



# Department of Small Business Development

## Annual Performance Plan 2015 - 2018

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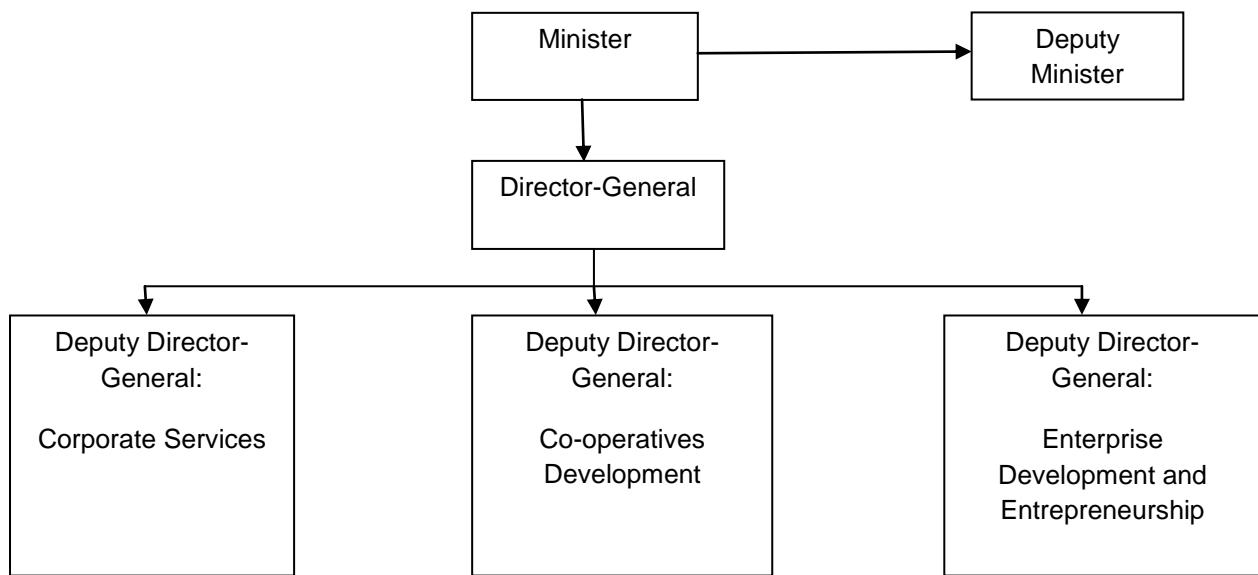
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## Abbreviations and Acronyms

TERM	DEFINITION
AGOA	African Growth Opportunity Act
B-BBEE	Broad-Based Black Economic Empowerment
BBSDP	Black Business Supplier Development Programme
BEE	Black Economic Empowerment
BPS	Business Process Services
BRICS	Brazil, Russia, India, China and South Africa
CCI	Cultural and Creative Industries
CCRD	Consumer and Corporate Regulation Division
CIPC	Companies and Intellectual Property Commission
CIS	Co-operative Incentive Scheme
CRM	Customer Relationship Management
CSIR	Council for Scientific and Industrial Research
CSP	Customised Sector Programme
DAC	Department of Arts and Culture
DBSA	Development Bank of Southern Africa
DSBD	Department of Small Business Development
DG	Director-General
DFI	Development Finance Institution
EA	Enterprise Architecture
ENE	Estimates of National Expenditure
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IDZs	Industrial Development Zones
IP	Intellectual Property
IPAP	Industrial Policy Action Plan
ISP	Incubation Support Programme
MCEP	Manufacturing Competitiveness Enhancement Programme
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MYECP	Mass Youth Enterprise Creation Programme
NCA	National Credit Act of 2005, as amended
NCC	National Consumer Commission

TERM	DEFINITION
NCR	National Credit Regulator
NDP	National Development Plan
NEDP	National Exporter Development Programme
NEF	National Empowerment Fund
NGP	New Growth Path
NIBUS	National Informal Business Upliftment Strategy
OCIO	Office of the Chief Information Officer
ODG	Office of the Director-General
PPP	Public-Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
RIA	Regulatory Impact Assessment
SABS	South African Bureau of Standards
SAHC	South African Handmade Collection
SDIP	Service Delivery Improvement Plan
SEZ	Special Economic Zone
SMME	Small, Micro and Medium Enterprise
SOC	Security Operations Centre
SOE	State Owned Enterprise
<b>stp</b>	<b>Seda</b> Technology Programme
UNCTAD	United Nations Convention on Trade and Development
UNESCO	United Nations Education, Science and Cultural Organisation
WIPO	World Intellectual Property Organisation
WTO	World Trade Organisation

## **1. Organisational Structure**



## **2. Foreword by the Minister**



Minister of Small Business Development, Ms Lindiwe Zulu

After the 7 May 2014 General Elections, an important decision was taken by our government to focus on radical socio-economic transformation for the next phase of our democratic transition, which would result in the reduction of unemployment, poverty and inequality. In order to realise this transformation, there was a need to restructure the public service. To this end, a decision to establish a Department dedicated to the development and growth of small businesses and co-operatives was announced by the President. As its mandate, the department is tasked with the responsibility to lead an integrated approach to the promotion and development of small businesses and cooperatives through a focus on the economic and legislative drivers that stimulate entrepreneurship to contribute to radical economic transformation. The realisation of this important mandate will lead to increased employment, poverty reduction and reduced inequality. In implementing this mandate, the department will focus on youth, women and people with disabilities, and shall pay particular attention to the promotion and growth of the small business sector so that the sector can increase its participation in the mainstream economy.

In order for the Department to effectively discharge this mandate, it will require unprecedented collaboration among government departments on the one hand, and between government and the legislature on the other. To this end, we will continue to grow and strengthen the relationships between the department and provincial and local governments. We will also pay particular attention to the relationship with the Portfolio Committee.

South Africa needs to overcome the challenges of unemployment, poverty and inequality through radical socio-economic transformation measures. The National Development Plan is clear about the role of small and expanding firms in making a positive contribution towards reducing the impact of

these challenges on the South African society. To this end, The National Development Plan anticipates that 90% of new jobs will come from small and emerging businesses by 2030.

We will contribute towards the achievement of this target by focusing on the following priorities:

- Making public sector procurement opportunities accessible to small businesses and co-operatives through set aside instruments,
- Facilitating a process where SMMEs and co-operatives participate in the private sector value chains through enterprise and supplier development programmes,
- Providing requisite skills, training and capacity building to SMMEs and co-operatives utilising partnerships with agencies, private sector and tertiary institutions,
- Providing incentives to make it easy and affordable to run a business as well as easy access to finance,
- Development of new and appropriate policies as well as review existing policies as a form of reducing regulatory burdens on SMMEs and co-operatives.

During the 2015/16 financial year, the department will be laying a firm foundation for the implementation of high-impact programmes as reflected in the Five Year Strategic Plan. In order to facilitate the development and growth of small businesses and co-operatives to access public and private sector procurement opportunities, the department will sign transversal agreements with other state institutions in all spheres of government for the prioritisation of opportunities for SMMEs and co-operatives.

Further, the department will finalise discussions with National Treasury to prioritise the issuing of Practice Notes that will enable state institutions to reserve targeted procurement of 30% for SMMEs, Co-operatives and small holder farmers. With respect to the private sector value chains, the department will utilise available policy instruments such as the Broad-Based Black Economic Empowerment policy and its revised Codes of Good Practice to facilitate the development of new enterprises and procuring of goods and services from SMMEs and co-operatives.

We will facilitate radical economic transformation through increased participation of small businesses and co-operatives in the mainstream economy. The department aims to build the capacity and capability of SMMEs and co-operatives to run competitive, highly innovative and successful enterprises. Capacity building, training and incubation will happen in partnership with other relevant stakeholders.

We will seek to encourage and advocate for small business and co-operatives to have a conducive regulatory environment that will enable investment, trade and enterprise development in an equitable and sustainable manner. The department believes regulation should be an enabler where enterprises

start and run successful businesses without administrative burdens. Consequently, we are committed to reducing the regulatory burdens where these exist.

We will also pursue partnerships with all spheres of government, communities and the private sector to ensure co-operation that will benefit small businesses and co-operatives. The department envisages the development of new incentives to attract other relevant stakeholders to partner with us in growing and sustaining SMMEs and co-operatives.

We will ensure that our agencies such as the Small Enterprise Finance Agency (SEFA) and the Small Enterprise Development Agency (SEDA) implement programmes that respond to the agenda of radical economic transformation.

We acknowledge the work done by the Department of Trade and Industry over the years for laying a foundation from which our department will launch a radical programme that will take the promotion and development of small businesses and co-operatives to a higher trajectory.

As the political head of the department, I endorse this Annual Performance Plan and take note that it is in line with the five-year strategic plan that is aimed at reducing unemployment, poverty and inequality.

**Ms Lindiwe Zulu, MP**  
**Minister of Small Business Development**

### **3. Overview by the acting Director-General**



Acting Director-General, Ms Pumla Ncapayi

One of the key policy instruments on which the department derives its mandate is the National Development Plan (NDP), which provides the framework for achieving radical economic transformation. The NDP sets a vision for an economy that is inclusive, equitable and fast growing. To achieve that end, it points to the need to grow employment, support productivity and efficiency gains and move toward greater equality. It is significant to note that the key operational plans for implementing the National Development Plan and Medium-Term Strategic Framework (MTSF) include:

- The New Growth Path (NGP) and the Industrial Policy Action Plan (IPAP),
- The challenge to ensure that these strategic plans are translated into action plans with well-defined annual iterations, and
- Through IPAP, plans will need to focus on productive sectors including mining, agriculture and manufacturing.

In order to ensure that the department is equipped and properly configured to realise its mandate, it is comprised of 3 branches, namely, administration, co-operatives development as well as enterprise development and entrepreneurship.

The work of the department is guided by Outcome 4 of the MTSF, which calls for the creation of decent employment through inclusive economic growth. In order to ensure the achievement of this outcome and be an enabler of economic growth and job creation by the small business sector, the department will focus on the following interventions:

- Introduction of measures to reduce red tape around authorisation for investment in Provinces (supported by the Departments of Cooperative Governance and Traditional Affairs and Trade and Industry)

- Through Development Finance Institutions, enhance township economies (supported by Department of Economic Development)
- Enhanced support for township economies through improved transport and commuter costs (supported by the Departments of Cooperative Governance and Traditional Affairs, Transport and Human Settlements as well as the Presidential Infrastructure Coordinating Commission)
- Coaching and incubation programmes in support of SMMEs and CO-OPS (supported by the Departments of Economic Development, Agriculture, Forestry and Fisheries and Trade and Industry)
- Programmes to ensure increased access to employment and entrepreneurship for black women and youth aimed at advancing support for emerging and smaller enterprise.
- Develop appropriate sanctions with regard to non-compliance in relation to the 30-day payment period.

It is important to note that all the programmes and interventions that form the nucleus of the department's 5-year strategic plan are aimed at the development and sustainability of the small business sector. However, the department will focus on the following short-term priorities in order to ensure that an enabling environment is created for SMMEs and Co-operatives to thrive:

- Skills development, training and capacity building, with specific reference to local economic development, business development support, technology transfer, innovation and entrepreneurship;
- Finalise incentives and access to finance measures
- Public sector procurement, in particular the implementation of the set-asides programme;
- Private sector procurement opportunities, focusing on supplier development programmes as well as the revitalisation of mining communities; and
- Conduct a review of existing policies, develop new policies, and introduce targeted strategies, such as the roll-out of key interventions.

The medium to long-term priorities of the department are, among others, to:

- Conduct a national survey in order to gather reliable periodic statistics, working with Statistics South Africa;
- Design training programmes to address the skills gap in the different sectors of our economy;
- Develop key domestic and international markets;
- Decentralise business development services to include economic profiling and market access;
- Undertake a continuous review of the regulatory environment.

