###### National Assembly

###### Question Number: 1415

**Mr S Mokgalapa (DA) to ask the Minister of Transport:**

Whether (a) her department and (b) all entities reporting to her are running development programmes for (i) small businesses and (ii) co-operatives; if not, why not; if so, in each case, (aa) what are the relevant details, (bb) what amount has been budgeted and (cc) how many jobs will be created through the specified development programmes in the 2016-17 financial year?

**REPLY:**

**Department**

1. Not applicable

**Airports Company South Africa SOC Limited (ACSA)**

1. ACSA does run a development programme for small businesses.
2. ACSA does not have a development programme for Cooperatives. It is not part of the current Small Enterprise Development (SED) strategy.

(aa) ACSA has an annual Enterprise and Supplier Development funding programme which is aimed at empowering and assisting start-up businesses, emerging and small businesses. The programme also provide support in the form of mentoring and coaching, book keeping, tax, business acumen skills, tendering and contracting.

(bb) The fund value is R15 million.

(cc) About 70 jobs have been created through this programme.

**Air Traffic and Navigation Services SOC Limited (ATNS)**

(b) ( i) & (ii) ATNS has the Enterprise Development Programme in place which covers small businesses and co-operatives in the aviation space.

(aa) ATNS has a structured Enterprise and Supplier Development programme to address the lack of black suppliers in the aviation’s Communication, Navigation and Surveillance (CNS) domain. Through this structured programme, ATNS is currently developing twenty Black Owned Engineering Suppliers, preparing them to participate in the CNS space. A Gap Analysis Audit was conducted to identify gaps; currently ATNS is conducting training to close identified gaps.

(bb) In terms of the budget, 1% and 2% of the Net profit after Tax is channeled towards Enterprise Development and Supplier Development respectively.

(cc) once these gaps are closed, these Suppliers will stand a chance of getting business which will enhance job creating opportunities.

**South African Civil Aviation Authority (SACAA)**

1. Not applicable. (b) (i); (ii); and (aa) The South African Civil Aviation Authority (SACAA), a Level 2 B-BBEE contributor, is running a skills development programme for businesses affiliated to the South African Network for Women in Transport (SANWIT). The programme focuses on providing training to women who are running businesses focused on the transport sector. The training is centred on aspects of effective bidding and supply chain management procedures. The initial training took place in March 2016 in Gauteng, and it is being rolled out country-wide as per the dates below.

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| **Province** | **Date** |
| Gauteng  | 16 March 2016 |
| Eastern Cape | 30 June 2016 |
| Mpumalanga | 6 July 2016 |
| Limpopo | 8 July 2016 |
| Western Cape | 20 July 2016 |
| Northern Cape | 26 July 2016 |
| Free State | 28 July 2016 |
| North West | 11 August 2016 |
| KwaZulu-Natal | 16 August 2016 |

(bb), and (cc) The total amount of spend on the programme is R478, 305.98. In addition, 88% of the SACAA’s budget was spent on Broad-Based Black Economic Empowerment (BBBEE) companies. During the 2016 - 17 financial year, the SACAA will be introducing a procedure that will track the number of jobs created and supported as a result of its initiatives and budget spend.

**Cross-Border Road Transport Agency**

(b)(i) The Cross-Border Road Transport Agency (C-BRTA) has a unit that specifically focuses on developing the cross-border road transport with a view to empower the industry to maximize business opportunities. The unit has implemented an Entrepreneurship and Business Development Programme that is specifically designed for majority of cross-border permit holders who fall within the small, medium and micro enterprises (SMME) category. The programme supports SMMEs in the cross-border passenger operations by providing training interventions that will improve their business operations. The following training programmes have been offered:

* Financially Management;
* Business Planning;
* Business Management;
* Leadership Skills;
* Entrepreneurial Competencies;
* Risk awareness and financial implications in business; and
* Understanding of legal, regulatory and tax imperatives as they relate to financial matters.

 (ii) The C-BRTA has established two cooperatives for the previously disadvantaged individuals. This pilot project sought to determine the feasibility of empowering targeted groups to enter the cross-border road transport market.

