their ability to integrate into formal supply chains.

The district has expressed intentions to expand its small business incubation programmes and prioritise targeted skills development for entrepreneurs. The Victor Khanye municipality plans to open an MSME hub within the municipality. In addition, the Small Enterprise Development Agency (SEDA) has mobile units within the six local municipalities in Nkangala, aiming to enhance access to its services for MSMEs in the region through sharing information about SEDA's products and services, with a particular focus on communities in remote areas.

Linkages with formal sector businesses through supplier development programmes are critical for MSME growth, and incubation programmes or accelerators can play a key role in fostering these connections. An example within the NDM is Exxaro's Enterprise and Supplier Development (ESD) programme, which serves as a model for integrating local businesses into larger supply chains by facilitating their growth and increasing their competitiveness in the mining sector through Exxaro.

### **Exxaro's Enterprise and Supplier Development (ESD) programme**

Mining company Exxaro launched its Enterprise and Supplier Development (ESD) programme in 2018 focusing on regulatory compliance and creating transformative, sustainable, and impactful change in local communities. The programme is aimed at local businesses so they can meet the technical requirements necessary to qualify for contracts within Exxaro's supply chain. The programme also aims to develop local businesses to meet industry standards, ensuring they can successfully compete for procurement opportunities when contracts become available.

The programme provides training and incubation for businesses that do not yet qualify for procurement opportunities with Exxaro but which show strong potential for growth. For example, in logistics projects in Belfast, Exxaro specifically targets black women-owned businesses, supporting them to meet the necessary technical requirements to secure work within Exxaro.

Exxaro has also established a zero-interest loan and grant fund for MSMEs, which has provided nearly a billion rand in funding over the past six years. This funding model is designed to be sustainable, as businesses make monthly repayments that are recycled into new loans for other enterprises.

Beyond financing, the programme places significant emphasis on business management development. Exxaro has partnered with the Gordon Institute of Business Science (GIBS) to create a new Contractor Development Programme tailored for MSMEs that are first-time contract holders. This recognises that many local entrepreneurs lack structured management systems. In addition, Exxaro collaborates with the South African Institute of Chartered Accountants (SAICA) and local accounting firms to help MSMEs improve financial management and reporting. In 2024, the company invested R2,1 billion in social impact programmes, supporting 562 black MSMEs through local procurement, skills development, funding opportunities, business incubation, and market access interventions. Three of the MSMEs from our survey, who are in the coal mining sector, indicated that they have received bookkeeping and financial management training from Exxaro once they were awarded a contract to supply coal to Exxaro.

To further support local businesses, Exxaro has developed a mining enterprise incubator hub, which assists 20 businesses over a three-year period, preparing them to meet Exxaro's procurement standards and compete for future mining contracts. These hubs provide mentorship, skills training, and compliance guidance to ensure MSMEs can access opportunities within the mining value chain.

Recognising the funding challenges faced by MSMEs, Exxaro runs masterclasses on funding preparation to help businesses become "funding ready." Additionally, for smaller enterprises, Exxaro collaborates with SEDA) to organize pitching competitions in local communities. The top three businesses from each region receive grant funding of up to R250 000 to support their growth and expansion.

A key feature of the ESD programme is its collaboration between Exxaro's supply chain and ESD departments. The supply chain team identifies upcoming procurement opportunities where transformation is needed, the ESD team works to train and prepare local businesses to meet those requirements. Although Exxaro cannot guarantee contracts, it ensures that local MSMEs are equipped with the skills, certifications, and business acumen necessary to compete. The programme specifically targets sectors where transformation has been lacking, reinforcing Exxaro's commitment to inclusive economic growth.

Source: Interview with a strategic partner; Exxaro, 2025

Exxaro's ESD programme provides a strong model for integrating MSMEs into formal business opportunities, but it primarily benefits enterprises within the mining sector because of its focus on supplier development, procurement opportunities, and business capacity-building tailored to Exxaro's value chain. Many MSMEs (73% of survey respondents) reported that similar incubation programmes are scarce in Nkangala, leaving businesses outside of the mining industry without structured growth and development pathways. In addition, MSMEs indicated that some existing incubators, such as the SEDA Mpumalanga Incubator in Mbombela are located too far away. This makes it difficult for them to access support services regularly due to transportation costs and time constraints. The possibility of on-line training addressing this challenge was not raised by respondents suggesting perhaps that MSMEs are not sufficiently aware of these support services.

#### **5.2.2.3. Training Institutions that provide skills development within the Nkangala District Municipality**

Nkangala District Municipality presents a diversified skills provisioning environment anchored by several institutions, such as Nkangala TVET College, Mpumalanga CET College, Nkangala Skills Centre, Tshwane University of Technology (TUT) in Witbank, and EMalahleni Skills Development College (Annexure 5 provides an overview of the courses offered in the district).

Although courses specifically for MSMEs are available, they seem fragmented and not part of a cohesive MSME support skills ecosystem. These include:

- Nkangala TVET College offers qualifications in business management, office administration, financial management, and management assistant roles.
- The Mpumalanga CET runs short courses directly targeting MSMEs such as entrepreneurship and small business management (including financial literacy, marketing, and business planning).
- Tshwane University of Technology (TUT) (Witbank Campus) provides a Diploma in Entrepreneurship and a Diploma in Administrative Management, as well as a high-level Master of Management Sciences in Entrepreneurship.
- Nkangala Skills Centre and EMalahleni Skills Development College are private providers who offer short and advanced qualifications across business and technical fields.

Analysis of the courses and educational offerings reveals important insights into the links between MSMEs and local educational institutions. The MSMEs we surveyed expressed that specific, practical skills are needed that are crucial for their day-to-day operations. These include bookkeeping and financial literacy (costing, pricing, cash flow management; such as record keeping). Our survey found that most businesses operate informally without



tracking profits/losses; understanding of tax compliance; accessing online platforms for supply chains or customers; understanding customer needs and local market demand; building customer relationships and basic negotiation; food handling and safety (for spaza shops, street vendors); creative ways to overcome poor infrastructure (e.g., load shedding); communication and interpersonal skills; how to engage with local municipalities and participate in local procurement; building partnerships and collaborations; knowledge of bylaws, permits, and licensing; navigating municipal processes and avoiding penalties. Our CATI survey indicated that 68% of the MSMEs we surveyed reported that they had never engaged with a learning institution for skills development because the courses offered by the education providers identified in Annexure 5 focus mainly on formal academic qualifications but lack integrated entrepreneurship development programmes that respond directly to the needs of MSMEs, such as being tax compliant.

In addition, although business management is offered in existing courses, there is a shortage of sector-specific training tailored to the district's high-potential industries. The context in Nkangala highlights opportunities in agroprocessing, support for emerging farmers to enhance food production, eco-tourism to enhance heritage sites, renewable energy sector is expanding, with increased interest in solar and wind energy projects linked to Mpumalanga's JET focus, as well as skills development programmes to support the green economy (Nkangala District Municipality, 2022). However, our mapping found little evidence of targeted programmes designed to equip MSMEs with the specialised technical and entrepreneurial skills required to participate in these emerging sectors. For example, welding and electrical trades are taught, but there is limited training that contextualises these skills for applications in solar panel installation or maintenance in the sectors poised for growth amid the province's JET efforts.

TVET colleges play a crucial role beyond traditional education by fostering industry partnerships and promoting vocational learning and skills. As important anchor institutions, they are well-positioned to serve diverse learners and social partners by creating linkages between education and workplace environments. This creates clear pathways for advancement through collaborative partnerships and shared expertise with employers across various sectors and sizes (Grainger & Spours, 2018). In the NDM, the Nkangala TVET College stands out as a major anchor institution.

#### **Nkangala TVET college**

Nkangala TVET College is one of the leading public Technical and Vocational Education and Training institutions in the Mpumalanga province, with campuses spread across key towns such as Witbank (EMalahleni), Middelburg, and Siyabuswa. The college offers a range of programmes, primarily focused on engineering studies (electrical, mechanical, and civil), business studies, and information technology. Artisan training is a notable strength, with courses in welding, fitting, and turning, and electrical work being particularly prominent.

The college has established partnerships, through memoranda of understanding (MOUs) with a range of industry players such as Eskom, Exxaro, Columbus Steel, Sasol, which offer work-based learning opportunities through learnerships, apprenticeships, and internships. For instance, the Witbank Campus, designated as a centre of excellence for

information technology and computer science, has entered into MOUs and sponsorships with industry partners to bolster its programmes. In addition, collaboration with companies such as Enel Green Power has facilitated practical training for graduates, particularly in green job sectors. These partnerships enable students to gain hands-on experience in fields such as engineering, electrical work, and mechatronics, thereby bridging the gap between theoretical knowledge and practical skills.

