

Small Business Development

Budget summary

R million	2026/27				2027/28	2028/29
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	209.3	0.8	7.0	217.1	226.3	235.1
Sector Policy and Research	83.4	–	0.2	83.6	86.6	90.1
Integrated Cooperatives and Micro Enterprise Development	289.8	242.1	0.3	532.2	520.0	538.0
Enterprise Development, Innovation and Entrepreneurship	291.8	1 911.5	0.3	2 203.6	2 325.3	2 393.2
Total expenditure estimates	874.3	2 154.4	7.8	3 036.5	3 158.3	3 256.4
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

Lead and coordinate an integrated approach to the promotion and development of entrepreneurship among small, medium and micro enterprises and cooperatives, and ensure an enabling legislative and policy environment to support their growth and sustainability.

Mandate

The Department of Small Business Development is tasked with leading, coordinating, integrating and mobilising resources in the ecosystem to create an enabling environment for the growth, development and sustainability of small, medium and micro enterprises (SMMEs). The realisation of this mandate is expected to lead to a transformed and inclusive economy. The department's mandate is guided by a legislative framework that includes:

- section 3(d) of the Industrial Development Act (1940)
- the Businesses Act (1991)
- the National Small Enterprise Act (1996), as amended
- the 2004 cooperatives development policy
- the Cooperatives Development Act (2005), as amended
- the Cooperatives Amendment Act (2013)
- the National Small Enterprise Amendment Act (2024).

Selected performance indicators

Table 36.1 Performance indicators by programme and related MTDP outcome

Indicator	Programme	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Number of SMMEs exposed to global market opportunities	Integrated Cooperatives and Micro Enterprise Development	Increased trade and investment	68	317	244	200	200	200	200
Number of business infrastructure facilities (including products, markets and SMME hubs) for SMMEs refurbished or built per year	Integrated Cooperatives and Micro Enterprise Development		2	5	1	6	10	10	10

Table 36.1 Performance indicators by programme and related MTDP outcome (continued)

Indicator	Programme	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Number of informal businesses supported through the informal micro enterprise development programme	Integrated Cooperatives and Micro Enterprise Development		–1	2 045	2 920	3 000	3 000	3 000	3 000
Number of SMMEs and cooperatives supported through the business infrastructure support programme with equipment, tools, machinery, technology and energy support	Integrated Cooperatives and Micro Enterprise Development	Increased trade and investment	–1	–1	–1	50	50	50	50
Value of assistance provided to township and rural SMMEs through the asset assist support programme	Enterprise Development, Innovation and Entrepreneurship		–1	–1	–1	R208.4m	R215m	R225m	R235m

1. No historical data available.

Expenditure overview

Over the medium term, the department will focus on providing support for SMMEs, cooperatives and informal businesses with equipment, tools, machinery, technology and energy; refurbish or build approved business infrastructure in support of SMMEs and cooperatives; provide financial assistance to township and rural SMMEs; and continue to expose SMMEs and cooperatives to global market opportunities.

Total expenditure is set to increase at an average annual rate of 3.7 per cent, from R2.9 billion in 2025/26 to R3.3 billion in 2028/29, of which an estimated 71.7 per cent (R6.8 billion) is earmarked for support for SMMEs. An estimated 63.3 per cent (R6 billion) of the department's budget will be transferred to the Small Enterprise Development and Finance Agency to fund its operations and implement the technology, capacity building, blended finance, and township and rural entrepreneurship programmes on behalf of the department.

Supporting SMMEs

To strengthen the network of hubs for SMMEs across all districts, the department, in partnership with municipalities, aims to establish 30 SMME hubs over the medium term to provide accommodation, shared equipment and common infrastructure for formal and informal businesses and entrepreneurs. Spending on this initiative is projected to amount to R555 million over the period ahead in the *Integrated Cooperatives and Micro Enterprise Development* programme. In the same programme, a targeted 150 SMMEs and cooperatives will receive support by means of equipment, tools, machinery, technology and energy-related interventions through an allocation of R424.5 million over the period.

Inclusive economic participation for all

The department prioritises inclusive economic participation by empowering women, young people and people with disabilities. Over the next 3 years, it plans to expose 600 SMMEs and cooperatives to global market opportunities and provide targeted support to 9 000 informal businesses. To give effect to these targets, R204.6 million is allocated in the *Value Chain and Market Access Support* and *Economic Transformation Initiatives* subprogrammes in the *Integrated Cooperatives and Micro Enterprise Development* programme.

Further efforts will focus on SMMEs operating in rural, township and peri-urban areas, ensuring majority participation by women, young people and people with disabilities. An allocation of R675 million over the medium term in the *Funding Support and Coordination* subprogramme in the *Enterprise Development, Innovation and Entrepreneurship* programme will support 2 700 such enterprises with machinery, equipment, working capital and the acquisition of raw materials.

Expenditure trends and estimates

Table 36.2 Vote expenditure trends by programme and economic classification¹

Programmes											
1. Administration											
2. Sector Policy and Research											
3. Integrated Cooperatives and Micro Enterprise Development											
4. Enterprise Development, Innovation and Entrepreneurship											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Programme 1	122.5	142.6	165.7	203.2	18.4%	5.7%	217.1	226.3	235.1	5.0%	7.2%
Programme 2	20.9	14.4	37.3	67.2	47.7%	1.3%	83.6	86.6	90.1	10.3%	2.8%
Programme 3	113.7	130.8	142.7	482.7	61.9%	7.8%	532.2	520.0	538.0	3.7%	16.8%
Programme 4	2 536.4	2 435.7	2 323.2	2 165.0	-5.1%	85.2%	2 203.6	2 325.3	2 393.2	3.4%	73.2%
Subtotal	2 793.4	2 723.6	2 668.9	2 918.1	1.5%	100.0%	3 036.5	3 158.3	3 256.4	3.7%	100.0%
Total	2 793.4	2 723.6	2 668.9	2 918.1	1.5%	100.0%	3 036.5	3 158.3	3 256.4	3.7%	100.0%
Change to 2025 Budget estimate				-			(13.5)	(29.6)	(74.6)		
Economic classification											
Current payments	236.0	319.9	370.8	829.4	52.0%	15.8%	874.3	872.0	907.1	3.0%	28.1%
Compensation of employees	144.4	181.5	218.4	263.5	22.2%	7.3%	277.1	289.6	298.6	4.3%	9.2%
Goods and services ¹	91.6	138.4	152.4	565.8	83.5%	8.5%	597.2	582.4	608.5	2.5%	18.9%
<i>of which:</i>											
Communication	1.1	0.6	2.7	7.3	89.1%	0.1%	14.9	17.1	17.7	34.5%	0.5%
Consultants: Business and advisory services	7.1	5.7	6.8	23.4	48.6%	0.4%	31.6	25.1	26.4	4.1%	0.9%
Inventory: Other supplies	29.7	57.5	46.6	407.3	139.3%	4.9%	404.2	403.4	421.5	1.1%	13.0%
Operating leases	9.5	10.2	11.1	12.7	10.4%	0.4%	13.3	14.1	14.7	4.9%	0.4%
Travel and subsistence	22.0	31.7	41.7	54.4	35.1%	1.3%	72.2	60.5	63.6	5.4%	2.1%
Venues and facilities	1.6	3.2	15.1	13.0	100.8%	0.3%	15.1	15.8	16.4	8.1%	0.5%
Transfers and subsidies¹	2 550.5	2 394.5	2 290.9	2 080.3	-6.6%	83.9%	2 154.4	2 278.2	2 340.8	4.0%	71.7%
Departmental agencies and accounts	915.8	1 404.5	1 317.2	1.4	-88.4%	32.8%	1.0	1.0	1.0	-11.4%	0.0%
Public corporations and private enterprises	1 625.0	981.2	962.7	2 068.9	8.4%	50.8%	2 151.6	2 276.2	2 338.8	4.2%	71.6%
Non-profit institutions	8.6	8.0	9.4	8.5	-0.6%	0.3%	1.0	1.0	1.0	-50.9%	0.0%
Households	1.1	0.8	1.6	1.4	8.2%	0.0%	0.8	-	-	-100.0%	0.0%
Payments for capital assets	6.9	6.7	7.2	8.5	7.0%	0.3%	7.8	8.1	8.5	0.2%	0.3%
Machinery and equipment	6.9	6.7	7.1	8.5	6.8%	0.3%	7.8	8.1	8.5	0.3%	0.3%
Software and other intangible assets	-	-	0.0	0.0	0.0%	0.0%	-	-	-	-100.0%	0.0%
Payments for financial assets	-	2.5	0.0	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Total	2 793.4	2 723.6	2 668.9	2 918.1	1.5%	100.0%	3 036.5	3 158.3	3 256.4	3.7%	100.0%

