

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DUE IN PARLIAMENT: 23 SEPTEMBER 2022**

**“3060. Ms B Mathulelwa (EFF) to ask the Minister of Small Business Development:**

**What steps have been taken to register permits for street vendors and/or hawkers, as was promised during the 2021 July unrest?” NW3700E**

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

The Department de-coupled the Business Recovery Process from the requirement for a business license or Permit. Our pronouncement on this is contained in the Business Recovery Programme. Our relief assistance focused on ensuring that SMMEs both formal and informal accessed the funds speedily, but that non-financial support was available including assistance with all compliance requirements.

Notwithstanding the above, theDepartment of Small Business Development (DSBD) has engaged the South African Local Government Association (SALGA) to assist with supporting municipalities to streamline the process of issuing permits to street vendors. This process is currently ongoing. The DSBD is also reviewing the Businesses Act no.71 of 1991 with the intention of amending the legislation to provide for norms and standards, a common business licensing framework and better protection for informal traders. The proposed amendments would also include proposed provisions for the Minister to issue regulations and directives necessary for the effective implementation of the Act. The process by SALGA is expected to be initiated and implemented during the current financial year.

The processes outlined above are ongoing as of end-September 2022. DSBD and SALGA are continuing to align all processes that will lead to a streamlined implementation process. Further updates will be availed once consultation processes involving Informal Trader organisations, SALGA, municipalities and other relevant roleplayers has been concluded. Related processes such as the reviewing of Municipal Red Tape and improving the ease of doing business are proceeding in parallel and in anticipated outcome of the afore-mentioned initiatives.

The Informal Traders Support Program provided 4 844 informal traders with grants of R3 500. There are currently a further 7 000 clients in the pipeline and it is anticipated that these traders would be funded by the end of the year. Working through Seda and supported by Informal Trader’s Association and Local Municipalities, the DSBD is able to channel those that have been assisted towards additional support of a non-financial nature such registration of the business licensing and acquisition of trading permits. There is ongoing refinement of these support measures as our support programmes are constantly monitored and evaluated internally.

In order to develop a more sustainable approach to funding informal traders, **sefa** is in the process of supporting the growth and development of micro finance institutions to provide long term institutional access to financial and non-financial support as described above, specifically by sector-based Micro Finance Institutions (MFIs). Currently we are assisting the establishment of an MFI for fruit and vegetable hawkers, this is starting out as a pilot in the Buffalo City municipality.

**STELLA NDABENI-ABRAHAMS**

**MINISTER: SMALL BUSINESS DEVELOPMENT**