The envisaged impact of the programmes and interventions is that a conducive environment will be created for SMMEs and Co-operatives to develop and be sustainable over time, regardless of the stage at which they are at, be they start-up, survivalist or growth oriented. In a nutshell, the following is the envisioned impact that the different programmes and interventions will have:

- Incentive programmes aimed at creating new businesses, which will increase the potential for new jobs;
- Public and private sector procurement geared towards improving market access, including growth and development for black small enterprises and co-operatives;
- Increased culture of entrepreneurship aimed at increasing the number of new innovative and sustainable business ventures that will contribute to job creation;
- Creating a simplified policy and regulatory environment for SMMEs and Co-operatives development to eradicate poverty, inequality and unemployment;
- Through the Export Development Programme SMMEs and Co-operatives will improve their ability to export and reduce the costs and risks involved in penetrating foreign markets;
- The provision of technical and business development services to the targeted groups (youth, women and people with disabilities) will result in upgraded skills, improved quality of products, access to local and international markets, enhanced and sustainable enterprises, and increased employment;
- Enhanced support to informal businesses, rural and township enterprises will increase their competitiveness, resulting in sustainable enterprises and retention of existing jobs.

In conclusion and in trying to upscale government's support to the small business sector, it is vital to mention that the department's interventions to ensure SMME and Co-operatives growth and development are mainly drawn from the National Development Plan, Medium-Term Strategic Framework as well as the programmes outlined in the game changer framework. As articulated in the preceding paragraphs, at the core of the department's approach will be the need to increase and expand demand for goods and services produced by small businesses. This shall be achieved through the public and private sector procurement programme.

The approach will ensure that we enhance the efficiencies on support measures provided to SMMEs & Co-operatives through the various business support services that will be provided to the sector. These support measures will render SMMEs and Co-operatives capable of actively participating in the priority sectors identified in IPAP and NGP, such as manufacturing, agro-processing, renewable energy, services, construction, mining, biofuels, clothing and textile.

One of the key responsibilities of the department is to promote entrepreneurship and remove any ineffective regulations that block the development of new businesses as well as the growth of existing businesses. It is a matter of fact that in many instances policy and regulatory constraints hinder the

development, growth and competitiveness of small businesses. It is for this reason that the department will prioritise the reduction of the regulatory burden facing SMMEs and Co-operatives. This in order to ensure that there is no over regulation that could adversely affect the entrance of new companies to the market as this would contribute to less competitive pressure and entrepreneurship.

Throughout the implementation of the 5-year strategic plan, the department will implement specific interventions whose focus will be to upscale and fast-track the development of youth and women-owned enterprises, such as the Mass Youth Creation Programme and the Bavumile Skills Enhancement Programme.

The department hopes that all these programmes and interventions will enjoy a good take-up from the sector as this would ensure the sector's increased contribution to the Gross Domestic Product, sustainable livelihoods and creation of job opportunities.

**Ms Pumla Ncapayi**

**Acting Director-General of the Department of Small Business Development**

#### **4. Official sign-off**

It is hereby certified that this Annual Performance Plan:

Was developed by the management of the Department of Small Business Development under the guidance of Minister Lindiwe Zulu;

Takes into account all the relevant policies, legislation and other mandates for which the Department of Small Business Development is responsible;

Accurately reflects the performance targets which the Department of Small Business Development will endeavour to achieve over the period of 2015-2016.

**Ms Pumla Ncapayi  
Accounting Officer**

**Signature:**

**Approved by:  
Minister Lindiwe Zulu, MP  
Executive Authority**

**Signature:**

## **Part A: Strategic Overview**

### **5. Vision**

A radically transformed economy through effective development and increased participation of SMMEs and Co-operatives in the mainstream economy.

### **6. Mission**

The **DSBD**'s Mission is to:

To create a conducive environment for the development and growth of small businesses and cooperatives through the provision of enhanced financial and non-financial support services, competitiveness, market access, promotion of entrepreneurship, advancing localisation and leveraging on public and private sector procurement.

### **7. Strategic Outcomes-Oriented Goals**

- Facilitate the development and growth of small businesses and co-operatives to contribute to inclusive and shared economic growth and job creation through public and private sector procurement;
- Facilitate radical economic transformation through increased participation of small businesses and co-operatives in the mainstream economy;
- Advocate for a conducive regulatory environment for small businesses and co-operatives to enable access to finance, investment, trade and market access in an equitable and sustainable manner;
- Facilitate partnerships with all spheres of government as well as the private sector to ensure mutual cooperation that will benefit small businesses and co-operatives.

### **8. Values**

The following **DSBD**'s values are derived from the Batho Pele principles:

- Customer focused
- Integrity
- Honesty
- Efficiency
- Accessibility
- Commitment
- Human dignity

## 9. Legislative and Other Mandates

The DSBD's work is governed by a broad legislative framework, as outlined below:

**Table 1: Key Legislation to be consulted**

Name of Act	Purpose
1. Close Corporations Act, 1984 (Act No. 69 of 1984)	To provide for the formation, registration, incorporation, management, control and liquidation of close corporations; and for matters connected therewith.
2. Copyright Act, 1978 (Act No. 98 of 1978)	To regulate copyright in respect of, inter alia, artistic works, dramatic works, computer programs, musical and literary works.
3. Counterfeit Goods Act, 1997 (Act No. 37 of 1997)	To strengthen prohibitions on trade in counterfeit goods; confers powers on inspectors and the police to enter and search premises, with and without a warrant; confers powers on Customs and Excise to seize and detain suspected counterfeit goods.
4. Designs Act, 1993 (Act No. 195 of 1993)	To consolidate the law relating to designs; to provide for the registration of designs; and to delineate the rights pertaining thereto.
5. Intellectual Property Laws Amendment Act 2013	To provide for the recognition and protection of certain manifestations of Indigenous Knowledge as a species of Intellectual Property. To amend certain laws namely the Performers Protection Act 1967, The Copyright Act 1978, the Trademarks Act 1993 and the Designs Act 1993. To bring Indigenous Knowledge holders into the mainstream of the economy and improve the livelihoods of the indigenous communities of South Africa.
6. Intellectual Property Law Rationalisation Act, 1996 (Act No. 107 of 1996)	To provide for the integration of intellectual property rights subsisting in the ex- TBVC (Transkei, Bophuthatswana, Venda and Ciskei) into the national system, to extend the South African intellectual property rights legislation throughout the Republic and to repeal certain intellectual property laws.
7. Lotteries Amendment Act, 2013 (Act No. 57 of 1997)	To establish a National Lotteries Commission and to regulate and prohibit lotteries and sports pools.
8. Patents Act, 1978 (Act No. 57 of 1978)	To provide for the registration and granting of letters, patents for inventions and for the rights of a patentee.
9. Performers Protection Act, 1967 (Act No. 11 of 1967)	To provide for the protection of the rights of performers of literary and artistic works.
10. Small Business Development Act 1980	To provide for the establishment of the Advisory Body and the Small Enterprise Development Agency; to provide guidelines for organs of state in order to promote small enterprise in the Republic; and to provide for matters incidental thereto.
11. Registration of Copyright in Cinematograph Films Act, 1977	To provide for the registration of copyright in cinematograph films and for matters connected therewith.

Name of Act	Purpose
(Act No. 62 of 1977)	
<b>12.</b> National Small Enterprise Act, 1996 (Act No. 102 of 1996) amended 2004	To provide for the establishment of the Advisory Body and the Enterprise Promotion Agency; to provide guidelines for organs of state in order to promote small business in the Republic; and to provide for matters incidental thereto.
<b>13.</b> <u>Trade Marks Act, 1993 (Act No. 194 of 1993)</u>	To consolidate the law relating to trademarks and to provide for the registration of trademarks, certification of trademarks and collective trademarks and for the protection of rights relating thereto.
<b>14.</b> Co-operatives Act, 2005 (Act No. 14 of 2005)	To provide for- <ul style="list-style-type: none"> <li>Ø the formation and registration of co-operatives;</li> <li>Ø the establishment of a Co-operatives Advisory Board;</li> <li>Ø the winding up of co-operatives;</li> <li>Ø the repeal of Act 91 of 1981;</li> <li>Ø and matters connected therewith.</li> </ul>
<b>15.</b> Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue Codes of Good Practice and publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith.
<b>16.</b> Industrial Development Corporation Act 1940	To constitute a corporation the object of which shall be to promote the establishment of new industries and industrial undertakings and the development of existing industries and industrial undertakings, and to provide for other incidental matters.
<b>17.</b> Companies Act, 2008 (Act No. 71 of 2008)	To provide a new legislative framework for the incorporation, registration and management of companies; to establish a Companies and Intellectual Property Commission (CIPC) and Companies Tribunal; and to provide for matters connected therewith.
<b>18.</b> Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	To promote trade with countries outside the Republic by providing for the insurance on behalf of the Government of the Republic of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions.
<b>19.</b> Manufacturing Development Act, 1993 (Act No. 187 of 1993)	To establish the Manufacturing Development Board; to provide for the establishment of programmes for manufacturing development; and for matters incidental thereto.
<b>20.</b> National Empowerment Fund Act, 1998 (Act No. 105 of 1998)	To establish a trust to promote and facilitate ownership of income-generating assets by historically disadvantaged persons, particularly assets in state-owned enterprises made available at a discount as part of restructuring programmes; gives powers to the trust to enable

<b>Name of Act</b>	<b>Purpose</b>
	it to establish sub-trusts and investment companies to promote black economic empowerment.
<b>21. National Supplies Procurement Act, 1970 (Act No. 89 of 1970)</b>	To empower the responsible Minister to manufacture, produce, acquire, hire or import goods; to acquire, hire or supply services; and to exercise control over goods and services and the manufacture, production, processing and treating of goods; and to provide for the establishment and administration of a National Supplies Procurement Fund.
<b>22. Patents Act, 1978 (Act No. 57 of 1978)</b>	To provide for the registration and granting of letters, patents for inventions and for the rights of a patentee.
<b>23. Protection of Businesses Act, 1978 (Act No. 99 of 1978)</b>	To restrict the enforcement in the Republic of certain foreign judgments, orders, directions, arbitration awards and letters of request; to prohibit the furnishing of information relating to businesses in compliance with foreign orders, directions or letters of request.
<b>24. Registration of Copyright in Cinematograph Films Act, 1977 (Act No. 62 of 1977)</b>	To provide for the registration of copyright in cinematograph films and for matters connected therewith.
<b>13. Special Economic Zones Act, 2014 (Act No. 16 of 2014) [Enacted on 19 May 2014 but has not yet commenced]</b>	To provide for the designation, development and management of special economic zones; to establish an advisory board and a fund; to regulate the issuing, suspension, withdrawal and transfer of permits; and to provide for matters connected therewith.
<b>14. Trade Marks Act, 1993 (Act No. 194 of 1993)</b>	To consolidate the law relating to trademarks and to provide for the registration of trademarks, certification of trademarks and collective trademarks and for the protection of rights relating thereto.
<b>25. Preferential Procurement Policy Framework Act</b>	To give effect to section 217 (3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217 (2) of the Constitution; and to provide for matters connected therewith.
<b>26. Women's Economic Empowerment Strategy</b>	To ensure that gender equity is systematically taken into account in all DSBD values, policies, programmes, its working environment, work practices, monitoring and evaluation systems and to establish the requisite structures, process and timeframes for achieving this.
<b>27. Integrated strategy for the development and promotion of Co-operatives</b>	To move towards a growing, self-sustainable and integrated co-operative sector, supported by all stakeholders, contributing to economic growth, poverty reduction and employment creation, as well as assisting in bringing about economic transformation and an equitable society in South Africa
<b>28. Unauthorised Use of Emblems Act, 1961 (Act No.</b>	To provide for the continued operation of certain laws relating to the use of certain emblems and representations, and to extend the scope

Name of Act	Purpose
37 of 1961)	of such laws.
<b>29. Youth Enterprise Development Strategy</b>	To mainstream all strategies and programmes geared for enterprise development at national, provincial and municipal levels.
<b>30. National Informal Business Upliftment Strategy</b>	To support informal businesses to be sustainable and grow so as to be part of the economic mainstream.
<b>31. Integrated strategy for the promotion of entrepreneurship and small enterprises.</b>	To ensure that adequate support and delivery mechanisms exist across the entire entrepreneurship continuum from pre-start-up to start-up, business survival, growth and expansion, and turnaround of ailing businesses.