(aa) One cooperative was established for women and the other for youth aspiring to enter the cross-border market. The C-BRTA carried the cost of registration of the cooperatives, identification of business opportunities related to cross-border operations, and determining the feasibility of identified opportunities. Cooperatives were assisted with the development of business and marketing plans in preparation for operations

**Road Accident Fund**

The (b) Road Accident Fund (RAF) is not running specific development programmes for (i) small businesses and (ii) co-operatives; however, both small businesses and co-operatives fall within the category of Exempted Micro Enterprises (EME’s) and as such are specifically provided for in the RAF’s BBBEE Scorecard, with 26% of the RAF’s procurement spend from 1 April 2015 to 31 March 2016 going to EME’s; questions (aa), (bb) and (cc) are not applicable.

**Road Traffic Management Corporation**

(b) The RTMC does not run a development programme for (i) small business and (ii) co-operatives because small business development is not the RTMC mandate

**Road Traffic Infringement Agency**

(a) N/A

(b) RTIA

(i) Yes and

(ii) Yes;

(aa) RTIA has set up Enterprise Development Unit to provide access and ease of use of the Agency’s programmes by communities while assisting in creating job opportunities and enterprises in line with its commitment to the National Development Plan. The appointed enterprises will perform the extended services of the Agency. The programme further seeks to support and develop SMME’s and Cooperatives through structured programme of mentoring and incubation. A conducive environment will be created for such businesses to develop, flourish and grow into big businesses.

(bb) An amount of R60 million has been budgeted for the 2016/17 financial year.

**South African National Roads Agency Limited**

(i)(aa) SANRAL has an empowerment programme for SMMEs and Historically Disadvantaged contractors, consultants, and suppliers etc. – targeted enterprises – mainly through the award of contracts on national road projects. This is particularly driven through the Routine Road Maintenance projects and Community Development projects on the national road network. During 2015/16, 2052 SMMEs and Historically Disadvantaged companies worked for SANRAL, with a total expenditure of R3.5 billion.

**For 2016/17:**

(bb) Estimated budget for such empowerment and development programmes: R4.2 billion.

Estimated number of SMMEs and HD companies to benefit: 2 436

(cc) Estimated number of jobs to be created: 10 154 (All estimates are based on actuals for 2015/16 and approved budget for 2016/17)

**South African Maritime Safety Authority (SAMSA)**

(b) Small businesses? Yes SAMSA is running such a programme in the form of an initiative called Black Youth and Women in the Maritime sector.

(aa) The programme aims to empower participation of black youths and women in the opportunities that exist in the maritime sector.

(bb) The initiative will have to seek partnerships to raise the funding for the work because part of the entities budget for the initiates was reduced. It is captured in our APP 2016-17 as a non-budget item.

(cc) The number of jobs that will be delivered given the constraints in budget will be further estimated.

**Passenger Rail Agency of South Africa (PRASA)**

(b) Yes PRASA supports Small Businesses and Co-operatives

(aa) PRASA has targeted and focused on increasing it’s spend on Women Owned Businesses and bringing them into broad railway environment. PRASA spent R1.4 Billion on Women owned companies in the 2015/16 Financial Year. PRASA has budgeted R1.2 billion for Women Owned Entities in the 2016/17 financial year

PRASA has a programme which focuses on Co-operatives cleaning its railway stations – for the 2015/16 financial year R12 million was spent on this programme, and 420 people participated in 61 Co-operatives for the 16/17 to 17/18 Financial Years – R51 Million will be spent on this programme.

(bb) PRASA has prioritized Youth Owned, Military veteran owned companies in its Corporate Plan for the 2016/17 Financial Year and spending will be increased for such entities.

**Ports Regulator (PR)**

(b) The Ports Regulator does not run any direct development programmes for (i) small business and (ii) co-operatives for the 2016/17 financial year. It must be noted that for procurement purposes, the Ports Regulator sets a target for procurement from certain suppliers with a specific BBBEE rating to achieve government objectives. Also through our Regulation business processes, efforts are being made to ensure that small businesses do benefit from tariff adjustments.

**Railway Safety Regulator (RSR)**

RSR does not have development programs for small businesses or co-operatives due to the nature of our business. The RSR encourages the use of previously disadvantaged Engineering companies to support our investigation and technology audits.