**THE NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

 **10. Mr R W T Chance (DA) to ask the Minister of Small Business Development:**

**(1) (a) How many (i) primary and (ii) secondary co-operatives have been funded by (aa) her department and (bb) the Department of Trade and Industry under the Co-operative Incentive Scheme since the establishment of the specified scheme and (b) what is the (i) total amount of grant money spent on the specified co-operatives by each department and (ii) detailed breakdown of the specified spending in each (aa) province and (bb) each relevant financial year to date;**

**(2) whether any of the specified co-operatives are still operating; if not, in each case, why not; if so, in each case, what are the relevant details for each province?”**

**NW13E**

**REPLY:**

(1)(a)(i)(aa) **Primaryco-operatives have been funded by the Department of Small Business Development**

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| **CO-OPERATIVE INCENTIVE SCHEME** |
| **DEPARTMENT**  | **YEAR** | **NUMBER OF APPLICATIONS APPROVED** | **VALUE OF APPLICATIONS APPROVED** | **ESTIMATED NO OF JOB CREATED**  | **VALUE OF DISBURSEMENT** |
| Small Business Development  | 2014-15 | 207 | R 56 103 695 | 1359 | R 64 965 564 |
| Small Business Development  | 2015-16  | 247 | R 84 423 016 | 1872 | R 75 000 000 |
| Small Business Development | 2016-YTD | 172 | R52 891 797.54 | 1115 | R 47 214 253.97 |
| **Total A** | 626 | R 193 418 508.54 | 3603 | R 187 179 817.97 |

Table 1 – CIS under DSBD

**Breakdown of funded primary cooperatives under DSBD**

Table 2.1 below depicts DSBD **CIS** programme data for the 2014/15 Financial Year



Table 2.2 below depicts DSBD **CIS** programme data for the 2015/16 Financial Year (Primary Co-operatives)



Table 2.3 below depicts DSBD **CIS** programme data for the period April 2016 to date



(1)(a)(ii)(aa) **Secondary co-operatives have been funded by the Department of Small Business Development**

 There was only one secondary co-operative supported, information is provided in the table below:

Table 3

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| **TOTAL NUMBER OF BENEFICIARIES 2015/16 (SECONDARY MARKETING)** |
| **Province**  | **No. of Approved Projects** | **Approved Amount** | **% Per Province** | **Total Supported** | **Total**  |
| Limpopo | 1  | R7,648,690.00 | 100 | 1 | R7,648,690.00 |

(1)(a)(i)(bb) **Primaryco-operatives have been funded by the Department of Trade and Industry *(the dti)***

Table 4 below depicts ***thedti* CIS** programme data for primary co-operatives:

|  |
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| **CO-OPERATIVE INCENTIVE SCHEME** |
| **Department**  | **YEAR** | **NUMBER OF APPLICATIONS APPROVED** | **VALUE OF APPLICATIONS APPROVED** | **ESTIMATED NO OF JOB CREATED** | **VALUE OF DISBURSEMENT** |
| Trade and Industry  | 2008/09  | 93 | R 14 634 075 | 744 | R 9 330 000 |
| Trade and Industry  | 2009/10 | 224 | R 47 345 447 | 1792 | R 34 523 371 |
| Trade and Industry  | 2010/11 | 235 | R 55 228 903 | 1880 | R 44 170 626 |
| Trade and Industry  | 2011/12 | 182 | R 47 824 520 | 1456 | R 52 555 674 |
| Trade and Industry  | 2012/13 | 314 | R 85 323 599 | 2512 | R 64 979 000 |
| Trade and Industry  | 2013/14 | 243 | R 62 331 729 | 1944 | R 75 479 830 |
| **Total (B)** | **1291** | **R 312 688 273** | **10328** | **R 281 038 501** |

**(1)(a)(ii)(bb) Secondary co-operatives have been funded by the Department of Trade and Industry**

No secondary co-operatives were funded by the Department of Trade and Industry

Table 5: Grand Total

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Department** | **Number of approved projects** | **Value approved** | **Estimated no. of jobs supported** | **Disbursements** |
| Small Business Development | 626 | R 193 418 508 | 3603 | R 187 179 818 |
| Trade and Industry | 1291 | R 312 688 273 | 10328 | R 281 038 501 |
| Grand Total | 1917 | R 506 106 782 | 13 931 | R 468 218 319 |

**2. Specified co-operatives still operating**

Not all the funded projects have been visited after implementation of the interventions. Post investment support is done on a sampling basis.

Table 5 below depicts **CIS** post investment verification for the financial years 2013/14 and 2014/15



**NB: There are still 165 fully paid projects that are in the process of being monitored.**

It should be noted that the function of monitoring was done by the monitoring and evaluation Chief Directorate under ***the dti*** when the CIS Unit was still part of the department. Therefore, due to capacity constraints, only one hundred and eighteen projects were visited post disbursement and plans are afoot to remedy the situation into the future.

The CIS Unit and Seda are currently piloting a working relationship whereby all new applications will be received through Seda branches and as well as conducting post disbursements visits to all funded cooperatives. The CIS unit has not been able to fully perform this function after being migrated from ***the dti*** to the DSBD. Post investment support was conducted through a chief directorate unit focusing on Monitoring and Evaluation (M & E) while the CIS Unit was still at ***the dti***. ***the dti*** was able to publish two M & E reports for financial years 2013/14 and 2014/15. Since migration no full M& E has been conducted to date.