

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DUE TO PARLIAMENT: FRIDAY, 2 DECEMBER 2022**

**“4367. Mr H C C Krüger (DA) to ask the Minister of Small Business Development:**

**Whether her department has signed memoranda of understanding and/or transversal agreements with any other departments; if not, what is the position in this regard; if so, what are the relevant details?” NW5491E**

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

The Department of Small Business Development (DSBD) has signed Memoranda of Understanding (MoU’s) and/or transversal agreements with several departments and various agencies. The following table provides the details of the agreements signed with departments:

|  |
| --- |
| **MEMORANDUM OF AGREEMENT** |
| **No.** | **Institutions** | **Detail of the agreement** |
| 1. | DSBD and the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (KZN EDTEA) | The Parties undertake to collaborate in the area of Red Tape Reduction with the general understanding that red tape is defined as rules and regulations, administrative and management procedures and systems, which are not, or are no longer effective in achieving their intended objectives, and which therefore produce sub-optimal and undesired social outcomes. 1. DSBD work in a clear and disciplined relationship on Red Tape Reduction/Ease of doing Business between the DSBD and the KwaZulu-Natal Provincial Departments.2. DSBD has developed a province specific Programmes of Action, addressing Capacity Building and other mechanisms, over a three-year cycle to provide this disciplined relations and collaborative action to reduce Red Tape and unleash the potential small businesses in this province.3. The Programme of Action developed for the province is aligned with government’s “One Plan” district and metro model and finds expression in both the DSBD’s as well as the provincial partners’ Annual Performance Plans (APPs). This integrated planning, standardisation and alignment of indicators involves all relevant provincial and local government officials, including Provincial COGTA, in its execution.4. This is a journey that provinces cannot take alone, EDTEA, COGTA, SALGA, OTP are integral partners to the process. 5. A separate TOR for the relationship governing the collaboration between Provincial EDTEA, COGTA, SALGA, OTP and in some instances also Provincial Treasuries are also required internally.Geographical reach: Kwa-Zulu Natal province. |
| 2. | Limpopo Department of Economic Development, Environment and Tourism (LEDET) | The Parties undertake to collaborate in the area of Red Tape Reduction with the general understanding that red tape is defined as rules and regulations, administrative and management procedures and systems, which are not, or are no longer, effective in achieving their intended objectives, and which therefore produce sub-optimal and undesired social outcomes.1. DSBD work in a clear and disciplined relationship on Red Tape Reduction/Ease of doing Business between the DSBD and the KwaZulu-Natal Provincial Departments.2. DSBD has developed a province specific Programmes of Action, addressing Capacity Building and other mechanisms, over a three-year cycle to provide this disciplined relations and collaborative action to reduce Red Tape and unleash the potential small businesses in this province.3. The Programme of Action developed for the province is aligned with government’s “One Plan” district and metro model and finds expression in both the DSBD’s as well as the provincial partners’ Annual Performance Plans (APPs). This integrated planning, standardisation and alignment of indicators involves all relevant provincial and local government officials, including Provincial COGTA, in its execution.4. This is a journey that provinces cannot take alone, EDTEA, COGTA, SALGA, OTP are integral partners to the process. 5. A separate TOR for the relationship governing the collaboration between Provincial EDTEA, COGTA, SALGA, OTP and in some instances also Provincial Treasuries are also required internally.Geographical reach: Limpopo Province. |
| 3. | Northern Cape Department of Economic Development and Tourism (NCDEDT) | The Parties undertake to collaborate in the area of Red Tape Reduction with the general understanding that Red Tape is defined as rules and regulations, administrative and management procedures and systems, which are not, or are no longer, effective in achieving their intended objectives, and which therefore produce sub-optimal and undesired socio-economic outcomes hampering investment and transformation of local economies.1. DSBD work in a clear and disciplined relationship on Red Tape Reduction/Ease of doing Business between the DSBD and the KwaZulu-Natal Provincial Departments.2. DSBD has developed a province specific Programmes of Action, addressing Capacity Building and other mechanisms, over a three-year cycle to provide this disciplined relations and collaborative action to reduce Red Tape and unleash the potential small businesses in this province.3. The Programme of Action developed for the province is aligned with government’s “One Plan” district and metro model and finds expression in both the DSBD’s as well as the provincial partners’ Annual Performance Plans (APPs). This integrated planning, standardisation and alignment of indicators involves all relevant provincial and local government officials, including Provincial COGTA, in its execution.4. This is a journey that provinces cannot take alone, EDTEA, COGTA, SALGA, OTP are integral partners to the process. 5. A separate TOR for the relationship governing the collaboration between Provincial EDTEA, COGTA, SALGA, OTP and in some instances also Provincial Treasuries are also required internally.Geographical reach: Northern Cape |
| 4. | Eastern Cape Rural Development Agency (ECRDA) | Areas of collaboration * Assistance with market access, especially the integration of SMMEs and co-operatives to private sector value chains
* Access with bulk buying in order to build the capacity of informal businesses to become competitive
* Provision of Business Development Services to SMMEs and co-operatives
* Cannabis development: the idea is to kickstart a Rapid Industrialisation of Cannabis, set up a Cannabis Incubator as well as stakeholder engagements operating in this industry.
* Magwa-Majola Development Corridor: a need to develop SMMEs and co-operatives to participate in the Magwa Majola Agricultural Corridor.
* Wild Coast Coastal Belt offers immense opportunities for the coastal communities.
* Renewable Energy: there is a role for SMMEs and co-operatives to venture into this area: Forestry development, livestock development, agro-processing and provision of financial support in line with guidelines