## 10. Future Policy Development

The existing policies will be evaluated and reviewed in order to ensure that they are enhanced to fulfill the mandate of the Department. Among others, these policies include the National Small Business Development, Co-operatives Development, Youth Enterprise Development, Women Empowerment and National Informal Business Upliftment Strategy.

## 11. Recent Court Rulings

There have been no court rulings against the Department.

## **12. Situational Analysis**

The South African economy is expected to grow at a moderate pace over the 2014-2019 period mainly as domestic demand and commodity prices recover, underpinned by strong public investment in infrastructure. It is expected that small businesses will benefit from this growth take-off and could play a critical role in South Africa's need to re-industrialise, which could stimulate inclusive economic growth and job creation. The NDP states that small and growing businesses will play a more pronounced role in the country's economy and produce the bulk of new employment opportunities created. In order for these firms to become prominent, the NDP further contends that an enabling environment will be created by implementing measures such as public and private procurement, improved access to debt and equity finance, and a simplified regulatory framework.

One of the key challenges facing the SMME and Co-operatives sector in South Africa is the lack of business opportunities in both the public and private sectors. Most SMMEs and Co-operatives are overlooked in both sectors as they are viewed as lacking experience and expertise. To resolve this issue, government will set aside 30 % of designated procurement from SMMEs, co-operatives and small holder farmers and producers. To this end, guidelines, reporting and monitoring measures to ensure the proper implementation of this programme as a government-wide strategy to expand market access to SMMEs utilising government procurement opportunities will be put in place.

The SMME sector in South Africa is also faced with the challenge of unavailability of reliable periodic data. Statistics are limited to sources such as Finscope Survey & Global Entrepreneurship Monitor Reports. This limits the ability of government to conduct sector analysis & design policy interventions.

From existing sources there is an indicative upward trend in the number of SMMEs since 2000. According to **the dti** Review on Small Businesses for the period 2005 -2007, an estimate of 1.6 million small businesses was recorded in 2000. An additional review commissioned by **the dti** recorded 2.4 million small businesses in 2007. Finscope South African Small Business Survey 2010, which is the most recent survey, estimates the number of SMMEs operating in South Africa at 5.6 million.

At the end of the 2013/14 financial year the total number of registered co-operatives was 86 928. In the six months since 1 April 2014, a further 25 840 co-operatives have been registered on the CIPC database bringing the total number of registered co-operatives on the CIPC database to 112 768. This is mostly the result of metros such as Tshwane and City of Johannesburg targeting the formation of especially youth owned co-operatives to be allocated

contracts. Despite the high number of registered co-operatives, it is of concern that there is a high failure rate amongst them. This failure rate is attributed to the co-operatives model, which has proved to be inadequate for the development and sustainability of co-operatives. The department has adopted and is in the process of adapting a new co-operatives model that will contribute to job creation, poverty reduction and service delivery. It is envisaged that the model will contribute in reducing dependency of poor families on the government's social grants system.

At 2.3%, SA's established business activity rate (i.e. established business owners as a percentage of overall economically active population), is lower when compared to 15% in Brazil, 8% in Chile, 30% in Thailand, 12% in China and 9% in Malaysia (2012 GEM SA Report). Despite numerous SMME support programmes & incentives, SA still lags behind many of its peers & other developing countries in promoting growth & sustainability of small businesses.

The 2010 Finscope survey estimated that there were 5.6 million enterprises, which consists of survivalist enterprises (3.3 million), micro enterprises (1.7 million) & small enterprises (554 thousand). 64% of survivalist enterprises are run by women, 92% of survivalist & 82% of micro-enterprises are black-owned and 75% of microenterprises are informal businesses. 98% of survivalist enterprises are informal businesses, 87.3% of small businesses are formal businesses. Formal/registered business consists of 1.3% of survivalist enterprises, 24.6% micro-enterprises and 76.3% of small businesses.

In order to address the environmental challenges and seize the opportunities presented by the environment within which we operate, the Department has considered a new strategic approach to SMME and Co-operatives growth and development. The elements of the new approach are embedded on the following principles:

- Increase and expand demand for goods and services produced by small businesses;
- Continue to enhance efficiencies on support measures provided to SMMEs & Co-ops;
- Ensure active participation of SMMEs and Co-ops in the priority sectors identified in IPAP and NGP;
- Reduce regulatory burden facing SMMEs & Co-ops;
- Upscale and fast-track development of youth & women-owned enterprises; and
- Leverage on the procurement, enterprise, green economy and skills accords.

### 13. Overview of 2015 budget and MTEF estimates

#### Per Programme

Economic classification	2015/2016	2016/2017	2017/2018
<b>Administration</b>	64 025	66 587	69 143
<b>Co-operatives Support and Development</b>	15 188	16 066	16 714
<b>Enterprise Development and Entrepreneurship</b>	1 023 975	1 042 533	1 171 526
<b>TOTAL</b>	<b>1 103 188</b>	<b>1 125 186</b>	<b>1 257 383</b>

#### Per economic classification

Economic classification	2015/2016	2016/2017	2017/2018
<b>Current payments</b>	<b>166 210</b>	<b>173 937</b>	<b>181 986</b>
<b>Compensation of employees</b>	<b>109 671</b>	<b>114 806</b>	<b>122 225</b>
Salaries and wages	97 975	102 855	109 259
Social contributions	11 696	11 951	12 966
<b>Goods and services</b>	<b>56 539</b>	<b>59 131</b>	<b>59 761</b>
Administrative fees	430	449	444
Advertising	-	1	1
Assets less than the capitalisation threshold	55	58	59
Audit costs: External	266	250	400
Bursaries: Employees	-	-	-
Catering: Departmental activities	993	1 004	1 023
Communication (G&S)	1 341	1 394	1 451
Computer services	-	1	1
Consultants and professional services: Business and advisory services	2 857	3 395	2 670
Consultants and professional services: Infrastructure and planning	-	-	-
Consultants and professional services: Laboratory services	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-
Consultants and professional services: Legal costs	-	1	1
Contractors	3 037	3 318	3 431
Agency and support / outsourced services	-	140	147
Entertainment	60	66	54
Fleet services (including government motor transport)	106	127	109
Housing	-	-	-
Inventory: Clothing material and accessories	-	-	-
Inventory: Farming supplies	-	-	-

Inventory: Food and food supplies	-	-	-
Inventory: Fuel, oil and gas	-	2	-
Inventory: Learner and teacher support material	-	-	-
Inventory: Materials and supplies	-	-	-
Inventory: Medical supplies	-	-	-
Inventory: Medicine	-	-	-
Medsas inventory interface	-	-	-
Inventory: Other supplies	-	-	-
Consumable supplies	161	166	166
Consumable: Stationery, printing and office supplies	1 297	1 376	1 513
Operating leases	1 931	2 163	2 463
Property payments	-	11	-
Transport provided: Departmental activity	-	1	1
Travel and subsistence	25 917	27 071	27 602
Training and development	2 749	2 970	3 190
Operating payments	12 335	12 414	12 419
Venues and facilities	3 004	2 753	2 616
Rental and hiring	-	-	-
<b>Transfers and subsidies to:</b>	<b>935 841</b>	<b>949 029</b>	<b>1 074 113</b>
Departmental agencies and accounts	610 364	620 682	729 343
Public corporations and private enterprises	308 751	309 222	324 689
Non-profit institutions	16 726	19 125	20 081
Households			
<b>Payments for capital assets</b>	<b>1 137</b>	<b>2 220</b>	<b>1 284</b>
Machinery and equipment	1 137	2 220	1 284
<b>TOTAL</b>	<b>1 103 188</b>	<b>1 125 186</b>	<b>1 257 383</b>

#### Detail of Transfer Payments

Economic classification	2015/2016	2016/2017	2017/2018
<b>SEDA</b>	478 183	481 495	583 197
<b>SEDA Technology</b>			
Programme	132 181	139 187	146 146
<b>ISIVANDE</b>	8 751	9 222	9 689
<b>SAWEN</b>	16 726	19 125	20 081
<b>BBSDP</b>	225 000	225 000	236 250
<b>Co-Operatives</b>			
<b>Incentive Scheme</b>	75 000	75 000	78 750
<b>TOTAL</b>	<b>935 841</b>	<b>949 029</b>	<b>1 074 113</b>

## **Part B: Programme and subprogramme plans**

### **14. Description of Programmes and subprogramme plans**

The **DSBD** comprises three programmes, which are set out below:

#### **14.1 Programme 1: Administration**

- a) **Purpose:** Provide strategic leadership to the department and its entities to ensure the successful implementation of the department's mandate through sustainable and integrated resource solutions and services that are customer-driven.
- b) **Description of Sub-Programmes**
  - (i) **The Ministry** provides leadership and policy direction to the **DSBD**;
  - (ii) **The Office of the Director-General** (ODG) provides overall management of the **DSBD**'s resources;
  - (iii) **Cluster Oversight and Strategic Planning** ensures the department's strategic and technical participation in the operations of the Economic Sectors, Employment and Infrastructure Develop Cluster; and manages the formulation of the Department's strategic planning documents as well as reports;
  - (iv) **Corporate Services** provides customer-oriented and integrated resource solutions in human resource management, information and communication technology, legal services and auxiliaries management;
  - (v) **Financial Management** provides support to the **DSBD**, with respect to financial resource allocation and the management thereof, to aid the fulfilment of the department's goals and objectives;
  - (vi) **Communications and Marketing** facilitates greater awareness of the department's role and increases the uptake of its products and services through improvement of the customer touch points and ensuring strong customer relationship management; and creates consumer awareness and educational campaigns to ensure a meaningful understanding of the department's offerings.

**Strategic objectives annual targets for 2015/16**

<b>Programme 1: Administration</b>								
<b>Strategic Objective</b>	<b>5 Year Strategic Plan Target</b>	<b>Audited/ Actual Performance</b>			<b>Estimated Performance 2014/15</b>	<b>Medium – Term Targets</b>		
		<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	Effective and efficient staff compliment	N/A	N/A	N/A	N/A	10%	8%	5%
	Effective and efficient finance service delivery	N/A	N/A	N/A	N/A	Payments to eligible creditors processed within 30 Days.	Payments to eligible creditors processed within 30 Days.	Payments to eligible creditors processed within 30 Days.

Programme 1: Administration								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	Effective and efficient marketing service delivery	N/A	N/A	N/A	N/A	15 multi-media awareness campaigns, 8 events, 15 outreach programmes and 8 exhibitions.	18 multi-media awareness campaigns, 18 outreach programmes and 10 exhibitions.	12 events, 20 outreach programmes and 12 exhibitions.

**Programme performance indicators and quarterly targets for 2015/16**

<b>Programme 1: Administration</b>						
<b>Programme Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2015/16</b>	<b>Quarterly Targets</b>			
			<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Vacancy rate	Quarterly	10%	12%	11%	10%	8%
Staff turnover rate	Quarterly	12%	14%	13%	12%	10%
People with disabilities	Quarterly	3.2%	3.2%	3.2%	3.2%	3.2%
Women employed at SMS level	Quarterly	45%	45%	45%	45%	45%
Eligible creditors payments processed within the legal requirements	Quarterly	Payments to eligible creditors processed within 30 Days.	Payments to eligible creditors processed within 30 Days.	Payments to eligible creditors processed within 30 Days.	Payments to eligible creditors processed within 30 Days.	Payments to eligible creditors processed within 30 Days.
Number of multi-media awareness campaigns	Quarterly	15	4	4	2	3
Number of events, outreach programmes and exhibitions	Quarterly	8 events, 15 outreach programmes and 8 exhibitions.	2 events, 4 outreach programmes and 2 exhibitions.	2 events, 4 outreach programmes and 2 exhibitions.	2 events, 2 outreach programmes and 2 exhibitions.	2 events, 5 outreach programmes and 2 exhibitions.

## 14.2 Programme 2: Co-operatives Development

- a) **Purpose:** To create an enabling environment that will facilitate the establishment, growth and development of co-operatives through the development and review of policy and legislation and provision of enhanced financial and non-financial support services utilising improved institutional arrangements.