Nkangala TVET College has also formed a significant partnership with the RES4Africa Foundation as part of the “Re-skilling Lab Initiative” to advance specialised training in the renewable energy sector, specifically in solar photovoltaic (PV) installation. Through this collaboration, in 2023 the college offered a five-day in-person Solar Photovoltaic Installer entrepreneurial training course PV Green Card Assessment. The targeted training programme was designed to upskill both qualified and unqualified electricians and electrical technicians, focusing on the installation, maintenance, and troubleshooting of solar PV systems. The course, which catered for a cohort of 30 participants, is extremely practical and responds directly to the growing demand for renewable energy solutions in South Africa. Beyond technical training, the programme was structured to enhance employability by equipping students with the competencies needed to secure jobs or establish their own businesses in the rooftop solar installation market. The aim of the course was to support the country’s JET efforts and also contribute to addressing youth unemployment and the local skills gap in the Nkangala District. The purpose of the initiative is to re-skill coal sector workers for the renewable-based economy amid decommissioning of about 11MW coal-fired capacity. With the TVET chosen as a partner to facilitate the reskilling initiative, training is not only offered to coal workers, but also lecturers of the institution, students, and some community members affected by the decline of coal.

Some of the partnerships the college has, are cross-cutting. For instance, while RES4Africa’s Re-skilling Lab Initiative is facilitated through Nkangala TVET College, its initiated reskilling programmes are accredited by both Quality Counsel for Trade and Occupations (QCTO) and Energy and Water Sector Education and Training Authority (EWSSETA). This means that apart from the college’s partnership with RES4Africa, it collaborates with EWSSETA which has offered both funding for integration of energy efficiency into the college’s curriculum, and 18-month internships for 25 electrical students for further skills development. This indicates that collaboration of both Nkangala TVET College and EWSSETA goes beyond accreditation of certificates whose training is derived and influenced by RES4Africa, but also capacitation of the college through energy efficiency-related curriculum development and work exposure through internships. Moreover, on the cross-cutting collaborations, Nkangala TVET College has partnered with Enel Green Power. The latter has offered 10 female students from the college a six-month internship programme. The site for these internships was in four of the organisation’s solar plants (Pulinda, Adams, Paleisheuvel, and Upington) where they were offered hands-on technical experience. So, it is apparent is that these collaborations and partnerships intersect between both the private and public sector.

Nkangala TVET College also has a partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) which involves advancing skills development in

renewable energy and supporting the college's digital transformation. Through this collaboration, the college is working to enhance its capacity to deliver industry-relevant training that responds to both local needs and national development priorities. One of the key initiatives under this partnership is the Energy Performance Certificate (EPC) programme. In early 2025, Nkangala TVET College, alongside GIZ, UNDP, EWSETA, and IEPA, awarded certificates to 30 participants who completed this specialised training. The programme focuses on energy auditing and compliance with South Africa's energy performance regulations for buildings. It equips students with practical skills that are increasingly in demand as the country intensifies its efforts to improve energy efficiency and reduce emissions. By participating in this initiative, Nkangala TVET College is helping to create employment pathways in the growing green economy. In addition, to the focus on renewable energy, the partnership with GIZ also extends to supporting the college's digital readiness. As part of a nationwide assessment conducted by GIZ in collaboration with the Department of Higher Education and Training (DHET), Nkangala TVET College took part in evaluating its digital transformation capabilities. This assessment is guiding efforts to strengthen the college's digital infrastructure, improve online learning systems, and better prepare students for the demands of a digitally enabled economy.

In closing, all these initiatives and partnerships are meant to position the Mpumalanga region as a strategic pillar towards the country's energy security trajectory, which is central in propelling economic growth, employment and reduced unemployment and poverty.

Although the Nkangala TVET College stands out as a major anchor institution, the interviews with employers in the Nkangala District raised several concerns about the performance and alignment of Nkangala TVET College with industry needs. A key issue employers raised is the mismatch between curriculum content and the rapidly evolving skills requirements, particularly in sectors such as mining, energy, and advanced manufacturing. Employers stated that graduates often lack practical, hands-on experience and are not fully prepared for the realities of the workplace, especially when it comes to emerging technologies and modern equipment. Employers also highlighted the need for stronger, more frequent opportunities to input into curriculum design and future skills forecasting within the college. They felt that this could strengthen relationships between the Nkangala TVET college and industry partners and help to strengthen the local economy.

In addition, interviews with the college highlighted that outdated infrastructure and equipment at some campuses hinder the delivery of high-quality technical training, making it difficult for students to train on systems that mirror those used in current industrial environments.

### 5.2.3. ***Reflection on collaboration along the horizontal dimension***

The Nkangala MSME skills ecosystem is highly active with a range of interventions, but presents a fragmented, uncoordinated picture. Operations remain largely informal, with businesses relying heavily on personal networks, word-of-mouth, and social media to attract clients, primarily from private households.

Opportunities exist in subcontracting to larger firms, particularly in mining and construction. However, direct access to formal markets and public sector procurement remains limited due to bureaucratic barriers and weak institutional support.

Relationships with government agencies, NGOs, and industry networks are inconsistent, leaving most MSMEs operating in isolation from structured value chains. As a result, the skills ecosystem reflects a focus on short-term survival over long-term growth. This type of horizontal activity constrains the ability of MSMEs to scale up, diversify, and integrate into formal economic systems. The lack of strong linkages perpetuates the marginalisation of MSMEs, limiting their competitiveness and potential to contribute meaningfully to local economic development.

Incubators and accelerators such as Exxaro's ESD programme play a crucial role in strengthening the Nkangala MSME skills ecosystem by providing structured support, skills development, access to finance, and market linkages. However, the skills ecosystem remains uneven. The benefits of such programmes are largely concentrated in the mining sector, leaving many MSMEs in other industries (such as retail, services, agriculture, and informal trading) without similar opportunities for growth and integration into formal value chains.

Geographic barriers further limit access to these support mechanisms. Many of the province's incubators are clustered in urban centres such as Mbombela, EMalahleni, and Secunda. For MSMEs located in more rural or remote parts of the district, these incubators are often too distant to access regularly, reinforcing fragmentation within the skills ecosystem. As a result, while certain well-supported sectors benefit from targeted initiatives, the majority of MSMEs, especially those operating informally in rural areas continue to struggle without adequate support, capacity building, or market access.

Despite the presence of multiple training institutions like Nkangala TVET College, Mpumalanga CET College, and others that offer courses in business management, and technical fields, they lack integration into a cohesive, practical support system for MSMEs. Training tends to focus on formal qualifications rather than the day-to-day operational skills MSMEs need, such as financial literacy, market access, compliance, and sector-specific expertise for industries such as agroprocessing, eco-tourism, and renewable energy which the district aims to grow. TVET colleges, especially Nkangala TVET College, play an anchor role and have industry partnerships, but employer feedback highlights misalignment between curricula and industry needs, outdated equipment, and slow responsiveness to evolving sector demands.

### **5.3. Mediation**

In Nkangala's ecosystem, mediation to ensure effective coordination between horizontal (local stakeholders, businesses, communities) and vertical (national, provincial, municipal policy structures) dimensions face several challenges.

The analysis of the vertical dimension reveals a dense skills ecosystem of policy frameworks, coordination structures, and institutions aimed at advancing the JET in Mpumalanga. This study finds that there is limited translation of these intentions into the horizontal dimension

of the Nkangala District's skills ecosystem, particularly for MSMEs. For example, the Just Transition and Climate Change Forum and the JTCC are designed to coordinate multi-stakeholder dialogue and mobilize investment in green projects. However, findings on the horizontal dimension show that many MSMEs in Nkangala remain unaware of these forums or their potential relevance. Informal and micro-enterprises, especially those in rural areas, are largely excluded from participation and do not benefit from the platforms' intended coordination. This suggests that coordination exists vertically but it is not embedded horizontally. The municipalities, which are critical intermediaries for translating vertical intentions into local implementation, currently lack the capacity to facilitate this connection effectively.

The forums that currently exist to try and mediate relationships across role players include:

- Forums such as the Just Transition and Climate Change Forum and the JTCC, which bring together government, industry, and labour, act as structures for coordination.
- The MGCA has leadership that plays a role in mobilising industry and monitoring green initiatives.
- There are public-private partnerships, green industry firms, and municipalities that support and invest in the green economy through the JET Grants Register. These are role players who have identified 36 projects, mainly large-scale renewable energy investments where MSMEs can participate (see Annexure 1).

