

Vote 36

Small Business Development

Budget summary

R million	2021/22				2022/23	2023/24
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	116.3	115.4	–	0.9	120.7	119.6
Sector and Market Development	138.8	54.7	81.1	3.0	138.8	140.0
Development Finance	1 380.8	29.5	1 350.9	0.4	1 384.3	1 386.5
Enterprise Development	902.4	34.5	867.8	0.1	916.6	923.8
Total expenditure estimates	2 538.3	234.0	2 299.8	4.5	2 560.3	2 569.9

Executive authority: Minister of Small Business Development
 Accounting officer: Director-General of Small Business Development
 Website: www.dsbd.gov.za

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.

Mandate

The Department of Small Business Development is tasked with the responsibility of leading and coordinating an integrated approach to the promotion and development of entrepreneurship, small businesses and cooperatives; and ensuring an enabling legislative and policy environment to support their growth and sustainability. The realisation of this mandate will lead to a transformed economy, increased employment, and the reduction of poverty and inequality.

The department's mandate is guided by a legislative framework that includes:

- the National Small Enterprise Act (1996)
- the National Small Business Amendment Act (2004)
- section 3(d) of the Industrial Development Corporation Act (1940)
- the Cooperatives Development Act (2005), as amended
- the Cooperatives Amendment Act (2013)
- the cooperatives development policy.

Selected performance indicators

Table 36.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of women-owned businesses registered and workshopped about access to the international export market platform per year	Sector and Market Development	Priority 2: Economic transformation and job creation	–1	–1	–1	–1	10 000	12 000	14 000
Number of SMMEs and cooperatives exposed to international market opportunities per year	Sector and Market Development		–1	–1	–1	–1	300	350	400
Number of product markets for SMMEs and cooperatives established per year	Sector and Market Development		–1	–1	–1	–1	6	7	7

Table 36.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of township and rural enterprises supported through the Township and Rural Entrepreneurship Fund per year	Development Finance	Priority 2: Economic transformation and job creation	– ¹	– ¹	– ¹	28 000	24 000	24 000	24 000
Number of competitive SMMEs and cooperatives supported per year	Development Finance		– ¹	– ¹	– ¹	– ¹	25 000	25 000	35 000
Number of cooperatives supported through the cooperatives development support programme per year	Development Finance		– ¹	– ¹	– ¹	– ¹	25	25	25
Number of youth startups supported per year	Development Finance		– ¹	– ¹	– ¹	– ¹	5 000	6 000	7 000

1. No historical data available.

Expenditure overview

Over the medium term, the department will focus on: providing support to small, medium and micro enterprises (SMMEs); providing greater access to finance for startups; finalising amendments to the National Small Enterprise Act (1996); developing master plans for the meaningful integration of small businesses into the mainstream economy; and intensifying the establishment of infrastructure to expose SMMEs and cooperatives to new markets.

Expenditure is expected to increase at an average annual rate of 4.1 per cent, from R2.3 billion in 2020/21 to R2.6 billion in 2023/24. Transfers and subsidies account for 91 per cent (R6.9 billion) of the department's budget over the period ahead, while 5.8 per cent (R99.8 million) is allocated for compensation of employees and 3.2 per cent (R16.3 million) for goods and services.

Providing support to SMMEs and startups

Over the MTEF period, support to SMMEs is provided through an allocation of R2.6 billion to the Small Enterprise Development Agency to coordinate support nationally; and an allocation of R510.3 million for internally administered incentives such as the craft customised sector programme and the cooperatives development support programme. Access to finance, particularly for the first 3 stages of a business's life cycle (ideation, proof of concept and market entry), is crucial for sustainability. To this end, the department will continue rolling out the Township and Rural Entrepreneurship Fund, which is implemented through the Small Enterprise Finance Agency at an estimated cost of R2.9 billion over the period ahead. In addition, the department has introduced a blended finance model that entails de-risking enterprises traditionally not supported by commercial banks and existing development finance institutions. This is done through matching a loan facility to a grant, which is allocated R882.1 million over the period ahead.

Finalising legislative amendments and developing master plans

The department has allocated R27 million over the medium term in the *Enterprise Development* programme to finalise amendments to the National Small Enterprise Act (1996). These amendments are aimed at dealing with the establishment of a small enterprise ombud service, regulating/licensing businesses owned by foreign nationals, unfair business practices, and reviewing the definition of SMMEs to ensure the use of a single and inclusive definition. The *Sector and Market Development* programme is allocated R92.2 million over the MTEF period for developing a creative industries master plan and a national small enterprise master plan. These plans will be aimed at mainstreaming small businesses to ensure their participation in accessing opportunities and dedicated support measures.

Intensifying the establishment of infrastructure

At an estimated cost of R248.1 million over the medium term in the *Sector and Market Development* programme, the department plans to intensify its establishment of infrastructure to expose SMMEs and cooperative to new markets. This infrastructure is aimed specifically at providing affordable, safe and modernised spaces where small enterprises meet potential buyers.

