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MARKET DEVELOPMENT AND SUPPORT OF MINERAL BASED SMME'S IN THE NORTHERN CAPE PROVINCE

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For some time the South African government has been advocating the advancement of Small, Medium and Micro-sized Enterprises (SMMEs) through the prioritisation of entrepreneurship as the catalyst to achieving economic growth, development and self-sustainability. Mintek has undertaken a project that is aimed at supporting the SMMEs in the mining industry by researching the semi-precious gemstone mineral potential in the Northern Cape Province. The project provided training on safe mining methods and the beneficiation of the mineral resources through value-addition programmes (stone cutting and polishing as well as jewellery manufacturing) by the establishment of centres in the province. This will encourage a level of poverty alleviation in this region through the creation of employment in the small scale minerals, mining and manufacturing sector.

Preliminary field investigations show that certain communities, especially in the Prieska and surrounding area, mine various types of semi-precious gemstone. Of notable importance are tiger's eye deposits in the Prieska area, Griekwastad and Niekerkshoop. Mining is mainly seasonal and these miners lack appropriate tools and machinery to conduct mining efficiently. Most of the communities are characterised by low literacy levels and the miners have no access to financing or credit from formal financial institutions for them to finance their operational requirements. The lack of a formal or established market for the semi-precious stones such as tiger's eye results in the exploitation of miners. They sell their products to a middle-man who pays them below the market value. Miners are not knowledgeable on policy issues, health and safety regulation and the majority of them live in extreme poverty.

In an effort to address the above socio-economic issues, Mintek has established two mineral Beneficiation centres, one in Prieska and the other in Upington. Unemployed people from these communities are equipped with necessary skills on jewellery design and manufacturing using the local semi-precious stone as raw material. Training in pottery manufacturing using clay as well as glass beads from recycled glass bottles have also been offered as value-addition programmes. In order to ensure that these SMME's are sustainable, Mintek has embarked on a study to develop a strategic marketing and brand plan for mineral-based SMME products. This has been accomplished through extensive research of existing SMME's, the existing business model used and engagement with various other stakeholders within the sector. The developed marketing and branding strategy is aimed at driving market penetration both locally and globally. It will ensure direct access to existing national promotion and international trade initiatives. A unique South African Brand needs to be created such that it competes internationally in terms of design, quality and price.