### Strategic objectives annual targets for 2015/16

Programme 2: Co-operatives Development								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	Linking of 93 co-operatives to market value chains (manufacturing, agro-processing, energy, construction clothing and textile)	N/A	N/A	N/A	Pilot 5 Co-operatives Projects linked to Market Value Chain.	Pilot 3 co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).	37 co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).	38 co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).
	Establishment of 50 Incubators.	N/A	2 Incubation proposals approved.	6 Incubation proposals approved.	6 Incubation proposals approved.	9 Incubators to support Cooperatives.	10 Incubators to support Cooperatives.	12 Incubators to support Cooperatives.

Programme 2: Co-operatives Development								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	Increased participation of role players to support SMMEs and Co-operatives development.	N/A	N/A	N/A	Consideration of the administrative and legislative processes.	Consultative stakeholder engagements. Table proposed amendments.	Development of amendments and consideration of legislative processes.	Implementation and monitoring and evaluation.
	2989 primary co-operatives receiving funding, training and access to markets.	182	314	243	270 Primary co-operatives receiving funding, training and access to markets.	214	683	822
	22 Secondary Co-operatives funded.	N/A	N/A	N/A	0	1	9	12

Programme 2: Co-operatives Development								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	Formulation of a National SMME and Co-operatives Development Framework.	N/A	N/A	Development of the framework.	Quarterly coordination and reporting on the framework activities.	Quarterly coordination and reporting on the framework activities.	Quarterly coordination and reporting on the framework activities.	Quarterly coordination and reporting on the framework activities.

**Programme performance indicators annual targets**

<b>Programme 2: Co-operatives Development</b>							
<b>Programme Performance Indicator</b>	<b>Audited/ Actual Performance</b>			<b>Estimated performance 2014/15</b>	<b>Medium Term Targets</b>		
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
An increase in the establishment of Co-operatives linked to market value chains.	N/A	N/A	N/A	5 Co-operatives Projects linked to Market Value Chain.	3 co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).	37 co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).	38 co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).
An increase in the number of Incubators supporting Co-operatives.	N/A	2 Incubation proposals approved.	6 Incubation proposals approved.	6 Incubation proposals approved.	9 Incubators to support Cooperatives.	10 Incubators to support Cooperatives.	12 Incubators to support Cooperatives.
Development of amendments to the Act.	N/A	N/A	N/A	Consideration of administrative and legislative processes.	Consultative stakeholder engagements. Table proposed amendments.	Development of amendments and consideration of legislative processes.	Implementation and monitoring and evaluation.

<b>Programme 2: Co-operatives Development</b>							
<b>Programme Performance Indicator</b>	<b>Audited/ Actual Performance</b>			<b>Estimated performance 2014/15</b>	<b>Medium Term Targets</b>		
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
Number of Primary Co-operatives receiving funding, training and access to markets.	182	314	243	270 Primary co-operatives receiving funding, training and access to markets.	214	683	822
Number of Secondary Co-operatives funded.	N/A	N/A	N/A	0	1	9	12
Implementation of the National SMME and Co-operatives Development Framework.	N/A	N/A	Development of the framework.	Quarterly coordination and reporting on the framework activities.	Quarterly coordination and reporting on the framework activities.	Quarterly coordination and reporting on the framework activities.	Quarterly coordination and reporting on the framework activities.

**Programme performance indicators and quarterly targets for 2015/16**

<b>Programme 2: Co-operatives Development</b>						
<b>Programme Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2015/16</b>	<b>Quarterly Targets</b>			
			<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
An increase in the establishment of Co-operatives linked to market value chains.	Quarterly	3 Co-operatives linked to market value chains (manufacturing, agro-processing, energy, construction clothing and textile).	Identify 3 Co-operatives and commodities.	1 Co-operative Project assisted with targeted interventions based on needs analysis conducted and identified.  Monitor and develop project report.	1 Co-operative Project assisted with targeted interventions based on needs analysis conducted and identified.  Monitor and develop project report.	1 Co-operative Project assisted with targeted interventions based on needs analysis conducted and identified.  Develop project report.
An increase in the number of Incubators supporting Co-operatives.	Quarterly	9 Incubators to support Co-operatives.	Identify and mobilise private sector businesses/stake holders to incubate co-operatives.	3 Incubators to support co-operatives established.	3 Incubators to support co-operatives established.	3 Incubators to support co-operatives established.

Programme 2: Co-operatives Development						
Programme Performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			Q1	Q2	Q3	Q4
Development of amendments to the Act.	Quarterly	Consultation and tabling of proposed amendments.	Consultative engagements.	Consultative engagements.	Tabling of areas for amendment.	Drafting of amendments.
Number of Primary Co-operatives receiving funding, training and access to markets.	Quarterly	214 Primary co-operatives receiving funding, training and access to markets.	53	53	53	53
Number of Secondary Co-operatives funded.	Quarterly	1 Secondary Co-operative receiving funding, training and access to markets.	Consultative engagements.	Evaluation of applications and provision of technical support to co-operative.	1 Secondary co-operative funded.	Annual report.
Implementation of the National SMME and Co-operatives Development Framework.	Quarterly	Quarterly coordination and reporting on the framework activities.	One quarterly Task Team meeting.  A report on the Task Team activities produced.	One quarterly Task Team meeting.  A report on the Task Team activities produced.	One quarterly Task Team meeting.  A report on the Task Team activities produced.	One quarterly Task Team meeting.  A report on the Task Team activities produced.

### **14.3 Programme 3: Enterprise Development and Entrepreneurship**

a) **Purpose:** To create an enabling environment for the development and growth of sustainable small businesses this would ensure that they contribute to the creation of employment and economic growth.

b) **Description of Sub-Programmes**

(i) **Enterprise Development**

To facilitate the establishment of new and productive enterprises as well as the sustainability and growth of existing enterprises. There will also be a focus on supplier development, which will be aimed at providing financial and non-financial support to young black business suppliers.

Creative Industries: To pursue various interventions and activities aimed at supporting the productivity, competitiveness, growth and development of Creative Industries in South Africa.

(ii) **Entrepreneurship and Franchising**

To identify potential entrepreneurs and provide them with the necessary business skills as well as identifying SMMEs and Co-operatives that have the potential to franchise. The sub-programme will also pay attention to skills development, with the intention to provide skills development for SMMEs and Co-operatives as well as potential entrepreneurs. Innovation, Intellectual Property and Indigenous Knowledge Management Systems will also take center stage in order to develop tools to promote innovation, capturing of intellectual property and indigenous knowledge management systems for SMMEs and Co-operatives.

(iii) **Incentives, grants and soft loans**

To provide incentive programmes that promote broader participation in the mainstream economy by small businesses and co-operatives owned by individuals from historically disadvantaged communities and marginalised regions.

(iv) **Regional Industrial Special Projects**

To promote spatially balanced economic development and productivity improvements by developing policies, strategies and programmes that focus on small businesses and co-operatives in underdeveloped regions.

(v) **Gender, Youth and People with disabilities**

To increase the establishment of and sustainability of existing women-owned SMMEs and Co-operatives, to increase the number and sustainability of SMMEs and Co-operatives run by people with disabilities and the mainstreaming of youth enterprises.

(vi) **National Informal Business Upliftment Strategy**

To create a conductive environment as well as provide adequate skills and infrastructure to support informal businesses.

**Strategic objectives annual targets for 2015/16**

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	400 start-ups and growth oriented SMMEs and Co-operatives that access the Fund.	N/A	N/A	N/A	N/A	Develop a business case for disbursing the funding and lobby the private sector to contribute to the Fund.	100 start-ups and growth oriented SMMEs and Co-operatives that access the Fund.	100 start-ups and growth oriented SMMEs and Co-operatives that access the Fund.
	25 SMMEs and Co-operatives packaged as micro franchisors.	N/A	N/A	N/A	5 SMMEs packaged as micro franchisors.	5 SMMEs packaged as micro franchisors.	5 SMMEs packaged as micro franchisors.	5 SMMEs packaged as micro franchisors.

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate partnerships with all spheres of government as well as the private sector to ensure mutual cooperation that will benefit small businesses and co-operatives.	Centers for Entrepreneurship established in 19 hosting academic institutions.	N/A	N/A	N/A	2 Centers for Entrepreneurship established.	3 Centers for Entrepreneurship established.	4 Centers for Entrepreneurship established.	5 Centers for Entrepreneurship established.
	72 SEDA Branches trained and 140 co-location points established.	N/A	N/A	N/A	10 co-location points established.	25 co-location points established.	30 co-location points established.	35 co-location points established.

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate partnerships with all spheres of government as well as the private sector to ensure mutual cooperation that will benefit small businesses and co-operatives.	All municipalities partnering with the <b>DSBD</b> .	Research and planning	Draft project guidelines and consultation with stakeholders, principals and sponsors.	Approval processes for draft guidelines and application forms leading to approval.	Guidelines for the Shared Economic Infrastructure Facility (SEIF) approved.	Establishment of new and upgrading of existing infrastructure in 5 identified municipalities commenced and completed.	Roll-out of SEIF to 5 additional municipalities.	SEIF upscaled to 7 municipalities.
To advocate for a conducive regulatory environment for small businesses and co-operatives to enable access to finance,	750 Youth Enterprises funded through the Youth Black Business Supplier Development Programme <i>(Lifted from the National Youth Enterprise</i>	N/A	N/A	N/A	0	50 beneficiaries to YBBSDP.	100 beneficiaries to YBBSDP.	150 beneficiaries to YBBSDP.

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
investment, trade and market access in an equitable and sustainable manner.	<i>Development Strategy).</i>							
To advocate for a conducive regulatory environment for small businesses and co-operatives to enable access to finance, investment, trade and market access in an equitable and sustainable manner.	800 Youth enterprises launched.	N/A	N/A	N/A	Approved Mass Youth Enterprise Creation Concept and Implementation plan ( <i>Lifted from the National Youth Enterprise Development Strategy)</i> .	100 youth trained in New Venture Creation programme.	150 youth trained in New Venture Creation programme.	Review of the pilot implementation of the Mass Youth Enterprise Creation Programme.

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To advocate for a conducive regulatory environment for small businesses and co-operatives to enable access to finance, investment, trade and market access in an equitable and sustainable manner.	Implementation of the Women Business Development Scheme (WBDS) programme.	N/A	N/A	N/A	0	82 Women entrepreneurs supported.	92 Women entrepreneurs supported.	97 Women entrepreneurs supported.
	Implementation of the Bavumile Skills Development Programme.	100	40	85	65 women entrepreneurs trained.	300 women entrepreneurs trained.	500 women entrepreneurs trained.	700 women entrepreneurs trained.

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
To facilitate radical economic transformation through increased participation of small businesses and cooperatives in the mainstream economy.	10 000 informal business owners selected from each province for training and infrastructure support prioritising Presidential Nodes through the Informal Business Upliftment Facility (IBUF).	Research and planning.	Draft project charter and consultation with principals and sponsors.	Approval processes for draft project charter leading to approval, MOU and launch of Informal Trader Upliftment Project (ITUP).	Develop systems for the implementation of ITUP (Presidential nodal points, mining towns, etc).	Training and infrastructure improvement of 1000 informal retail businesses is commenced and completed	Introduction and implementation of IBUF to 1000 informal businesses.	IBUF upscaled to 24000 informal businesses.
To advocate for a conducive regulatory environment for small businesses and co-operatives to enable access to finance, investment,	Red tape reduction guidelines institutionalised at all state institutions.	N/A	N/A	N/A	Continuous roll-out of the Red Tape Reduction guidelines at municipal level.	Continuous roll-out of the Red Tape Reduction guidelines at 80 municipalities.  Monitoring framework for implementing of the municipal red tape reduction guidelines.	Continuous roll-out of the Red Tape Reduction guidelines at 90 municipalities.  Implementation and monitoring of red tape reduction guidelines at Local and	Continuous roll-out of the Red Tape Reduction guidelines at 108 municipalities.  Implementation and monitoring of red tape reduction guidelines at Local and

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
trade and market access in an equitable and sustainable manner						Conduct study to develop guidelines for reduction of sector specific red tape at Provincial level.  Establish a National Task Team for the institutionalisation of the red tape reduction programme.  Table Provincial red tape reduction guidelines at technical MINMEC.	Provincial Government.	Provincial Government.
To facilitate the development and growth of	Implementation of the set-asides programme	N/A	N/A	N/A	Consultation process on the identification of sectors and	Issuing of the practice note and monitoring of effective	Monitoring of effective implementation of the 30 % set-	Review of the 30 % set-asides programme.