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

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Households											
Social benefits											
Current	1 022	780	1 236	1 404	11.2%	-	-	-	-	-100.0%	-
Households	-	-	146	-	-	-	-	-	-	-	-
Employee social benefits	1 022	780	1 090	1 404	11.2%	-	-	-	-	-100.0%	-
Capital	-	-	-	-	-	-	791	-	-	-	0.0%
Early retirement and voluntary exit programmes	-	-	-	-	-	-	791	-	-	-	0.0%
Other transfers to households											
Current	100	37	405	18	-43.5%	-	-	-	-	-100.0%	-
Households	-	-	403	16	-	-	-	-	-	-100.0%	-
Employee social benefits	100	37	2	2	-72.9%	-	-	-	-	-100.0%	-

Table 36.3 Vote transfers and subsidies trends and estimates (continued)

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	915 760	1 404 483	1 317 189	1 440	-88.4%	39.1%	1 000	1 000	1 000	-11.4%	0.0%
Various institutions: Craft customised sector programme	1 393	1 537	1 115	1 440	1.1%	0.1%	1 000	1 000	1 000	-11.4%	0.0%
Small Enterprise Development Agency	738 751	1 226 206	1 131 397	–	-100.0%	33.2%	–	–	–	–	–
Small Enterprise Development Agency: Technology programme	159 445	160 466	167 672	–	-100.0%	5.2%	–	–	–	–	–
Small Enterprise Development Agency: Capacity-building programme	16 171	16 274	17 005	–	-100.0%	0.5%	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	1 546 618	922 214	932 695	1 910 079	7.3%	57.0%	1 909 486	2 024 537	2 080 262	2.9%	88.8%
Communication licences	1	1	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Craft customised sector programme	1 302	2 510	1 718	2 475	23.9%	0.1%	10 867	11 362	11 730	68.0%	0.5%
Small Enterprise Finance Agency: Township Entrepreneurship Fund	–	1 509	–	–	–	–	–	–	–	–	–
Small Enterprise Development and Finance Agency	279 489	238 729	288 587	1 907 604	89.7%	29.1%	1 898 619	2 013 175	2 068 532	2.7%	88.3%
Small Enterprise Finance Agency: Blended finance	362 501	294 514	298 209	–	-100.0%	10.3%	–	–	–	–	–
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	903 325	384 951	344 181	–	-100.0%	17.5%	–	–	–	–	–
Other transfers to private enterprises											
Current	5 092	58 961	–	–	-100.0%	0.7%	63 507	65 991	67 806	–	2.9%
Various institutions: Cooperatives incentive scheme	–	58 961	–	–	–	0.6%	–	–	–	–	–
Various institutions: Cooperatives development support programme	5 092	–	–	–	-100.0%	0.1%	63 507	65 991	67 806	–	2.9%
Capital	73 254	–	30 000	158 846	29.4%	2.8%	178 610	185 645	190 748	6.3%	8.2%
Various Institutions: Business Infrastructure Support	73 254	–	30 000	158 846	29.4%	2.8%	178 610	185 645	190 748	6.3%	8.2%
Non-profit institutions											
Current	8 613	8 000	9 388	8 471	-0.6%	0.4%	1 000	1 000	1 000	-50.9%	0.0%
Various institutions: Craft customised sector programme	8 613	8 000	9 388	8 471	-0.6%	0.4%	1 000	1 000	1 000	-50.9%	0.0%
Total	2 550 459	2 394 475	2 290 913	2 080 258	-6.6%	100.0%	2 154 394	2 278 173	2 340 816	4.0%	100.0%

Personnel information

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

Programmes																			
1. Administration																			
2. Sector Policy and Research																			
3. Integrated Cooperatives and Micro Enterprise Development																			
4. Enterprise Development, Innovation and Entrepreneurship																			
Number of posts estimated for 31 March 2026		Number and cost ² of personnel posts filled/planned for on funded establishment										Average growth rate (%)	Average: Salary level/ Total (%)						
Number of funded posts	Number of posts additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate													
		2024/25	Unit cost	2025/26	Unit cost	2026/27		2027/28		2028/29				2025/26 - 2028/29	2026/27 - 2028/29				
Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Unit cost					
Small Business Development																			
Salary level	418	99	310	218.4	0.7	328	263.5	0.8	339	277.1	0.8	330	289.6	0.9	315	298.6	0.9	-1.4%	100.0%
1 – 6	56	16	46	14.4	0.3	12	7.7	0.6	11	7.6	0.7	12	8.1	0.7	12	8.7	0.8	-1.4%	3.5%
7 – 10	207	59	128	70.8	0.6	165	96.8	0.6	173	105.6	0.6	172	111.4	0.6	172	116.8	0.7	1.4%	52.6%
11 – 12	77	–	63	58.7	0.9	73	71.9	1.0	84	86.5	1.0	85	92.3	1.1	84	96.3	1.2	4.7%	25.6%
13 – 16	54	2	46	66.0	1.4	53	79.1	1.5	44	68.9	1.6	43	70.7	1.7	41	71.0	1.8	-8.5%	12.9%
Other	24	22	27	8.4	0.3	25	8.1	0.3	28	8.5	0.3	18	7.2	0.4	7	5.7	0.8	-34.6%	5.4%
Programme	418	99	310	218.4	0.7	328	263.5	0.8	339	277.1	0.8	330	289.6	0.9	315	298.6	0.9	-1.4%	100.0%
Programme 1	169	27	151	101.0	0.7	122	107.0	0.9	133	118.1	0.9	130	124.2	1.0	124	128.3	1.0	0.5%	39.4%
Programme 2	62	8	41	30.8	0.8	51	40.1	0.8	59	49.6	0.8	55	52.3	0.9	52	54.3	1.0	1.1%	17.0%
Programme 3	62	2	49	37.4	0.8	55	44.7	0.8	62	53.6	0.9	63	56.4	0.9	59	58.0	1.0	2.1%	18.7%
Programme 4	125	62	68	49.2	0.7	100	71.8	0.7	85	55.7	0.7	82	56.7	0.7	80	58.1	0.7	-7.3%	25.0%

