

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**“1149. Mr M Bagraim (DA) to ask the Minister of Small Business Development:**

**(1) What assistance has been provided by her department to (a) informal businesses and (b) other small businesses in the Dr J S Moroka Local Municipality and Thembisile Hani Local Municipality over the past three financial years;**

**(2) by what date does she expect to finalise the regulations that define small businesses in all sectors?”**

**NW1243E**

**REPLY:**

(1)(a)(i) **Informal Micro Enterprise Development Programme (IMEDP)**

Through the Department of Small Business Development (DSBD) and the Small Enterprise Development Agency (SEDA) 46 informal businesses in Dr J S Moroka and 34 in Thembisile Hani were assisted through training in business skills in the 2016/17 financial year. The 43 of the 46 beneficiaries trained in 2016/17 financial year for business skills in Dr J S Moroka Local Municipality applied for the IMEDP incentive scheme and were approved in 2017/18 financial year. Whilst the 23 of the 34 beneficiaries trained in 2016/17 financial year from the Thembisile Hani Local Municipality have applied and approved for the incentive scheme in the 2017/18 financial year.

**IMEDP Training**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 0 | 34 | 0 | 34 |
| **Dr J S Moroka** | 0 | 46 | 0 | 46 |
|  |  |  |  | **80** |

**Approved for IMEDP funding**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 0 | 0 | 23 | 23 |
| **Dr J S Moroka** | 0 | 0 | 43 | 43 |
|  |  |  |  | **66** |

(ii) The following is the number of Informal businesses (SMMEs) that have benefitted from the following SEDA programmes:

**SEDA - Briefing sessions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 0 | 37 | 20 | 57 |
| **Dr J S Moroka** | 0 | 31 | 84 | 115 |
|  |  |  |  | **172** |

**SEDA - Outreach events**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 157 | 208 | 38 | 403 |
| **Dr J S Moroka** | 53 | 307 | 75 | 435 |
|  |  |  |  | **838** |

**SEDA - Training**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 47 | 0 | 0 | 47 |
| **Dr J S Moroka** | 18 | 35 | 25 | 73 |
|  |  |  |  | **120** |

**Small Enterprise Finance Agency (SEFA)**

Traditionally, SEFA supported informal and microenterprises through Microfinance Intermediaries. Two of the SEFA funded intermediaries, the Small Enterprises Foundation and Phakamani Foundation have a high concentration of clients in the two provinces of Limpopo and Mpumalanga. Phakamani, in particular, has its head office in the Mpumalanga province, where most of its business is based. Informal and microenterprises in the Dr J S Moroka Local Municipality and Thembisile Hani Local Municipality have benefitted, and continue to benefit from the services of Phakamani Foundation.

1(b) **DSBD - Black Business Supplier Development programme (BBSDP)**

The Department has supported in total 20 and 15 small businesses Thembisile Hani and Dr J S Moroka respectively through business support and machinery and tools interventions.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 7 | 6 | 7 | 20 |
| **Dr J S Moroka** | 4 | 8 | 3 | 15 |
|  |  |  |  | **35** |

**DSBD -** **Co-operatives Incentives Scheme (CIS)**

The DSBD has through the Co-operative Incentive Scheme (CIS) also supported 6 Co-operatives in Thembisile Hani (3 Co-operatives) and Dr JS Moroka (3 Co-operatives) Local Municipalities. In the Thembisile Hani municipality, 2 of the Co-operatives are in the agricultural sector and the activities supported include piggery structure, pigs and feed, borehole and farming equipment and 1 Co-operative in the services sector that was supported amongst others with tents, chairs, tables, meat chain saw and a delivery vehicle. In the Dr JS Moroka municipality 2 co-operatives are in the agricultural sector and activities supported include tractor with implement as well as a commercial vehicle and 1 Co-operative in the services sector that got catering equipment.

**Support through CIS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | **3** | **0** | **0** | **3** |
| **Dr J S Moroka** | **3** | **0** | **0** | **3** |
|  |  |  |  | **6** |

**SEDA – Total number of SMMEs supported with interventions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 4 | 4 | 2 | 10 |
| **Dr J S Moroka** | 5 | 5 | 4 | 14 |
|  |  |  |  | **24** |

**SEDA – Total number of cooperatives supported with interventions**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 1 | 1 | 2 | 4 |
| **Dr J S Moroka** | 2 | 2 | 2 | 6 |
|  |  |  |  | **10** |

**Loan funding approved and disbursed by the Small Enterprise Finance Agency (SEFA)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani (Amount)** | R 3 000 000 | R 2 500 000 | R 182 000 | R 5 682 000 |
| **Thembisile Hani (Number)** | 2 | 1 | 1 | 4 |
| **Dr J S Moroka (Amount)** | R 0 | R 0 | R 0 | R 0 |
| **Dr J S Moroka (Number)** | 0 | 0 | 0 | 0 |

**Number of outreach programmes undertaken by SEFA**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **MUNICIPALITY** | **FY (2015/16)** | **FY (2016/17)** | **FY (2017/18)** | **TOTAL** |
| **Thembisile Hani** | 1 | 1 | 2 | 4 |
| **Dr J S Moroka** | 1 | 2 | 0 | 3 |
|  |  |  |  | **7** |

(2) The Department of Small Business Development (DSBD) is in the process of analysing and developing the amendments to Schedule 1 of the National Small Business Act, which defines SMMEs, ensuring that these definition are current, relevant and applicable to the structure and nature of SMMEs, thereby ensuring access to government support programmes while promoting their financial sustainability and ability to promote and create employment over the medium to long term. It is anticipated that the process will be finalised by 31 August 2018.