

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**“2658. Mr R W T Chance (DA) to ask the Minister of Small Business Development:**

**(1) With reference to her reply to question 312 on 25 April 2017, (a) what performance indicators has her department put in place to monitor the incubators funded by the programme and (b) what was the actual performance of the incubators in the (i) 2016-17 and (ii) 2017-18 financial years;**

**(2) whether her department suspended any payments to the incubators due to non-performance; if so, what are the relevant details;**

**(3) has her department made any on-site inspections of the incubators; if so, (a) on what date did the inspections take place and (b) what are the names of the departmental officials who made the inspections?**

 **NW2948E**

**REPLY:**

(1)(a) Performance indicators utilised to monitor performance are:

1. Number of incubatees.
2. Number of new small businesses/co-operatives established.
3. Number of businesses linked to markets.
4. Number of jobs created.
5. Percentage of Women-owned enterprises supported.
6. Percentage of Youth-owned enterprises supported.
7. Percentage of Enterprises supported in rural areas.
8. Percentage of Enterprises supported in township areas.

(1)(b)(i) The actual performance of the incubators in the 2016-17 financial year is attached as Annexure A.

(1)(b)(ii) The actual performance of the incubators in the 2017-18 financial year has not been recorded as the incubators that were approved during the 2017-18 financial year are yet to submit their annual performance reports.

(2) Payments were suspended to the following three incubators due to non-performance:

 Limpopo Wildlife Business Incubator

Slow implementation progress – The final payment of R1 600 000.00 was withheld due to slow implementation progress since quarter 2. The incubator indicated that the funds were committed but no expenditure has been reported.

 Nunnovation Africa Foundation Incubator

Sibanye Gold pulled out as the market for the incubatees. The Enterprise Incubation Programme (EIP) programme is centred on the securement of a market/s by the applicant (Incubator) and transferring of skills to small businesses and cooperatives (incubatees), with an effort of attaining the expectant quality standards and specifications of firms. The final tranche payment amounting to R1 600 000 was withheld.

Nwanedi New Generation Co-operative

The balance of R1 600 000.00 was withheld due to slow implementation progress.

(3)(a)&(b) The Department made on-site inspections of the incubators as depicted in Annexure B for the 2016/17 approvals and Annexure C for the 2017/18 approvals.