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India Signs MoU with South Africa for Developing Youth Enterprises

NSIC a public sector enterprise under the Ministry of MSME, Government of India signed an MoU of Cooperation with Black Business Council (BBC) of South Africa for developing youth owned enterprises in South Africa in the presence of Shri Kalraj Mishra, Minister of Micro, Small & Medium Enterprises in South Africa today.

The MoU, besides cooperation in MSME sector, also focuses on BBC's efforts to economically empower the marginalized group in South Africa through NSIC's Rapid Incubation Programme. BBC plans to establish five such Rapid Incubation Centres in South Africa in cooperation with NSIC.

On the occasion Shri Kalraj Mishra said that the signing of MoU between the two organizations will further strengthen our commitment to cooperate with South Africa in developing MSMEs in the country thus, be partner in economic transformation of South Africa.

While addressing the Conference on Cooperation in MSME Sector organized by NSIC and the High Commission of India in cooperation with Black Business Council, South Africa Shri Kalraj Mishra said that it would not have been more opportune time for me to be here, when India is celebrating the 100th year of return of Mahatma Gandhi to India from South Africa. It is my privilege to be in a nation from where Mahatma Gandhi gave the world Mantra of Non-violence.

I must commend the organizers for their efforts in organizing this event and thereby providing a platform for the

enterprises of India and South Africa to explore opportunities for collaborations especially in areas like technology and investment. I would also like to thank the Government of South Africa for inviting us here.

India-South Africa cooperation is about sharing knowledge and expertise, exchange of best practices, supporting innovation and building capacity and skills. That is the objective of this Conference and also the Memorandum of Understanding being signed today between National Small Industries Corporation (NSIC) and Black Business Council of South Africa for promoting cooperation in the field of MSMEs.

We believe that these two nations have great prospects for synergizing their complementarities in areas of industry, services, trade and technology especially in the field of Micro, small and medium enterprises (MSMEs).

Coming to the MSME sector, I would like to stress that these dominate the industrial landscape of India. MSMEs number about 44 million units and provides employment to some 80 million people. They also contribute 45% of manufacturing output and over 40% of India's aggregate exports. With the spectacular growth being maintained by MSME sector in the overall manufacturing output of the country, we are focusing on maintaining the growth of this sector which is a very important constituent of Indian economy. MSMEs will play an important role in realizing Prime Minister Shri Narendra Modi's vision of "Make in India" i.e to make India a manufacturing hub with zero defect products and zero effect on environment policy.

With South Africa, although our political relations are warm and friendly, economic ties have to be further nurtured to emerge stronger, given the geostrategic position of both countries. South Africa as a member of SADC can be a good partner for Indian businesses. Its manufacturing and technical capabilities make it a good springboard for doing business in Africa. Similarly, India offers South African companies an excellent location for addressing the huge domestic Indian market as well as the wider Asian market.

Some other sectors of bilateral cooperation that we are highlighting include Auto Component industry, Machine

Tools industry, Leather and Leather Goods, Chemicals and Pharmaceuticals, Fruit and Food processing and Textiles, among others. These are the industries where Indian companies especially SMEs have been performing well and have made their presence felt on the global marketplace. I would urge South African companies to examine the opportunities in these and other sectors closely to reveal the underlying synergies of both countries.

I believe that there is still much untapped potential that can be leveraged by MSMEs of both countries. Only a small fraction of MSMEs are aware of bilateral business opportunities and have the skill, risk appetite and resources to address these opportunities. We need to comprehensively build linkages among small enterprises of both nations and interaction can go down to the next level. In today's technologically connected and digitally linked world, this task has become easier. E-commerce and online businesses are emerging in a major way and I would not be surprised if down the road, e-businesses became as important as brick and mortar enterprises.

In this regard, I would like to appreciate the initiative of NSIC to launch "Build SMME" web portal dedicated to India-South African MSMEs. I am sure MSMEs of both the countries would be taking full benefit of this portal to enhance the technical and business linkages between the two countries.

Also, Coinciding with the India International Trade Fair (being held in New Delhi, during 14 – 27 November every year), NSIC with my Ministry organizes Techmart India (an exhibition of Small & Medium Enterprises). A large number of MSMEs from across the world participate in this event and it helps build greater understanding and connectivity among MSME for business. I would like to invite South African SMEs to participate in this event annually and network with progressive Indian MSME units. Similarly, NSIC is regularly organizing the participation of Indian MSMEs to SAITEX Exhibition.

There is still a lot of scope in enhancing cooperation between the MSMEs of both the countries. I would like to emphasize that the Indian government is keen to promote cooperation in MSME sector with South Africa. Let me here reiterate Prime Minister Shri Narendra Modi's Slogan "Sabka Saath Sabka Vikas" i.e "participation of

all for development of all.”

With this, I would like to thank you again for your patient listening and sparing your valuable time to attend this conference. I am confident that we will see the contours of a new bilateral economic relationship between India and South Africa emerge today and the MSME delegates of NSIC, who have come all the way from India, will initiate technical and business alliances with their South African counterparts.

RTS/ASB