**MEDIA STATEMENT**

**COMMITTEE ON SMALL BUSINESS DEVELOPMENT WELCOMES ACCESS TO MARKET BY SMMEs AND COOPERATIVES**

**Parliament, Wednesday, 30 October 2019 –**The Portfolio Committee on Small Business Development has welcomed a presentation that was made by its Content Advisor, Mr Sibusiso Gumede, with regard to access to market by the Small, Medium and Micro Enterprises (SMMEs) as well as Cooperatives.

The committee is of the view that SMMEs and Cooperatives could make a positive impact on growing the economy. However, according to the committee, they are failing due to bureaucratic red tape in the public and private sectors.

The committee believes that everyone should take interest and that the exclusion of small businesses in the economic value chain is inexcusable. The committee then recommended the introduction of the transformation charter, as well as a national symposium to discuss access to market in the public and private sectors.

The committee has noted that government spending over the current Medium Term Expenditure Framework is expected to reach R6 trillion. It is concerned that only a fraction will go to SMMEs and cooperatives. It is against this backdrop that the committee supports the Presidential district-based service delivery model to unlock the much needed economic opportunities in the private and public sectors.

Mr Gumede further briefed the committee that the five major retail groups, namely Spar, Shoprite, Woolworths, Massmart and Tiger Brands, made a collective revenue of over R400 billion in the 2018 financial year, but added little value to the small enterprise ecosystem. The committee thus undertook to find ways to assist the small business to remove stumbling blocks in order to create the much needed jobs.

The chairperson of the committee, Ms Violet Siwela said: “The issue of access to market for SMMEs and Cooperatives is critical and requires national symposium, wherein public and private sectors as well as small businesses will come up with solutions that are mutually beneficial to all.”

Ms Siwela reiterated the fact that the department of Small Business Development should also consider having structured approach to engage with the National Treasury in order to ensure that small enterprises are included in the economic value chain.

The engagement should include, among others, lobbying National Treasury to accelerate finalisation of the Procurement Bill, phasing out of requirements for experience on enterprises owned by women and youth and, phasing out of compulsory tender briefing sessions.

Lastly, the committee deliberated on the alarming unemployment statistics released by Stats SA yesterday. “We need to decentralise the economy and break down the monopoly that is currently enjoyed by the big retail and corporate sector,” said Ms Siwela.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON SMALL BUSINESS DEVELOPMENT, MS VIOLET SIWELA.**