

## Women-owned businesses in the spotlight

Barriers such as limited access to credit facilities, financial skills training, stereotypes and traditions continue to affect women-owned businesses' full participation in the economy.



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One woman, who knows this reality well, is Ayanda Mbambo whose Durban-based facilitation and coaching business still struggles to thrive despite being in the industry for more than four years.

“There are challenges for us as women in business. Metamorphosis Human Re-engineering is my second business as my first one failed. It is not only access to finance which is difficult to obtain, but it is also business opportunities that do not go around equally.

“Another challenge I have picked up is that despite being years into democracy, earning respect as a woman in a male-dominated field can be a challenge. Often I still find myself fighting for equal opportunities and work extra just to prove myself and business,” Mbambo told SAnews.

Mbambo was one of over 100 women who attended the first Women Empowerment Conference at Erasmia, Pretoria. The conference, hosted by the B-BBEE Commission and the dti, was held under the theme Advancing Women Economic Empowerment through the B-BBEE Act.

As part of Women's Month, the conference aims to raise awareness about incentives available for women in business, while also focusing on ways to eradicate barriers in the sector.

Another entrepreneur Ntombi Ramarapu (27) of the Etopian Baking Delights also picked up similar challenges which she said have impacted her enterprise development, productivity, and competitiveness in the economy.

Though acknowledging that there are incentives and programmes put in place by the government, Ramarapu felt that not much information is shared about which doors to knock on.

"We keep hearing that there is this and that available but you never know where to go. It is very tough because I keep applying for different incentives offered by government but never get any response," said the entrepreneur, who supplies local spaza shops with her baked delights.

## **B-BBEE Act**

One of the programmes government has put in place to mitigate these challenges faced by these women is the B-BBEE Act which aims to increase the extent to which black women own and manage existing and new enterprises, and increases their access to economic activities, infrastructure and skills training.

To achieve this, the B-BBEE Commission's Busisiwe Ngwenya said through the act, black women can have access to financial and non-financial assistance to acquire stakes in companies or to start their own businesses, and be able to sustain them.

"This act can be used to bring about economic transformation and access to opportunities and markets for black women in business. This can be through grants, incentives and licensing," said Ngwenya, adding that this would also help increase the number of black women listed on the Johannesburg Stock Exchange (JSE).

According to the B-BBEE Commission recently released report, black women ownership on JSE sits at 9%, which has regressed compared to 10.32% in 2016.

Further, the target set in the Codes of Good Practice for black women representation on boards is at 25%, but the report released by the B-BBEE Commission indicates that black women representation is only at 18% for companies listed on the JSE, including foreign nationals, despite women being in the majority in South Africa.

White males continue to occupy 58% of the board positions, with black males accounting for 20% of board positions.

## **Fronting**

Ngwenya told the conference that it is time for the women to arise in the sector and refuse to be used only to be fronted.

"Fronting is one of the main threats to the success of B-BBEE Act. As women, you should refuse to be used as frontiers instead of being leaders and empowering others," said Ngwenya, who also called for more women entrepreneur partnerships in order to have a bigger impact.

The chairperson of the Portfolio Committee on Trade and Industry, Joan Fubbs, used her address to the conference to also highlight the negative impacts of fronting.

"Fronting is fraud and it works against the gains we are trying to make with regards to economic transformation.

"Until we accept that the country has distorted ownership patterns which are constraining reconstruction of development. That's why we introduced the B-BBEE Act in order to transform the legislative nature of ownership patterns... that is why we need to effectively implement it," said Fubbs.

## Transformation

But for women business owners to thrive, Department of Trade and Industry Minister Rob Davies told the delegates that they need to transform while also tapping into intermediaries and being industrialists.

These, he said, would make economic sense as they would increase on the value-chains.

“The country needs to industrialise, the country needs to up the value chains. If we are simply a producer and exporter of raw materials, the proportion of a raw product is very small with far less gain.”

The minister encouraged the women to tap into other sectors that speak to the Fourth Industrial Revolution.

In a presentation to the conference, the dti detailed several [financial support programmes](#) in place that the department offers to qualifying companies in various sectors of the economy. Financial support is offered for various economic activities, including manufacturing, business competitiveness, export development and market access, as well as foreign direct investment.

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