Expenditure trends and estimates

Table 36.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Sector and Market Development											
3. Development Finance											
4. Enterprise Development											
Programme											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2017/18 - 2020/21	2021/22		
Programme 1	104.6	110.0	101.7	97.9	-2.2%	5.6%	116.3	120.7	119.6	6.9%	4.6%
Programme 2	34.3	45.2	106.1	57.4	18.7%	3.3%	138.8	138.8	140.0	34.6%	4.8%
Programme 3	365.0	347.9	1 106.1	1 267.6	51.4%	41.8%	1 380.8	1 384.3	1 386.5	3.0%	54.5%
Programme 4	955.6	916.5	914.9	854.9	-3.6%	49.3%	902.4	916.6	923.8	2.6%	36.2%
Subtotal	1 459.5	1 419.5	2 228.8	2 277.8	16.0%	100.0%	2 538.3	2 560.3	2 569.9	4.1%	100.0%
Total	1 459.5	1 419.5	2 228.8	2 277.8	16.0%	100.0%	2 538.3	2 560.3	2 569.9	4.1%	100.0%
Change to 2020 Budget estimate				(129.0)			(157.8)	(200.4)	(247.3)		
Economic classification											
Current payments	207.1	206.6	198.8	196.1	-2%	11%	234.0	236.2	239.7	7%	9%
Compensation of employees	129.0	133.0	137.1	150.7	5%	7%	152.4	157.7	163.3	3%	6%
Goods and services ¹	78.1	73.6	61.8	45.4	-17%	4%	81.6	78.4	76.5	19%	3%
<i>of which:</i>											
<i>Audit costs: External</i>	3.3	5.3	3.2	4.1	8%	0%	4.5	4.6	4.5	3%	0%
<i>Computer services</i>	5.0	7.0	5.3	6.8	11%	0%	7.9	7.9	7.9	5%	0%
<i>Consultants: Business and advisory services</i>	13.5	5.5	3.1	1.0	-58%	0%	6.1	5.8	4.9	68%	0%
<i>Operating leases</i>	18.9	20.4	21.6	19.0	0%	1%	25.3	26.1	26.2	11%	1%
<i>Travel and subsistence</i>	20.7	20.8	17.8	4.0	-42%	1%	17.7	16.0	15.5	57%	1%
<i>Venues and facilities</i>	0.4	1.4	0.8	0.1	-41%	0%	5.3	2.6	2.7	221%	0%
Transfers and subsidies¹	1 245.9	1 206.4	2 025.7	2 077.5	19%	89%	2 299.8	2 319.4	2 325.3	4%	91%
Departmental agencies and accounts	811.3	840.1	881.8	824.5	1%	46%	867.8	884.2	889.9	3%	35%
Public corporations and private enterprises	434.5	365.7	1 143.6	1 253.1	42%	43%	1 432.0	1 435.2	1 435.4	5%	56%
Households	0.2	0.6	0.4	-	-100%	0%	-	-	-	0%	0%
Payments for capital assets	6.5	6.5	4.2	4.2	-13%	0%	4.5	4.7	4.9	5%	0%
Machinery and equipment	5.0	5.0	4.2	4.2	-5%	0%	4.5	4.7	4.9	5%	0%
Software and other intangible assets	1.5	1.5	-	-	-100%	0%	-	-	-	0%	0%
Total	1 459.5	1 419.5	2 228.8	2 277.8	16%	100%	2 538.3	2 560.3	2 569.9	4%	100%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 36.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2017/18 - 2020/21	2021/22		
Households											
Social benefits											
Current	158	454	385	-	-100.0%	-	-	-	-	-	-
Employee social benefits	108	211	14	-	-100.0%	-	-	-	-	-	-
Households	50	243	371	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	811 301	840 089	881 761	824 478	0.5%	51.2%	867 791	884 215	889 871	2.6%	38.4%
Small Enterprise Development Agency	619 766	580 241	680 076	650 005	1.6%	38.6%	666 091	678 751	683 092	1.7%	29.7%
Small Enterprise Development Agency: Technology programme	146 146	199 359	152 281	158 408	2.7%	10.0%	156 525	159 445	160 466	0.4%	7.0%
Small Enterprise Development Agency: Capacity-building programme	30 389	30 489	15 406	16 065	-19.1%	1.4%	15 874	16 171	16 274	0.4%	0.7%
Small Enterprise Development Agency: National gazelles programme	15 000	30 000	33 998	-	-100.0%	1.2%	29 301	29 848	30 039	-	1.0%
Households											
Other transfers to households											
Current	-	200	-	-	-	-	-	-	-	-	-
Employee social benefits	-	100	-	-	-	-	-	-	-	-	-
Social benefits	-	100	-	-	-	-	-	-	-	-	-

Table 36.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Public corporations and private enterprises											
Other transfers to public corporations											
Current	–	–	700 000	1 169 500	–	28.5%	1 250 983	1 249 319	1 257 309	2.4%	54.6%
Small Enterprise Finance Agency: Township Entrepreneurship Fund	–	–	700 000	–	–	10.7%	–	–	–	–	–
Small Enterprise Finance Agency: Blended finance	–	–	–	15 000	–	0.2%	288 212	295 994	297 887	170.8%	9.9%
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	–	–	–	–	–	–	962 771	953 325	959 422	–	31.9%
Small Enterprise Finance Agency: Covid-19 Emergency Relief Fund	–	–	–	1 154 500	–	17.6%	–	–	–	-100.0%	12.8%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	434 460	365 703	443 584	83 550	-42.3%	20.2%	181 006	185 893	178 081	28.7%	7.0%
Various institutions: National informal business upliftment scheme	26 422	56 742	58 914	7 904	-33.1%	2.3%	–	–	–	-100.0%	0.1%
Various institutions: Craft customised sector programme	10 000	10 000	10 560	11 141	3.7%	0.6%	11 316	11 622	11 696	1.6%	0.5%
Various institutions: Cooperatives incentive scheme	70 695	41 222	87 984	50 754	-10.5%	3.8%	–	–	–	-100.0%	0.6%
Various institutions: Black business supplier development programme	256 743	257 739	286 126	13 751	-62.3%	12.4%	–	–	–	-100.0%	0.2%
Various institutions: Enterprise incubation programme	70 600	–	–	–	-100.0%	1.1%	–	–	–	–	–
Various institutions: Product markets	–	–	–	–	–	–	81 065	83 254	83 786	–	2.8%
Various institutions: Cooperatives development support programme	–	–	–	–	–	–	88 625	91 017	82 599	–	2.9%
Total	1 245 919	1 206 446	2 025 730	2 077 528	18.6%	100.0%	2 299 780	2 319 427	2 325 261	3.8%	100.0%

