

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DUE TO PARLIAMENT: FRIDAY, 3 DECEMBER 2021**

**“2484. Inkosi B N Luthuli (IFP) to ask the Minister of Small Business Development:**

**(1) What measures has her department taken to ensure a fair and equal representation of small businesses at the Intra-African Trade Fair 2021 (IATF 2021) which opened on Monday, 15 November 2021;**

**(2) what measures did her department put in place to ensure that there is equal participation and representation of small businesses in the IATF 2021 from (a) rural areas and (b) townships;**

**(3) in light of the selection criteria used in the selection of small businesses to participate in the IATF 2021, what major trends have been observed for small businesses that were not selected to participate?” NW2904E**

**REPLY: I have been advised by the department as follows:**

(1) The multi-sectoral SMMEs who participated at the Intra-African Trade Fair 2021 (IATF) 2021 were taken through the Small Enterprise Development Agency (Seda) Export Development Programme which focuses on among others, export information, assessment, support and market access opportunities. A call for applications was made via the Seda branch network located throughout the fifty-four (54) branch offices located throughout the nine (9) provinces of the Republic. It was also extended to the SMMEs that are participating in the DSBD’s localisation programme, provincial investment agencies and other institutions working in the SMME sector.

The identified SMMEs were assessed through a dedicated assessment tool called the Export, Readiness Assessment Tool (ERAT), to determine their export readiness. The SMMEs were then subjected to final adjudication. Qualifying SMMEs included those in the Craft Sector. All nine provinces were represented: Gauteng, Western Cape, Free State, Eastern Cape, KwaZulu-Natal, Limpopo, North-West, Mpumalanga, and Northern Cape.

Further to this, the Department also supported 45 SMMEs from the Craft Sector to exhibit at the Fair. Each province selected 10 enterprises that were presented to the National Craft and Design Body. Five enterprises per province were selected by the National Craft and Design Body on the basis of their products, capacity to deliver, colours and markets trends.

(2) A call for applications was made via the Seda branch network situated throughout the regional offices in all nine provinces and to the SMMEs that are participating in the DSBD portfolio’s Localisation programme, provincial investment agencies and other institutions working in the SME sector. These networks mentioned above include stakeholders such as municipalities that are situated in the rural and township areas.

The provincial hubs and agencies, which are key implementation partners of the DSBD, were requested to initiate a process of identifying craft SMMEs to be selected and screened from the DSBD e-commerce database called PEEK. A call for applications was also made through the Provincial Investment Agencies. This ensured representation from township and rural Craft SMMEs.

(3) Major trends observed were as follows:

3.1 Some SMMEs did not qualify as per the ERAT; and

3.2 The key areas in which the non-qualifying enterprises struggled with were Production and Markets/Marketing.

3.3 In terms of the Craft SMMEs, the following trends were observed:

3.3.1 Inconsistent product quality;

3.3.2 Lack of production capacity; and

3.3.3 Failure to differentiate between consumer and trade markets.

Non-qualifying enterprises are still supported through the Seda export development programme, with a number of interventions designed to improve their export readiness and the ability to therefore participate in market access events in the future.

**MS STELLA TEMBISA NDABENI-ABRAHAMS, MP**

**MINISTER OF SMALL BUSINESS DEVELOPMENT**