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
small businesses and co-operatives to contribute to inclusive and shared economic growth and job creation through public and private sector procurement.					specific products to be targeted for 30 % procurement.	implementation of the 30 % set-asides programme.	asides programme.	
	1350 craft enterprises supported through product development, market access and enterprise development	N/A	N/A	N/A	MOU signed with 4 implementing agencies. Monitoring Product Development, Market Access and Enterprise	MOU signed with 5 implementing agencies. Monitoring Product Development, Market Access and Enterprise	MOU signed with 6 implementing agencies. Monitoring Product Development, Market Access and Enterprise	MOU signed with 7 implementing agencies. Monitoring Product Development, Market Access and Enterprise

Programme 3: Enterprise Development And Entrepreneurship								
Strategic Objective	5 Year Strategic Plan Target	Audited/ Actual Performance			Estimated Performance 2014/15	Medium – Term Targets		
		2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
	initiatives.				Development implemented by Provincial Craft Hubs and Provincial Development Agencies benefiting 350 Craft Enterprises.	Development implemented by Provincial Craft Hubs and Provincial Development Agencies benefiting 450 Craft Enterprises.	Development implemented by Provincial Craft Hubs and Provincial Development Agencies benefiting 500 Craft Enterprises.	Development implemented by Provincial Craft Hubs and Provincial Development Agencies benefiting 550 Craft Enterprises.

**Programme performance indicators annual targets**

<b>Programme 3: Enterprise Development And Entrepreneurship</b>							
<b>Programme Performance Indicator</b>	<b>Audited/ Actual Performance</b>			<b>Estimated performance 2014/15</b>	<b>Medium-Term Targets</b>		
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
Increased number of SMMEs and Co-operatives that have been financed through the Fund.	N/A	N/A	N/A	N/A	Develop a business case for disbursing the funding and lobby the private sector to contribute to the Fund.	100 start-ups and growth oriented SMMEs and Co-operatives that access the Fund.	100 start-ups and growth oriented SMMEs and Co-operatives that access the Fund.
Accelerated identification and packaging of SMMEs and Co-operatives into franchisors.	N/A	N/A	N/A	5 SMMEs packaged as micro franchisors.	5 SMMEs packaged as micro franchisors.	5 SMMEs packaged as micro franchisors.	5 SMMEs packaged as micro franchisors.
Signing of MoAs and establishment of Centres for Entrepreneurship with hosting academic institutions.	N/A	N/A	N/A	2 Centers for Entrepreneurship established.	3 Centers for Entrepreneurship established.	4 Centers for Entrepreneurship established.	5 Centers for Entrepreneurship established.

Programme 3: Enterprise Development And Entrepreneurship							
Programme Performance Indicator	Audited/ Actual Performance			Estimated performance 2014/15	Medium-Term Targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Capacity building and co-location for SEDA Branches.	N/A	N/A	N/A	10 co-location points established.	25 co-location points established.	30 co-location points established.	35 co-location points established.
Establishment and upgrading of shared economic infrastructure through Partnership Agreements with Provincial and Local Governments.	Research and planning	Draft project guidelines and consultation with stakeholders, principals and sponsors.	Approval processes for draft guidelines and application forms leading to approval.	Guidelines for the Shared Economic Infrastructure Facility (SEIF) approved.	Establishment of new and upgrading of existing infrastructure in 5 identified municipalities commenced and completed.	Roll-out of SEIF to 5 additional municipalities .	SEIF upscaled to 7 municipalities.
Increased number of youth enterprises funded through the Youth Black Business Supplier Development Programme (YBBSDP).	N/A	N/A	N/A	Baseline 0.	50 beneficiaries to YBBSDP.	100 beneficiaries to YBBSDP.	150 beneficiaries to YBBSDP.

Programme 3: Enterprise Development And Entrepreneurship							
Programme Performance Indicator	Audited/ Actual Performance			Estimated performance 2014/15	Medium-Term Targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Increased creation of Youth owned enterprises.	N/A	N/A	N/A	Approved Mass Youth Enterprise Creation Concept and Implementation Plan.	100 youth trained in New Venture Creation programme.	150 youth trained in New Venture Creation programme.	Review of the pilot implementation of the Mass Youth Enterprise Creation Programme.
Increased number of Enterprises approved for the Women Business Development Scheme (WBDS).	N/A	N/A	N/A	0	82 Women entrepreneurs supported.	92 Women entrepreneurs supported.	97 Women entrepreneurs supported.
Number of Women Entrepreneurs trained through the Bavumile Skills Development Programme.	100	40	85	65 women entrepreneurs trained.	300 women entrepreneurs trained.	500 women entrepreneurs trained.	700 women entrepreneurs trained.

Programme 3: Enterprise Development And Entrepreneurship							
Programme Performance Indicator	Audited/ Actual Performance			Estimated performance 2014/15	Medium-Term Targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
An increase in the provision of skills and infrastructure support to informal businesses through the Informal Business Upliftment Facility (IBUF).	Research and planning.	Draft project charter and consultation with principals and sponsors.	Approval processes for draft project charter leading to approval, MOU and launch of Informal Traders Upliftment Project (ITUP).	Develop systems for the implementation of ITUP for the pilot with the (Presidential nodal points and mining towns, etc).	Training and infrastructure improvement of 1000 informal businesses is commenced and completed.	Introduction and implementation of IBUF for 1000 informal businesses.	IBUF upscaled to 2000 informal businesses.
Local and Provincial Government implementation of red tape reduction programme	N/A	N/A	N/A	Continuous roll-out of the Red Tape Reduction guidelines at municipal level.	Continuous roll-out of the Red Tape Reduction guidelines at 80 municipalities.	Continuous roll-out of the Red Tape Reduction guidelines at 90 municipalities.	Continuous roll-out of the Red Tape Reduction guidelines at 108 municipalities.
				Monitoring framework for implementing of the	Implementation and monitoring of red tape	Implementation and monitoring of red tape reduction	

Programme 3: Enterprise Development And Entrepreneurship							
Programme Performance Indicator	Audited/ Actual Performance			Estimated performance 2014/15	Medium-Term Targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
					municipal red tape reduction guidelines.  Conduct study to develop guidelines for reduction of sector specific red tape at Provincial level.  Establish a National Task Team for the institutionalisation of the red tape reduction programme.  Table Provincial red tape reduction guidelines at technical MINMEC.	reduction guidelines at Local and Provincial Government.	guidelines at Local and Provincial Government.

Programme 3: Enterprise Development And Entrepreneurship							
Programme Performance Indicator	Audited/ Actual Performance			Estimated performance 2014/15	Medium-Term Targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Government-wide implementation of set-asides programme.	N/A	N/A	N/A	Consultation process on the identification of sectors and specific products to be targeted for 30 % procurement.	Issuing of the practice note and monitoring of effective implementation of the 30 % set-asides programme.	Monitoring of effective implementation of the 30 % set-asides programme.	Review of the 30 % set-asides programme.
Number of enterprises and implementing agencies supported to implement the Craft Customised Sector Plan (CSP).	N/A	N/A	N/A	MOU signed with 4 implementing agencies. Monitoring Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial Development	MOU signed with 5 implementing agencies. Monitoring Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial	MOU signed with 6 implementing agencies. Monitoring Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial	MOU signed with 7 implementing agencies. Monitoring Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial Development

Programme 3: Enterprise Development And Entrepreneurship							
Programme Performance Indicator	Audited/ Actual Performance			Estimated performance 2014/15	Medium-Term Targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
				Agencies benefiting 350 Craft Enterprises.	Development Agencies benefiting 450 Craft Enterprises.	Provincial Development Agencies benefiting 500 Craft Enterprises.	Agencies benefiting 550 Craft Enterprises.

**Programme performance indicators and quarterly targets for 2015/16**

<b>Programme 3: Enterprise Development And Entrepreneurship</b>						
<b>Programme Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2015/16</b>	<b>Quarterly Targets</b>			
			<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
Increased number of SMMEs and Co-operatives that have been financed through the Fund.	Quarterly	Develop a business case for disbursing the funding and lobby the private sector to contribute to the Fund.	Develop a business case for the Fund.	Approval of incentive guidelines.	Engagement with private sector to contribute to the Fund.	Launch the Fund and invite SMMEs and Co-operatives to apply for funding.
Accelerated identification and packaging of SMMEs and Co-operatives into franchisors.	Quarterly	Identification and packaging of 5 SMMEs and Co-operatives as franchisors.	Prepare a submission for approval to procure a service provide to package the businesses.	Commence with procurement process.	Appoint service provider to package the businesses.	Report on progress made on packaging of 5 SMMEs and Co-operatives into micro franchisors.
Signing of MoAs and establishment of Centres for Entrepreneurship with hosting academic institutions.	Quarterly	3 Centers for Entrepreneurship established.	Assessment reports completed with targeted hosting institutions.	Draft business plans submitted by the targeted hosting institutions.	Approved business plans & draft MOAs prepared.	Launch of the Centres for Entrepreneurship with hosting institutions.

Programme 3: Enterprise Development And Entrepreneurship						
Programme Performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			Q1	Q2	Q3	Q4
Capacity building and co-location for SEDA Branches.	Quarterly	25 co-location points established.	5 co-location points established.	5 co-location points established.	7 co-location points established.	8 co-location points established.
Establishment and upgrading of infrastructure through Partnership Agreements with Provincial and Local Governments.	Quarterly	Establishment of new and upgrading of existing infrastructure in 5 identified municipalities commenced and completed.	Consider applications from local and provincial governments.	Launch first site.	Adjudicate and approve applications and launch sites.	Adjudicate and approve applications and launch sites.
Increased number of youth enterprises funded through the Youth Black Business Supplier Development Programme (YBBSDP).	Quarterly	20 beneficiaries to the Youth Black Business Supplier Development Programme.	Communication to Provincial stakeholders on the criteria for funding and provincial targets.	Provision of technical assistance with applications.	Monitoring, feedback and management of target achievement.	Report on target achievement and effectiveness of the Fund.
Increased creation of Youth owned enterprises.	Quarterly	100 youth trained in New Venture Creation programme.	Recruitment of 100 candidates from each of the 9 Provinces.	Module two of the training conducted.	Module three of the training conducted.	Final module of the training conducted.

Programme 3: Enterprise Development And Entrepreneurship						
Programme Performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			Q1	Q2	Q3	Q4
			Module one of the training conducted.	Opening of new ventures by graduates.	Opening of new ventures by graduates.	Opening of new ventures by graduates.
Increased number of enterprises approved for the Women Business Development Scheme (WBDS).	Quarterly	82 women entrepreneurs supported.	20 women entrepreneurs supported.	21 women entrepreneurs supported.	21 women entrepreneurs supported.	20 women entrepreneurs supported.
Number of women entrepreneurs trained through the Bavumile Skills Development Programme.	Quarterly	300 women entrepreneurs trained.	75 women entrepreneurs trained.	75 women entrepreneurs trained.	75 women entrepreneurs trained.	75 women entrepreneurs trained.
An increase in the provision of skills and infrastructure support to informal businesses through the Informal Business Upliftment Facility (IBUF).	Quarterly	Training and infrastructure improvement of 1000 informal retail businesses completed.	Training of 250 selected informal traders.  Finalisation and approval of IBUF guidelines.	Training of 250 selected informal traders.	Training of 250 selected informal traders.	Training of 250 selected informal traders.

