**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**2335. Mr H C C Krüger (DA) to ask the Minister of Small Business Development:**

(1) Whether there has been any effort by her department to review the regulatory environment in which small businesses operate in an effort to ease their operations;

(2) whether, since her reply to question 1766 on 5 June 2015, any transversal agreements have been concluded with other departments; if not, why not; if so, what are the relevant details? NW2696E

**REPLY:**

1. The department intends to review the National Small Business Act, 1996 (Act No. 102 of 1996), read with the National Small Business Amendment Act, 2003 (Act No. 26 of 2003). The reasons to introduce an amending legislation are to provide for the alignment of the Act to the mandate of the department, to provide a framework for business growth,
investment and the facilitation of small business development and promotion.

The areas to be reviewed are as follows:

1. The definitions of small businesses,
2. The schedule or sectoral classifications,
3. Provision for the informal economy,
4. Provision for the roles of the Small Enterprise Development Agency (Seda) and the Small Enterprise Finance Agency (sefa),
5. To institutionalise the coordination of a periodical national survey for SMMEs, and
6. The role and composition of the Small Business Advisory Council.

2. The department has not concluded any transversal agreements with other departments since the last reply. This is partly due to the complexity of requirements and conditions which must be met and be favourable to all parties. As a result, consultations take longer and require a detailed execution plan with specific deliverables and timelines.

The department, however, intends to conclude and sign a transversal agreement with the National Department of Higher Education and Training (DHET) and Passenger Rail Agency of South Africa (PRASA) by the end of 2015 in which the parties have mutually agreed to collaborate on training and development of co-operatives and SMMEs. The overall aim of this collaboration is to develop and enhance the capacity base of these small businesses to enable them to access procurement opportunities within PRASA. The department will be responsible for the building capacity of the suppliers with regards to technical and business management training whilst DHET, through the relevant Skills Education and Training Authorities (Setas), will provide technical training to co-operatives and SMMEs.

The department also intends to conclude transversal agreements with the following institutions in the near future:

1. Department of Human Settlements: to focus on procurement opportunities for small businesses and co-operatives in the development of industrial or commercial parks in the Western Cape.
2. Department of Public Enterprises: to develop and prioritise support and increase opportunities for emerging small businesses and designated groups through diverse small business support programmes.
3. Massmart: partnership with Massmart is focused on the Supplier Development Programme to improve local procurement linkages for Cooperatives and SMMEs. The programme will focus on three main areas: manufacturing, fresh produce and services to suppliers.
4. SAB Miller:the focus is on procurement opportunities to improve local linkages for Cooperatives and SMMEs. The programme will focus on three main areas: Maize, Barley and Wheat production.
5. The Swiss Confederation, represented by the State Secretariat for Economic Affairs (SECO): the overall goal of the pilot project is to establish a web-based centralized system where Business Development Service Providers (BDSP) register after a quality check, and will be assessed by their clients based on the performance of the service delivered. This will allow for the identification of the skills gap of services providers.