

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**2534. Mr M G P Lekota (Cope) to ask the Minister of Small Business Development:**

Whether his department and/or the Government was pursuing any programme or implementing any policy to make townships in South Africa economically viable through (a) incubating small manufacturing businesses and transferring these to qualifying entrepreneurs in the townships, (b) developing suitable small factories in the townships, supported with the necessary infrastructure, to attract families or groups to set up small-scale manufacturing businesses, (c) interacting with other relevant departments and stakeholders to promote artisanal businesses using township creativity and talent, (d) setting up a one-stop business and manufacturing service and support centers in each township to provide assistance with regulations and skills transfer and (e) creating a scheme for township entrepreneurs to obtain affordable family or group loans; if not, why not; if so, what are the relevant details? NW2906E

**REPLY:**

(a) The department is in the process of development a Township and Rural Economic Development Strategy that will be aimed at supporting informal businesses, SMMEs, Co-operatives, youth, gender, people with disabilities, and rural enterprises. The support will range from the provision of financial and non-financial support to the creation of an enabling legislative and regulatory environment.

Currently, the Small Enterprise Finance Agency (**sefa)** works closely with the Small Enterprise Development Agency (**seda)** in relation to government’s small business incubation programme called the Seda Technology Programme (STP). **Seda** is the custodian of the government’s incubation programme and provides incubating businesses with non-financial and affordable rental space. **Sefa** in turn, provides financial support in the form of working capital, asset financing and revolving loan facilities to qualify businesses in these incubation centres.

(b) **Sefa,** administers a property portfolio comprising a mixture of commercial and industrial properties in the provinces of Gauteng, North-West, Free State, Eastern Cape and the Western Cape. These are old properties that were inherited from the Small Business Development Corporation (SBDC), now known as Business Partners, and are located in townships and peri-urban areas and provide affordable industrial premises to manufacturing enterprises. As at 31 March 2015, **sefa** provided support to 958 entrepreneurs through its property portfolio. These are old properties which were

(c) The department, together with the Departments of Arts and Culture, Economic Development and Tourism, Sports and Culture, provincial investment promotion agencies and the South African Bureau of Standards work together to promote artisanal businesses using township creativity and talent. The National Craft and Design Coordinating Body (NCDCB), in which all the stakeholders mentioned are represented, monitors the implementation of the craft and design programmes at national and provincial level. The NCDCB also serves as a platform through which government departments and the provincial agencies coordinate the information on the craft and design programmes.