

Networking: a valuable tool for South African SMEs

Under the theme ‘Connection creates Values’, over 70 South African entrepreneurs who are all former participants of Partnering in Business with Germany met in Johannesburg in mid-September. The event focused not only on networking but also on the sharing of views and expertise on foreign trade financing.



26.09.2024

South Africa has only been a partner country of Partnering in Business with Germany for a few years. Former participants from the country are still working on developing an effective network structure for themselves. Mareike Brandt, Head of the Sourcing Competence Centre at the [Southern African-German Chamber of Commerce and Industry](#), emphasised the importance of established network structures, saying, “We are delighted to be in contact with the programme’s alumni network. The network is a good point of contact for connecting South African companies with German companies.”

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Sarah Zügel – Counsellor Economic, German Embassy

Dr Muthikhitha Thiofhi, agribusiness consultant and seller of organic avocados, macademia nuts and honey at Agricre Ltd, has already had good experience with the contacts he has made through his participation in Partnering in Business with Germany. “Networking is extremely important: when it comes to doing business with Germany, for example, it is important to network with former programme participants in order to be able to offer the large quantities that German importers need,” said Mr Thiofhi, describing his experience. “I am an avocado producer. But to be able to deliver the required quantities, I had to involve other farmers and train them on the required quality standards.” Mr Thiofhi supplies 288 tonnes a year to his German business partner, Eurogroup Deutschland GmbH.

Over the course of the event, it became clear that

strategic networking can be used purposefully to achieve one's own goals and that success factors include digital marketing partnerships and, in the age of e-commerce, increasingly cross-promotional activities. The managers reflected on their existing contacts and learnt how crucial the right mix of operational, personal and strategic contacts is for developing an effective network and thus for achieving their professional goals. At the same time, the managers used the event to present their products to each other at market stalls and to get to know each other. "The networking workshop was an overall success for my company, as I was able to make contacts with important business people," said an alumni from South Africa, summarising the event.

Financial tailwind

"Active participation in Partnering in Business with Germany speeds up economic success," said Markus Weichert, who is responsible for the implementation of the programme with South Africa at the Federal Ministry for Economic Affairs and Climate Action. This also includes the provision of suitable financing instruments, which were discussed during the event. Access to financing options for foreign trade through public financial service providers was of particular importance to the South African managers in this context. How do the Department of Trade and Industry (the dtic) and financial institutions work together to develop innovative financing solutions tailored to SME exporters? What evaluation mechanisms do these institutions use to ensure that the objectives of the National Development Plan are met across sectors?

South African entrepreneurs benefit from these financing options and thus become more reliable partners – also in foreign trade with Germany.

South Africa is Germany's most important political partner in sub-Saharan Africa, and Germany is South Africa's second most important bilateral trading partner. The joint G20 Compact with Africa (CwA) initiative aims to improve the economic framework conditions in the participating countries and promote private investment in Africa.



Panel discussion on access to trade finance (facilitated by the dtic) with representatives from the Small Enterprise Finance Agency (Sefa), the Export Credit Insurance Corporation (ECIC), the Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF) ©GIZ/Yaseen J. Khan



'Partnering in Business with Germany' is an instrument to promote foreign trade and investment by the



'Partnering in Business with Germany' is implemented on behalf of the Federal Ministry for Economic Affairs and Climate Action by