Personnel information

Table 36.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																				
1. Administration																				
2. Sector and Market Development																				
3. Development Finance																				
4. Enterprise Development																				
Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)					
		2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24													
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Small Business Development		234	21	209	137.1	0.7	227	150.7	0.7	226	152.4	0.7	237	157.7	0.7	245	163.3	0.7	2.6%	100.0%
Salary level																				
1 – 6	39	5	35	9.7	0.3	34	8.4	0.2	33	8.0	0.2	35	8.5	0.2	35	8.7	0.2	1.0%	14.6%	
7 – 10	88	1	77	37.0	0.5	83	40.4	0.5	84	41.3	0.5	88	44.2	0.5	96	47.7	0.5	4.9%	37.6%	
11 – 12	50	1	46	38.5	0.8	52	44.2	0.8	50	42.9	0.9	49	42.4	0.9	50	44.1	0.9	-1.3%	21.5%	
13 – 16	41	–	35	45.8	1.3	42	51.8	1.2	43	54.2	1.3	44	56.0	1.3	43	56.0	1.3	0.8%	18.4%	
Other	16	14	16	6.1	0.4	16	5.9	0.4	16	6.0	0.4	21	6.7	0.3	21	6.8	0.3	9.5%	7.9%	
Programme	234	21	209	137.1	0.7	227	150.7	0.7	226	152.4	0.7	237	157.7	0.7	245	163.3	0.7	2.6%	100.0%	
Programme 1	106	11	94	58.4	0.6	101	62.7	0.6	98	61.6	0.6	97	62.6	0.6	100	62.0	0.6	-0.4%	42.3%	
Programme 2	54	9	50	34.2	0.7	54	36.1	0.7	56	38.2	0.7	60	38.9	0.6	60	40.5	0.7	3.6%	24.6%	
Programme 3	32	–	27	16.6	0.6	32	23.2	0.7	32	24.0	0.7	39	27.0	0.7	41	29.9	0.7	8.6%	15.4%	
Programme 4	42	1	38	27.9	0.7	40	28.7	0.7	40	28.7	0.7	41	29.3	0.7	44	30.9	0.7	3.2%	17.7%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 36.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2020/21	Revised estimate	Average growth rate (%) 2017/18 - 2020/21	Average Receipt item/ Total (%) 2020/21	Medium-term receipts estimate			Average growth rate (%) 2020/21 - 2023/24	Average Receipt item/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20					2021/22	2022/23	2023/24		
Departmental receipts	551	1 329	23 257	195	297	-18.6%	100.0%	90	100	120	-26.1%	100.0%
Sales of goods and services produced by department	52	57	56	58	58	3.7%	0.9%	90	100	120	27.4%	60.6%
Sales by market establishments	52	57	24	22	22	-24.9%	0.6%	90	100	120	76.0%	54.7%
of which:												
Parking	52	57	24	22	22	-24.9%	0.6%	90	100	120	76.0%	54.7%
Other sales	-	-	32	36	36	-	0.3%	-	-	-	-100.0%	5.9%
of which:												
List item	-	-	32	36	36	-	0.3%	-	-	-	-100.0%	5.9%
Transfers received	-	-	23 028	-	-	-	90.5%	-	-	-	-	-
Interest, dividends and rent on land	2	1	9	-	-	-100.0%	-	-	-	-	-	-
Interest	2	1	9	-	-	-100.0%	-	-	-	-	-	-
Sales of capital assets	-	175	145	121	121	-	1.7%	-	-	-	-100.0%	19.9%
Transactions in financial assets and liabilities	497	1 096	19	16	118	-38.1%	6.8%	-	-	-	-100.0%	19.4%
Total	551	1 329	23 257	195	297	-18.6%	100.0%	90	100	120	-26.1%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 36.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Ministry	30.9	32.7	19.1	19.8	-13.8%	24.8%	25.9	28.2	30.5	15.5%	23.0%
Departmental Management	24.6	22.8	27.7	28.5	4.9%	25.0%	32.3	32.9	30.0	1.8%	27.2%
Corporate Services	32.7	35.1	39.0	34.0	1.3%	34.0%	39.6	40.9	40.8	6.2%	34.2%
Financial Management	16.3	19.4	15.9	19.0	5.3%	17.0%	18.5	18.7	18.3	-1.3%	16.4%
Communications	-	-	-	(3.4)	-	-0.8%	-	-	-	-100.0%	-0.7%
Total	104.6	110.0	101.7	97.9	-2.2%	100.0%	116.3	120.7	119.6	6.9%	100.0%
Change to 2020				(19.7)			7.0	10.6	2.2		
Budget estimate											
Economic classification											
Current payments	100.4	107.7	100.2	96.5	-1.3%	97.7%	115.4	117.9	116.7	6.5%	98.2%
Compensation of employees	57.3	60.9	58.4	65.9	4.8%	58.6%	65.1	66.2	65.6	-0.1%	57.8%
Goods and services ¹	43.0	46.8	41.8	30.6	-10.8%	39.2%	50.3	51.7	51.0	18.6%	40.4%
of which:											
Advertising	1.4	0.4	0.3	0.2	-52.3%	0.5%	2.1	2.3	1.5	112.5%	1.3%
Audit costs: External	3.3	5.3	3.2	4.1	7.6%	3.8%	4.5	4.6	4.5	3.4%	3.9%
Operating leases	18.9	20.4	21.6	19.0	0.1%	19.3%	25.3	26.1	26.2	11.3%	21.3%
Travel and subsistence	10.6	11.3	7.6	1.5	-48.0%	7.5%	8.3	8.4	8.2	76.7%	5.8%
Training and development	1.5	0.6	0.8	1.0	-12.9%	0.9%	1.3	1.3	1.3	9.8%	1.1%
Operating payments	0.7	1.3	0.1	0.2	-31.5%	0.6%	1.4	1.5	1.5	91.3%	1.0%
Transfers and subsidies¹	0.1	0.2	0.4	-	-100.0%	0.2%	-	-	-	-	-
Households	0.1	0.2	0.4	-	-100.0%	0.2%	-	-	-	-	-
Payments for capital assets	4.2	2.0	1.1	1.4	-30.2%	2.1%	0.9	2.8	2.9	27.5%	1.8%
Machinery and equipment	2.7	0.6	1.1	1.4	-19.0%	1.4%	0.9	2.8	2.9	27.5%	1.8%
Software and other intangible assets	1.5	1.5	-	-	-100.0%	0.7%	-	-	-	-	-
Total	104.6	110.0	101.7	97.9	-2.2%	100.0%	116.3	120.7	119.6	6.9%	100.0%
Proportion of total programme expenditure to vote expenditure	7.2%	7.7%	4.6%	4.3%	-	-	4.6%	4.7%	4.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	0.2	0.4	-	-100.0%	0.2%	-	-	-	-	-
Households	0.1	0.2	0.4	-	-100.0%	0.2%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 36.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)			
			2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24						
Administration			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	106	11	94	58.4	0.6	101	62.7	0.6	98	61.6	0.6	97	62.6	0.6	100	62.0	0.6	-0.4%	100.0%
1 – 6	29	5	28	7.7	0.3	26	6.1	0.2	25	5.8	0.2	26	6.1	0.2	25	6.2	0.2	-1.3%	25.6%
7 – 10	32	1	24	11.7	0.5	29	13.2	0.5	28	12.7	0.5	28	13.0	0.5	30	12.7	0.4	1.1%	29.1%
11 – 12	23	1	22	16.7	0.8	24	18.8	0.8	23	18.1	0.8	23	18.4	0.8	25	19.7	0.8	1.3%	24.0%
13 – 16	16	–	14	17.2	1.2	16	19.6	1.2	16	19.9	1.2	16	20.3	1.3	16	18.5	1.2	–	16.2%
Other	6	4	6	5.0	0.8	6	4.9	0.8	6	5.0	0.8	4	4.8	1.2	4	4.9	1.2	-12.6%	5.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: Sector and Market Development

