

South African International Business Linkages (SAIBL)



South Africa

1998 – 2011

Client:
USAID

Website:
www.saibl.co.za

Building the capacity and competitiveness of historically disadvantaged small and medium enterprises, linking them to trade opportunities and supplier business with domestic and international companies

The political and socio-economic model of apartheid South Africa effectively constrained the ability of black firms to compete and flourish by isolating them and limiting their access to opportunities. Apartheid retarded black entrepreneurship by restricting education and skills development and excluding black businesses from the mainstream economy. With most medium-sized, large, and corporate businesses owned by whites and foreign investors, there has been very little, if any, networking with black business. Consequently, black businesses have limited line-of-sight to business opportunities, and no networks in the mainstream economy through which to leverage business.

Against this background, South Africa has relatively good infrastructure, an improved legislative and business enabling environment, and real incentives and support mechanisms targeted to black entrepreneurial firms. In the medium term, the greatest opportunity for growth, prosperity, and stability lies in accelerated participation of a large number of competitive black entrepreneurial firms in the mainstream economy.

Since 1998, ECIAfrica and its partner, the Corporate Council on Africa (CCA), have managed and implemented SAIBL, as well as programme components related to promoting regional trade and agribusiness linkages. In 2007, the second generation of SAIBL was awarded to CCA, ECIAfrica and a new consortium partner, the National Business Initiative. Over the years, SAIBL has developed a reputation as one of the most successful enterprise development and business linkages programmes in South Africa.

Through training, technical assistance and linking businesses, SAIBL assists South African black enterprises, including women-owned

enterprises, to improve their competitiveness and capacity to access business opportunities.

For competitive black empowered and owned small and medium-sized companies, SAIBL promotes regional export market access by providing a range of services such as conducting export readiness assessments; assistance in attending trade missions and shows; developing marketing strategies; and facilitating matchmaking meetings. SAIBL also assists agribusiness enterprises to gain access to mainstream commercial markets in South Africa and internationally, while at the same time opening the door for U.S. businesses seeking trade and investment partnerships in South Africa.

During its first nine years, SAIBL achieved remarkable results in capacity building, strengthening SMME competitiveness, and job creation. The project assisted more than 3,000 SMEs, helped generate total sales of R10 billion and R800 million in exports, and created more than 16,000 jobs. Over the next three years, the new generation of SAIBL will seek to institutionalise gains by setting up the Enterprise Linkage Initiative – a business network, led by corporations and stakeholders, to sustain the work of building SME competitiveness. In addition, we are striving for even more impressive results, including:

- Establishment of a reliable database of more than 1,000 linkage-ready, certified BEE firms;
- Access to a pool of competent and affordable business service providers BSPs nationwide; and
- Leveraging of private and public programmes to support black firms in the targeted industry clusters.