However, much is still needed to develop and elevate the skills ecosystem. This includes:

- There are no strong linkages between provincial/national JET priorities and district-specific priorities because local municipalities in Nkangala are not fully participating in and benefiting from the JET. Despite the national and provincial push for a green economy, these efforts are not effectively communicated or implemented at the district level.
- Leadership is fragmented across multiple forums and government departments, with many actors such as MSMEs, large companies, training providers, and government agencies operating in silos and lack insight into how their roles intersect within the broader skills ecosystem. The Green Cluster promotes investment in renewable energy and sustainability projects, but local small businesses struggle to access these opportunities due to weak municipal support structures. There is a lack of structured, top-down support flowing from higher levels of government (national and provincial) or key institutions directly to MSMEs. As a result, limited engagement with MSMEs leaves them disconnected from opportunities in the green economy.
- The fragmented leadership across various forums and government departments undermines effective ecosystem mediation. Spours (2019) highlights the importance of "ecosystem leadership" in fostering cohesion. In Nkangala, leadership is divided among multiple entities, such as the Mpumalanga Green Cluster Agency and municipal actors, resulting in weak collaboration. Effective ecosystem leadership should connect different actors in the skills ecosystem, facilitating learning and relationship-building, and this is currently lacking in the region.
- Currently, many interventions for MSMEs are short-term and not sustainable for MSMEs. They are reactive, and address immediate challenges such as basic business training and compliance support rather than fostering long-term systemic change.

- There are weak linkages between education providers and MSMEs: 68% of MSMEs surveyed had never engaged with a training institution, showing a significant disconnect between what MSMEs need and what is being offered.
- The challenges outlined in the vertical dimension indicate that Nkangala has limited capacity to reflect on the broader skills ecosystem and foster meaningful dialogue among stakeholders. Municipalities lack the necessary resources and structures to promote collaboration across sectors, hindering the development of the ecosystem leadership required for effective mediation. A key aspect of Spours' (2019) mediation model is fostering dialogue and reflection, which are crucial for creating a shared vision for the green economy in the region.

#### **5.4. Case study exploring mediation: Steve Tshwete Municipality (STM)**

The research examined a case study where there have been interventions, with the Steve Tshwete Local Municipality serving as a good example. It illustrates how mediation efforts have been used to improve both horizontal and vertical coordination and is a practical demonstration of how such mediation can support more integrated local economic development. In addition, based on the skills ecosystem model, a catalyst is required to trigger development; this could be a strategic intervention or enabler, such as targeted MSME intervention, policy support, or investment in infrastructure, which is necessary to create the conditions for MSMEs to grow. An example of a catalytic programme within the Steve Tshwete Local Municipality is the proposed MSME Steel Incubation Programme which is an intervention that has aimed at empowering MSMEs within the municipality. This section provides a deep dive into this programme and looks at why the Steve Tshwete Local Municipality is different from the other five municipalities within the Nkangala District Municipality.

##### **A little about Steve Tshwete Municipality (STM):**

Mining in the STM is a dominant sector, with steel and metal manufacturing as a key industry linked to mining. This contributes to industrial activity that focuses primarily on extracting and exporting bulk raw materials, mainly to the surrounding provinces, European and Asian markets.

##### **On the vertical dimension STM is engaging with structures and opportunities in the district and the Mpumalanga provincial government.**

The municipality has an existing Steel Incubation Programme that dates back to 1999 targeting big companies such as Columbus Steel that produces and exports raw material. This programme is only focused on the primary sector as it is based solely on producing bulk raw material within the steel industry. Participating in the existing Incubation Programme created barriers of entry for MSMEs because operating in the primary industry requires heavy engineering and technology and infrastructure.

To strengthen the municipality's industrial base, to create an entry point for emerging businesses into this manufacturing industry, and reduce reliance on raw material exports, Columbus Steel and the STM are pursuing a collaboration aimed at creating a Centre of Excellence focused on expanding secondary-level manufacturing and beneficiation.

This initiative is targeted at MSMEs so that raw materials can be processed within the municipality. MSMEs will play a role in fabricating and modifying raw materials into semi-finished or even finished products. The model being used is that Columbus Steel supplies raw materials to the incubator and outsources some work to it. Through the incubator's basic welding skills development programme, and future technologies programme, previously known as the tooling initiatives (where specialised tools are being made and manufactured or designed out of the raw materials) MSMEs will be able to participate thereby adding value and fostering local economic growth within the municipality and within the province.

This effort is accelerated by the planned Special Economic Zone (SEZ), in which STM has been designated as a key nodal point by the provincial government. It is the only municipality within Nkangala with land available that meets the SEZ's requirements, as much of the land in the other five municipalities is privately owned. Columbus Steel has also expressed willingness to contribute land to the SEZ, though they seek strategic benefits in return. Other major industry players, including Task Back and Furrows, are involved, broadening the scope of beneficiation beyond Columbus Steel.

**Then at the horizontal dimension, we see a moderate amount of dynamic agency and coordination**

The municipality has identified key developmental areas within secondary manufacturing, particularly in beneficiation, foundry work, fabrication, and material modification. These areas present significant potential for growth, skills development, and MSME participation. Unlike primary production, which requires heavy engineering, secondary manufacturing expands economic opportunities for MSMEs by extending the value chain.

To support MSME integration, the municipality has prioritised targeted incubation programmes and technical training to ensure that local artisans and skilled workers are equipped to meet industry demand. The Steel Incubation Programme, supported by Columbus Steel and various government entities, is designed to develop MSMEs in steel and metal fabrication by providing skills training, three-year incubation, and eventual graduation into the broader market. Plans are underway to expand this initiative into a larger fabrication hub, incorporating the SA Welding Institute. In addition, the provincial government is working to revive the tooling initiative, previously linked to the Department of Trade, Industry, and Competition (DTIC), to further enhance skills development. These efforts will contribute to the establishment of a manufacturing campus that will serve as the foundation for a new industrial park.

The municipality has a strong working relationship with the private sector, notably through its partnership with the Middelburg Chamber of Commerce. To attract investment, the municipality has highlighted that they need to prioritise bulk infrastructure development as companies have stated that as a requirement to start operations without needing to build basic infrastructure themselves. In addition, STM has a strategic location, with access to major transport routes (N12, N4, N11, and R555), strengthening its appeal as an industrial hub. These factors position the municipality for economic growth in steel and metal fabrication, enhancing local job creation, skills development, and MSME participation.

## **Mediation**

It can be seen from above that the municipality is playing a very dynamic role – with MSMEs and with the private sector. In this way they are facilitating access to training etc. The municipality has a strong partnership with the local Chamber of Commerce and Industry, which serves as a bridge between the government and the private sector. Through this collaboration, the municipality engages directly with companies from an enterprise development perspective. In addition, partnerships with mining companies play a key role in implementing social and labour plans. This well-managed relationship fosters open communication, and ensures that business concerns are addressed effectively. Rather than merely enforcing compliance and tax obligations, the municipality views businesses as partners in local economic development.

### **Key learnings to consider for the wider local economy from the Steve Tshwete Municipality**

- STM recognises the limitations of an economy reliant on primary extraction and bulk raw material exports. Promoting secondary-level manufacturing and beneficiation expands economic opportunities, especially for MSMEs, and enhances the local value chain. The collaboration with Columbus Steel to supply raw materials to the incubator is a practical example of how existing industries can enable downstream activities without waiting for external supply chains.
- STM is intentionally creating space for MSMEs within the industrial landscape, particularly in fabrication, foundry work, and materials modification. By structuring incubation programmes around accessible skillsets such as welding and tooling (rather than heavy engineering), they are lowering the barriers to entry for emerging enterprises.
- The proactive engagement with Columbus Steel, Task Back, Furrows, and the Middelburg Chamber of Commerce demonstrates that strong public-private collaboration is essential for local economic development.
- Skills development is not generic but tightly aligned to identified industrial opportunities (e.g. steel fabrication, tooling, welding). This layered approach, including basic skills, incubation, and graduation to market participation, provides a clear pathway for MSME growth and workforce readiness.
- A critical lesson is the municipality's responsiveness to private sector needs, particularly regarding bulk infrastructure. Proactively addressing these needs makes the municipality more attractive to investors and lowers the initial costs for incoming businesses.

STM's role goes beyond traditional municipal functions. The municipality acts as a mediator and facilitator, ensuring alignment between government initiatives, private sector investments, and MSME development.

This deep dive into the municipality shows that the collaboration between the municipality, Columbus Steel, and other entities in the steel and metal fabrication sector is a successful



model. This needs to be evaluated so we can see what worked and if this could be an intervention model for the other municipalities.

### ***Why is the Steve Tshwete Municipality different from the others?***

There is strong collaboration between provincial and local stakeholders with a shared vision to develop MSMEs in the municipality. The partnership between Columbus Steel, the municipality, and key stakeholders such as the DEDT, SEDA, and MCCI demonstrates this. The partners play critical roles in the incubation programme. At the provincial level, the DEDT plays a regulatory role in the industry and is responsible for developing strategies to support industrialisation. As a result, the incubation programme has aligned its broader strategy for local economic development with that of DEDT. Similarly, SEDA is a key funder of the incubator. SEDA's mandate is to support the development of entrepreneurs, and in this case, it focuses on fostering entrepreneurship within the steel sector. Their involvement is driven by their role in supporting MSMEs and emerging businesses. The municipality is another important stakeholder, primarily providing non-financial support. This includes making land and infrastructure available to facilitate the incubator's operations.