Programme 3: Enterprise Development And Entrepreneurship						
Programme Performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			Q1	Q2	Q3	Q4
Local and Provincial Government implementation of red tape reduction programme.	Quarterly	<p>Continue with roll-out of red tape reduction guidelines at municipal level.</p> <p>Conduct a study on red tape reduction at Provincial Level.</p> <p>Introduce a monitoring framework of guidelines at local government level.</p> <p>Table Provincial red tape reduction report and guidelines at technical MINMEC.</p>	<p>Commission a study to develop guidelines for the reduction of sector specific red tape, focusing on reducing delays and regulations impacting on investment opportunities at Provincial level.</p>	<p>Continuous roll-out of the red tape reduction guidelines at 20 local municipalities.</p> <p>Develop a monitoring framework for the implementation of the municipal guidelines local government level.</p> <p>Assessment and prioritisation of administrative, compliance and regulatory constraints impacting on investments at Provincial level.</p>	<p>Continuous roll-out of the red tape reduction guidelines at 30 municipalities (25 local, 4 districts and 1 metro).</p> <p>Assessment and prioritisation of administrative, compliance and regulatory constraints impacting on investments at Provincial level.</p> <p>Establish a Task Team for the institutionalization of red tape reduction in all spheres of government.</p>	<p>Continuous roll-out of the red tape reduction guidelines at 30 municipalities (25 local, 4 districts and 1 metro).</p> <p>Produce report and guidelines on administrative, compliance and regulatory constraints impacting on investments at Provincial level.</p> <p>Table Provincial red tape reduction report and guidelines at technical MINMEC.</p>

Programme 3: Enterprise Development And Entrepreneurship						
Programme Performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			Q1	Q2	Q3	Q4
				investments at Provincial level.		
Government-wide implementation of set-asides programme.	Quarterly	Issuing of the practice notes and monitoring of effective implementation of the 30 % set-asides programme.	Issuing of the practice notes and monitoring of effective implementation of the 30 % set-asides programme.	Continuous monitoring of effective implementation of the 30 % set-asides programme.	Continuous monitoring of effective implementation of the 30 % set-asides programme.	Continuous monitoring of effective implementation of the 30 % set-asides programme.
Number of enterprises and implementing agencies supported to implement the Craft Customised Sector Plan (CSP).	Quarterly	Sing MOUs with 5 implementing agencies and to support 450 enterprises through the implementing agencies.	5 Business plans approved and funding disbursed 5 implementing agencies.	Monitor Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial Development Agencies	Monitor Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial Development Agencies	Monitor Product Development, Market Access and Enterprise Development implemented by Provincial Craft Hubs and Provincial Development Agencies

Programme 3: Enterprise Development And Entrepreneurship						
Programme Performance Indicator	Reporting Period	Annual Target 2015/16	Quarterly Targets			
			Q1	Q2	Q3	Q4
				Agencies benefiting 150 Craft Enterprises.	benefiting 150 Craft Enterprises	benefiting 150 Craft Enterprises

## 15. Financial Plan (Expenditure Estimates)

### Per Programme

Economic classification	2015/2016	2016/2017	2017/2018
<b>Administration</b>	64 025	66 587	69 143
<b>Co-operatives Support and Development</b>	15 188	16 066	16 714
<b>Enterprise Development and Entrepreneurship</b>	1 023 975	1 042 533	1 171 526
<b>TOTAL</b>	<b>1 103 188</b>	<b>1 125 186</b>	<b>1 257 383</b>

### Per economic classification

Economic classification	2015/2016	2016/2017	2017/2018
<b>Current payments</b>	<b>166 210</b>	<b>173 937</b>	<b>181 986</b>
<b>Compensation of employees</b>	<b>109 671</b>	<b>114 806</b>	<b>122 225</b>
Salaries and wages	97 975	102 855	109 259
Social contributions	11 696	11 951	12 966
<b>Goods and services</b>	<b>56 539</b>	<b>59 131</b>	<b>59 761</b>
Administrative fees	430	449	444
Advertising	-	1	1
Assets less than the capitalisation threshold	55	58	59
Audit costs: External	266	250	400
Bursaries: Employees	-	-	-
Catering: Departmental activities	993	1 004	1 023
Communication (G&S)	1 341	1 394	1 451

Computer services	-	1	1
Consultants and professional services: Business and advisory services	2 857	3 395	2 670
Consultants and professional services: Infrastructure and planning	-	-	-
Consultants and professional services: Laboratory services	-	-	-
Consultants and professional services: Scientific and technological services	-	-	-
Consultants and professional services: Legal costs	-	1	1
Contractors	3 037	3 318	3 431
Agency and support / outsourced services	-	140	147
Entertainment	60	66	54
Fleet services (including government motor transport)	106	127	109
Housing	-	-	-
Inventory: Clothing material and accessories	-	-	-
Inventory: Farming supplies	-	-	-
Inventory: Food and food supplies	-	-	-
Inventory: Fuel, oil and gas	-	2	-
Inventory: Learner and teacher support material	-	-	-
Inventory: Materials and supplies	-	-	-
Inventory: Medical supplies	-	-	-
Inventory: Medicine	-	-	-
Medsas inventory interface	-	-	-
Inventory: Other supplies	-	-	-
Consumable supplies	161	166	166
Consumable: Stationery, printing and office supplies	1 297	1 376	1 513
Operating leases	1 931	2 163	2 463

Property payments	-	11	-
Transport provided: Departmental activity	-	1	1
Travel and subsistence	25 917	27 071	27 602
Training and development	2 749	2 970	3 190
Operating payments	12 335	12 414	12 419
Venues and facilities	3 004	2 753	2 616
Rental and hiring	-	-	-
<b>Transfers and subsidies to:</b>	<b>935 841</b>	<b>949 029</b>	<b>1 074 113</b>
Departmental agencies and accounts	610 364	620 682	729 343
Public corporations and private enterprises	308 751	309 222	324 689
Non-profit institutions	16 726	19 125	20 081
Households			
<b>Payments for capital assets</b>	<b>1 137</b>	<b>2 220</b>	<b>1 284</b>
Machinery and equipment	1 137	2 220	1 284
<b>TOTAL</b>	<b>1 103 188</b>	<b>1 125 186</b>	<b>1 257 383</b>

#### Detail of Transfer Payments

Economic classification	2015/2016	2016/2017	2017/2018
<b>SEDA</b>	478 183	481 495	583 197
<b>SEDA Technology Programme</b>			
SEDA Technology Programme	132 181	139 187	146 146
<b>ISIVANDE</b>	8 751	9 222	9 689
<b>SAWEN</b>	16 726	19 125	20 081
<b>BBSDP</b>	225 000	225 000	236 250
<b>Co-Operatives Incentive Scheme</b>			
Co-Operatives Incentive Scheme	75 000	75 000	78 750
<b>TOTAL</b>	<b>935 841</b>	<b>949 029</b>	<b>1 074 113</b>

## **Part C: Links to other plans**

### **16. Asset Management Plan**

The Department of Small Business Development was proclaimed on 7 July 2014 and as such does not have its own Asset Management Plan as yet. The Department does however have a signed Memorandum of Understanding with the Department of Trade and Industry, which covers Asset Management until the end of June 2015. Once the Department has a vote of its own and has moved to its own premises, a unique and separate Asset Management Plan will be developed.

### **17. Information Technology Plan**

The Department of Small Business Development consumes all of its ICT services from the dti. Based on the ICT strategy and plan, it becomes imperative for DSBD to segregate and move to its own ICT infrastructure and enterprise solutions. The aim of DSBD ICT is to be the strategic enabler of business and ensure that business and ICT priorities align, which enables the realisation of the departments mandate.

Key to the success of the ICT Strategy and plan are the following:

- Implementation of the Corporate Governance of Information and Communication Technology Framework (CGITC)
- Implementation of Disaster Recovery and Business Continuity Plans
- Defining and Implementing the Information Security Framework for ICT
- Implementing the ICT Infrastructure requirements
- Defined Enterprise Architecture

These imperatives are paramount to the department meetings its mandate and strategic objectives.

<b>Year 1 (Current)</b>	<b>Year 2 (2015 - 2016)</b>	<b>Year 3</b>
<p><b>Current IT support Structure:</b> All services provided by the dti which includes:</p> <ol style="list-style-type: none"><li>1. Email services (Groupwise)</li><li>2. File Storage (Windows Server)</li><li>3. Authentication – Novell</li><li>4. Productivity – MS Office 2010</li></ol> <p><b>Support Infrastructure:</b></p>	<p><b>Relocation:</b> Infrastructure requirements for new premises:</p> <ol style="list-style-type: none"><li>1. Define layout and design of new building</li><li>2. Architect the network environment (wired vs. wireless)</li><li>3. Design datacentre for primary servers</li></ol>	<p><b>Implementation of core business process automation</b> (Spin off from previous year):</p> <ol style="list-style-type: none"><li>1. Scope and define automate all standard business processes</li><li>2. Architect other imperative solutions to allow</li></ol>

<p>1. Minister &amp; DM offices support by dti dedicated ministerial support (1 x Support technician at ASD level required for ministerial support)</p> <p>2. DG &amp; other offices supported via OCIO Service Desk</p> <p><b>Support staff requirements:</b></p> <p>Manager ICT services</p> <p>2 x Desktop Services Technicians</p> <p>Objectives for year 1:</p> <ul style="list-style-type: none"> <li>1. Develop ICT strategy aligned to departmental strategy</li> <li>2. Implementation plan for the next 2 years</li> <li>3. Architect the ICT landscape for DSBD</li> <li>4. Design and Implement Web Presence for department</li> <li>5. Define procurement processes for ICT related equipment</li> <li>6. Consider the option of Managed Service solution – discussion with SITA <ul style="list-style-type: none"> <li>a. Benefits include hosting of all equipment with SITA</li> <li>b. SITA will manage all related systems and provide support</li> <li>c. Cost benefit in terms of paying a service fee for maintenance and support may provide significant cost reduction</li> <li>d. Engage an SLA for this process.</li> </ul> </li> </ul>	<p>4. Basic server requirements for primary systems at new premises</p> <p>5. Implement backup and high availability sites (Managed solution)</p> <p>6. DR site implementation (Managed solution)</p> <p>7. Implementation of Audio Visual environment (Video conferencing, etc)</p> <p>8. Architect Automation of systems (Consider Enterprise Solution – SAP, etc)</p> <p><b>Staffing requirements:</b></p> <ul style="list-style-type: none"> <li>1. Manager ICT services(Director)</li> <li>2. 4 x Desktop Services Technicians</li> <li>3. Implementation of helpdesk</li> <li>4. Requirements for Call Centre (if required)</li> </ul> <p><b>Policies &amp; Procedures:</b></p> <ul style="list-style-type: none"> <li>1. Define core ICT related policies to be implemented</li> <li>2. Define all core procedures to ICT operations</li> <li>3. ICT SOP</li> </ul>	<p>growth and development for various divisions and its outcomes</p>
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**Notes:**

1. As required by government prescripts, the department has signed a Business Agreement with SITA to enlist ICT managed services. Based on the fact that the ICT budget could not be defined when the department was promulgated, the layout cost has not been determined. In addition, some costing for ICT services and architecture will be determined on the basis of the department's relocation to its own building. The department will be assisted by SITA in determining the high level requirements, scoping and estimates for the required ICT services. It is important to note that managed service will reduce overheads on ICT related staff requirements.
2. Crafting of an ICT strategy is imperative to ensure that from a technology perspective, the ICT environment is an enabler for the department and its core function. The ICT strategy must be aligned to the departmental strategy and should have a long-term vision. In essence, the ICT environment should provide the landscape of evolving the department from a process driven component to a fully automated and innovative entity.

## **18. Risk Management Plan**

The Department of Small Business Development was proclaimed on 7 July 2014 and as such does not have its own Risk Management Plan as yet. The Department does however have a signed Memorandum of Understanding with the Department of Trade and Industry, which covers Risk Management until the end of June 2015. Once the Department has a vote of its own and has moved to its own premises, a unique and separate Risk Management Plan will be developed in line with the requirements of the public service.

## **19. Service Delivery Improvement Plan**

The department is in its first year of operation therefore the 2016-2019 SDIP will be developed during the course of 2015.