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

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)	
	2022/23	2023/24	2024/25					2025/26	2022/23 - 2025/26	2026/27			2027/28
R thousand													
Departmental receipts	61	2 419	503 835	326	326	74.8%	100.0%	80	85	90	-34.9%	100.0%	
Sales of goods and services produced by department	56	62	64	78	78	11.7%	0.1%	73	76	80	0.8%	89.8%	
Sales by market establishments	18	17	15	23	23	8.5%	–	25	26	28	6.8%	31.0%	
<i>of which:</i>													
<i>Parking</i>	18	17	15	23	23	8.5%	–	25	26	28	6.8%	31.0%	
Other sales	38	45	49	55	55	13.1%	–	48	50	52	-1.9%	58.8%	
<i>of which:</i>													
<i>Commission received on the deduction of insurance/premiums from employees' salaries</i>	38	45	49	55	55	13.1%	–	48	50	52	-1.9%	58.8%	
Transfers received	–	–	211	–	–	–	–	–	–	–	–	–	
Fines, penalties and forfeits	–	3	11	–	–	–	–	–	–	–	–	–	
Interest, dividends and rent on land	5	1 212	203	127	127	194.0%	0.3%	7	9	10	-57.1%	10.2%	
Interest	5	1 212	203	127	127	194.0%	0.3%	7	9	10	-57.1%	10.2%	
Sales of capital assets	–	–	240	–	–	–	–	–	–	–	–	–	
Transactions in financial assets and liabilities	–	1 142	503 106	121	121	–	99.6%	–	–	–	-100.0%	–	
Total	61	2 419	503 835	326	326	74.8%	100.0%	80	85	90	-34.9%	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	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27			2027/28
R million												
Ministry	31.6	36.8	42.3	35.4	3.9%	23.0%	37.4	39.2	41.3	5.3%	17.4%	
Departmental Management	18.1	20.5	23.1	27.7	15.2%	14.1%	28.8	30.2	31.5	4.5%	13.3%	
Corporate Management Services	55.4	65.6	76.5	113.1	26.9%	49.0%	117.2	122.1	127.9	4.2%	54.1%	
Financial Management	17.5	19.7	23.9	27.1	15.7%	13.9%	33.7	34.8	34.4	8.3%	15.2%	
Total	122.5	142.6	165.7	203.2	18.4%	100.0%	217.1	226.3	235.1	5.0%	100.0%	
Change to 2025 Budget estimate				–			8.3	8.4	7.3			

Table 36.6 Administration expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2022/23	2023/24	2024/25		2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
	R million										
Current payments	115.0	135.8	158.2	195.1	19.3%	95.3%	209.3	219.1	227.4	5.2%	96.7%
Compensation of employees	72.7	86.8	101.0	107.0	13.8%	58.0%	118.1	124.2	128.3	6.2%	54.6%
Goods and services	42.3	49.0	57.2	88.1	27.7%	37.3%	91.2	94.8	99.1	4.0%	42.0%
of which:											
Advertising	0.5	0.8	0.1	13.9	195.5%	2.4%	7.0	7.1	6.5	-22.5%	3.0%
Communication	0.9	0.5	2.6	6.8	97.5%	1.7%	14.2	16.3	16.8	35.1%	7.0%
Computer services	5.3	4.4	5.9	6.9	8.7%	3.5%	7.0	7.1	7.4	2.7%	3.2%
Contractors	0.3	0.2	0.5	2.7	115.3%	0.6%	6.3	5.9	6.1	30.9%	2.7%
Operating leases	9.5	10.2	11.1	12.7	10.4%	6.9%	13.3	14.1	14.7	4.9%	6.2%
Travel and subsistence	12.4	17.3	21.0	19.5	16.4%	11.1%	18.1	19.2	20.5	1.8%	8.5%
Transfers and subsidies	1.0	0.6	1.2	0.4	-26.0%	0.5%	0.8	-	-	-100.0%	0.1%
Public corporations and private enterprises	0.0	0.0	-	-	-100.0%	0.0%	-	-	-	-	-
Households	1.0	0.6	1.2	0.4	-26.0%	0.5%	0.8	-	-	-100.0%	0.1%
Payments for capital assets	6.5	6.1	6.3	7.6	5.8%	4.2%	7.0	7.3	7.7	0.2%	3.2%
Machinery and equipment	6.5	6.1	6.3	7.6	5.8%	4.2%	7.0	7.3	7.7	0.2%	3.2%
Software and other intangible assets	-	-	0.0	-	-	0.0%	-	-	-	-	-
Payments for financial assets	-	0.1	0.0	-	-	0.0%	-	-	-	-	-
Total	122.5	142.6	165.7	203.2	18.4%	100.0%	217.1	226.3	235.1	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	4.4%	5.2%	6.2%	7.0%	-	-	7.1%	7.2%	7.2%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.0	0.6	0.8	0.4	-26.6%	0.4%	-	-	-	-100.0%	-
Employee social benefits	1.0	0.6	0.8	0.4	-26.6%	0.4%	-	-	-	-100.0%	-
Capital	-	-	-	-	-	-	0.8	-	-	-	0.1%
Early retirement and voluntary exit programmes	-	-	-	-	-	-	0.8	-	-	-	0.1%
Other transfers to households											
Current	-	-	0.4	0.0	-	0.1%	-	-	-	-100.0%	-
Households	-	-	0.4	0.0	-	0.1%	-	-	-	-100.0%	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-
Communication licences	0.0	0.0	-	-	-100.0%	-	-	-	-	-	-

Personnel information

Table 36.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2026		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average Salary level/ Total (%)			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25	2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29										
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	169	27	151	101.0	0.7	122	107.0	0.9	133	118.1	0.9	130	124.2	1.0	124	128.3	1.0	0.5%	100.0%
1-6	42	16	34	9.8	0.3	2)	2.2	(1.2)	3)	1.8	(0.6)	3)	1.9	(0.7)	4)	1.8	(0.5)	27.4%	-2.5%
7-10	66	3	58	32.1	0.6	66	39.0	0.6	76	46.2	0.6	75	48.1	0.6	75	50.8	0.7	4.4%	58.4%
11-12	28	-	23	21.9	0.9	26	25.6	1.0	27	27.9	1.0	28	30.5	1.1	28	32.2	1.1	2.5%	21.4%
13-16	24	1	21	30.3	1.5	23	34.2	1.5	23	36.0	1.6	23	37.9	1.6	22	38.3	1.7	-1.6%	17.5%
Other	9	7	15	6.8	0.5	9	6.0	0.7	10	6.2	0.6	7	5.8	0.8	3	5.2	1.7	-30.7%	5.2%

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

2. Rand million.

Programme 2: Sector Policy and Research

Programme purpose

Oversee transversal support within the sector to provide a conducive environment for small, medium and micro enterprises.

