

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**“3402. Mr H C C Krüger (DA) to ask the Minister of Small Business Development:**

**(1) Whether her department is in the process of developing a National Red Tape Reduction Strategy; if not, how does her department intend to relieve the red tape burden on small enterprises; if so, (a) what is the budget allocated for the development of the strategy, (b) by what date will the strategy be implemented and (c) will she furnish Mr H C C Krüger with a copy of the draft strategy;**

**(2) has the pilot project for the roll-out of the Red Tape Guidelines for Municipalities been completed; if not, by what date will the pilot project be finished; if so, (a) what are the details of the successes achieved in reducing red tape in each of the 12 municipalities and (b) by what date will the successful elements of the pilot project be rolled out to the rest of the municipalities in the country;**

**(3) will she be willing to review the Red Tape Reduction Private Members Bill introduced in 2017; if not, why not?”**

 **NW3891E**

**REPLY:**

1. The urgent need for a National Strategy on Red Tape Reduction providing guidance on the Red Tape Reduction interventions and modalities, as well as providing a clear frame of reference on Red Tape Reduction is important.
2. To give immediate effect to and address this need, the Department of Small Business Development (DSBD) has sought assistance and partnership with the Government Technical Advisory Centre (GTAC), a National Treasury Agency, to develop a National Red Tape Reduction Strategy. It is envisaged that this National Red Tape Reduction Strategy will provide clarity on the Red Tape Reduction interventions and methodologies prioritised by the country, and a clear Programme of Action (PoA) for the next Medium Term Strategic Framework (MTSF) Cycle (2020-2024).
3. The Department has already hosted a National Red Tape Strategy Indaba (26-27 November 2018) to work with key stakeholders, to undertake a Diagnostic Assessment and an Environment Scan of key Red Tape Reduction initiatives in the country. The diagnosis also looked at what is already being done by various Government structures on the red tape.

(a) The cost of the project is estimated at R2 million.

(b) Given the complexity of this project, this assignment will span two financial years (2018/19 to 2019/20) and the draft National Red Tape Reduction Strategy will be completed by end of 2019 for consultation. The Strategy and Programme of Action will be implemented in the new MSTF Cycle (2020 – 2024).

(c) Yes. When the draft is concluded, it will be provided to all key stakeholders for insight and contribution.

(2)(a) Yes, the pilot project on Red Tape Reduction has long been completed, it was conducted between 2011 and 2012. The National Red Tape Reduction pilot involved 12 municipalities and the pilot was funded by the Department of Trade and Industry (**the dti)** and the Department of Cooperative Governance and Traditional Affairs (CoGTA) and with support from the South African Local Government Association (SALGA). The report on the pilot provided some lessons including the need to have a strategy that will provide guidance across Government.

(2)(b) DSBD has already redesigned our Awareness and Assessment instruments in line with these findings from the pilot study.

(3) The Department’s perspective on the Red Tape Reduction Private Members Bill, is that it provides valuable input to the development of the strategy as a guide for the Reduction of Red Tape across the country. The Department’s take on the Bill is that it is premature since a strategic approach or framework needs to be developed first as a guiding document across all spheres of Government.