As part of its LED initiatives, the municipality has several key programmes in place. One of these is the Township Revitalisation Strategy, aimed at stimulating economic activity in townships. To support this, a one-stop support centre has been established within the township, providing accessible assistance such as business development services, skills training, funding application support, market access facilitation, and regulatory compliance guidance to local entrepreneurs. Another significant initiative is the development of an industrial park within the township. This facility provides designated business spaces for MSMEs that were previously operating in areas not zoned for commercial use.

In addition, the municipality runs programmes that support MSMEs with essential tools, equipment, and infrastructure, including business containers. Collaboration with other government departments further strengthens these efforts. For example, the Department of Small Business Development (DSBD) recently provided 91 entrepreneurs within the municipality with the necessary equipment. These initiatives collectively create an enabling environment for economic activities, fostering growth and sustainability in the local economy.

The municipality received technical support from international actors such as AFD, GIZ, and other international partners to develop industry-based sector reports, economic development strategies, and various policy frameworks that supported local growth and sustainability. This support played a big role in the municipality because these partners provided the municipality with technical support, resources, and expertise in research, programme development, and strategy formulation. For example, international partners supported the inclusion of a dedicated chapter in the Steve Tshwete Municipality's IDP, which focused on the JET's impact on the local economy. This initiative was sponsored by AFD and the Commission de l'Océan Indien (COI Africa).

## **6. Conclusion: Towards a stronger skills ecosystem that can support MSMEs**

South Africa's Just Energy Transition Investment Plan (JET IP) outlines a R1,5 trillion strategy over five years (2023–2027) to decarbonise the economy while ensuring social equity. The plan focuses primarily on the electricity sector, green hydrogen, and electric vehicles. Approximately R319 billion is allocated to green hydrogen initiatives, R128 billion to the electric vehicle transition, and significant investments are planned for renewable energy infrastructure and transmission grid upgrades. Funding sources include domestic financial institutions, the International Partners Group<sup>3</sup> which includes pledges from the UK, US, Germany, and others; and Development Finance Institutions.

To support transparency and coordination, several tools have been developed. The Just Energy Transition Programme Management Unit (JET PMU) in the Presidency has introduced a Grants Register, updated quarterly, that provides public access to information on grant allocations. A JET Funding Platform was launched in October 2024 to connect potential funders with project proposals. A forthcoming JET Investments Register aims to map all investment flows related to the transition, including grants, loans, and fiscal expenditures. These tools are intended to enhance tracking and alignment of investments with national priorities. At the provincial level, key projects include repurposing coal-fired plants in Mpumalanga with investments exceeding R60 billion. A major component of Mpumalanga's JET will involve shifting from traditional coal mining to the extraction of critical minerals essential for renewable energy technologies (such as lithium, cobalt, rare earths, etc.).

As highlighted in the context, Nkangala's economy has long been dependent on coal mining and energy production, with mining and quarrying contributing 35% of the district's economy, compared to the national average of 8% (Presidential Climate Commission, 2023). This has created a path-dependent industrial structure that prioritises large-scale industries over small businesses, making it difficult for MSMEs to integrate into new value chains. The transition away from coal under South Africa's JET framework presents opportunities in renewable energy and green industrialisation, but the policy and investment landscape remains geared mainly toward large enterprises, limiting MSME participation (Naspers, 2023). This is the case in Nkangala, as the analysis of the horizontal relationships within Nkangala's skills ecosystem reveals significant gaps, particularly in how MSMEs interact with other key stakeholders such as big businesses, the municipality, and education providers. Many MSMEs operate primarily within their immediate environment, relying on immediate networks, peer connections, and word-of-mouth marketing rather than engaging with formalised support structures.

Our research indicates that this lack of focus on MSMEs results in a situation where MSMEs struggle to effectively access the opportunities presented by JET. The primary barrier is the absence of effective mediation mechanisms to facilitate MSME participation in the JET: this

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<sup>3</sup> The International Partners Group (IPG) is a coalition of donor countries – the United Kingdom, Germany, France, the European Union, Denmark, and the Netherlands – that have pledged financial support to South Africa's Just Energy Transition (JET).

is evidenced in our skills ecosystem mapping, which revealed that there are no enabling mechanisms or catalysts for MSMEs to engage with JET initiatives. This does not negate the number of on-going interventions that are aimed at improving mediation, however our findings suggest that these efforts lack clarity and are often inaccessible to MSMEs. To address these challenges in ways that leverage off the resources that are in place we are suggesting the following recommendations to build a stronger skills ecosystem that can support MSMEs:

## **6.1. Short-term recommendation**

### **1) Expand and utilize the DSBConnect platform for MSME support.**

The Department of Small Business Development (DSBD) is developing a comprehensive MSME database through initiatives such as DSBConnect. This digital platform aims to geo-map and support small businesses, particularly in the food sector, by providing information on their locations and available services. The goal is to create a national-level database accessible to stakeholders to identify and support small businesses with tailored interventions, such as assistance with compliance and links to resources. However, there seems to have been delays in this process and further engagement is required to determine whether this platform could be supported by development partners. They need to enable it to meet its intended purpose and to ensure that MSMEs, that can support the just transition are accessing the platform and through this, the related services. Our research indicates that MSMEs are often unaware of available interventions and support, highlighting the potential value of such a centralized information repository. By informing MSMEs about available resources through the DSBConnect platform, stakeholders can bridge the information gap and enhance MSME participation in JET initiatives.

### **2) Leverage the JET Funding Platform to facilitate MSME engagement.**

Launched in October 2024, the JET Funding Platform serves as a matchmaking service connecting grant funders with potential beneficiaries of JET projects. Managed by the JET PMU in the Presidency, this platform aims to enhance transparency and coordination by tracking project applications, funding allocations, and stakeholder involvement, including MSMEs. Development partners and stakeholders can utilise this platform to identify upcoming projects and assess their implications for the local ecosystem: this includes an assessment of the skills that are likely to be required by the planned projects against the current skills of existing or potential workers. This is seen as a key intervention, as through accessing insights into funding applicants, the nature of projects and financial allocations, the platform has the potential to facilitate better focused support for MSMEs within the energy transition framework. Development partners should explore ways to make the platform more accessible, transparent, and user-friendly such that it can be used to support ecosystems that are more enabling for MSMEs.

### **3) Localise and diversify service delivery modalities for MSMEs.**

MSMEs have expressed concerns about the accessibility of interventions, including training interventions, citing issues such as distance, time constraints, and the

inability to take time off work to access different initiatives. There is a need to collaborate with institutions offering these services, such as the NYDA, SEFA, and SEDA, to make services more accessible and localized. It would be particularly important to offer training in various modalities such as evenings, weekends, or one-day-a-week sessions that can accommodate the diverse schedules of MSMEs. In addition, the predominant concern among MSMEs is the lack of access to finance. Linking training programmes to financial access could enhance the confidence of financiers in the capacity of MSMEs to manage funds and encourage MSMEs to engage in training that enables them to secure financing.

## **6.2. Mid to long-term recommendations**

### **4) Strengthen the National Pathway Management Network (NPMN) for youth engagement.**

The National Pathway Management Network (NPMN) is designed to connect young South Africans to various opportunities, including employment, education, and entrepreneurship. It serves as a centralised platform aggregating services and resources to facilitate the transition of youth from learning to earning through platforms like SA Youth, Employment Services of South Africa, Tshepo 1 Million, Youth Employment Service (YES), Khetha Career Advice Portal, and mPowa App. One platform on the NPMN is that of the Youth Explorer, which focuses on the provision of information about the services available in different communities (including nature of the service, location and opening hours). The NBI, in collaboration with the South African Labour and Development Research Unit (SALDRU), is working to extend this offering to support MSMEs: so that there is information available about the services offered by MSMEs in their respective communities. Further, it seeks to link MSMEs with opportunities through the Youth Explorer and the Community Explorer.

This is seen as very important in enabling MSMEs to move beyond the acceleration stage: ways to work with the NPMN, NBI and this initiative could yield valuable results for supporting MSMEs to scale their operations and contribute to job creation.

### **5) Enhance strategic intermediaries and municipal capacities.**

There are a number of institutions that are or are meant to play intermediary roles but who face different challenges in this regard: SETAs are intended to play a crucial role as strategic intermediaries and the MGCA facilitates knowledge sharing within the green economy and could serve as a forum representing key stakeholders across different levels in Mpumalanga. The success of these institutions requires that the municipalities play a stronger coordinative role. Our research shows that local municipalities require targeted support to build institutional capacity, but – as evidenced by the Steve Tshwete case study – where the municipality received assistance (technical support from international partners including AFD, GIZ, and others), it was able to develop industry-based sector reports, economic development strategies, and policy frameworks that promoted local growth and sustainability. With this support, the municipality became more strategic in identifying priority areas and forming effective partnerships with big companies to support MSMEs.