Objectives

- Create an environment in which SMMEs can thrive over the medium term by:
 - reducing regulatory and administrative burdens
 - providing enabling regulation and legislation for the small enterprise ecosystem
 - enhancing evidence-based business information and sector-wide monitoring and evaluation
 - increasing the contribution of SMMEs in priority sectors
 - improving the coordination of ecosystem support for small enterprises.

Subprogrammes

- *Business Intelligence and Sector-wide Monitoring and Evaluation* manages the provision of evidence-based business information and sector-wide monitoring and evaluation.
- *Intergovernmental Relations and Business Efficiency* manages and facilitates intergovernmental relations to reduce administrative and regulatory burdens for SMMEs.
- *Sector-specific Support* manages initiatives to increase the development, participation and sustainability of small-scale manufacturers in key industries.

Expenditure trends and estimates

Table 36.8 Sector Policy and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2022/23	2023/24	2024/25		2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
R million											
Business Intelligence and Sector-Wide Monitoring and Evaluation	4.2	7.0	11.2	26.1	83.7%	34.7%	35.1	35.7	37.5	12.8%	41.6%
Intergovernmental Relations and Business Efficiency	16.7	7.3	12.7	19.9	6.1%	40.5%	22.0	23.0	23.6	5.8%	26.4%
Sector Specific Support	–	0.1	13.4	21.2	–	24.9%	26.6	27.8	29.0	11.0%	32.0%
Total	20.9	14.4	37.3	67.2	47.7%	100.0%	83.6	86.6	90.1	10.3%	100.0%
Change to 2025 Budget estimate				–			(2.7)	(2.5)	(2.9)		
Economic classification											
Current payments	20.8	14.3	37.1	66.7	47.5%	99.3%	83.4	86.3	89.9	10.4%	99.7%
Compensation of employees	16.1	12.3	30.8	40.1	35.5%	71.0%	49.6	52.3	54.3	10.6%	60.0%
Goods and services	4.7	2.0	6.3	26.6	78.6%	28.3%	33.8	34.1	35.6	10.2%	39.7%
of which:											
Catering: Departmental activities	0.0	0.1	0.1	1.2	208.0%	1.0%	1.0	1.0	1.0	-4.7%	1.2%
Consultants: Business and advisory services	3.5	1.4	3.5	19.6	77.1%	20.0%	19.6	19.7	20.9	2.2%	23.1%
Agency and support/outsourced services	–	–	–	–	–	–	1.0	1.0	1.0	–	1.2%
Travel and subsistence	0.9	0.5	2.3	3.9	62.3%	5.4%	4.9	5.0	5.2	10.4%	5.8%
Operating payments	–	0.0	0.1	–	–	0.1%	1.0	1.0	1.0	–	1.2%
Venues and facilities	0.0	–	0.2	0.8	537.4%	0.7%	5.2	5.2	5.2	88.5%	6.0%
Transfers and subsidies	–	0.1	0.0	0.3	–	0.3%	–	–	–	-100.0%	–
Households	–	0.1	0.0	0.3	–	0.3%	–	–	–	-100.0%	–
Payments for capital assets	0.1	0.1	0.2	0.2	38.8%	0.4%	0.2	0.2	0.2	-0.6%	0.3%
Machinery and equipment	0.1	0.1	0.2	0.2	38.8%	0.4%	0.2	0.2	0.2	-0.6%	0.3%
Total	20.9	14.4	37.3	67.2	47.7%	100.0%	83.6	86.6	90.1	10.3%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.5%	1.4%	2.3%	–	–	2.8%	2.7%	2.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	0.0	–	0.3	–	0.2%	–	–	–	-100.0%	–
Employee Social Benefits	–	0.0	–	0.3	–	0.2%	–	–	–	-100.0%	–
Other transfers to households											
Current	–	0.0	0.0	0.0	–	–	–	–	–	-100.0%	–
Households	–	–	0.0	0.0	–	–	–	–	–	-100.0%	–
Employee Social Benefits	–	0.0	–	0.0	–	–	–	–	–	-100.0%	–

Personnel information

Table 36.9 Sector Policy and Research personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25			2025/26			2026/27			2027/28			2028/29				
Sector Policy and Research			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	62	8	41	30.8	0.8	51	40.1	0.8	59	49.6	0.8	55	52.3	0.9	52	54.3	1.0	1.1%	100.0%
1 – 6	6	–	6	2.3	0.4	6	2.3	0.4	6	2.4	0.4	6	2.5	0.4	7	3.1	0.4	5.3%	11.4%
7 – 10	20	1	10	5.5	0.6	12	6.8	0.6	10	5.8	0.6	11	6.9	0.6	10	6.4	0.7	-6.2%	17.8%
11 – 12	18	–	11	9.9	0.9	16	15.2	1.0	23	23.1	1.0	23	24.4	1.1	23	25.7	1.1	12.5%	40.9%
13 – 16	11	–	9	12.4	1.4	10	14.9	1.5	11	17.0	1.5	11	17.8	1.6	11	18.7	1.7	3.2%	19.8%
Other	7	7	5	0.7	0.1	7	0.9	0.1	10	1.3	0.1	5	0.6	0.1	2	0.3	0.1	-34.1%	10.2%

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

2. Rand million.

Programme 3: Integrated Cooperatives and Micro Enterprise Development

Programme purpose

Drive economic transformation through the provision of integrated development and support services for informal businesses, cooperatives and micro enterprises.

Objectives

- Provide development and support services for informal businesses, cooperatives and micro enterprises to encourage economic transformation over the medium term by:
 - increasing the participation of SMMEs and cooperatives in domestic and international markets
 - expanding access to financial and non-financial support for small enterprises in rural and township economies.

Subprogrammes

- *Integrated Cooperatives and Micro Enterprise Development* provides leadership to the programme and coordinates the provision of business infrastructure services to small businesses, cooperatives and the informal sector.
- *Economic Transformation Initiatives* manages economic transformation through providing development and support services to informal businesses, cooperatives and micro enterprises.
- *Value Chain and Market Access Support* manages the provision of support to access and grow markets in value chains.

