NATIONAL YOUTH DEVELOPMENT AGENCY
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SPEAKING NOTES FOR EXECUTIVE CHAIRPERSON
DR SUNSHINE MYENDE

BLACK BUSINESS COUNCIL SUMMIT

RADDISON OR TAMBO, KEMPTON PARK

"Growing the South African Economy through Economic Empowerment, Re-industrialisation and Localisation in the era of Artificial Intelligence"

12 AUGUST 2026

SPEAKING NOTES BY THE EXECUTIVE CHAIRPERSON OF THE NYDA ON THE OCCASION OF THE BLACK BUSINESS COUNCIL SUMMIT – *Panel Address | ±12 minutes*

12 August 2026

Programme Director;

Honourable Minister of Trade, Industry and Competition, Mr Parks Tau;

Fellow panellists;

Leaders of organised business;

Representatives of government and organised labour;

Distinguished guests;

Allow me to begin by thanking the Black Business Council for convening this Summit at a time when South Africa's economic choices carry consequences far beyond our immediate growth prospects. We gather at a moment when the global economy is being reshaped by technological disruption, geopolitical uncertainty, shifting trade relationships and the rapid acceleration of artificial intelligence. In such an environment, the competitiveness of nations will increasingly depend not only on what they consume, but on what they produce; not only on the capital they mobilise, but on the productive capacity they build.

It is therefore fitting that this Summit has chosen to focus on economic empowerment, re-industrialisation and localisation in the era of artificial intelligence, because these are not independent policy ambitions. They are mutually reinforcing pillars of a development agenda that seeks to build an economy capable of creating sustainable employment, strengthening domestic industries and positioning South Africa to compete with confidence in an increasingly complex global marketplace.

The panel before us has been asked to
reflect on the mechanisms that improve access to funding for black-owned, women-owned and youth-owned businesses, and to consider what lessons have emerged from South Africa's enterprise development journey. It is an important discussion. However, I would respectfully suggest that the question before us is no longer simply whether entrepreneurs have access to finance. The more strategic question is whether our funding architecture is producing the kind of economy South Africa requires.

That is the distinction that matters.

History demonstrates that no nation has financed its way to prosperity. Nations have achieved sustainable economic growth by using finance to expand production, strengthen industrial capability, improve productivity and unlock innovation. Finance has always been most effective when it has served a broader economic strategy rather than becoming the strategy itself.

South Africa has made considerable progress in building institutions that expand economic participation. Our democratic government has deliberately established development finance institutions, enterprise support programmes and legislative mechanisms to address the structural exclusion of black-owned, women-owned and youth-owned enterprises from meaningful participation in the economy. Those interventions remain both necessary and important. They reflect our commitment to building a more inclusive economy while confronting the inequalities of our past.

Yet, after more than three decades of democracy, I believe we have reached a point where success should be measured differently.

We should not only ask how many enterprises have received funding. We should ask how many enterprises have become productive businesses, sustainable employers, reliable suppliers, competitive manufacturers and successful exporters because they received that support.

Because ultimately, the purpose of
development finance is not to distribute capital. Its purpose is to build an economy. And that, I believe, is where our national conversation should now begin.

LESSONS FROM THREE DECADES OF ENTERPRISE DEVELOPMENT

Honourable Minister, fellow panellists,

If there is one lesson that South Africa's democratic journey has taught us, it is that expanding access to finance and expanding economic transformation are not always the same thing. While access to finance remains an essential precondition for enterprise development, experience has shown that finance alone cannot overcome structural constraints that have accumulated over generations. Capital enables entrepreneurs to begin the journey; it does not, by itself, determine whether that journey ends in sustainable growth.

Perhaps the greatest lesson we have learnt is that enterprise development succeeds where productive ecosystems exist. Businesses do not grow in isolation. They grow where infrastructure is reliable, where skills respond to industry needs, where logistics enable efficient movement of goods, where technology improves productivity, where markets are accessible and where policy provides certainty for investment. In such environments, finance performs the role it was always intended to perform - it accelerates growth. In the absence of those conditions, however, finance is often expected to compensate for structural weaknesses that no funding instrument, regardless of its size, can resolve on its own.

This is particularly relevant for South Africa because we remain a developing economy pursuing inclusive growth while confronting high unemployment, persistent inequality and the imperative of rebuilding our productive capacity. Our entrepreneurs are not competing only against one another. They are competing within regional and global markets that are becoming increasingly sophisticated, technologically advanced and productivity-driven. Supporting enterprises in this environment therefore requires more than improving access to finance. It requires

creating conditions in which South African
businesses are capable of competing on quality, innovation, efficiency and resilience.

From the perspective of the National Youth Development Agency, one observation has become increasingly clear. Young entrepreneurs rarely approach government asking only for capital. They seek access to markets, technical expertise, mentorship, digital capability, commercial networks and opportunities to participate in supply chains that allow their businesses to mature beyond survival. Their aspirations are not limited to starting businesses; they aspire to build enterprises that endure, employ others and compete confidently within the economy. This should challenge us to think differently about the purpose of enterprise development itself.

Another lesson is that we should begin evaluating our interventions through the lens of economic outcomes rather than institutional outputs. For many years, we have measured success by the number of businesses funded, the value of finance approved or the number of beneficiaries reached. These indicators remain important because they reflect effort and investment. Yet they do not tell us whether South Africa's productive economy is becoming stronger. The more important questions are whether supported enterprises are creating decent employment, integrating into domestic supply chains, substituting imports with locally produced goods, adopting new technologies, expanding into export markets and contributing to higher levels of productivity across the economy.

