**QUESTION FOR WRITTEN REPLY**

**“3106. Mr H C C Krüger (DA) to ask the Minister of Small Business Development:**

**(a) What total number of transversal agreements has her department signed with other departments and/or entities, (b) with which departments and/or entities were the specified agreements signed, (c) what did the agreements consist of and (d) what were the outcomes or envisaged outcomes of the agreements in each case?”**

**NW3422E**

**REPLY:**

1. The Department of Small Business Development (DSBD) has entered into 28 partnership agreements to date. The institutions partnered with encompass public, private and international organisations. The composition is as follows:

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| **Type** | **No** |
| 1. Public/Government Entities | 15 |
| 1. Private entities | 8 |
| 1. International Organizations | 5 |

(b)&(d) Details of agreements are as follows:

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| **(i) Public / Government entities signed agreements** | | |
| **No** | **(b) Name of Department /Entity** | **(d) Outcomes or envisaged outcomes of the agreements** |
| 1. | Department of Public Enterprises (DPE) | Market Access opportunities for SMMEs and Co-operatives in the SOCs procurement value chains. |
| 2. | Department of Tourism | Development of Start-ups, small and black operators and provide market access opportunities and relevant capacity building. |
| 3. | Department of Social Development (DSD) | Collaboration with the intention taking social grants beneficiary out of indigent register through the creation of business opportunities and identification of appropriate markets and capacity building. |
| 4. | Department of Defence (DoD) | Facilitate Co-operatives registration and training, facilitate Co-operatives funding, and identification of earmarked commodities and services for SMMEs and co-operatives. |
| 5. | Department of Rural Development and Land Reform (DRDLR) | Development of rural and peri-urban enterprises and link them to specific programmes within DSBD agency network for support. |
| 6. | Road Traffic Infringement Agency | Selection of enterprises to manage pilot phase for Administrative Adjudication of Road Traffic Offences (AARTO) offices finalised.  Selection interviews were held in 10 cities country wide (Polokwane, Ekurhuleni, Durban, Mafikeng, Kimberley, Port Elizabeth, Mbombela, Cape Town and Bloemfontein). |
| 7. | Department of Telecommunications and Postal Services (DTPS) | Identification of enterprises that are developing new telecommunication ventures and technologies, link them to various support and market opportunities. This has been linked to the partnership with SETA.  The recent GovTech Conference hosted by SITA, had a major focus on SMME’s in general across all tracks with a specific focus in the Economic Cluster track facilitated by DSBD. The track focused on two of the key challenges facing SMME’s, namely: a lack of access to markets for SMME's and limited support for commercialisation of innovation by SMME’s. These deliberations yielded numerous outcomes with proposed delivery dates which will be driven by a task team. |
| 8. | Department of Labour (DoL) | Identify and support small businesses and cooperatives that can participate in the following: DoL training on safety programmes; and Productivity South Africa programmes. Identify SMMEs and cooperatives that are eligible to benefit from the DoL rescue programmes and DoL procurement opportunities. DoL has also offered free training to Informal Business. |
| 9. | Department of Public Works (DPW) | Development of Small Contractors and identify new markets such and property development and maintenance for participation by small businesses. In particular, the Department has successfully piloted and launched a model of creating businesses for beneficiaries exiting the Expanded Public Works Programme, setting them up with Cooperatives linking them with off-take agreements |
| 10. | Department of Science and Technology (DST) | To identify areas of technological support and improvement to enhance competitiveness and sustainability of SMMEs to access opportunities in both local and international market value chains. Co-funding ICT start-ups in the French-SA Tech Labs and will co- host the SMME and Innovation Fund. |
| 11. | Department of Environmental Affairs (DEA) | To develop SMME’s and Co-operatives that will partake in the value – chains of environmental sector (such as but not limited to the bio - prospecting, wildlife subsectors and waste sub – sectors). Cross-cutting opportunities identified in the Chemicals and Waste Economy Phakisa. |
| 12. | Johannesburg City Parks and Zoo (JCPZ) | Development of small scale service providers approved for contracts with JCPZ.  8 cooperatives from JCPZ were approved for Co-operatives Incentive Scheme (CIS). They were all assisted with equipment for grass cutting and a vehicle to the tune of R 350 000 per cooperative to service the contracts provided by JCPZ (grass cutting). |
| 13. | Manufacturing, Engineering and Related Services Sector Education and Training Authority (MERSETA) | To provide capacity building for the informal businesses through the training and mentorship programmes within the manufacturing, engineering and related service sectors. |
| 14. | Wholesale and Retail Sector Education and Training Authority (W&RSETA) | Support the implementation of the Informal Traders Upliftment Programme (ITUP) through relevant training and mentorship. Trained 1060 businesses in 2015/16. |