Expenditure trends and estimates

Table 36.10 Integrated Cooperatives and Micro 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 (%)
	2022/23	2023/24	2024/25				2025/26	2022/23 - 2025/26	2026/27		
R million											
Integrated Cooperatives and Micro Enterprise Development	73.3	4.7	35.7	319.6	63.4%	49.8%	326.6	339.8	351.8	3.2%	64.0%
Economic Transformation Initiatives	5.1	22.0	65.5	117.6	184.8%	24.2%	139.9	127.1	131.2	3.7%	25.0%
Value Chain and Market Access Support	35.3	104.2	41.4	45.5	8.8%	26.0%	65.7	53.1	55.1	6.6%	10.9%
Total	113.7	130.8	142.7	482.7	61.9%	100.0%	532.2	520.0	538.0	3.7%	100.0%
Change to 2025 Budget estimate				-			31.5	(2.8)	(8.2)		
Economic classification											
Current payments	35.2	60.5	112.0	262.2	95.3%	54.0%	289.8	268.1	279.2	2.1%	52.6%
Compensation of employees	28.9	41.3	37.4	44.7	15.7%	17.5%	53.6	56.4	58.0	9.1%	10.6%
Goods and services of which:	6.4	19.1	74.5	217.5	224.7%	36.5%	236.3	211.7	221.2	0.6%	42.1%
Administrative fees	0.8	5.1	3.9	0.4	-19.7%	1.2%	0.4	0.3	0.3	-8.1%	0.1%
Catering: Departmental activities	0.1	0.2	0.1	0.3	74.6%	0.1%	0.4	0.4	0.5	20.0%	0.1%
Fleet services (including government motor transport)	0.1	0.2	0.2	0.1	26.3%	0.1%	0.1	0.2	0.3	20.8%	0.0%
Inventory: Other supplies	-	-	46.6	188.0	-	27.0%	189.2	178.4	186.5	-0.3%	34.8%
Travel and subsistence	3.3	8.4	11.9	25.5	97.2%	5.7%	43.0	29.1	30.3	5.9%	6.4%
Venues and facilities	1.4	3.1	10.4	3.0	30.2%	2.1%	3.1	3.1	3.1	1.5%	0.6%
Transfers and subsidies	78.3	70.1	30.3	220.2	41.1%	45.9%	242.1	251.6	258.6	5.5%	47.3%
Departmental agencies and accounts	-	1.5	-	-	-	0.2%	-	-	-	-	-
Public corporations and private enterprises	78.3	60.5	30.0	220.2	41.1%	44.7%	242.1	251.6	258.6	5.5%	47.3%
Non-profit institutions	-	8.0	-	-	-	0.9%	-	-	-	-	-
Households	-	0.1	0.3	0.0	-	0.0%	-	-	-	-100.0%	-
Payments for capital assets	0.1	0.3	0.4	0.3	40.6%	0.1%	0.3	0.3	0.3	1.6%	0.1%
Machinery and equipment	0.1	0.3	0.4	0.3	40.6%	0.1%	0.3	0.3	0.3	1.6%	0.1%
Software and other intangible assets	-	-	0.0	-	-	0.0%	-	-	-	-	-
Total	113.7	130.8	142.7	482.7	61.9%	100.0%	532.2	520.0	538.0	3.7%	100.0%
Proportion of total programme expenditure to vote expenditure	4.1%	4.8%	5.3%	16.5%	-	-	17.5%	16.5%	16.5%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	-	0.1	0.3	-	-	-	-	-	-	-	-
Households	-	-	0.1	-	-	-	-	-	-	-	-
Employee social benefits	-	0.1	0.2	-	-	-	-	-	-	-	-
Other transfers to households											
Current	-	-	0.0	0.0	-	-	-	-	-	-100.0%	-
Households	-	-	0.0	0.0	-	-	-	-	-	-100.0%	-
Employee social benefits	-	-	0.0	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	1.5	-	-	-	0.2%	-	-	-	-	-
Various institutions: Craft customised sector programme	-	1.5	-	-	-	0.2%	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	-	1.5	-	61.4	-	7.2%	-	-	-	-100.0%	-
Small Enterprise Finance Agency: Township Entrepreneurship Fund	-	1.5	-	-	-	0.2%	-	-	-	-	-
Small Enterprise Development and Finance Agency	-	-	-	61.4	-	7.1%	-	-	-	-100.0%	-
Other transfers to private enterprises											
Current	5.1	59.0	-	-	-100.0%	7.4%	63.5	66.0	67.8	-	12.4%
Various institutions: Cooperatives incentive scheme	-	59.0	-	-	-	6.8%	-	-	-	-	-
Various institutions: Cooperatives development support programme	5.1	-	-	-	-100.0%	0.6%	63.5	66.0	67.8	-	12.4%
Capital	73.3	-	30.0	158.8	29.4%	30.1%	178.6	185.6	190.7	6.3%	34.9%
Various Institutions: Business Infrastructure Support	73.3	-	30.0	158.8	29.4%	30.1%	178.6	185.6	190.7	6.3%	34.9%
Non-profit institutions											
Current	-	8.0	-	-	-	0.9%	-	-	-	-	-
Various institutions: Craft customised sector programme	-	8.0	-	-	-	0.9%	-	-	-	-	-

Personnel information

Table 36.11 Integrated Cooperatives and Micro Enterprise Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)			
Number of funded posts	Number of posts additional to the establishment	Integrated Cooperatives and Micro Enterprise Development	Actual			Revised estimate			Medium-term expenditure estimate										
			2024/25			2025/26			2026/27		2027/28		2028/29		2025/26 - 2028/29	2026/27 - 2028/29			
Salary level	62	2	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
1 – 6	5	–	5	2.0	0.4	5	2.0	0.4	5	2.1	0.4	6	2.3	0.4	6	2.4	0.4	3.3%	8.7%
7 – 10	30	–	20	11.2	0.6	25	15.0	0.6	25	15.8	0.6	25	16.6	0.7	25	17.5	0.7	–	41.2%
11 – 12	16	–	15	14.7	1.0	15	15.6	1.0	17	18.2	1.1	17	19.2	1.1	16	19.2	1.2	2.2%	27.2%
13 – 16	9	–	7	9.3	1.4	8	11.8	1.5	11	16.9	1.5	11	17.8	1.6	11	18.7	1.7	11.1%	17.9%
Other	2	2	2	0.3	0.1	2	0.3	0.1	4	0.5	0.1	4	0.5	0.1	1	0.1	0.1	-20.6%	4.9%

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, Innovation and Entrepreneurship

Programme purpose

Oversee the promotion of a sector that enhances entrepreneurship and innovation during the establishment and growth of small, medium and micro enterprises, and ensures their sustainability.

Objectives

- Enhance entrepreneurship and innovation over the medium term by:
 - improving integrated and streamlined business processes and systems for SMMEs
 - scaling up and coordinating support for SMMEs, cooperatives and village and township economies
 - expanding access to financial and non-financial support to small enterprises and rural and township economies.

Subprogrammes

- Enterprise Development, Innovation and Entrepreneurship* provides leadership to the programme and manages the provision of innovative solutions that support the management of transversal applications and digital business.
- Entrepreneurship and Enterprise Development* manages the formulation of policy instruments and advocacy work aimed at the inclusion of SMMEs in the mainstream economy.
- Funding Support and Coordination* oversees the expansion of access to finance for SMMEs, cooperatives and the informal sector through an integrated approach.