### **6) Enhance MSME–TVET linkages.**

Our research reveals weak linkages between MSMEs and TVET institutions. The NBI is working on establishing incubation centres and hubs to position TVET colleges as anchor institutions within communities, bringing them closer to MSMEs. This approach aims to train young people with the skills needed to enter MSMEs and provide technical training and support to MSMEs to support their growth to enable these MSMEs to absorb these trained young people. We recommend monitoring this initiative and based on the learnings, and find ways to replicate this approach more widely to enhance skills development and MSME capacity building within the context of different local eco-systems.

## **7. Next steps and future research**

This research has surfaced several key aspects that we believe should be widely shared. We suggest that this should include key stakeholders with whom we engaged as part of this process including the Mpumalanga Green Cluster, SETAs, the Presidency and other development partners. This is seen as central to taking the research forward.

Importantly, the research process itself has revealed several new questions and areas for future research. These include:

- Measuring the increase in the success or survival rates of MSMEs that received training and support compared to those that did not.
- Understanding the factors that enable green MSMEs to sustain themselves in the current economic landscape.
- Exploring how existing interventions align with or map onto the broader spectrum of the JET and green economy; what does this mean for the types of policies and support mechanisms needed?
- Assessing whether there is a coherent pathway among the various agencies supporting MSMEs. Do these agencies communicate or coordinate around their respective programmes and interventions?
- Understanding the volume of funding available, how many MSMEs can be supported per year, and how this compares to the actual number of MSMEs and local development needs?
- A deeper analysis of power relations is required to engage more explicitly with how political, economic, and social power shapes who gains access to resources and decision-making in the skills ecosystems and examining how this impacts MSME growth.

We view these questions as critical to deepening our understanding of the MSME skills ecosystem within the context of the JET, and we encourage others to build on these lines of inquiry in future research.

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## Annexure 1: Provincial/ national key institutions, structures, and initiatives that are driving the Just Energy Transition (JET) in Mpumalanga

Category	Name	What type of demand do these policies activate?	Which agencies and institutions are targeted by these policies?	Who is left out of the policy framework?	How is responsibility allocated for ecosystem functions?	How do policies set up leadership structures?	Where is policy responsibility placed?	Are policies creating the right environment for demand to be activated?
<b>Structures</b>	Mpumalanga Just Transition and Climate Change Forum	Local economic diversification, clean energy, skills development	Provincial and local government, industry, labour, NGOs	Informal workers, micro-enterprises, rural communities	Coordination between government, industry, and civil society	Multi-stakeholder forum with advisory role	Premier's Office (Mpumalanga)	Partially: lack of direct support for small/local enterprises
	Just Transition Coordination Committee (JTCC)	Policy coordination, investment in green projects	DEDT, DARDLEA, municipalities, Eskom, private sector	Some local municipalities and small businesses	Oversees strategic coordination and funding	Co-chaired by DEDT & DARDLEA	Provincial departments	Yes, but execution capacity is a concern
<b>Institutions</b>	Mpumalanga Green Cluster Agency (MGCA)	Green industry development, monitoring & evaluation	Mpumalanga provincial government, businesses, research institutions	Informal and unregistered enterprises	Secretariat for transition projects	Acts as the implementing and monitoring body	Provincial government	Yes, but access to funding for small players is limited
	National Energy Crisis Committee (NECOM)	Municipal electricity sector reform, energy security	National Treasury, municipalities, energy firms	Local communities and non-grid-dependent sectors	Supports municipal capacity-building and planning	Works within national energy structures	National government (Presidency)	Partially: municipalities need more capacity to implement reforms
	National Planning Commission (NPC)	Stakeholder engagement, long-term policy vision	Government, labour, business, civil society	Informal economy, small-scale energy providers	Facilitates discussions, no direct implementation	NPC leads dialogues but has no enforcement power	National advisory role	No direct activation: policy discussions are not binding

Category	Name	What type of demand do these policies activate?	Which agencies and institutions are targeted by these policies?	Who is left out of the policy framework?	How is responsibility allocated for ecosystem functions?	How do policies set up leadership structures?	Where is policy responsibility placed?	Are policies creating the right environment for demand to be activated?
Initiatives	JET Grants register through the PMU (36 registered projects)	In diversifying local economies, developing local clean energy value chains, strengthening social dialogue, and capacity building.	Public-private partnerships, green industry firms, municipalities	Some local entrepreneurs and non-energy businesses	Funding and technical assistance allocation	No single leadership structure; varies by project	The Mpumalanga Province leads the provincial JET Portfolio, with the Mpumalanga Green Cluster Agency (MGCA) as secretariat.	Mixed: projects need better alignment with local needs

## Annexure 2: Key Structures and Initiatives for Local Economic Development (LED) in Nkangala District Municipality

The key structures and Initiatives for Local Economic Development (LED) in Nkangala District Municipality include:

- |  |   |
|--|---|
| 1. Integrated Development Plan (IDP):                      | Outlines municipal development priorities, budgets, and strategies.                 |
| 2. District Development Model (DDM):                       | Ensures coordinated service delivery and intergovernmental collaboration.           |
| 3. Local Economic Development (LED)                        | Forum: Stakeholder engagement platform for business, government, and civil society. |
| 4. Spatial Development Framework (SDF):                    | Regulates land use, zoning, and spatial planning to guide economic growth.          |
| 5. Local Economic Development (LED) Strategy:              | Drives economic growth, investment, and job creation in municipalities.             |
| 6. Climate Change Strategy:                                | Promotes sustainability and environmental resilience.                               |
| 7. Special Economic Zones (SEZs) & Industrial Development: | Encourages targeted industrial growth and investment.                               |
| 8. Expanded Public Works Programme (EPWP):                 | Creates employment opportunities through public infrastructure projects.            |

Key question	Analysis
<b>What type of demand do these policies/structures/initiatives activate?</b>	<ul style="list-style-type: none"> <li>Demand for skills on infrastructure, investment, and business support.</li> <li>LED Strategy and IDP focus on economic diversification and industrial growth.</li> <li>Climate Change Strategy activates demand for green economy skills and sustainability projects.</li> <li>DDM and LED Forum create demand for multi-stakeholder partnerships and funding.</li> </ul>
<b>Which agencies and institutions are targeted by these?</b>	<ul style="list-style-type: none"> <li>National and provincial government departments (COGTA, DTIC, Dept of Labour).</li> <li>Nkangala District Municipality and local municipalities (Thembisile Hani, Dr JS Moroka, EMalahleni, Steve Tshwete, Victor Khanye, Delmas).</li> <li>State-owned entities (SOEs) (Eskom, Transnet, IDC).</li> <li>Private sector investors and SMEs.</li> <li>Training and academic institutions (TVET Colleges, universities, SETAs).</li> <li>Community-based organisations and cooperatives.</li> </ul>
<b>Who is left out of the policy framework?</b>	<ul style="list-style-type: none"> <li>Informal sector workers and micro-enterprises often lack direct support.</li> <li>Youth and women entrepreneurs face limited tailored interventions.</li> <li>Rural and peri-urban communities are often underserved.</li> <li>Smallholder farmers are not sufficiently integrated into broader economic strategies.</li> </ul>
<b>How is responsibility allocated for ecosystem functions?</b>	<ul style="list-style-type: none"> <li>Municipal LED units oversee economic planning and implementation.</li> <li>DDM coordinates alignment between national and local priorities.</li> </ul>