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| 15. | Energy and Water Sector Education and Training Authority (EWSETA) | To provide capacity building for the informal businesses through the training and mentorship programmes within the manufacturing, engineering and related service sectors |
| **(ii) Private entities signed agreements** | | |
| **No** | **(b) Organisation** | **(d) Outcomes or envisaged outcomes of the agreements** |
| 1 | South African Breweries (SAB) Miller | * Provide access to financial resources primarily through the WiM grant fund while leveraging; * Develop skills of women farmers operating in underserved communities through training and mentorship; * Share information for the benefit of the farmers; * Increase farmer technical expertise for improved market competence; * Provide access to market by guaranteeing purchase of apt output; * Improve community livelihoods by increasing income; * Form strengthened and sustainable co-operatives; * Increase inclusion of Black Women Owned entities in SAB’s supply chain; and * Stimulate local economies by increasing procurement from local suppliers.   Crop 16:   * 1887 hectares planted. * 4 Provinces participated: North West, Mpumalanga, KwaZulu Natal and Gauteng. * 11 farmers : 7 women.   Crop 17 :   * 32 Women owned Cooperatives were supported from the programme. * 4 Provinces participated in Crop 17: Gauteng, Mpumalanga, Kwa-Zulu Natal and North West. * Total Hectares planted for crop 17 = 1011. * Planted in October 2016. * A total of 160 jobs were created.   Only 2 out of 13 farmers/coops harvested. Others will commence late June/early July 2017. Awaiting Farmsol to provide a financial report indicating their profit/loss. The 5 selected as part of Pick N Pay Supplier Development Programme failed to qualify for BBSDP due to inadequate financial performance.  DSBD will alternatively facilitate funding through Start-up Enterprise Development Programme (SEDP). |
| 2 | Pick n Pay | To facilitate mentorship and coaching programmes for the development of the identified businesses and to build their institutional capacity; and facilitate market access linkages.  10 SMMEs have been identified and the list completed to link and Cooperatives linked to Pick ‘n Pay Procurement Opportunities. |
| 3 | International Labour Organization (ILO) | To provide technical assistance to the department to implement strategic projects such as SMME database, Chamber support programme, Red tape reduction and the Provincial Informal Business summits. |
| 4 | Bakgatla Tribal Authority | To establish a relationship with the Bakgatla Bagafela Tribal Authority to identify and support small businesses through our agency support network. |
| 5 | AfriGrow | To tab into the organisation’s capacity and expertise to enhance the development of SMMEs and Cooperatives in the agricultural sector. |
| 6 | Rustenburg Platinum Mines (PTY) Ltd | Leverage on the Enterprise and Supplier Development and Corporate Social Investment programmes to develop enterprises and social upliftment in the surrounding communities. A recent tripartite arrangement made with Anheuser-Busch (AB) InBev to plough barley in the Tribal authority land in the said communities. Anglo Platinum has invested R45 Million for this project.  Anglo through the tribal authority has committed 320 hectors to AB Inbev to plant barley.  Negotiations on-going between DSBD, Anglo Platinum and AB Inbev in line with planting barley. |
| 7 | Sumitomo Rubber South Africa Pty (ltd) | To establish new businesses through containers that would provide tyres fitment and repair services. The current target is 33 businesses that comprise 20 containers and 13 express in targeted provinces (North West, Limpopo, Northern Cape and Eastern Cape). |
| 8 | NESTLE | To establish new businesses and support the existing ones by providing distribution opportunities of the Nestle products to informal retailers by SMMEs and cooperatives. The target for this financial year is 50 micro distributors with ultimate support of 350 enterprises by 2019. To date 43 have already been selected.   * To support to co-operatives and SMMEs through its various programmes, such as its Enterprise Development Programmes. * Development of a “Route to Market” for the enterprises.   Provincial Workshops:  Holding of provincial workshops held on 05 June 2017 for North West, Mpumalanga, KwaZulu Natal, Western Cape, Eastern Cape and 09 June 2017 in Limpopo Province and Gauteng;  43 applications submitted for SEDP funding |
| **(iii) International Organisations signed agreements** | | |
| **No** | **(b) Organisation** | **(d) Status: Implementation Plan** |
| 1 | The Netherlands Government | * Promotion of the development and growth of New Generation Cooperatives; Promotion of trade between South Africa and Netherlands; * Provisioning of technical assistance to support the development of infrastructure to improve market efficiencies; and * Assistance with education and technical training of cooperative members. |
| 2 | Deutschen Gernossenschafts – Fund Raiffenisenverband (DGRV) | Provisioning of Cooperative Governance and Book Keeping Training. |
| 3 | United Nations Development Programme (UNDP) | * Access to markets and capacity building for suppliers; * Technical Assistance and support to DSBD capacity building activities; * Access to finance for existing small businesses and cooperatives and potential suppliers; and * Joint resource mobilisation for the Supplier Development Programme (SDP). |
| 4 | UN WOMEN | Market Access, Funding and Capacity Building for women SMMEs and Coops to access opportunities across various industries. |
| 5 | Masisizane Fund (MF) | Leveraging on the resources of each party and work together for the benefit of SMME’s and Co-operatives to benefit from MF Post Investment Programmes, soft loans and capacity building. DSBD will also consider projects supported by MF from various incentive schemes.  A list of 29 projects has been consolidated for DSBD consideration (SMME’s and Co-operatives incentives). MF will be submitting 13 Co-operatives Incentive (CIS) application forms for all the Co-operatives they’ve supported for grant funding. DSBD is in a process of compiling SMME’s and Co-operatives to benefit from MF various Programmes; UJ is in a process of compiling business cases of SMMES that were referred by DSBD to be submitted at MF. |

(c) The department signed agreements with public and private entities in order to provide both financial and non-financial support to SMMEs and Co-operatives, and they consist mainly of:

* Market opportunities in the procurement value chain;
* Funding; and
* Capacity building.