Expenditure trends and estimates

Table 36.12 Enterprise Development, Innovation and Entrepreneurship 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 (%)
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28		
R million					2022/23 - 2025/26		2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29
Enterprise Development, Innovation and Entrepreneurship	0.2	1.8	6.5	9.6	266.5%	0.2%	20.4	13.5	14.2	13.8%	0.7%
Entrepreneurship and Enterprise Development	1 241.9	1 656.3	1 624.6	1 201.7	-1.1%	60.5%	1 198.6	1 286.4	1 321.7	3.2%	55.0%
Funding Support and Coordination	1 294.3	777.6	692.1	953.7	-9.7%	39.3%	984.5	1 025.5	1 057.3	3.5%	44.3%
Total	2 536.4	2 435.7	2 323.2	2 165.0	-5.1%	100.0%	2 203.6	2 325.3	2 393.2	3.4%	100.0%
Change to 2025 Budget estimate				–			(50.6)	(32.8)	(70.8)		

Table 36.12 Enterprise Development, Innovation and Entrepreneurship expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26				2026/27	2027/28	2028/29		
R million												
Current payments	65.0	109.3	63.6	305.3	67.5%	5.7%	291.8	298.5	310.6	0.6%	13.0%	
Compensation of employees	26.8	41.0	49.2	71.8	38.9%	2.0%	55.7	56.7	58.1	-6.8%	2.5%	
Goods and services	38.2	68.3	14.4	233.5	82.8%	3.7%	236.0	241.8	252.5	2.6%	10.6%	
<i>of which:</i>												
<i>Catering: Departmental activities</i>	0.3	0.8	0.1	0.5	21.3%	0.0%	0.5	0.7	0.7	17.3%	0.0%	
<i>Communication</i>	0.1	0.0	0.1	0.3	33.5%	0.0%	0.3	0.5	0.5	26.7%	0.0%	
<i>Consultants: Business and advisory services</i>	2.0	3.1	2.0	2.3	4.8%	0.1%	10.1	4.3	4.5	24.8%	0.3%	
<i>Inventory: Other supplies</i>	29.7	57.5	–	219.3	94.6%	3.2%	215.0	225.0	235.0	2.3%	9.8%	
<i>Travel and subsistence</i>	5.4	5.6	6.5	5.5	–	0.2%	6.3	7.2	7.6	11.6%	0.3%	
<i>Venues and facilities</i>	–	–	3.6	5.0	–	0.1%	3.5	3.7	3.7	-9.2%	0.2%	
Transfers and subsidies	2 471.1	2 323.7	2 259.4	1 859.4	-9.0%	94.2%	1 911.5	2 026.5	2 082.3	3.8%	87.0%	
Departmental agencies and accounts	915.8	1 402.9	1 317.2	1.4	-88.4%	38.4%	1.0	1.0	1.0	-11.4%	0.0%	
Public corporations and private enterprises	1 546.6	920.7	932.7	1 848.7	6.1%	55.5%	1 909.5	2 024.5	2 080.3	4.0%	86.9%	
Non-profit institutions	8.6	–	9.4	8.5	-0.6%	0.3%	1.0	1.0	1.0	-50.9%	0.0%	
Households	0.1	0.1	0.1	0.7	94.0%	0.0%	–	–	–	-100.0%	–	
Payments for capital assets	0.3	0.2	0.3	0.3	3.9%	0.0%	0.3	0.3	0.3	-2.1%	0.0%	
Machinery and equipment	0.3	0.2	0.3	0.3	0.7%	0.0%	0.3	0.3	0.3	1.1%	0.0%	
Software and other intangible assets	–	–	–	0.0	–	0.0%	–	–	–	-100.0%	–	
Payments for financial assets	–	2.4	–	–	–	0.0%	–	–	–	–	–	
Total	2 536.4	2 435.7	2 323.2	2 165.0	-5.1%	100.0%	2 203.6	2 325.3	2 393.2	3.4%	100.0%	
Proportion of total programme expenditure to vote expenditure	90.8%	89.4%	87.0%	74.2%	–	–	72.6%	73.6%	73.5%	–	–	
Details of transfers and subsidies												
Households												
Social benefits												
Current	–	0.1	0.1	0.7	–	–	–	–	–	-100.0%	–	
Employee social benefits	–	0.1	0.1	0.7	–	–	–	–	–	-100.0%	–	
Other transfers to households												
Current	0.1	–	–	0.0	-72.9%	–	–	–	–	-100.0%	–	
Households	–	–	–	0.0	–	–	–	–	–	-100.0%	–	
Employee social benefits	0.1	–	–	–	-100.0%	–	–	–	–	–	–	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	915.8	1 402.9	1 317.2	1.4	-88.4%	38.4%	1.0	1.0	1.0	-11.4%	0.0%	
Various institutions: Craft customised sector programme	1.4	–	1.1	1.4	1.1%	–	1.0	1.0	1.0	-11.4%	0.0%	
Small Enterprise Development Agency	738.8	1 226.2	1 131.4	–	-100.0%	32.7%	–	–	–	–	–	
Agency: Technology programme	159.4	160.5	167.7	–	-100.0%	5.2%	–	–	–	–	–	
Small Enterprise Development Agency: Capacity-building programme	16.2	16.3	17.0	–	-100.0%	0.5%	–	–	–	–	–	
Public corporations and private enterprises												
Other transfers to public corporations												
Current	1 546.6	920.7	932.7	1 848.7	6.1%	55.5%	1 909.5	2 024.5	2 080.3	4.0%	86.9%	
Various institutions: Craft customised sector programme	1.3	2.5	1.7	2.5	23.9%	0.1%	10.9	11.4	11.7	68.0%	0.5%	
Small Enterprise Development and Finance Agency	279.5	238.7	288.6	1 846.2	87.6%	28.0%	1 898.6	2 013.2	2 068.5	3.9%	86.4%	
Small Enterprise Finance Agency: Blended finance	362.5	294.5	298.2	–	-100.0%	10.1%	–	–	–	–	–	
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	903.3	385.0	344.2	–	-100.0%	17.3%	–	–	–	–	–	
Non-profit institutions												
Current	8.6	–	9.4	8.5	-0.6%	0.3%	1.0	1.0	1.0	-50.9%	0.0%	
Various institutions: Craft customised sector programme	8.6	–	9.4	8.5	-0.6%	0.3%	1.0	1.0	1.0	-50.9%	0.0%	

Personnel information

Table 36.13 Enterprise Development, Innovation and Entrepreneurship personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2026			Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts additional to the establishment	Actual	Medium-term expenditure estimate																
			Revised estimate			2026/27			2027/28			2028/29			2025/26 - 2028/29	2026/27 - 2028/29			
			2024/25	2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29										
Enterprise Development, Innovation and Entrepreneurship			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	125	62	68	49.2	0.7	100	71.8	0.7	85	55.7	0.7	82	56.7	0.7	80	58.1	0.7	-7.3%	100.0%
1 – 6	3	–	1	0.4	0.4	3	1.1	0.4	3	1.2	0.4	3	1.3	0.4	3	1.3	0.4	–	3.7%
7 – 10	91	55	40	22.0	0.6	62	36.0	0.6	62	37.8	0.6	62	39.9	0.6	62	42.1	0.7	–	75.6%
11 – 12	15	–	13	12.3	0.9	16	15.5	1.0	17	17.3	1.0	17	18.2	1.1	17	19.2	1.1	2.0%	20.8%
13 – 16	10	1	10	13.9	1.4	12	18.2	1.5	1)	(1.1)	0.8	2)	(2.9)	1.2	3)	(4.7)	1.4	-165.2%	-2.9%
Other	6	6	5	0.6	0.1	7	0.9	0.1	4	0.5	0.1	2	0.3	0.1	1	0.1	0.1	-47.7%	2.8%