Programme purpose

Facilitate and increase access to markets for small, medium and micro enterprises through business information, product development support and value chain integration.

Objectives

- Provide evidence-based business information to direct sector thought leadership.
- Reduce the administrative and regulatory burden of doing business for SMMEs.
- Provide domestic and international market support services to SMMEs.
- Support the entry and growth of SMMEs in prioritised and designated sectors of the economy.

Subprogrammes

- *Sector and Market Development Management* provides leadership to the programme and supports the entry and growth of SMMEs in prioritised and designated economic sectors.
- *Business Intelligence and Knowledge Management* provides evidence-based business information in the form of economic analysis, econometrics and research to direct sector thought leadership.
- *Ease of Doing Business* reduces the administrative and regulatory burden of doing business for SMMEs.
- *Access to Market Support* provides domestic and international market support services to SMMEs.

Expenditure trends and estimates

Table 36.8 Sector and Market Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Sector and Market Development Management	–	–	–	2.6	–	1.1%	2.2	2.3	2.2	-4.1%	2.0%
Business Intelligence and Knowledge Management	21.6	19.9	21.2	22.7	1.6%	35.2%	26.4	27.6	26.2	4.9%	21.7%
Ease of Doing Business	2.1	7.0	7.7	6.1	43.1%	9.4%	8.1	7.8	7.5	7.3%	6.2%
Access to Market Support	10.6	18.2	77.2	26.0	35.0%	54.3%	102.1	101.0	104.1	58.7%	70.2%
Total	34.3	45.2	106.1	57.4	18.7%	100.0%	138.8	138.8	140.0	34.6%	100.0%
Change to 2020 Budget estimate				(86.0)			3.5	(3.8)	(10.4)		

Table 36.8 Sector and Market Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Current payments	32.2	41.1	44.5	47.3	13.6%	68.0%	54.7	54.2	54.9	5.1%	44.4%
Compensation of employees	17.9	25.9	34.2	36.5	26.7%	47.2%	35.8	36.5	38.0	1.4%	30.9%
Goods and services ¹	14.3	15.3	10.3	10.8	-9.0%	20.8%	18.9	17.8	16.9	16.1%	13.5%
of which:											
Communication	0.1	0.5	0.2	0.8	152.3%	0.6%	0.6	0.7	0.7	-4.3%	0.6%
Computer services	4.7	6.5	1.7	6.8	13.1%	8.1%	6.6	7.1	7.2	2.0%	5.8%
Consultants: Business and advisory services	4.8	3.1	2.2	0.7	-47.5%	4.5%	5.0	4.6	3.7	74.5%	2.9%
Travel and subsistence	2.4	3.9	4.9	1.7	-11.5%	5.3%	3.1	2.8	2.8	18.9%	2.2%
Operating payments	0.0	0.0	0.4	0.4	371.8%	0.4%	0.4	0.4	0.4	1.9%	0.4%
Venues and facilities	-	0.1	0.2	0.0	-	0.1%	2.7	1.5	1.5	429.7%	1.2%
Transfers and subsidies¹	0.0	0.1	58.9	7.9	896.0%	27.6%	81.1	83.3	83.8	119.7%	53.9%
Public corporations and private enterprises	-	-	58.9	7.9	-	27.5%	81.1	83.3	83.8	119.7%	53.9%
Households	0.0	0.1	-	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	2.1	3.9	2.7	2.2	2.5%	4.5%	3.0	1.3	1.4	-15.0%	1.7%
Machinery and equipment	2.1	3.9	2.7	2.2	2.5%	4.5%	3.0	1.3	1.4	-15.0%	1.7%
Total	34.3	45.1	106.1	57.4	18.7%	100.0%	138.8	138.8	140.0	34.6%	100.0%
Proportion of total programme expenditure to vote expenditure	2.4%	3.2%	4.8%	2.5%	-	-	5.5%	5.4%	5.4%	-	-

