

## **Budget Debate on Vote 36: Small Business Development**

**Mandlenkosi Mabika, MP**

***Additional Member on Small Business Development***

Chairperson the mandate of this department is primarily to develop small businesses, co-operatives, smmes by providing financial and non-financial support. Minister to achieve that remains a dream and it will remain a dream for as long as that responsibility is entrusted to Sefa. It is up to you whether when the DA takes over government next year you want to be remembered as the minister who just spoke and did nothing.

Sefa is killing this department, because of the following reasons:

Sefa is not known to the people who really need support.

Sefa does not trust Seda such that you find that a client will get assisted by Seda for the development of a bankable business plan and when submitted to Sefa for funding, Sefa declines it.

Sefa will give money to intermediaries for them to exploit the poor people through charging exorbitant interest like 29%.

Our oversight visit to North West province clearly indicated that a lot of money is made by intermediaries and not by the clients themselves, for example, we visited a client ( Motshoge/Vlaarmuis) that got a small loan from small enterprise foundation of R3 000, the lady did not look like she is going anywhere with the support of this department. Guess what Minister, when we left their offices, Sefa got lost indicating they have never even been there. What does that mean? It means they didn't not know where their client is. I'm happy that the deputy minister was present to witness this embarrassing event with us.

Sefa claimed to have given spaza shops owners R10 500. However, to our surprise, when we got there all of them had only received R3 500 vouchers nawo okumele bayothenga many kilometres away, and when we asked, nobody had answers. We were lied to that money was deposited into their accounts during March 2022. If Sefa is serious about wanting to develop small businesses? How can they deposit the money and never bother alerting the beneficiaries? Had we not have gone there, what would have happened?

How must we understand the situation like Blossom Bakery where Sefa agreed to provide financial support for them to start a business while knowing very well that the business cannot make enough money to service the loan. Adding to the insanity, is that the bakery is unable to deliver the bread they bake, because the same Sefa declined the application for them to buy trucks.

Sefa gave a R110 000 loan plus a R50 000 grant to Vincy Cybercafe, only to discover during the oversight that the machine that is ought to have been bought is not there. We were told it is somewhere in Gauteng...That is Sefa for you.

Sefa was also not aware that Kings and Queens that received R2.64 million from Intellimatch Finance Services is not operational at all. We found locked doors and were told by neighbours that they have not been there for quite some time.

There is also the Khula guarantee scheme which was given a lot of money. We when asked we did not get answers. Some of the recipients are said to be based in the Eastern Cape and there is no accountability as a result.

Minister the question is, how many similar situations occur throughout the country? You are delirious if you think you will turn things around by the Sefa. As we speak Minister you even struggle to provide us the information that we require from you about what transpired in North West, because kunzima ukuyithola ngoba abantu oyifuna kubo nabo abazi kodwa imali yona iyasebenza futhi na mareport afika emahle ,inkinga bese iqala masesiyozibonela mathupha.

So, Minister, okwamanje kubonwa ngokusa ku Sefa, mele uze nesixazululo esisheshayo esizovusa u Sefa emaqandeni uma ngempela nawe uzimisele ngokuwubona uwathuthukisa ngempela yonkindawo ama business amancane ikakhulukazi ezindaweni zasemakhaya njengakoMkhanyakude langibuya khona.

Siyafisa futhi Minister ukuthi uphuthumise uhlelo lokwenza ama co-op asebenze kahle ukunqanqa ukulwa kwamalunga masekunemali okuyinto ewisa amaningi because okunye esikufunde e NorthWest ukuthi sengathi okwamanje kuseyilawo akhiwe izihlobo namalunga emindeni Aba nozinzo.minister Co-operatives have a potential to increase job opportunities when they are well managed njengalena ka Lerato Molowa I Batlhako Temo Co-operative.

Ngiyabonga