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 and Finance Agency

Selected performance indicators

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

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Number of informal small enterprises provided with formalisation support per year	Business support development	Increased employment and work opportunities	– ¹	– ¹	– ¹	10 000	11 000	12 000	13 000
Number of small enterprises supported with business development services per year	Business support development		– ¹	– ¹	– ¹	45 000	100 500	110 550	121 605
Number of small enterprises supported through the incubation programme per year	Business support development		– ¹	– ¹	2 000	2 200	2 400	2 600	2 800
Number of small enterprises graduating from the incubation programme per year	Business support development		– ¹	– ¹	– ¹	1	240	260	280
Number of small enterprises supported to access local and export markets per year	Business support development		– ¹	– ¹	– ¹	– ¹	3 380	3 400	3 500
Number of jobs facilitated by small enterprises supported with business development per year	Business support development		– ¹	– ¹	– ¹	– ¹	30 800	31 000	32 000
Number of jobs facilitated (created and sustained) by small enterprises supported financially per year	Lending and investment		– ¹	– ¹	198 233	189 000	252 000	264 600	277 830
Value of disbursements to small enterprises per year	Lending and investment		– ¹	– ¹	R1.9bn	R1.1bn	R1.8bn	R1.7bn	R1.7bn
Value of credit guarantees taken up by small enterprise borrowers per year	Lending and investment		– ¹	– ¹	R1.4bn	R1.4bn	R1.5bn	R1.7bn	R1.9bn
Number of small enterprises funded by portfolio financial institutions at the back of the credit guarantee per year	Lending and investment		– ¹	– ¹	1 064	1 170	1 287	1 416	1 558

1. No historical data available.

Entity overview

The Small Enterprise Development and Finance Agency was established on in 2024/25 to support the growth of SMMEs in South Africa through a unified development finance approach. It is the result of the merger between the Small Enterprise Development Agency, the Small Enterprise Finance Agency and the Cooperative Banks Development Agency.

Over the medium term, the agency will provide comprehensive financial support to a targeted 108 170 SMMEs and non-financial support to a targeted 332 655 SMMEs, enabling their progression from start-ups to scalable, growth-ready businesses that drive job creation and economic development. The agency's expenditure is projected to decrease from R2.9 billion in 2025/26 to R2.7 billion in 2028/29, at an average annual rate of 2.5 per cent, as a result of the reprioritisation of funds to the department for initiatives such as the small business exporters development scheme, the informal micro enterprise development programme and the Office of the Small Enterprise Ombud Service. An estimated R5.4 billion will fund the business development services and lending and investment programmes, supporting a targeted 596 806 SMMEs. Spending on goods and services, mainly for operating payments, property payments, operating leases and computer services, is set to account for 49.7 per cent (R4 billion) of total expenditure, while compensation of employees accounts for a projected 40.7 per cent (R3.2 billion).

Transfers from the department account for an estimated 73.6 per cent (R6 billion) of total revenue over the period ahead, with the remainder set to be generated from investment income, fees and interest earned from loan programmes, and rental income from properties. Revenue is expected to decrease from R2.9 billion in 2025/26 to R2.8 billion in 2028/29, at an average annual rate of 1.2 per cent, in line with departmental transfers and reprioritisations away from some programmes.

Programmes/Objectives/Activities

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

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
R million											
Administration	–	–	259.8	529.0	–	20.4%	611.0	633.9	652.2	7.2%	23.8%
Business Support Development (BDS)	–	–	295.3	1 131.7	–	37.0%	876.8	991.1	943.6	-5.9%	35.3%
Eco System & Stakeholder management	–	–	25.7	96.6	–	3.2%	100.6	103.9	107.4	3.6%	3.9%
Lending and Investment	–	–	234.2	1 056.6	–	33.4%	891.7	861.9	826.4	-7.9%	32.4%
Capital Management	–	–	127.0	105.8	–	6.0%	86.9	110.0	172.4	17.7%	4.6%
Total	–	–	941.9	2 919.6	–	100.0%	2 566.9	2 700.7	2 702.1	-2.5%	100.0%

Statements of financial performance, cash flow and financial position

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

Statement of financial performance											
	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
R million											
Revenue											
Non-tax revenue	–	–	385.8	914.6	–	29.6%	688.9	711.4	745.8	-6.6%	26.4%
Sale of goods and services other than capital assets	–	–	98.8	216.4	–	7.2%	293.6	363.9	418.7	24.6%	13.2%
Other sales	–	–	13.9	–	–	0.3%	109.2	115.2	115.2	–	4.2%
Other non-tax revenue	–	–	287.0	698.3	–	22.4%	395.3	347.4	327.0	-22.3%	13.2%
Transfers received	–	–	1 089.6	2 006.1	–	70.4%	1 898.6	2 013.2	2 068.5	1.0%	73.6%
Total revenue	–	–	1 475.3	2 920.7	–	100.0%	2 587.5	2 724.5	2 814.3	-1.2%	100.0%
Expenses											
Current expenses	–	–	693.4	2 695.9	–	87.8%	2 366.3	2 524.2	2 474.3	-2.8%	92.4%
Compensation of employees	–	–	372.5	939.8	–	34.0%	1 016.9	1 079.3	1 144.9	6.8%	40.7%
Goods and services	–	–	298.5	1 702.7	–	51.8%	1 301.2	1 390.2	1 273.1	-9.2%	49.7%
Depreciation	–	–	17.5	44.3	–	1.6%	38.7	46.1	48.7	3.2%	1.7%
Interest, dividends and rent on land	–	–	4.9	9.1	–	0.4%	9.4	8.6	7.6	-5.8%	0.3%
Transfers and subsidies	–	–	248.5	223.7	–	12.2%	200.6	176.5	227.7	0.6%	7.6%
Total expenses	–	–	941.9	2 919.6	–	100.0%	2 566.9	2 700.7	2 702.1	-2.5%	100.0%
Surplus/(Deficit)	–	–	533.4	1.0	–	–	20.6	23.8	112.3	382.5%	–