Details of transfers and subsidies

Households											
Other transfers to households											
Current	-	0.1	-	-	-	-	-	-	-	-	-
Employee social benefits	-	0.1	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	-	-	58.9	7.9	-	27.5%	81.1	83.3	83.8	119.7%	53.9%
Various institutions: National informal business upliftment scheme	-	-	58.9	7.9	-	27.5%	-	-	-	-100.0%	1.7%
Various institutions: Product Markets	-	-	-	-	-	-	81.1	83.3	83.8	-	52.2%

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information**Table 36.9 Sector and Market Development personnel numbers and cost by salary level¹**

Sector and Market Development	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2020/21 - 2023/24	Average: Salary level/Total (%)			
			2019/20		2020/21		2021/22		2022/23		2023/24								
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Salary level	54	9	50	34.2	0.7	54	36.1	0.7	56	38.2	0.7	60	38.9	0.6	60	40.5	0.7	3.6%	100.0%
1-6	6	-	4	1.4	0.3	5	1.4	0.3	6	1.5	0.3	6	1.6	0.3	6	1.6	0.3	6.3%	10.0%
7-10	15	-	15	6.6	0.4	15	7.3	0.5	15	7.5	0.5	19	9.7	0.5	21	10.9	0.5	11.9%	30.4%
11-12	13	-	12	11.5	1.0	14	12.7	0.9	14	12.7	0.9	12	11.0	0.9	11	11.1	1.0	-7.7%	22.2%
13-16	11	-	10	13.8	1.4	11	13.7	1.2	12	15.5	1.3	12	15.4	1.3	11	15.7	1.4	-	20.0%
Other	9	9	9	0.9	0.1	9	1.0	0.1	9	1.0	0.1	11	1.2	0.1	11	1.2	0.1	6.9%	17.4%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: Development Finance**Programme purpose**

Expand access to finance for small, medium and micro enterprises and cooperatives through innovative service offerings.

Objectives

- Manage the creation of enabling financial support structures for SMMEs and the coordination of SMME funding across government.
- Manage the design of blended financial support initiatives for SMMEs.
- Manage the provision of business assurance strategies for SMMEs.

Subprogrammes

- *Development Finance Management* provides leadership to the programme and supports the entry and growth of SMMEs in prioritised and designated economic sectors.
- *Model Funding Collaboration* creates enabling financial support structures for SMMEs.
- *Blended Finance* designs blended financial support initiatives for SMMEs.
- *Business Viability* provides business assurance strategies for SMMEs.

Expenditure trends and estimates

Table 36.10 Development Finance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Development Finance Management	–	–	–	2.6	–	0.1%	2.2	2.3	2.2	-4.2%	0.2%
Model Funding Collaboration	1.6	2.3	2.2	3.6	30.2%	0.3%	5.0	5.0	4.9	11.1%	0.3%
Blended Finance	353.4	335.6	1 093.3	1 245.4	52.2%	98.1%	1 358.2	1 361.2	1 363.7	3.1%	98.3%
Business Viability	10.0	10.0	10.6	16.1	17.1%	1.5%	15.4	15.7	15.6	-0.9%	1.2%
Total	365.0	347.9	1 106.1	1 267.6	51.4%	100.0%	1 380.8	1 384.3	1 386.5	3.0%	100.0%
Change to 2020 Budget estimate				53.5			(148.3)	(181.9)	(214.8)		
Economic classification											
Current payments	27.5	38.3	21.0	22.0	-7.1%	3.5%	29.5	31.9	34.4	16.0%	2.2%
Compensation of employees	24.8	33.1	16.6	19.6	-7.6%	3.0%	22.8	25.9	28.7	13.6%	1.8%
Goods and services ¹	2.7	5.2	4.4	2.5	-3.2%	0.5%	6.7	6.0	5.7	32.4%	0.4%
of which:											
Administrative fees	0.2	0.2	0.2	0.2	8.6%	–	0.2	0.2	0.2	-10.1%	–
Catering: Departmental activities	0.1	0.6	0.0	0.1	25.4%	–	0.4	0.5	0.5	51.4%	–
Communication	0.1	0.1	0.1	0.4	78.3%	–	0.2	0.2	0.2	-18.7%	–
Legal services	0.1	0.0	0.6	1.3	188.4%	0.1%	1.4	1.6	1.6	5.7%	0.1%
Fleet services (including government motor transport)	0.0	0.1	0.2	0.1	46.9%	–	0.1	0.1	0.1	0.3%	–
Travel and subsistence	2.1	3.7	3.1	0.3	-49.2%	0.3%	4.3	3.4	3.2	124.9%	0.2%
Transfers and subsidies¹	337.5	309.1	1 084.7	1 245.1	54.5%	96.4%	1 350.9	1 352.0	1 351.6	2.8%	97.8%
Public corporations and private enterprises	337.4	309.0	1 084.7	1 245.1	54.5%	96.4%	1 350.9	1 352.0	1 351.6	2.8%	97.8%
Households	0.0	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.1	0.5	0.4	0.4	62.0%	–	0.4	0.4	0.4	3.4%	–
Machinery and equipment	0.1	0.5	0.4	0.4	62.0%	–	0.4	0.4	0.4	3.4%	–
Total	365.0	347.9	1 106.1	1 267.6	51.4%	100.0%	1 380.8	1 384.3	1 386.5	3.0%	100.0%
Proportion of total programme expenditure to vote expenditure	25.0%	24.5%	49.6%	55.6%	–	–	54.4%	54.1%	54.0%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Employee social benefits	0.0	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	–	–	700.0	1 169.5	–	60.6%	1 251.0	1 249.3	1 257.3	2.4%	90.9%
Small Enterprise Finance Agency: Township Entrepreneurial Fund	–	–	700.0	–	–	22.7%	–	–	–	–	–
Small Enterprise Finance Agency: Covid19 Emergency Fund	–	–	–	1 154.5	–	37.4%	–	–	–	-100.0%	21.3%
Small Enterprise Finance Agency: Blended Finance	–	–	–	15.0	–	0.5%	288.2	296.0	297.9	170.8%	16.6%
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	–	–	–	–	–	–	962.8	953.3	959.4	–	53.1%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	337.4	309.0	384.7	75.6	-39.3%	35.9%	99.9	102.6	94.3	7.6%	6.9%
Various institutions: Black Business Supplier Development Programme	256.7	257.7	286.1	13.8	-62.3%	26.4%	–	–	–	-100.0%	0.3%
Various institutions: Craft customised sector programme	10.0	10.0	10.6	11.1	3.7%	1.4%	11.3	11.6	11.7	1.6%	0.8%
Various institutions: Cooperatives incentive scheme	70.7	41.2	88.0	50.8	-10.5%	8.1%	–	–	–	-100.0%	0.9%
Various institutions: Cooperatives Development Support Programme	–	–	–	–	–	–	88.6	91.0	82.6	–	4.8%

