**QUESTION FOR WRITTEN REPLY**

**NATIONAL ASSEMBLY**

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

1. **What amount of funding has the African Development Bank provided for her department’s Expression of Interest on an Enterprise Development Pilot Project Supporting Local Economic Development (ADB/BD/WP/2016/0142) project, (b) why does the timeframe for the specified project only extend to two years in view of the urgent need to develop the local economies of the six districts mentioned in the specified project, (c) to what extent will the specified project be expanded to other municipalities once the pilot project is completed and (d) why is the pilot project confined to former mining towns only?”**

**NW330E**

**REPLY:**

1. The Enterprise Development Pilot activities are divided between **the dti** and the DSBD. The total budget for the entire project is **R 23 754 129** inclusive of the other activities undertaken by **the dti** and the amount allocated for the Enterprise Development Pilot Project Supporting Local Economic Development (ADB/BD/WP/2016/0142) is **R 11 949 756**.
2. The project will extend for only two years because the type of the intervention that will be implemented in these six districts will take a period of two years.
3. Depending the outcomes of the pilot project and budget availability the project will be extended to other municipalities.
4. During the discussions that took place between the Bank and **the dti** at the time, the agreement that was reached was that because of limited funding that was available the projects identified should be those that have a potential of having a higher impact. The former mining towns are the worst affected by the economic decline and therefore these were prioritized following the establishment of the Inter Ministerial Committee on Revitalising Distressed Mining Communities. The intention of the project is to provide capacity building support for municipalities and local stakeholders to enable them to work together to explore diversification of economic activities post-closer of mines and to further revitalize the economic activities in these mining towns.