Those are the indicators that ultimately determine whether enterprise development is fulfilling its developmental purpose. They move the conversation beyond access to finance and towards the broader objective that has brought us together today: building an economy that is more productive, more competitive and more inclusive than the one we inherited.

FROM ACCESS TO FINANCE TO ACCESS TO ECONOMIC OPPORTUNITY

Honourable Minister, distinguished delegates, If we accept that enterprise development is one of the principal drivers of economic transformation, then we must also accept that the purpose of finance extends beyond supporting individual businesses. Finance should ultimately strengthen the productive capacity of the nation. Every rand invested through public development finance should move us closer to an economy that manufactures more, exports more, innovates more and creates sustainable employment at greater scale. That is the standard against which our funding architecture should increasingly be evaluated.

For this reason, I believe we should begin distinguishing between access to finance and access to economic opportunity. They are related, but they are not the same. An entrepreneur may successfully secure grant funding or development finance, yet still remain excluded from the very markets that determine whether a business survives. If an enterprise cannot secure procurement opportunities, participate in supply chains, commercialise innovation or compete for customers, finance becomes an important intervention with limited developmental impact. Economic opportunity is ultimately realised when entrepreneurs are able to convert financial support into productive commercial activity.

This distinction becomes particularly significant as South Africa pursues re-industrialisation. Every economy that has successfully expanded its industrial base has understood that enterprise development cannot exist separately from industrial policy. Small businesses become sustainable when they are connected to sectors that are growing, industries that are investing and markets that are expanding. Enterprise development should therefore be viewed not only as a strategy for supporting entrepreneurs, but as a deliberate mechanism for strengthening domestic manufacturing, deepening localisation, expanding value addition and increasing South Africa's competitiveness within regional and global markets.

There are important lessons to be drawn from international experience. Countries that have successfully transformed their productive economies have not treated development finance as a substitute for industrial strategy. Rather, they have aligned finance with long-term national priorities. China's experience illustrates this principle particularly well. Its transformation was supported by consistent industrial policy,

investment in productive sectors,
infrastructure development, export orientation and deliberate integration between enterprise support and manufacturing capability. South Africa's historical context is different, and our policy choices must always reflect our own constitutional values and developmental priorities. Yet the principle remains highly relevant: finance achieves its greatest developmental value when it is directed towards a clearly defined economic purpose.

South Africa has already established many of the institutional foundations required to achieve this ambition. The task before us is therefore not necessarily to create new institutions, but to strengthen the strategic alignment between those that already exist. The entrepreneur who begins their journey with business development support should experience a logical progression into development finance, supplier development, industrial participation and commercial growth. Similarly, the entrepreneur who demonstrates capability should encounter expanding opportunities rather than repeated barriers at each stage of growth. Coordination is not simply an administrative improvement; it is an economic necessity if we are serious about building businesses that endure.

As we reflect on the future of enterprise development, I believe our greatest opportunity lies in changing what we measure. We should certainly continue celebrating the number of entrepreneurs who gain access to finance, because expanding opportunity remains central to economic transformation. But we should place equal emphasis on measuring how many enterprises progress from survival to sustainability, from sustainability to competitiveness and from competitiveness to industrial participation. We should ask how many become suppliers to major industries, how many create quality employment, how many contribute to localisation, how many adopt advanced technologies and how many ultimately compete within the African Continental Free Trade Area and international markets. These are the indicators that tell us whether enterprise development is strengthening South Africa's productive economy rather than simply expanding participation within it.

Because, ultimately, the purpose of development finance is not to create more funded enterprises. It is to create more productive enterprises. And productive enterprises are the foundation upon which every inclusive, industrialised and competitive economy is built.

CONCLUSION

Programme Director,

Allow me to conclude by returning to the question that has framed today's discussion: what have we learnt, and what should we improve?

My reflection is that South Africa has reached an important point in its economic development journey. Over the past three decades, we have invested considerable effort in expanding access to economic opportunity through development finance, enterprise support and transformation policies. Those interventions have been essential in opening doors that were deliberately closed to millions of South Africans. They remain indispensable to our broader project of building a more inclusive economy.

The opportunity before us now is to ensure that these interventions produce an equally significant transformation in the structure of our economy.

As we pursue re-industrialisation and localisation, our funding architecture should increasingly be assessed not only by the number of enterprises it supports, but by the productive capacity it creates. We should ask whether our investments are strengthening local industries, increasing manufacturing capability, supporting technological innovation, expanding exports, deepening participation in regional value chains and creating sustainable employment. These are the outcomes that ultimately determine whether development finance is contributing to long-term economic growth.

I also believe that the future of enterprise development depends on stronger partnerships between government, development finance institutions, organised business and the private sector. No single institution can build an industrial economy

on its own. Government can create an
enabling policy environment. Development finance institutions can provide catalytic capital. The private sector can open markets, strengthen supplier development and accelerate innovation. When these efforts become intentionally aligned around the entrepreneur, enterprise development becomes far more than a funding intervention—it becomes a national economic strategy.

From the perspective of the National Youth Development Agency, we remain confident in the potential of South Africa's young entrepreneurs. Every day we encounter young people with ideas capable of building businesses, creating employment and solving complex economic challenges. Our responsibility is not simply to help them establish enterprises. It is to ensure that those enterprises become productive participants in the economy, contributors to industrial growth and, ultimately, builders of South Africa's future prosperity.

Perhaps that is the shift our national conversation now requires.

We should move beyond measuring how many businesses receive finance and begin measuring how many businesses become globally competitive because finance was combined with sound policy, capable institutions and access to economic opportunity.

Because the true purpose of development finance is not simply to fund businesses.

It is to build an economy that is more productive, more competitive, more inclusive and more resilient than the one we have today.

I thank you.