**THE NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

777. **Mr D Bergman (DA) to ask the Minister of Small Business Development:**

(1) (a) What is the current status of the plan to reduce red tape in the Lukhanji Local Municipality in Free State, (b) what is the total number unnecessary (i) policies, (ii) by-laws and (iii) regulations that were rescinded during the process to reduce red tape in the specified municipality and (c) what total amount of administration costs will the specified intervention save businesses in the specified municipality;

(2) can she list three or more examples of the red tape that was cut because of the specified intervention in the specified municipality?NW896E

**REPLY:**

(1)(a) The current plan of the Department of Small Business Development (DSBD) regarding the Red Tape Reduction Programme is to revisit the piloted municipalities to assess progress made in relation to the following: complaints notification system, 30 payment system, building plan approval processes, business registration permits, by-laws and communication of small business information to SMMEs and Cooperatives. Specifically for Lukhanji Local Municipality in the Eastern Cape, access to information by municipality to small businesses will be improved.

(b) There is no record of unnecessary (i) policies, (ii) by-laws and (iii) regulations rescinded in the specific municipality. The total number of policies, by-laws and regulations that impede the development and promotion of small businesses will only be outlined upon the conclusion of the proposed study on regulatory protocols affecting small businesses to be conducted by DSBD during the 2016/17 financial year. Informal business by-laws are currently being reviewed including the enforcement and conducting of information session workshops.

(c) The current assessment did not consider the administration costs. However, the improvement on turnaround times as well as communication on compliance will reduce Red Tape in each of the identified municipalities ultimately reducing costs experienced by SMMEs.

(2) Some of the examples that can be referred to regarding how the red tape has been reduced include: improvement on 30 days payment processes and approvals turnaround times due to establishment of the internal financial committee.