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 36.11 Development Finance personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Development Finance	32	–	27	16.6	0.6	32	23.2	0.7	32	24.0	0.7	39	27.0	0.7	41	29.9	0.7	8.6%	100.0%
1 – 6	–	–	–	–	–	–	–	–	–	–	–	1	0.1	0.1	1	0.1	0.1	–	1.4%
7 – 10	20	–	20	9.1	0.5	20	10.2	0.5	20	10.4	0.5	20	10.6	0.5	22	12.0	0.5	3.2%	56.9%
11 – 12	6	–	4	3.7	0.9	6	5.7	0.9	5	5.0	1.0	6	5.8	1.0	6	5.9	1.0	–	16.0%
13 – 16	6	–	3	3.8	1.3	6	7.4	1.2	7	8.6	1.2	8	10.1	1.3	8	11.4	1.4	10.1%	20.1%
Other	–	–	–	–	–	–	–	–	–	–	–	4	0.4	0.1	4	0.4	0.1	–	5.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 4: Enterprise Development

Programme purpose

Oversee the promotion of an ecosystem that enhances entrepreneurship and the establishment, growth and sustainability of small businesses, and coordinate business development support interventions across various spheres of government.

Objectives

- Drive the transformation of the economy through the creation of a conducive business environment for township, village and rural economies (includes informal businesses).
- Advance the competitiveness of SMMEs through an integrated approach, such as implementing the district development model.
- Drive the transformation of the economy through the formulation of policy instruments and advocacy work aimed at the inclusion of SMMEs in the mainstream economy.

Subprogrammes

- *Enterprise Development Management* provides leadership to the programme, exercises oversight in the execution of programmes by implementing agencies, and coordinates the provision of an entrepreneurship development and support service infrastructure.
- *Enterprise and Supplier Development* drives the transformation of the economy through the formulation of policy instruments and advocacy work aimed at the inclusion of SMMEs in the mainstream economy.
- *SMME Competitiveness* works with municipalities through their integrated development plans to develop, enhance and implement enterprise development programmes towards improved local economic development.

Expenditure trends and estimates

Table 36.12 Enterprise Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23			2023/24
	R million							2020/21 - 2023/24				
Enterprise Development Management	–	–	–	2.6	–	0.1%	2.2	2.2	2.2	-4.9%	0.3%	
Enterprise and Supplier Development	844.8	857.2	898.2	836.3	-0.3%	94.4%	885.5	900.1	905.0	2.7%	98.0%	
SMME Competitiveness	110.8	59.3	16.8	16.0	-47.5%	5.6%	14.6	14.3	16.6	1.2%	1.7%	
Total	955.6	916.5	914.9	854.9	-3.6%	100.0%	902.4	916.6	923.8	2.6%	100.0%	
Change to 2020 Budget estimate				(76.8)			(20.0)	(25.2)	(24.3)			

Table 36.12 Enterprise Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Current payments	47.0	19.4	33.1	30.3	-13.7%	3.6%	34.5	32.2	33.8	3.7%	3.6%
Compensation of employees	29.0	13.1	27.9	28.7	-0.3%	2.7%	28.7	29.3	30.9	2.5%	3.3%
Goods and services ¹	18.1	6.3	5.2	1.5	-55.9%	0.9%	5.8	2.9	2.9	22.9%	0.4%
of which:											
Administrative fees	0.4	0.1	0.1	0.2	-24.2%	-	0.1	0.1	0.1	-8.5%	-
Catering: Departmental activities	2.2	1.0	0.1	0.0	-83.5%	0.1%	0.1	0.1	0.1	126.4%	-
Computer services	-	-	1.9	0.5	-	0.1%	0.8	0.1	0.1	-34.5%	-
Consultants: Business and advisory services	7.5	1.3	0.3	0.1	-75.5%	0.3%	0.1	0.1	0.1	-10.4%	-
Travel and subsistence	5.5	1.9	2.2	0.6	-52.9%	0.3%	2.0	1.3	1.2	28.4%	0.1%
Venues and facilities	0.3	1.1	0.3	-	-100.0%	-	2.5	1.1	1.1	-	0.1%
Transfers and subsidies¹	908.4	897.0	881.8	824.5	-3.2%	96.4%	867.8	884.2	889.9	2.6%	96.3%
Departmental agencies and accounts	811.3	840.1	881.8	824.5	0.5%	92.2%	867.8	884.2	889.9	2.6%	96.3%
Public corporations and private enterprises	97.0	56.7	-	-	-100.0%	4.2%	-	-	-	-	-
Households	0.1	0.1	-	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.1	0.1	0.1	0.2	10.3%	-	0.1	0.2	0.2	3.6%	-
Machinery and equipment	0.1	0.1	0.1	0.2	10.3%	-	0.1	0.2	0.2	3.6%	-
Total	955.6	916.5	914.9	854.9	-3.6%	100.0%	902.4	916.6	923.8	2.6%	100.0%
Proportion of total programme expenditure to vote expenditure	65.5%	64.6%	41.1%	37.5%	-	-	35.6%	35.8%	35.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	0.0	-	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.1	0.0	-	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	811.3	840.1	881.8	824.5	0.5%	92.2%	867.8	884.2	889.9	2.6%	96.3%
Small Enterprise Development Agency	619.8	580.2	680.1	650.0	1.6%	69.5%	666.1	678.8	683.1	1.7%	74.4%
Small Enterprise Development Agency: Technology programme	146.1	199.4	152.3	158.4	2.7%	18.0%	156.5	159.4	160.5	0.4%	17.6%
Small Enterprise Development Agency: Capacity-building programme	30.4	30.5	15.4	16.1	-19.1%	2.5%	15.9	16.2	16.3	0.4%	1.8%
Small Enterprise Development Agency: National gazelles programme	15.0	30.0	34.0	-	-100.0%	2.2%	29.3	29.8	30.0	-	2.5%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	97.0	56.7	-	-	-100.0%	4.2%	-	-	-	-	-
Various institutions: National informal business upliftment scheme	26.4	56.7	-	-	-100.0%	2.3%	-	-	-	-	-
Various institutions: Enterprise incubation programme	70.6	-	-	-	-100.0%	1.9%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 36.13 Enterprise Development personnel numbers and cost by salary level¹