Table 36.16 Small Enterprise Development Finance Agency statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2026/27	2027/28	2028/29	2025/26 - 2028/29	2026/27 - 2028/29	
R million											
Cash flow from operating activities	-	-	(59.0)	38.0	-	100.0%	438.4	543.6	606.2	151.6%	100.0%
Receipts											
Non-tax receipts	-	-	144.5	551.6	-	17.5%	451.0	518.7	596.0	2.6%	18.8%
Sales of goods and services other than capital assets	-	-	84.8	215.4	-	7.6%	168.4	234.8	288.9	10.3%	8.3%
Other sales	-	-	81.5	185.5	-	6.7%	168.4	234.8	288.9	15.9%	8.3%
Other tax receipts	-	-	59.7	336.2	-	10.0%	282.5	283.9	307.1	-3.0%	10.5%
Transfers received	-	-	672.9	1 913.6	-	65.2%	1 898.6	2 013.2	2 068.5	2.6%	71.7%
Financial transactions in assets and liabilities	-	-	329.4	356.0	-	17.3%	270.3	234.8	288.9	-6.7%	9.5%
Total receipts	-	-	1 146.8	2 821.2	-	100.0%	2 619.9	2 766.6	2 953.5	1.5%	100.0%
Payment											
Current payments	-	-	1 116.6	2 783.2	-	97.8%	2 181.5	2 223.1	2 347.2	-5.5%	100.0%
Compensation of employees	-	-	372.5	939.8	-	32.9%	1 016.9	1 079.3	1 144.9	6.8%	48.0%
Goods and services	-	-	739.2	1 843.3	-	64.7%	1 155.1	1 135.2	1 194.7	-13.5%	51.6%
Interest and rent on land	-	-	4.9	-	-	0.1%	9.4	8.6	7.6	-	0.4%
Transfers and subsidies	-	-	89.2	-	-	2.2%	-	-	-	-	-
Total payments	-	-	1 205.8	2 783.2	-	100.0%	2 181.5	2 223.1	2 347.2	-5.5%	100.0%
Net cash flow from advancing activities (financial institutions only)	-	-	(9.2)	(1 215.1)	-	100.0%	(992.1)	(947.3)	(758.2)	-14.5%	100.0%
Disbursements and other payments	-	-	(759.0)	(2 409.2)	-	258.8%	(2 379.3)	(1 947.7)	(1 874.0)	-8.0%	229.9%
Repayments and other receipts	-	-	749.8	1 194.1	-	-158.8%	1 387.2	1 000.4	1 115.9	-2.2%	-129.9%
Net cash flow from investing activities	-	-	229.1	278.5	-	100.0%	161.9	181.0	229.3	-6.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	-	-	(6.9)	(31.0)	-	-7.5%	(33.6)	(37.1)	(26.6)	-5.0%	-17.0%
Investment property	-	-	-	(11.0)	-	-2.2%	(10.5)	(10.9)	(9.9)	-3.6%	-5.5%
Acquisition of software and other intangible assets	-	-	(1.1)	(5.0)	-	-1.2%	(37.0)	(19.5)	(8.5)	19.3%	-11.4%
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	0.3	2.0	-	0.5%	-	-	-	-100.0%	-
Other flows from investing activities	-	-	236.9	323.5	-	110.4%	243.0	248.6	274.2	-5.4%	133.8%
Net cash flow from financing activities	-	-	(38.7)	(31.7)	-	100.0%	(30.8)	(31.9)	(33.1)	1.4%	100.0%
Borrowing activities	-	-	(7.5)	(15.9)	-	33.2%	(15.0)	(15.0)	(15.0)	-1.9%	46.9%
Repayment of finance leases	-	-	(31.2)	(15.8)	-	66.8%	(15.8)	(16.9)	(18.1)	4.6%	53.1%
Net increase/(decrease) in cash and cash equivalents	-	-	122.2	(930.3)	-	100.0%	(422.6)	(254.6)	44.2	-136.2%	100.0%
Statement of financial position											
Carrying value of assets	-	-	304.1	332.5	-	3.9%	392.0	391.0	410.2	7.3%	4.2%
<i>of which:</i>											
Acquisition of assets	-	-	(6.9)	(31.0)	-	100.0%	(33.6)	(37.1)	(26.6)	-5.0%	100.0%
Investments	-	-	1 073.3	1 072.8	-	13.0%	1 150.3	1 182.3	1 215.9	4.3%	12.4%
Inventory	-	-	-	0.3	-	-	0.4	0.4	0.4	11.1%	-
Loans	-	-	1 253.5	1 914.8	-	19.2%	2 109.5	2 597.5	2 905.9	14.9%	26.6%
Receivables and prepayments	-	-	340.1	436.9	-	4.7%	528.6	586.9	651.1	14.2%	6.2%
Cash and cash equivalents	-	-	6 024.8	3 739.8	-	59.2%	4 281.7	4 708.1	5 409.5	13.1%	50.4%
Taxation	-	-	6.2	0.0	-	-	46.2	23.9	-	-100.0%	0.2%
Total assets	-	-	9 002.0	7 497.1	-	100.0%	8 508.6	9 490.2	10 593.0	12.2%	100.0%
Accumulated surplus/(deficit)	-	-	(1 144.1)	1 854.0	-	4.3%	(979.7)	(971.9)	(895.1)	-178.4%	-10.0%
Capital and reserves	-	-	4 246.3	1 081.5	-	32.3%	4 373.2	4 373.2	4 373.2	59.3%	45.9%
Borrowings	-	-	74.2	68.3	-	0.9%	61.8	54.3	45.7	-12.5%	0.6%
Finance lease	-	-	105.9	9.7	-	0.7%	11.1	11.5	11.9	7.2%	0.1%
Deferred income	-	-	4 526.3	3 801.2	-	50.5%	4 235.5	5 321.2	6 343.8	18.6%	55.6%
Trade and other payables	-	-	346.7	253.0	-	3.6%	157.8	180.8	183.7	-10.1%	1.8%
Taxation	-	-	13.2	5.8	-	0.1%	-	-	56.8	114.0%	0.2%
Provisions	-	-	109.4	183.4	-	1.8%	217.5	192.7	166.6	-3.2%	2.0%
Managed funds	-	-	724.1	-	-	4.4%	201.3	103.4	81.4	-	1.4%
Derivatives financial instruments	-	-	-	240.3	-	1.5%	230.0	225.0	225.0	-2.2%	2.4%
Total equity and liabilities	-	-	9 002.0	7 497.1	-	100.0%	8 508.6	9 490.2	10 593.0	12.2%	100.0%

Personnel information

Table 36.17 Small Enterprise Development Finance Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2026		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: salary level/ Total (%)				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2024/25			2025/26			2026/27		2027/28		2028/29		2025/26 - 2028/29	2026/27 - 2028/29				
Small Enterprise Development Finance Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	1 464	1 464	1 083	372.5	0.3	1 416	939.8	0.7	1 422	1 016.9	0.7	1 428	1 079.3	0.8	1 434	1 144.9	0.8	0.4%	100.0%
1 – 6	600	600	322	59.1	0.2	579	142.9	0.2	588	164.0	0.3	594	174.3	0.3	600	183.6	0.3	1.2%	41.6%
7 – 10	662	662	596	214.7	0.4	646	570.8	0.9	641	602.6	0.9	641	639.1	1.0	641	678.7	1.1	-0.3%	44.9%
11 – 12	136	136	92	44.2	0.5	125	118.4	0.9	115	128.0	1.1	115	135.8	1.2	115	144.3	1.3	-2.7%	8.1%
13 – 16	66	66	73	54.5	0.7	66	107.8	1.6	78	122.3	1.6	78	130.0	1.7	78	138.2	1.8	5.7%	5.5%

1. Rand million.