Key question	Analysis
	<ul style="list-style-type: none"> <li>Private sector and SOEs play a role in investment and service delivery.</li> <li>LED Forums facilitate engagement and participation from stakeholders.</li> </ul>
<b>How do policies set up leadership structures?</b>	<ul style="list-style-type: none"> <li>Executive Mayors and Municipal Managers lead economic planning and oversight.</li> <li>ED Forums and IDP Steering Committees include officials, business, and community representatives.</li> <li>DDM structures improve coordination between government levels.</li> </ul>
<b>Where is policy responsibility placed?</b>	<ul style="list-style-type: none"> <li>Local municipalities implement LED strategies.</li> <li>Nkangala District Municipality coordinates and oversees implementation.</li> <li>Provincial and national departments provide funding, guidelines, and strategic alignment.</li> </ul>
<b>Are policies creating the right environment for demand to be activated?</b>	<p><b>Partially:</b></p> <ul style="list-style-type: none"> <li>Policies support investment and infrastructure development, but implementation gaps remain.</li> <li>LED Forums improve business engagement, but execution needs strengthening.</li> <li>Skills development is limited, affecting workforce readiness.</li> <li>Informal and rural economies need better integration into economic planning.</li> </ul>
<b>How do these policy structures, institutions, and initiatives enable or constrain the ecosystem?</b>	<p><b>Enablers:</b></p> <ul style="list-style-type: none"> <li>DDM improves coordination between national, provincial, and local governments, reducing duplication of efforts.</li> <li>IDP and SDF ensure long-term planning, guiding spatial and economic development.</li> <li>LED Strategy and LED Forums support local business engagement, fostering collaboration.</li> <li>SEZs and EPWP create direct employment opportunities, driving economic activity.</li> </ul> <p><b>Constraints:</b></p> <ul style="list-style-type: none"> <li>Slow policy implementation and bureaucratic delays hinder economic responsiveness.</li> <li>Municipalities struggle to secure adequate resources to implement LED initiatives.</li> <li>Government-led initiatives often lack strong industry partnerships.</li> <li>Rigid regulatory frameworks create barriers for MSMEs and informal enterprises.</li> </ul>
<b>Is there a disconnect between what people are trying to do and what the policy environment allows?</b>	<p><b>Yes, there are gaps between policy intent and on-the-ground impact:</b></p> <ul style="list-style-type: none"> <li>Informal and township businesses face regulatory barriers that prevent them from fully participating in the formal economy.</li> <li>Municipal capacity is often weak, with LED units lacking technical expertise and resources to implement policies effectively.</li> <li>Training and skills development do not always match industry needs, creating a skills mismatch.</li> </ul>

Key question	Analysis
	<ul style="list-style-type: none"><li>• Community participation in LED decision-making is limited, making it harder for policies to reflect local needs.</li><li>• Climate change policies are present, but green economy projects remain underdeveloped, lacking investment incentives and implementation mechanisms.</li></ul>

### Annexure 3: Nkangala Stakeholder Overview

Stakeholder	Role in the Green Economy	Key interests
<b>Nkangala District Municipality (NDM)</b>	Implements LED strategies, oversees municipal services, and promotes green projects	Sustainable economic growth, job creation, and climate
<b>Local Economic Development (LED) Forums</b>	Facilitates public-private collaboration for local economic growth	Identifying green economy opportunities for MSMEs and industries
<b>Nkangala Business Chambers (e.g., Middelburg Chamber of Commerce &amp; Industry, Witbank Business Chamber, Delmas Business Chamber)</b>	Represents business interests, supports economic diversification	Encouraging private sector participation in green investments
<b>Mpumalanga Provincial Government (Dept. of Economic Development &amp; Tourism, Dept. of Agriculture, Rural Development, Land &amp; Environmental Affairs)</b>	Policy development, funding support, and regulatory oversight	Transitioning from coal dependency to a green economy
<b>National Department of Forestry, Fisheries, and the Environment (DFFE)</b>	National policy, environmental regulations, and funding for green projects	Carbon reduction, biodiversity conservation, and climate resilience
<b>National Department of Mineral Resources and Energy (DMRE)</b>	Oversight of energy and mining sectors, Just Energy Transition planning	Renewable energy projects, responsible mining, and economic diversification
<b>Local Economic Development (LED) Units within Nkangala &amp; Local Municipalities (Victor Khanye, EMalahleni, Steve Tshwete, Emakhazeni, Thembisile Hani, and Dr. JS Moroka)</b>	Develops LED policies, facilitates green MSME growth, and promotes local investment	Job creation, supporting township and rural enterprises
<b>SETA (Sector Education and Training Authorities) – such as EWSETA, AGRISSETA, CETA</b>	Skills development and workforce training in green industries	Upskilling workers for green jobs in renewable energy, waste management, and sustainable agriculture
<b>Eskom (Komati Power Station Just Transition Hub)</b>	Energy generation and transition to renewable energy	Phasing out coal-fired power plants, investing in renewables
<b>Private Sector (Energy, Manufacturing, Agribusiness, Mining)</b>	Investment in renewable energy, green technology, and sustainable practices	Profitability, policy incentives, and market stability
<b>Nkangala Economic Development Agency (NEDA)</b>	Supports LED initiatives, facilitates investment, and promotes MSME growth	Industrial diversification, MSME support, and investment attraction
<b>MSMEs and Cooperatives</b>	Adoption of green business models in waste management, renewable energy, and eco-tourism	Access to finance, technical support, and market opportunities

Stakeholder	Role in the Green Economy	Key interests
<b>TVET Colleges and Universities</b> (Nkangala TVET College, Mpumalanga Community College, Mpumalanga University etc.)	Research, innovation, and skills development	Developing curricula for green skills and providing technical training
<b>NGOs and Environmental Advocacy Groups</b> (Green Cape, WWF South Africa, Just SA, Just Share etc.)	Community engagement, policy advocacy, and project implementation	Climate justice, local community involvement, and environmental protection
<b>International Development Agencies</b> (ILO, World Bank, UNDP, GIZ, UK PACT, EU, etc.)	Funding, policy guidance, and technical support	Supporting a just transition, climate resilience, and sustainable development
<b>Labour Unions</b> (NUM, AMCU, COSATU, etc.)	Workforce transition, social and economic impacts of the green transition	Job security, fair wages, and community benefits
<b>Community-Based Organisations and Civic Groups</b>	Advocating for local participation in the green economy	Ensuring social equity and fair distribution of benefits

#### Annexure 4: Interventions being implemented by various actors in the Nkangala District Municipality

Provider Name	About	Nature of Provision	Designation	Duration
NYDA	Offered seed funding to an MSME called Mthimunye Consolidated Projects.	Funding and mentorship programme	Young, underrepresented Black South Africans	Mentorship runs for 2 years
	Through the 1000 Youth-Owned Enterprise in a 100-day Presidential Intervention programme, grant funding was provided to Sabelo's start-up to purchase a laptop, printer, accounting, and payroll systems.	Grant funding	MSME, SS Max (Pty), owned by Sabelo Mpho Sithole	Not specified
	Offered funding worth R60 000 for purchase of skip bins placed in various mines for waste management services of hazardous waste disposal, scrap metal, and recycling of Polyurethane. A further R15 400 was injected into the business for organisational rebranding.	Grant funding	MSME called Sibani Engineering (a science and engineering-orientated organisation)	Not specified
Small Enterprise Finance Agency (SEFA)	Township and Rural Entrepreneurship Programme (TREP)	Assist informal, micro, and small enterprises grow their businesses	Enterprises operating in townships and rural areas that meet the qualifying criteria whose majority of stake belongs to South Africans	Not specified
	Small Enterprise and Manufacturing Programme (SEMP)	Build manufacturing sector for an improved industrial base through a focused import replacement programme, and for domestic and external market. This means it is focused on offering technical skills, business infrastructure support, route to market, and financial support.	Local manufacturing businesses that are 100% owned by South Africans, predominantly (70%) black, (40%) women and (30%) youth as well as those with disability (6%).	Not specified
	Youth Challenge Fund Programme (YCF)	It stimulates innovative businesses in response to youth unemployment. This is through provision of financial support (grant	Candidates must be between 18 and 35 years and have full ownership of their	Not specified



Provider Name	About	Nature of Provision	Designation	Duration
		and loan) at 5% interest rate, business development support services.	MSMEs, and willing to partake in business development support	
Cooperative Development Support Programme (CDSP)	Assists cooperative enterprises to address market failures such as lack of:	<ol style="list-style-type: none"> <li>1) participation in the local economy,</li> <li>2) ) effective and professional managerial capacity,</li> <li>3) access to finance,</li> <li>4) improved assets value, and</li> <li>5) non-participation in incentive programmes.</li> </ol>	Enterprises must be incorporated. Primarily black owned, and adhere to cooperative principles.	Not specified
SheTradesZA Hub		Through collaboration with SEDA and ITC, the programme assists SA women entrepreneurs to be capacitated and upskilled through various technical and business skills development interventions to increase their competitiveness and thus national, regional, and global players.	Women entrepreneurs are connected to potential buyers, investors, suppliers, and business support organisations, learn skills to boost their businesses, receive support to national, regional, and international trade fairs, get included in B2B meetings, access to investment opportunities, and visibility in business offering.	Not specified
Business Viability Programme		Assists business facing distress and therefore helps them overcome both financial and non-financial constraints. Helps MSMEs' competitiveness, sustainability, viability, and growth.	Targets MSMEs to achieve operational efficiencies, restore profit margins and contribute significantly to economic transformation. They are helped with acquiring new equipment and other related business assets, working capital and non-technical support through SEDA	12-month financial payment though contingent with business' cash-flow.