Enterprise Development	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20	Unit cost	Cost	2020/21	Unit cost	Cost	2021/22	Unit cost	Cost	2022/23	Unit cost	Cost			2023/24	Unit cost	Cost
Salary level	42	1	38	27.9	0.7	40	28.7	0.7	40	28.7	0.7	41	29.3	0.7	44	30.9	0.7	3.2%	100.0%
1-6	4	-	3	0.6	0.2	3	0.9	0.3	2	0.6	0.3	2	0.7	0.3	3	0.8	0.3	0.1%	6.1%
7-10	21	-	18	9.6	0.5	19	9.6	0.5	21	10.7	0.5	21	10.9	0.5	23	12.1	0.5	6.6%	50.9%
11-12	8	-	8	6.7	0.8	8	7.0	0.9	8	7.1	0.9	8	7.2	0.9	8	7.3	0.9	-	19.4%
13-16	8	-	8	10.9	1.4	9	11.1	1.2	8	10.1	1.3	8	10.3	1.3	8	10.4	1.3	-3.9%	20.0%
Other	1	1	1	0.1	0.1	1	0.1	0.1	1	0.1	0.1	2	0.2	0.1	2	0.2	0.1	26.0%	3.6%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Entity

Small Enterprise Development Agency

Selected performance indicators

Table 36.14 Small Enterprise Development Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of SMMEs and cooperatives assisted through the ecosystem per year	Township, rural and informal business	Priority 2: Economic transformation and job creation	–1	–1	–1	16 666	37 104	54 552	70 056
Number of jobs created in townships and rural areas per year	Township, rural and informal business		–1	–1	–1	–1	4 638	6 819	8 757
Number of supported clients with products and services that are competitive in local markets per year	Business competitiveness and viability		–1	–1	–1	–1	4 638	6 819	8 757
Number of supported clients with products and services that are competitive in international markets per year	Business competitiveness and viability		–1	–1	–1	–1	2 783	4 546	6 130
Number of SMMEs and cooperatives assisted with incubation programmes per year	Business competitiveness and viability		–1	–1	–1	–1	3 247	4 546	4 379
Number of SMMEs and cooperatives assisted with quality improvements per year	Business competitiveness and viability		–1	–1	–1	–1	2 783	4 091	5 254
Number of SMMEs and cooperatives whose turnover has increased per year	Business competitiveness and viability		–1	–1	–1	–1	3 000	4 000	5 000
Percentage of identified stakeholders participating in the ecosystem	Business Competitiveness and Viability Programme		–1	–1	–1	–1	75%	75%	75%
Number of SMMEs and cooperatives supported in the manufacturing sector per year	Business competitiveness and viability		–1	–1	–1	–1	2 783	4 091	5 254
Number of SMMEs and cooperatives supported through sector-specific training per year	Business competitiveness and viability		–1	–1	–1	–1	2 783	4 091	5 254

1. No historical data available.

Entity overview

The Small Enterprise Development Agency was established in 2004 in terms of the National Small Business Amendment Act (2004). It is mandated to implement government's small business strategy, design and implement a standard and common national delivery network for the development of small enterprises, and integrate government-funded small enterprise support agencies across all spheres of government. Over the medium term, the agency will focus on township, rural and informal business development, and promoting business competitiveness, viability and localisation.

The agency's technology programme is allocated an estimated R476.4 million over the MTEF period. Through the programme, the agency will facilitate the establishment of 27 new incubators, mainly in townships and rural areas; establish approximately 1 290 new enterprises through incubation; and create 25 000 new jobs and 86 000 sustained jobs with SMME ecosystem partners. As part of this offering, the agency plans to continue providing financial support, technical assistance and governance management for the incubation centres.

Expenditure is expected to increase at an average annual rate of 0.4 per cent, from R897.7 million in 2020/21 to R908.7 million in 2023/24. Combined spending on goods and services, and compensation of employees accounts for 97.9 per cent (R2.6 billion) of the agency's total budget over the period ahead. The agency derives 96.5 per cent (R2.6 billion) of its revenue through transfers from the department, increasing in line with expenditure.