## 20. Public Entities reporting to the Minister

Name of the Public Entity	Enabling Legislation	Mandate and Purpose
1. Small Enterprise Development Agency 	National Small Enterprise Act 1996.	To provide for the establishment of the Advisory Body and the Enterprise Promotion Agency; to provide guidelines for organs of state in order to promote small business in the Republic; and to provide for matters incidental thereto.
2. Small Enterprise Finance Agency 	Section 3 (d) of the Industrial Development Corporation Act, No. 22 of 1940 (IDC Act).	To develop sustainable SMMEs through the provision of finance. This agency will start reporting to the Minister from the 2015/16 financial year. Consideration of a reviewed strategy and programmes of SEFA in support of DSBD's mandate will be prioritised in the 2015/16 financial year.

Name of the Public Entity	Enabling Legislation	Mandate and Purpose
3. South African Women Entrepreneurs' Network   <b>South African Women Entrepreneurs' Network</b> <hr/> an initiative of the dti		To represent and articulate the aspirations of all women entrepreneurs (existing and potential) that operate within the South African SMME sector.

## 21. Indicator Profiles

### A. Programme 1: Administration

Ind. No	Indicator title	Percentage (%) of vacancy rate
1.	1. Short definition	Vacancy rate of the department.
	2. Purpose/importance	Tracks progress made in filling vacancies. A decrease in this number can be indicative of either the abolishment of vacancies or the actual filling of them with external candidates (outside appointments). An increase could be the result of higher turnover or increase in establishment.
	3. Source/collection of data	PERSAL and - physical document {the DSBD establishment (which should reconcile with the post establishment on PERSAL; versus the actual amount of incumbents as per PERSAL report (i.e. those that are being paid and holding permanent positions (compared to contract / additional appointments)}.
	4. Method of calculation	% of vacant post for which budget estimate exists expressed as a fraction of the total approved positions (excluding positions additional to the establishment, temporary / interns). (Total establishment - Filled positions) ÷ Total establishment x 100%. Type: this is an as-is statistic - snapshot of filled posts compared against total establishment.
	5. Calculation Type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met
	10. Indicator responsibility	Chief Directorate: Human Resources (HR)
2.	Indicator title	Percentage (%) of staff turnover
	1. Short definition	Staff turnover for the department
	2. Purpose/importance	Tracks staff turnover indicative of retention policy effectiveness
	3. Source/collection of data	PERSAL - from the actual service terminations (salary payments terminated) upon receipt of the relevant supporting documentation to terminate service (e.g. retirement, resignation, transfer, death etc. depending on the type)
	4. Method of calculation	(Service terminations ÷ (number of months data accumulated) x 12) ÷ total establishment x 100%. Method: Total number of service terminations for the reporting period ÷ headcount (all employees on establishment) as at the beginning of the reporting period x 100 (as per DPSA formula). Projected turnover – Total number of terminations ÷ (number of months data accumulated) x 12) ÷ total establishment as at the beginning of the reporting period x 100%
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met
	10. Indicator responsibility	Chief Directorate: Human Resources (Human Resources)

3.	<b>Indicator title</b>	<b>Percentage (%) of People With Disability employed</b>
	1. Short definition	Percentage (%) of People With Disability of the department
	2. Purpose/importance	Tracks progress made in employment of people with disabilities, indicative of progress made in actively recruiting staff with disabilities and retaining them. A decrease in this number is indicative of either terminations or more positions filled with people without disabilities.
	3. Source/collection of data	PERSAL - As per disclosures of staff in accordance with disability classification protocol or as per recruitment documentation
	4. Method of calculation	Method - (Total number of people with disabilities) ÷ total headcount x 100%. This is an as-is statistic - at a given point in time. Depending on the amount of staff disclosing their status at appointment or acquired disabilities through the course of their appointment
	5. Calculation type	Cumulative
	6. Data limitations	Non-disclosure of disability status will result in under-reporting. This is a voluntary process and therefore inherent in the data gathering process
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met
4.	<b>Indicator title</b>	<b>Percentage (%) of Women employed in senior management positions</b>
	1. Short definition	Percentage (%) of Women employed in senior management positions in the department
	2. Purpose/importance	Tracks progress made in filling vacancies with women in senior positions or the process of retaining them. A decrease in this number is indicative of either female terminations or more positions filled with male appointments
	3. Source/collection of data	PERSAL - from the actual recruitment documentation - race, gender, etc. is acquired and populated into the PERSAL system during the process of appointment. For staff long in service, the SP files should have the information provided in it
	4. Method of calculation	Method - (Total number of people with women appointed at SMS level) ÷ total filled positions (permanent establishment) at SMS level x 100%. Type; This is an as-is statistic - at a given point in time
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met
	10. Indicator responsibility	Chief Directorate: Human Resources (HR)

5.	<b>Indicator title</b>	<b>Eligible creditors' payments processed within legal timeframes</b>
	1. Short definition	Payment of creditors within 30 days of receipt of invoices as required by PFMA.
	2. Purpose/importance	Tracks the <b>DSBD</b> 's commitment to the set time frames as per the requirements of the PFMA.
	3. Source/collection of data	The indicator is informed by the number of creditor payments received via the CFO Helpdesk of the <b>DSBD</b> , for subsequent processing and payment, and is based on the procurement of goods and services from external service providers. Physical records of creditor payment and information from BAS and LOGIS.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	The indicator and target are dependent of the receipt at the CFO Helpdesk of creditor invoices, implying that any delays prior to this is outside the control of the business unit and the Department.
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met
	10. Indicator responsibility	Chief Directorate: Financial Accounting
6.	<b>Indicator title</b>	<b>Implementation report SDIP for 2012-2015 produced</b>
	1. Short definition	Reports produced for implementation of the SDIP.
	2. Purpose/importance	Tracks the monitoring of commitments and improvement of standards as contained in the Service Delivery Improvement Plan approved by the Minister.
	3. Source/collection of data	Implementation reports
	4. Method of calculation	Availability of report
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met
	10. Indicator responsibility	Chief Directorate: Strategic Planning and Cluster Oversight (SP & CO)
7.	<b>Indicator title</b>	<b>Number of multi-media awareness campaigns</b>
	1. Short definition	A public awareness initiative using more than one communication platform undertaken by the division to promote the <b>DSBD</b> 's programmes and services.
	2. Purpose/importance	To create and promote awareness, as well as educate the public on the <b>DSBD</b> 's programmes and services.
	3. Source/collection of data	The <b>DSBD</b> 's Annual Performance Plan.
	4. Method of calculation	Simple count.
	5. Calculation type	Cumulative.
	6. Data limitations	Inaccurate source information.
	7. Type of indicator	Output.
	8. Reporting cycle	Quarterly.
	9. Desired performance	Target met/ higher.
	10. Indicator responsibility	Chief Directorate: Communications and Marketing.

<b>Indicator title</b>	<b>Number of events, outreach engagements and exhibitions</b>
1.Short definition	Events are any occasion of importance or significance involving the attendance of numerous people. Outreach engagements are events that involve public or stakeholder engagement on the <b>DSBD's</b> programmes and services. Exhibitions are interactive public display platforms for showcasing and interacting with targeted groups on the <b>DSBD's</b> programmes and services.
2.Purpose/importance	Tracks the number of events, outreach engagements and exhibitions.
3.Source/collection of data	Quarterly Reports
4.Method of calculation	Simple count
5.Calculation type	Cumulative
6.Data limitations	None
7.Type of indicator	Output.
8.Reporting cycle	Quarterly
9.Desired performance	Target met or higher
10.Indicator responsibility	Chief Directorate: Communications and Marketing.
<b>Indicator title</b>	<b>Number of key programmes evaluated</b>
1. Short definition	Number of programmes evaluated as contained in the Department's Multi-Year Evaluation Plan (MYEP).
2. Purpose/importance	Tracks the number of key programmes evaluated.
3. Source/collection of data	Evaluation reports
4. Method of calculation	Simple count
5. Calculation type	Cumulative
6. Data limitations	Inaccurate data
7. Type of indicator	Output
8. Reporting cycle	Quarterly
9. Desired performance	Target met
10. Indicator responsibility	Chief Directorate: Strategic Planning and Cluster Oversight (SP & CO)

## B. Programme 2: Co-operatives Development

10.	<b>Indicator title</b>	<b>Status report on the implementation of Sector Catalytic Projects</b>
	1. Short definition	Report on linking of co-operatives to market value chains, i.e. manufacturing, agro-processing, renewable energy, construction, biofuels, clothing and textile.
	2. Purpose/importance	To open and increase opportunities for co-operatives play a part in the sectors identified in IPAP.
	3. Source/collection of data	Status update reports from the responsible unit.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or Higher
	10. Indicator responsibility	Chief Directorate: Co-operatives Development
11.	<b>Indicator title</b>	<b>Progress reports on the establishment of the Co-operatives Development Agency</b>
	1. Short definition	Report on the establishment of a fully operational Agency that provides funding, training and access to markets for co-operatives.
	2. Purpose/importance	To enhance business support services to co-operatives.
	3. Source/collection of data	Reports from the Agency
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or Higher
	10. Indicator responsibility	Chief Directorate: Co-operatives Development

12.	<b>Indicator title</b>	<b>Progress reports on the implementation of the Incubator Support Programme</b>
	1. Short definition	Report on the establishment of Incubator Support Programme for Co-operatives will provide funding and training to owners of co-operatives.
	2. Purpose/importance	To enhance survival the rate and sustainability of co-operatives in order to increase employment, reduce inequality and poverty.
	3. Source/collection of data	Approved reports from Incubator companies.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or Higher
	10. Indicator responsibility	Chief Directorate: Co-operatives Development
13.	<b>Indicator title</b>	<b>Progress reports on the finalisation of the regulations and Co-operatives Amendment Act</b>
	1. Short definition	Report on finalization of the amendment of the Act.
	2. Purpose/importance	To provide for support for the growth of co-operatives and reduction of regulatory burden.
	3. Source/collection of data	Approved amendments.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	None
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or Higher
	10. Indicator responsibility	Chief Directorate: Co-operatives Development

### C. Programme 3: Enterprise Development and Entrepreneurship

14.	<b>Indicator title</b>	<b>Progress report on the implementation of the Youth Black Business Supplier Development Programme (YBBSDP).</b>
	1. Short definition	Progress report on the funding of Youth enterprises through the YBBSDP.
	2. Purpose/importance	The aim is to increase the number of Youth enterprises funded through the YBBSDP.
	3. Source/collection of data	Approved reports from the programme administrators.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	Accuracy of information provided by third parties.
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or higher
	10. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship
15.	<b>Indicator title</b>	<b>Progress report on the implementation of the Informal Traders Upliftment Project (ITUP)</b>
	1. Short definition	A report detailing the selection of informal business owners from each province for training, prioritizing the Presidential Nodal Zones.
	2. Purpose/importance	The project will track progress in relation to the provision of adequate skills and infrastructure support to informal businesses.
	3. Source/collection of data	Reports from project administrators.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	Accuracy of information provided by third parties.
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or higher
	10. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship

16.	<b>Indicator title</b>	<b>Progress report on the implementation of the Women Business Development Scheme (WBDS) programme</b>
	1. Short definition	Report on the number of women owned enterprises supported through the Women Business Development Scheme (WBDS).
	2. Purpose/importance	To increase the number of women owned enterprises supported through the WBDS.
	3. Source/collection of data	Reports from the administrators of the scheme.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	Accuracy of information provided by third parties.
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or higher
	10. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.
17.	<b>Indicator title</b>	<b>Progress report on the implementation of the decentralisation of business support services programme</b>
	1. Short definition	Decentralisation of business support services to Municipalities and SEDA Branches.
	2. Purpose/importance	To provide capacity building and co-location for SEDA Branches countrywide.
	3. Source/collection of data	Finalised agreements with Municipalities.
	4. Method of calculation	Simple count
	5. Calculation type	Cumulative
	6. Data limitations	Accuracy of information provided by third parties.
	7. Type of indicator	Output
	8. Reporting cycle	Quarterly
	9. Desired performance	Target met or higher
	10. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.