Provider Name	About	Nature of Provision	Designation	Duration
	Amavulindlela Funding Scheme	Offers South Africans with disabilities credit facilities ranging from R50 000 to R15 million to enable them to enter the mainstream economy in response to high unemployment levels in this community.	To person living with disability and who owns 50 plus 1 per cent of an MSME that is not involved on labour brokerage, NPOs, political organisations, manufacturing and selling of ammunitions, and primary agriculture to mention a few.	Pre-approval assistance of up-to 2 years
	Inyamazane Funding Scheme	This is in a form of funding to address poverty and unemployment among veterans. They must at least have 50%–51% ownership.	Military veterans with an opportunity to enter the mainstream economy by access credit facilities ranging from R50 000 to R15 million.	Pre-approval assistance of up-to 2 years
The Business Sniper	A business coaching and consulting organisation championed by Han van Rensburg that specialises in helping MSMEs build their enterprises to achieve business growth, sales, and profit goals.	For business coaching and consulting, there is no fee. There is in-depth business analysis in critical areas of a business, a 40 days of personal business coach, and provision of monthly financial blueprints.	This is for MSMEs that have been operational for at least a year and therefore not a start-up. Sales per annum must be between R70 000 to R5 million, have steady flow of customers, a good product or service that has a real market demand to mention a few.	
MMTI holdings (Pty) Ltd	They offer business management skills training that is relevant to MSMEs amongst other sectors such as engineering, construction, and manufacturing			
MerSETA	Through a "MerSETA training voucher project", the aim is to capacitate MSMEs of less than 50 employees by skilling them on industry-specific courses within the manufacturing and engineering sector. In this project, companies can apply for vouchers worth up to R5 200 per person.	Courses offered range from adult basic education and training to technical or industry-led courses. To factor in the concept of scarce and critical skills in the MSMEs, offering is needs-based and through short courses.	For MSMEs registered with the SETA, both levy paying (R6 000) and non-paying (R19 000).	Turnaround time is 24hrs

Provider Name	About	Nature of Provision	Designation	Duration
Department of Economic Development	<p>Sakh'abakhi Contractor Development Programme</p> <hr/> <p>As a form of support for MSMEs, the <b>Enterprise Economic Development Programme</b>:</p> <ul style="list-style-type: none"> <li>• promotes and develops local enterprises,</li> <li>• ensures access to finance,</li> <li>• ensures development of businesses through SEDAs, and</li> <li>• builds capacity for service providers to mention a few.</li> </ul> <p><b>Umsobomvu Youth Fund</b> offers:</p> <ul style="list-style-type: none"> <li>• entrepreneurship education and cooperative training, and</li> <li>• business consulting service vouchers to mention a few.</li> </ul>	<p>This programme helps with registration, business plan, and loan security of MSMEs</p>	<p>It targets small, emerging contractors from disadvantaged groups who:</p> <ul style="list-style-type: none"> <li>• own a contracting company,</li> <li>• have at least have grade 10, and some building construction experience'</li> <li>• are registered with the Construction Industry Development Board (CIDB).</li> </ul> <hr/> <p>The target is predominant black South Africans and youth as well as women.</p>	<p>Not specified</p> <hr/> <p>Not specified</p>
Nkangala District Municipality (NDM)	<p>Implemented a support programme providing financial and non-financial assistance, including procurement of tools and equipment to help MSMEs expand their businesses.</p> <p>In the 2023/24 financial year, allocated R5 000 000 to support 20 MSMEs and an additional R5 000 000 to support 16</p>	Financial and non-financial support	MSMEs and emerging farmers within the district	Ongoing

Provider Name	About	Nature of Provision	Designation	Duration
	emerging farmers with tools and equipment.			
Small Enterprise Development Agency (SEDA)	Offers the Entrepreneurship Academy, providing free, practical business courses to help individuals start or grow their businesses.	Training and skills development	Emerging entrepreneurs in Nkangala	Ongoing
	Offers the Entrepreneurship Academy, providing free, practical business courses to help individuals start or grow their businesses.	Training and skills development	Emerging entrepreneurs in Nkangala	Ongoing
	Enterprise Development Division provides various programmes to assist MSMEs in all phases of business development, including Export Development Programme, Women Enterprise Coaching Programme, Empretec Programme, Supplier Development Programme, and Manufacturing Support Programme.	Business development support	MSMEs across various sectors	Varies by program
	Small Enterprise Coaching Programme (SECP) aims to develop and enhance management competencies of business owners by creating an environment conducive for networking, experience sharing, and information exchange.	Coaching and mentorship	MSMEs that have been in existence for 2+ years, employ a minimum of three employees, and operate within priority sectors	1 year
	Incubation Programme offers a three-year programme designed to strengthen technology commercialisation and harness entrepreneurship within the technology community.	Incubation services	Individuals with viable business ideas or registered MSMEs struggling to grow	3 years
	Quality and Standards Programme ensures small businesses have access to quality control and assessment processes,	Quality assurance support	MSMEs seeking to enhance product/service standards	Ongoing

Provider Name	About	Nature of Provision	Designation	Duration
	providing training and access to accreditation and certifications.			
Columbus Steel	Provides funding through its BEE funds to purchase equipment for businesses with solid cases, e.g., specialised machinery.	Funding	MSMEs in need of specialised equipment	Not specified
All Municipalities	Purchase equipment for MSMEs, such as caterers, to improve operations rather than providing cash grants.	Equipment provision	Small businesses and entrepreneurs	Ongoing
Exxaro	Runs an Enterprise Supplier Development (ESD) programme to identify and incubate local businesses in mining to meet industry standards.  Provide training for first-time contractors to corporatize their businesses and offer financial oversight in the mining sector.	Business incubation, funding, compliance support  Compliance and business training	MSMEs in the mining sector	6 months to a year
Indalo Inclusive & Mpumalanga Green Cluster Agency	Offers funding opportunities for MSMEs involved in sustainable and green business initiatives.  Organize the Mpumalanga MSME Green Innovation Challenge, awarding R100 000 (1st prize), R50 000 (2nd prize), and R30 000 (3rd prize) to innovative green business ideas.	Green business funding & mentorship  Innovation challenge & funding	Green entrepreneurs	Once-off
SETAs	Fund entrepreneurial workshops for MSMEs to build capacity.	Skills development	Entrepreneurs and start-ups	Varies
EMalahleni Municipality & SALGA	Conduct workshops on tender applications and bookkeeping for MSMEs.	Business training	Small businesses and entrepreneurs	Short-term (1-5 days)

Provider Name	About	Nature of Provision	Designation	Duration
Glencore	Supports business management initiatives for MSMEs, helping them improve operations and scale.	Business development support	Small businesses in mining and industrial sectors	Varies

### Annexure 5: Skills provisioning within the Nkangala district municipality

Provider Name	About the course	Nature of provision	Designation	Duration
Nkangala TVET College	Business Management: Develops expertise in organisational leadership, strategic management, and business operations.	Contact/in-person; National Accredited Technical Education Diploma (NATED) programme leading to N4-N6 qualifications.	Individuals aiming for careers in business administration and management.	18 months (N4-N6 studies) plus 18 months of practical workplace experience.
	Financial Management: Focuses on financial analysis, management accounting, and corporate financial strategy.	Contact/in-person; NATED programme leading to N4-N6 qualifications.	Aspiring financial professionals seeking roles in accounting and financial management.	18 months (N4-N6 studies) plus 18 months of practical workplace experience.
	Artisan Training: Offers programmes in Welding, Fitting & Turning, and Electrical trades.	Practical, hands-on training in specialized workshops.	Individuals interested in becoming skilled artisans in welding, fitting & turning, or electrical fields.	Duration varies
	Civil Engineering and Building Construction: Covers construction, plumbing, and structural design.	National Certificate Vocational (NCV) programme combining theory and practical training.	Learners who have completed Grade 9 or equivalent, aiming for careers in civil engineering and construction.	3 years.

Provider Name	About the course	Nature of provision	Designation	Duration
	Electrical Infrastructure Construction: Focuses on domestic, industrial, and civil electrical systems.	NCV programme with both theoretical and hands-on components.	Students interested in electrical engineering fields, having completed Grade 9 or equivalent.	3 years.
	Engineering and Related Design: Prepares students for various engineering sectors, including mechanical and industrial.	NCV programme emphasizing both classroom learning and practical skills.	Individuals aiming for engineering careers, post Grade 9 or equivalent.	3 years.
	Tourism: Equips learners with skills for careers in hospitality, travel, and event management.	NCV programme blending theoretical knowledge with practical experience.	Students interested in the tourism and hospitality industry, after completing Grade 9 or equivalent.	3 years.
	Office Administration: Covers office management, communication, and administrative skills.	NCV programme combining theory with practical applications.	Individuals seeking administrative roles, post Grade 9 or equivalent.	3 years.
	Information Technology and Computer Sciences: Develops skills in software development, hardware management, and networking.	NCV programme with a focus on both theoretical and practical IT skills.	Students aiming for careers in IT, having completed Grade 9 or equivalent.	3 years.
	Hospitality: Provides knowledge in catering, food service, and customer relations.	NCV programme that integrates classroom learning with practical training.	Individuals interested in the hospitality industry, post Grade 9 or equivalent.	3 years.
	Finance, Economics and Accounting: Focuses on financial principles, bookkeeping, and economics.	NCV programme offering both theoretical and practical financial training.	Students pursuing careers in finance and accounting, after completing Grade 9 or equivalent.	3 years.