Programmes/Objectives/Activities

Table 36.15 Small Enterprise Development Agency expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	155.7	163.6	168.6	203.5	9.4%	20.2%	215.2	225.8	225.3	3.4%	24.2%
Township, rural and informal business	426.2	441.5	473.7	500.1	5.5%	54.0%	437.7	438.8	444.2	-3.9%	50.7%
Business competitiveness and viability	188.0	227.7	273.8	194.0	1.1%	25.8%	232.0	237.6	239.1	7.2%	25.1%
Total	769.9	832.8	916.1	897.7	5.3%	100.0%	884.8	902.2	908.7	0.4%	100.0%

Statements of financial performance, cash flow and financial position

Table 36.16 Small Enterprise Development Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	(10.8)	153.4	135.0	73.2	-289.3%	9.6%	17.1	18.0	18.8	-36.4%	3.5%
<i>of which:</i>											
Other non-tax revenue	(10.8)	153.4	135.0	73.2	-289.3%	9.6%	17.1	18.0	18.8	-36.4%	3.5%
Transfers received	811.3	724.9	817.4	824.5	0.5%	90.4%	867.8	884.2	889.9	2.6%	96.5%
Total revenue	800.5	878.2	952.4	897.7	3.9%	100.0%	884.8	902.2	908.7	0.4%	100.0%
Expenses											
Current expenses	769.9	832.8	916.1	897.7	5.3%	100.0%	884.8	902.2	908.7	0.4%	100.0%
Compensation of employees	326.3	340.0	367.4	353.7	2.7%	40.7%	390.0	409.5	421.7	6.0%	43.8%
Goods and services	430.5	476.5	534.4	525.9	6.9%	57.5%	477.1	474.1	467.3	-3.9%	54.1%
Depreciation	12.7	16.3	14.3	18.1	12.6%	1.8%	17.8	18.7	19.6	2.7%	2.1%
Interest, dividends and rent on land	0.4	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total expenses	769.9	832.8	916.1	897.7	5.3%	100.0%	884.8	902.2	908.7	0.4%	100.0%
Surplus/(Deficit)	30.6	45.4	36.3	-	-100.0%	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	114.5	73.2	(11.0)	18.1	-45.9%	100.0%	17.8	18.7	19.6	2.7%	100.0%
Receipts											
Non-tax receipts	79.2	149.5	14.8	73.2	-2.6%	9.2%	17.1	18.0	18.8	-36.4%	3.5%
Other tax receipts	79.2	149.5	14.8	73.2	-2.6%	9.2%	17.1	18.0	18.8	-36.4%	3.5%
Transfers received	721.9	724.9	916.7	824.5	4.5%	90.8%	867.8	884.2	889.9	2.6%	96.5%
Total receipts	801.1	874.4	931.6	897.7	3.9%	100.0%	884.8	902.2	908.7	0.4%	100.0%
Payment											
Current payments	686.6	801.2	942.5	879.5	8.6%	100.0%	867.0	883.5	889.0	0.4%	100.0%
Compensation of employees	326.3	340.0	367.4	353.7	2.7%	42.3%	390.0	409.5	421.7	6.0%	44.7%
Goods and services	359.9	461.2	575.1	525.9	13.5%	57.7%	477.1	474.1	467.3	-3.9%	55.3%
Interest and rent on land	0.4	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total payments	686.6	801.2	942.5	879.5	8.6%	100.0%	867.0	883.5	889.0	0.4%	100.0%
Net cash flow from investing activities	(7.9)	(6.3)	(14.6)	(23.6)	43.8%	100.0%	(22.4)	(23.2)	(27.7)	5.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(8.0)	(6.2)	(15.1)	(23.6)	43.3%	100.3%	(22.4)	(23.2)	(27.7)	5.5%	100.0%
Acquisition of software and other intangible assets	(0.1)	(0.2)	-	-	-100.0%	1.1%	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	0.2	-	0.4	-	-100.0%	-1.4%	-	-	-	-	-
Net cash flow from financing activities	-	-	(31.5)	-	-	-	-	-	-	-	-
Other flows from financing activities	-	-	(31.5)	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	106.6	66.8	(57.0)	(5.5)	-137.2%	3.8%	(4.6)	(4.4)	(8.1)	13.7%	-0.6%
Statement of financial position											
Carrying value of assets	49.8	39.5	39.5	35.4	-10.7%	16.2%	38.1	40.1	42.5	6.3%	29.7%
Acquisition of assets	(8.0)	(6.2)	(15.1)	(23.6)	43.3%	100.0%	(22.4)	(23.2)	(27.7)	5.5%	100.0%
Inventory	0.5	0.4	0.3	0.5	-2.1%	0.2%	0.5	0.5	0.5	2.7%	0.4%
Receivables and prepayments	9.5	13.3	34.1	5.0	-19.2%	5.7%	5.3	5.6	6.0	6.0%	4.2%
Cash and cash equivalents	194.2	261.0	204.0	151.4	-8.0%	77.9%	91.2	68.7	65.7	-24.3%	65.8%
Total assets	254.0	314.2	277.9	192.3	-8.8%	100.0%	135.1	114.9	114.7	-15.8%	100.0%
Accumulated surplus/(deficit)	78.6	124.0	128.8	92.0	5.4%	41.2%	35.0	15.0	15.0	-45.4%	25.0%
Trade and other payables	140.3	157.5	115.5	48.3	-29.9%	43.0%	48.1	47.9	47.7	-0.4%	36.0%
Provisions	35.0	32.7	33.6	52.0	14.1%	15.8%	52.0	52.0	52.0	-	39.0%
Total equity and liabilities	254.0	314.2	277.9	192.3	-8.8%	100.0%	135.1	114.9	114.7	-15.8%	100.0%

Personnel information**Table 36.17 Small Enterprise Development Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)		
		2019/20			2020/21			2021/22			2022/23			2023/24					2020/21 - 2023/24	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Small Enterprise Development Agency	-	-	-	367.4	-	-	353.7	-	-	390.0	-	-	409.5	-	-	421.7	-	6.0%	100.0%	
1-6	-	-	-	44.1	-	-	41.6	-	-	45.9	-	-	48.1	-	-	49.6	-	6.0%	11.8%	
7-10	-	-	-	234.4	-	-	226.6	-	-	249.8	-	-	262.3	-	-	270.2	-	6.0%	64.1%	
11-12	-	-	-	62.6	-	-	58.0	-	-	63.9	-	-	67.1	-	-	69.1	-	6.0%	16.4%	
13-16	-	-	-	23.3	-	-	24.8	-	-	27.3	-	-	28.7	-	-	29.5	-	6.0%	7.0%	
17-22	-	-	-	3.0	-	-	2.8	-	-	3.1	-	-	3.2	-	-	3.3	-	6.0%	0.8%	

1. Rand million.