Geographic reach: Eastern Cape province. |
| 5.  | Department of Forestry, Fisheries and Environment | Areas of collaboration: Facilitate participation of SMMEs and Co-operatives within business value chains, especially those owned by women, youth and persons with disabilities within the following areas:• Biodiversity Economy - wildlife, bioprospecting / biotrade, and ecotourism sectors,• Chemicals and Waste Economy — Recycling Enterprise Support Programme (RESP); Refrigeration and air-conditioners (RAC) Programme;• Green Economy (Climate Change & Air Quality);• Forestry Masterplan;• Fisheries Management (small scale fisheries and aquaculture as a sub sector of the Oceans Economy);• Invasive Alien Plant and bush encroachment Biomass Economy (Environmental Programmes); and• Environmental Protection and Infrastructure sector (Environmental Programmes).• In line with the joint work plan, the two parties agreed to provide capacity building, skills development, production support, incubation, enterprise development, mentorship and training of SMMEs and Co-operatives sharing and securing resources (financial and non-financial resources), both parties further agreed to implement programmes nationally.Geographical reach: National level. |
| 6. | Department of Cooperative Governance (DCoG) | This MOU formalises the intentions of both parties to work together in strengthening democratic and developmental local government, as well as promoting more effective, efficient and responsive local governance in South Africa and within Southern Africa, as determined by the Parties. The Parties undertake to cooperate with each other in the following broad areas:• Implementing the Cooperatives Support Development Programme through both DSBD and its agencies and further facilitate the establishment of sustainable cooperatives within viable economic conditions. • Position cooperatives for radical economic transformation to facilitate active participation of cooperatives in mainstream economy; and facilitate access to funding and markets to identified cooperatives. • Adequately invest on Local Economic Development at provincial and municipal levels to facilitate inclusion of Cooperatives Development Programmes in IDP’s, LED strategies and support at those levels; Central to this approach includes interventions like Assert Based Community Development, the NDP, Land reform policies, Integrated Develop Plans of municipalities; as well as the alignment of programmes and budgets of a number of various projects and spheres of government coordinated at Local Government level; Implement capacity enhancement and development programmes targeting LED Practitioners and Portfolio Committees in order to adequately support.Geographic reach: MoU is pitched at National level but will be implemented both provincial and local levels piloting the arrangement in KZN. |
| 7. | Eastern Cape Province Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) | Areas of collaboration The two departments undertake to collaborate in the areas of Red Tape Reduction with regard to small business cooperative development with focus on providing support to implementation of remedial actions to reduce time and costs of existing procedures and processes making them less complex and more cost and time efficient.The agreement will also cover the following:• Informal Economy interventions• Cooperative development• Sector specific interventions• Innovation and digitization and • Co-funding of projectsGeographic reach: The agreement will be implemented at a provincial level to support local initiatives within the jurisdiction of the Eastern Cape. |
| 8. | Department of Economic Development – Western Cape | The MoU integrates the work of Seda that was part of the initial arrangement with the Western Cape |
| 9. | Department of Agriculture, Land Reform and Rural Development | Effective implementation of the Ecosystem Development for Small Enterprises (EDSE) Programme |

**STELLA NDABENI-ABRAHAMS**

**MINISTER: DEPARTMENT OF SMALL BUSINESS DEVELOPMENT**