**QUESTION FOR WRITTEN REPLY**

**NATIONAL ASSEMBLY**

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

**(1) Whether she has met the newly appointed Chief Executive Officer of the joint private and public sector fund established by the private sector and Government under the auspices of National Treasury to support small businesses; if not, why not; if so, what was the outcome of the specified meeting in terms of the level of agreement and cooperation envisaged between Government and the private sector in the specified fund’s investment strategy;**

**(2) with reference to (a) her reply to question 1628 on 23 June 2016 and (b) the reply of the Minister of Finance to question 1629 on 7 July 2016, what progress has Government made in committing public money to the specified fund in the 2017-18 national budget?”**

**NW332E**

**REPLY:**

1. The Minister has met with the Chief Executive Officer. The outcome of the meeting was that the Department of Small Business Development (DSBD) together with the Small Enterprise Development Agency (SEDA) and the Small Enterprise Finance Agency (SEFA) will discuss possible areas of cooperation to include amongst other things, mentorship, sharing of research, the ecosystem analysis, etc. Furthermore, it was also agreed that a workshop/summit to discuss available finance for SMMEs in both public and private sector shall be conducted.
2. Government did an analysis on the focus as well as the terms and conditions of the Fund established through the CEO Initiative. Research on the ecosystem conducted by the Department shows that there is limited funding that is available for enterprises that are at an ideation, proof of concept and early start-up phase, and this is the category that is not going to be supported by the fund set up through the CEO initiative. Therefore, government will proceed with its plans of setting up a fund that will address this particular gap in the market and to ensure that Radical Economic Transformation is realised. National Treasury will be best positioned to respond regarding the exact dates of committing funding to the Enterprise Development Fund that government is working on.