18.	<b>Indicator title</b>	<b>Progress report on the implementation of the Bavumile Skills Development Programme</b>
	11. Short definition	Report on the number of Women Entrepreneurs trained on the Bavumile Skills Development Programme.
	12. Purpose/importance	To provide business skills to women entrepreneurs.
	13. Source/collection of data	Report from programme administrators.
	14. Method of calculation	Simple count
	15. Calculation type	Cumulative
	16. Data limitations	Accuracy of information provided by third parties.
	17. Type of indicator	Output
	18. Reporting cycle	Quarterly
	19. Desired performance	Target met or higher
	20. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.
19.	<b>Indicator title</b>	<b>Progress report on the establishment of Centers for Entrepreneurship</b>
	11. Short definition	Report on the signing of Memorandums of Agreement with hosting academic institutions. The Centers will provide training in entrepreneurship, after which graduates will be provided with support in order for them to start their own businesses.
	12. Purpose/importance	To track the number of Centers opened in hosting academic institutions.
	13. Source/collection of data	Signed Memorandums of Agreement.
	14. Method of calculation	Simple count
	15. Calculation type	Cumulative
	16. Data limitations	None
	17. Type of indicator	Output
	18. Reporting cycle	Quarterly
	19. Desired performance	Target met or higher
	20. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.

20.	<b>Indicator title</b>	<b>Progress report on the implementation of the Enterprise Cadet Scheme</b>
	21. Short definition	Report on the number of new enterprises established under the Scheme.
	22. Purpose/importance	To increase the number of new enterprises established with the support of the Scheme.
	23. Source/collection of data	Reports from Scheme administrators.
	24. Method of calculation	Simple count
	25. Calculation type	Cumulative
	26. Data limitations	None
	27. Type of indicator	Output
	28. Reporting cycle	Quarterly
	29. Desired performance	Target met or higher
21.	<b>Indicator title</b>	<b>Progress report on the implementation of the Global Exporter Passport Programme</b>
	21. Short definition	Report on accelerated development of Export Ready SMMEs.
	22. Purpose/importance	To track the number of Export Ready SMMEs developed to consider opportunities in identified international markets.
	23. Source/collection of data	Export Ready SMMEs / Programme administrators.
	24. Method of calculation	Simple count
	25. Calculation type	Cumulative
	26. Data limitations	None
	27. Type of indicator	Output
	28. Reporting cycle	Quarterly
	29. Desired performance	Target met or higher
22.	<b>Indicator title</b>	<b>Progress report on the implementation of the Mass Youth Enterprise Creation Programme</b>
	31. Short definition	Report on the number of Youth enterprises created and launched under the MYECP. The Youth enterprises will be created by Youth who would have received entrepreneurship training.
	32. Purpose/importance	To increase the number of Youth enterprises created through business support from the Programme.
	33. Source/collection of data	Number of Youth owned enterprises.
	34. Method of calculation	Simple count
	35. Calculation type	Cumulative
	36. Data limitations	Accuracy of information provided by third parties.
	37. Type of indicator	Output
	38. Reporting cycle	Quarterly
	39. Desired performance	Target met or higher
23.	<b>Indicator title</b>	<b>Progress report on the amendment of the National Small Business Act 1996 (No. 102 of 1996)</b>
	31. Short definition	Report on progress regarding the amendment of the Act.
	32. Purpose/importance	To provide for the alignment of the Act to the mandate of the department as well as to remove constraints for SMMEs and Co-operatives Development.
	33. Source/collection of data	Approved amendments.
	34. Method of calculation	Simple count
	35. Calculation type	Cumulative
	36. Data limitations	None
	37. Type of indicator	Output
	38. Reporting cycle	Quarterly
	39. Desired performance	Target met or higher
	40. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.

24.	<b>Indicator title</b>	<b>Progress report on the roll-out of red tape reduction guidelines</b>
	41. Short definition	Report on the progress made regarding the roll-out of the guidelines to all Municipalities and the amendment of the guidelines for suitability to be implemented at the Provincial sphere of government.
	42. Purpose/importance	To ensure that the red tape reduction guidelines are institutionalized at all state institutions.
	43. Source/collection of data	Municipalities.
	44. Method of calculation	Simple count
	45. Calculation type	Non-cumulative
	46. Data limitations	Reliability of information from third parties.
	47. Type of indicator	Output
	48. Reporting cycle	Quarterly
	49. Desired performance	Target met or higher
25.	<b>Indicator title</b>	<b>Progress report on the implementation of set-asides programme</b>
	41. Short definition	Report on progress made in relation to the implementation of Cabinet proposed procurement programme giving effect to the procurement of specified 10 products from small enterprises by all government departments and state agencies.
	42. Purpose/importance	To ensure the growth and sustainability of these businesses. It is envisaged that the policy would level the playing field between well-established and emerging businesses, as the latter are often started and run by entrepreneurs from disadvantaged backgrounds mainly in the townships and rural areas.
	43. Source/collection of data	Issued Practice Notes by National Treasury.
	44. Method of calculation	Simple count
	45. Calculation type	Non-cumulative
	46. Data limitations	None
	47. Type of indicator	Output
	48. Reporting cycle	Quarterly
	49. Desired performance	Target met or higher
26.	<b>Indicator title</b>	<b>Progress report on the implementation of the Shared Economic Infrastructure Facility (SEIF)</b>
	51. Short definition	Report on progress made regarding the forging of partnerships with Provincial and Local Governments for the implementation of the programme. The programme is a 50-50 partnership between the department and participating Provincial and Local Governments.
	52. Purpose/importance	To partner with Provincial and Local Governments for entering into accelerated partnership agreements with Provincial and Local Governments.
	53. Source/collection of data	Relevant departmental unit.
	54. Method of calculation	Simple count
	55. Calculation type	Cumulative
	56. Data limitations	None
	57. Type of indicator	Output
	58. Reporting cycle	Quarterly
	59. Desired performance	Target met or higher
	60. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.

27.	<b>Indicator title</b>	<b>Progress report on the design and approval of the Micro Franchising Incentive</b>
	51. Short definition	Report on progress made regarding the design and approval of the Micro Franchising Incentive. The design of the Incentive will be approved by the Minister of the department.
	52. Purpose/importance	To identify and package SMMEs and Co-operatives as micro franchisors.
	53. Source/collection of data	Developed incentive policy.
	54. Method of calculation	Simple count
	55. Calculation type	Non-cumulative
	56. Data limitations	None
	57. Type of indicator	Output
	58. Reporting cycle	Quarterly
	59. Desired performance	Target met or higher
	60. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.
28.	<b>Indicator title</b>	<b>Progress report on the establishment of the National Enterprise Development Fund</b>
	61. Short definition	Report on progress made in relation to the establishment of the Fund that will support start-ups and growth oriented SMMEs and Co-operatives.
	62. Purpose/importance	To forge sustainable partnerships with the private sector to benefit SMMEs and Co-operatives. The private sector will be lobbied to contribute financial resources to the Fund.
	63. Source/collection of data	Developed Fund.
	64. Method of calculation	Simple count
	65. Calculation type	Non-cumulative
	66. Data limitations	None
	67. Type of indicator	Output
	68. Reporting cycle	Quarterly
	69. Desired performance	Target met or higher
	70. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.
29.	<b>Indicator title</b>	<b>Progress report on the signing of transversal agreements with government departments and other state institutions</b>
	61. Short definition	Transversal agreements are a critical measure to create more procurement opportunities for SMMEs and Co-operatives in the public sector. Particular attention to be given to the targeted IPAP sectors.
	62. Purpose/importance	Transversal agreements with government departments and state agencies would ensure that the small business sector obtains medium to long-term contracts that would contribute towards its sustainability, growth and job creation. In the same vein, such agreements with the private sector would provide an opportunity to the small business sector to leverage on the resources of the private sector through participating in the private sector's value chains.
	63. Source/collection of data	Signed transversal agreements.
	64. Method of calculation	Simple count
	65. Calculation type	Cumulative
	66. Data limitations	None
	67. Type of indicator	Output
	68. Reporting cycle	Quarterly
	69. Desired performance	Target met or higher
	70. Indicator responsibility	Chief Directorate: Enterprise Development and Entrepreneurship.

## **ANNEXURE A:**

### **Alignment to Government-Wide Priorities and Outcomes**

The NDP sets the long-term vision for the South African economy by affirming the need for a more dynamic and inclusive economy. It identified poverty, unemployment and inequality as the triple challenges facing the economy that require both Government and private sector intervention. The NDP notes that employment and inclusive growth will only arise if Government focuses its efforts on promoting exports, competitiveness, employment in labour-absorbing industries and providing an appropriate business environment.

The NGP sets out the medium-term plan to create decent work and inclusive economic growth by identifying key job drivers. It emphasises the need to target more labour-absorbing activities across the main economic sectors such as manufacturing, agriculture and mining value chains.

The priorities set out in these plans have been translated into the Medium-Term Strategic Framework (MTSF) priorities. The framework identifies actions to unblock constraints that may hinder the achievement of the NDP and NGP imperatives. Central to the implementation of the NDP, NGP and MTSF is the IPAP. The development of IPAP has been and will continue to be based on the need for sustainable long-term development that is underpinned by higher growth, exports and labour-intensive, value-adding economic activity in the productive sectors, led by manufacturing. The department has deployed a comprehensive range of tools to implement the Government-wide priorities articulated in the NDP, NGP and MTSF. The tools include the NEDP, which aims to improve the readiness of emerging exporters to take advantage of opportunities presented by bilateral and multilateral trade agreements, the Co-operatives Amendment Bill and amendment of the B-BBEE codes to support more equitable participation in the South African economy, as well as the SEZ programme to promote higher levels of private sector investment and job creation.

The department has identified key strategic outcomes-orientated goals in support of the Government-wide priorities and broader outcomes. These are detailed in table 2:

**Table 2: The DSBD's Contribution to the Government-Wide Priorities and Outcomes**

The DSBD's Strategic Outcomes-Orientated Goals	MTSF Interventions	Linkages to government outcomes
To facilitate the development and growth of small businesses and co-operatives to contribute to inclusive and shared economic growth and job creation through public and private sector procurement.	<ul style="list-style-type: none"> <li>• Implementation of the public and private sector procurement programme, which will see an increase in the number of SMMEs and Co-operatives accessing public and private sector procurement opportunities</li> <li>• Implementation of the Sector Catalytic Projects, which will enable the linking of co-operatives to market value chains in the sectors identified in IPAP, i.e. manufacturing, agro-processing, renewable energy, construction, clothing, footwear, textile and leather, biofuels, etc.</li> <li>• Implementation of the Youth Black Business Supplier Development Programme in order to increase the funding of Youth-owned enterprises.</li> </ul>	<p>Outcome 4: Decent employment through inclusive growth.</p> <p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security.</p>
To facilitate radical economic transformation through increased participation of small businesses and co-operatives in the mainstream economy.	<ul style="list-style-type: none"> <li>• Implementation of the Global Exporter Passport Programme so as to ensure the accelerated development of Export Ready SMMEs that will consider opportunities identified in international markets.</li> </ul>	<p>Outcome 4: Decent employment through inclusive growth</p> <p>Outcome 5: A skilled and capable workforce to support an inclusive growth plan.</p>

<b>The DSBD's Strategic Outcomes-Orientated Goals</b>	<b>MTSF Interventions</b>	<b>Linkages to government outcomes</b>
To advocate for a conducive regulatory environment for small businesses and co-operatives to enable access to finance, investment, trade and market access in an equitable and sustainable manner.	<ul style="list-style-type: none"> <li>• Roll-out of the red tape reduction guidelines in order to ensure that the guidelines are institutionalised at all state institutions.</li> <li>• Government-wide implementation of the set-asides programme.</li> </ul>	<p>Outcome 4: Decent employment through inclusive growth</p> <p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security.</p>
Facilitate partnerships with all spheres of government as well as the private sector to ensure mutual co-operation that will benefit small businesses and co-operatives.	<ul style="list-style-type: none"> <li>• Implementation of the National Enterprise Development Fund to ensure the forging of sustainable partnerships with the private sector to benefit SMMEs and Co-operatives. The private sector will be lobbied to contribute to the Fund.</li> <li>• Implementation of the Shared Economic Infrastructure Facility to enable strong partnership agreements with Provincial and Local Governments.</li> </ul>	<p>Outcome 4: Decent employment through inclusive growth.</p> <p>Outcome 6: An efficient, competitive and responsive economic infrastructure network.</p>



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