Provider Name	About the course	Nature of provision	Designation	Duration
	Transport and Logistics: Offers training in supply chain management and logistics planning.	NCV programme combining classroom instruction with practical applications.	Individuals aiming for careers in transport and logistics, post Grade 9 or equivalent.	3 years.
	Mechanical Engineering: Covers the design, maintenance, and operation of mechanical systems.	NATED diploma programme with theoretical studies and practical workplace experience.	Students with Grade 12 qualification seeking careers in mechanical engineering.	18 months of theory plus 18 months of workplace training.
	Civil Engineering: Focuses on the design, construction, and maintenance of infrastructure.	NATED diploma programme combining classroom learning with practical experience.	Individuals with Grade 12 qualification aiming for careers in civil engineering.	18 months of theory plus 18 months of workplace training.
	Electrical Engineering: Teaches electrical systems design, installation, and maintenance.	NATED diploma programme with both theoretical and practical components.	Aspiring electrical engineers with a Grade 12 qualification.	18 months of theory plus 18 months of workplace training.
	Management Assistant: Provides skills for managing office environments and supporting managerial tasks.	NATED diploma programme focusing on administrative and managerial support skills.	Individuals with Grade 12 qualification seeking administrative support roles.	18 months of theory plus 18 months of workplace training.
	Civil Engineering: Focuses on the design, construction, and maintenance of infrastructure.	NATED diploma programme combining classroom learning with practical experience.	Individuals with Grade 12 qualification aiming for careers in civil engineering.	18 months of theory plus 18 months of workplace training.
	Pre-Vocational Learning Programme (PLP): Prepares students for NCV or NATED studies by focusing on foundational academic skills.	Preparatory programme aimed at enhancing academic readiness.	Students needing to strengthen foundational skills before pursuing vocational studies.	Duration varies
University of Mpumalanga (UMP)	Short Learning Programmes (SLPs): Various courses addressing public and private sector needs.	Contact/in-person and potentially online formats, depending on the course.	Professionals and individuals seeking to enhance skills or gain new competencies.	Duration varies per programme; please consult UMP's



Provider Name	About the course	Nature of provision	Designation	Duration
				Continuing Education Services.
Nkangala Skills Centre	Engineering Courses: Training in various engineering disciplines.	Contact/in-person training with practical components.	Individuals pursuing careers in engineering fields.	Duration varies
	Business Studies: Courses in business management, administration, and related fields.	Contact/in-person training with practical components.	Aspiring business professionals and entrepreneurs.	Duration varies
	Short Courses: Focused training in specific skill areas.	Contact/in-person training.	Individuals seeking quick upskilling opportunities.	Duration varies
EMalahleni Skills Development College	N4, N5, N6 Courses: Advanced courses in various disciplines.	Contact/in-person training with theoretical and practical components.	Matric graduates and company employees aiming to advance their qualifications.	Duration varies; please inquire directly with EMalahleni Skills Development College.
Nkangala Training Centre (Pty) Ltd	Provides National Certificate courses in business management, civil engineering, electrical engineering, financial management, human resource management, management assistant, marketing management, mechanical engineering, and more.	Contact/in-person training with theoretical and practical components.	Individuals seeking qualifications in various engineering and management fields.	Duration varies; please inquire directly with Nkangala Training Centre.
Mpumalanga CET College	Smartphone Repair: Training in diagnosing and repairing smartphone issues.	Contact/in-person training at designated centres.	Individuals interested in electronics repair and technology.	Duration varies
	Automotive Electrical Circuits and Wiring: Focus on vehicle electrical systems.	Contact/in-person training at designated centres.	Aspiring automotive electricians and mechanics.	Duration varies

Provider Name	About the course	Nature of provision	Designation	Duration
	Adult Basic Education and Training (ABET): Covers literacy, numeracy, and basic skills at foundational levels.	Contact/in-person training.	Individuals with limited formal education seeking foundational literacy and numeracy skills.	Varies per level.
	Provides an equivalent qualification to Grade 9.	Contact/in-person training.	Learners without Grade 9 who wish to apply for TVET or vocational training.	1–2 years.
	Short vocational courses in trades such as sewing, hairdressing, carpentry, and plumbing.	Contact/in-person training with practical components. Ulamenhlo Community Learning Centre (CLC).	Individuals looking to gain specific trade skills for employment or self-employment.	Varies per course.
	Entrepreneurship and Small Business Management: Covers financial literacy, marketing, and business planning.	Contact/in-person training with business development workshops.	Aspiring entrepreneurs and small business owners.	Short course (varies).
	Further Education and Training (FET) Certificate Programmes: Prepares learners for vocational qualifications.	Contact/in-person training with theoretical and practical components.	Individuals with foundational or Grade 9 equivalent qualifications.	Varies per programme.
	Life Skills and Personal Development Programmes: Covers communication, problem-solving, and basic computer literacy.	Contact/in-person training.	Individuals re-entering the workforce or seeking personal growth.	Short course (varies.)
	Skills for Employability Programmes: Focuses on workplace skills, job readiness, and employability training.	Contact/in-person training with industry engagement.	Job seekers looking to enhance employability and career readiness.	Short course (varies).
Tshwane University of	Diploma in Entrepreneurship	This is a contact/ in-person form of provisioning whose successful	Suitable for those interested in creating and building businesses, including MSMEs with background in commercial subjects.	3 years.

Provider Name	About the course	Nature of provision	Designation	Duration
Technology (TUT), Witbank		completion leads to an NQF level 6 qualification		
	Diploma in (Financial and/or General) Administrative Management	This is a contact/ in-person form of provisioning whose successful completion leads to an NQF level 6 qualification	Suitable for those interested in owning a business and entrepreneurs with background in mathematics and commercial subjects	3 years.
	Master of Management Sciences in Entrepreneurship	This is a research-based provisioning and with limited in-person contact. Upon completion, candidates acquire an NQF level 9 qualification.	This programme is suitable for holders of a Postgraduate Diploma in Entrepreneurship, honours degree, and professional bachelor degree at NQF level 8.	1-3 years.

## List of Abbreviations

AFD	Agence Française de Développement
CATI	Computer-Assisted Telephone Interviews
CET	Continuing Education and Training
CLC	Community Learning Centre
COGTA	Department of Cooperative Governance and Traditional Affairs
COI	Commission de l'Océan Indien
DARDLEA	Department of Agriculture, Rural Development, Land & Environmental Affairs
DDM	District Development Model
DEDT	Department of Economic Development and Tourism
DHET	Department of Higher Education and Training
DSBD	Department of Small Business Development
DTIC	Department of Trade, Industry, and Competition
EPC	Energy Performance Certificate
EPWP	Expanded Public Works Programme
ESD	Enterprise and Supplier Development
EWSETA	Energy and Water Sector Education and Training Authority
GIBS	Gordon Institute of Business Science
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IDC	Industrial Development Corporation
IDP	Integrated Development Plan
IEPA	Institute of Energy Professionals Africa
ILO	International Labour Organization
IRM	Installation, Repair, and Maintenance
ISO	International Organisation for Standardization
JET PMU	Just Energy Transition Programme Management Unit
JET	Just Energy Transition
JTCC	Just Transition Coordination Committee
JTCCF	Just Transition and Climate Change Forum,
LED	Local Economic Development
MCCI	Middleburg Chamber of Commerce and Industry
MEGA	Mpumalanga Economic Growth Agency
MerSETA	Manufacturing, Engineering and Related Services SETA
MGCA	Mpumalanga Green Cluster Agency
MOU	Memorand of Understanding
MSMEs	Micro Small Medium Enterprises
NATED	National accredited technical education diploma
NBI	National Business Initiative
NDM	Nkangala District Municipality

NDP	National Development Plan
NEET	Not in Education, Employment or Training
NGOs	Nongovernmental Organisations
NPMN	National Pathway Management Network
NYDA	National Youth Development Agency
OECD	Organisation for Economic Co-operation and Development
PCC	Presidential Climate Commission
QCTO	Quality Counsel for Trade and Occupations
SAICA	South African Institute of Chartered Accountants
SALDRU	Southern Africa Labour and Development Research Unit (University of Cape Town)
SDF	Spatial Development Framework
SECP	Small Enterprise Coaching Programme
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Agency
SETA	Sector Education and Training Authority
SEZ	Special Economic Zone
STM	Steve Tshwete Municipality
TIPS	Trade and Industrial Strategies
TUT	Tshwane University of Technology
TVET	Training and Vocational Education and Training
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme





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