

The Installation, Repair and Maintenance Initiative: IRM Township Hubs

About the IRM Initiative

The Installation, Repair and Maintenance (IRM) Initiative seeks to expand opportunities for job retention and job growth in IRM enterprises across a range of sectors in the South African economy. IRM enterprises include manufacturing, plumbing, electrical repairs and services and general maintenance, as well as the repair of domestic appliances, cell phones and autobody repair.

The IRM Initiative operates at the interface between supply and demand; unlocking the need for skills in these various industries, and supporting and enabling public Technical and Vocational Education and Training (TVET) colleges to respond to this demand. This is achieved through agile and flexible occupational training.

The IRM Initiative adopts a number of key principles to achieve effective learning and employment outputs, including:

- Industry ownership and recognition,
- Secured demand for skills,
- Demand-driven, high-quality curriculum and teaching, and
- Appropriate selection, matching and preparation of students, based on occupational demands.

Where are IRM jobs?

IRM roles account for around two million jobs (12% of all employment) in the South African economy, of which 736 000 are occupied by young people.¹ Two-thirds of these jobs are in small and medium-sized enterprises (SMEs), the majority of which are small and informal and small. Many are township-based and face significant barriers to increasing market access and realising growth, which in turn limits their potential to create and sustain employment.

The IRM Initiative recognises that youth unemployment cannot be solved through labour absorption in the formal sector alone. Township youth, in particular, face significant barriers in accessing and sustaining employment opportunities. It is therefore critical to support and develop township enterprises grow economic activity, and unlock employment and self-employment opportunities.

¹ StatsSA QLFS data, Q4 2018; Harambee analysis.

Unlocking demand for skills and jobs in the township economy

The IRM Initiative works in partnership with government, donors and the private sector. It aims to support township-based IRM entrepreneurs to grow their businesses through enterprise development, skills development and increased market access, on the condition that they train and hire young people in IRM occupations.

The IRM Initiative is implementing a five-year township SME incentive programme, which will:

- Establish IRM township hubs in targeted communities across Gauteng, KwaZulu-Natal, Eastern Cape and Western Cape,
- Provide enterprise development support to achieve formalisation for township IRM businesses, and increase market access into formal supply chains and customers,
- Provide recognition and certification for both new and existing IRM workers, and
- Create new jobs or self-employment for IRM workers.

South African township



The IRM Township Hubs

Through funding support from German Development Cooperation (GIZ) and the Economic Cooperation and Development division of the Swiss State Secretariat for Economic Affairs (SECO), the National Business Initiative (NBI) is implementing the first two IRM township hubs in Ekurhuleni, Gauteng and iLembe, KwaZulu-Natal.

The hubs will provide an integrated set of services for local IRM SMEs, including:

- Enterprise support, including business training, company registration and compliance, mentoring and funding applications,
- A digital platform and support centre to create market access for township enterprises by linking them to supply-chain opportunities, as well as private customer demand.
- A 'makerspace' and 'factory' for the design, manufacture and repair of goods for households, private and public buildings, and industrial activities. This may include the provision of spare parts and materials to enable entrepreneurs to refurbish and resell products, as well to design and develop innovative solutions for households and business.
- A training space (within the TVET college) for the upskilling of workers in the targeted enterprises, as well as new (unemployed) IRM candidates.

The table below provides a description of the two initial IRM hubs.



Ekurhuleni IRM Hub, Katlehong
(Ekurhuleni TVET College)



iLembe IRM Hub, Mandeni
(Umfolozu TVET College)

Establishment of an IRM township hub at the SEDA-funded Centre for Entrepreneurship and Rapid Incubation (CfERI) at the Katlehong campus of Ekurhuleni West TVET College.	Establishment of an IRM township hub at the Mandeni campus of Umfolozu TVET College.
Key partners include: Gauteng Provincial Government, Ekurhuleni Municipality, local manufacturing businesses.	Key partners include: Mandeni Municipality, iLembe Chamber of Commerce, local manufacturing businesses.
Enterprise development support to achieve formalisation and market access for a minimum of 10 township IRM enterprises.	Enterprise development support to achieve formalisation and market access for a minimum of 10 township IRM enterprises.
A minimum of 20 existing employees reskilled/upskilled.	A minimum of 10 existing employees reskilled/upskilled.
40 new IRM entrants trained and placed in these enterprises.	50 new IRM entrants trained and placed in these enterprises.
36 new jobs created.	30 new jobs created.

This programme will lay the foundation for the roll-out of IRM township hubs at public TVET colleges across the country over the next five years.

Building capacity to sustain the hub

The NBI has put in place a programme to build the capacity of the two TVET colleges to manage and sustain the hubs. Through our enterprise development partner, Tushiyah Advisory Service, a business advisor has been assigned to work with and mentor hub management staff. These staff members are given the responsibility to lead all the interventions with township IRM SMEs, with support from the business advisor. This is aimed at ensuring that these interventions can be sustained beyond the life of the project.