

Small Business Development

Budget summary

R million	2022/23				2023/24	2024/25
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	124.0	–	2.8	126.8	136.4	146.9
Sector and Market Development	46.9	83.3	1.3	131.4	137.9	146.7
Development Finance	32.4	1 337.9	0.4	1 370.7	1 348.8	1 396.3
Enterprise Development	49.8	884.2	0.2	934.2	946.8	995.5
Total expenditure estimates	253.1	2 305.4	4.7	2 563.1	2 569.9	2 685.3

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 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 is expected to lead to a transformed and inclusive economy driven by sustainable, innovative small, medium and micro enterprises (SMMEs) and cooperatives.

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

- section 3(d) of the Industrial Development Corporation Act (1940)
- the National Small Enterprise Act (1996)
- the National Small Business Amendment Act (2004)
- the Cooperatives 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		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of women-owned businesses supported to register on international platforms per year	Sector and Market Development	Priority 2: Economic transformation and job creation	–1	–1	–1	2 000	2 000	2 000	2 000
Number of SMMEs and cooperatives linked to international market opportunities per year	Sector and Market Development		–1	–1	–1	250	250	250	300
Number of SMMEs and cooperatives' business infrastructure refurbished or built per year	Sector and Market Development		–1	–1	–1	6	6	7	7

Table 36.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Value of support provided to township and rural enterprises per year	Development Finance	Priority 2: Economic transformation and job creation	– ¹	– ¹	– ¹	R694m	R700m	R750m	R800m
Number of crafters supported through the craft customised programme per year	Development Finance		– ¹	– ¹	– ¹	800	900	1 000	1 000
Value of support provided to cooperatives per year	Development Finance		– ¹	– ¹	– ¹	R88.6m	R76.9m	R73.1m	R68.6m

1. No historical data available.

Expenditure overview

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

Expenditure is expected to increase at an average annual rate of 0.6 per cent, from R2.6 billion in 2021/22 to R2.7 billion in 2024/25. Transfers and subsidies account for 89.6 per cent (R7 billion) of the department's budget over the period ahead, while 7.8 per cent (R657 million) is allocated for compensation of employees and 2.5 per cent (R191.3 million) for goods and services.

The department supports SMMEs primarily through its entity, the Small Enterprise Development Agency, through an allocation of R2.8 billion over the medium term. Additional support amounting to R509 million over the MTEF period will be provided to SMMEs through internally administered incentives such as the craft customised sector programme and the cooperatives development support programme in the *Development Finance* programme, and the product markets programme in the *Sector and Market Development* programme.

Over the period ahead, the department will intensify its establishment of affordable, safe and modernised spaces where SMMEs and cooperatives can meet potential buyers. Through this exposure to new product markets, small enterprises, particularly those in townships and rural areas, which have more opportunity to test, certify and improve their products. The department aims to link 750 SMMEs and cooperatives to international market opportunities, with particular emphasis on enterprises run by women, young people and people with disabilities. Expenditure for these activities is within an allocation of R254.6 million over the MTEF period in the *Sector and Market Development* 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 to roll out the Township and Rural Entrepreneurship Fund with the aim of supporting 100 000 township and rural enterprises by 2024. This initiative will be implemented through the Small Enterprise Finance Agency at an estimated cost of R2.9 billion over the medium term. In addition, the department has introduced a blended finance model to provide financing amounting to R827.3 million over the medium term to enterprises traditionally not supported by commercial banks and existing development finance institutions. The department has allocated R218.7 million over the same period to the cooperatives development support programme to continue supporting cooperatives to ensure their meaningful contribution to job creation and economic growth.

In an effort to establish a small enterprise ombud service, regulate and license businesses owned by foreign nationals, regulate unfair business practices, and review the definition of SMMEs to arrive at an inclusive understanding, the department aims to finalise amendments to the National Small Enterprise Act (1996) over the medium term. To ensure small businesses are able to access opportunities and dedicated support measures, the department plans to develop a national small enterprise master plan and contribute to the development of a creative industries master plan. Spending for these initiatives is within an allocation of R416 million over the MTEF period in the *Sector and Market Development* programme.

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	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Programme 1	110.0	101.7	94.9	109.1	-0.3%	4.9%	126.8	136.4	146.9	10.4%	5.0%
Programme 2	45.2	106.1	34.2	126.4	40.9%	3.7%	131.4	137.9	146.7	5.1%	5.2%
Programme 3	347.9	1 106.1	1 259.3	1 518.9	63.4%	49.6%	1 370.7	1 348.8	1 396.3	-2.8%	53.9%
Programme 4	916.5	914.9	860.7	882.1	-1.3%	41.9%	934.2	946.8	995.5	4.1%	36.0%
Total	1 419.5	2 228.8	2 249.2	2 636.5	22.9%	100.0%	2 563.1	2 569.9	2 685.3	0.6%	100.0%
Change to 2021				98.2			2.8	-	-		
Budget estimate											
Economic classification											
Current payments	206.6	198.8	183.7	222.8	2.5%	9.5%	253.1	282.6	312.6	12.0%	10.2%
Compensation of employees	133.0	137.1	135.0	154.6	5.1%	6.6%	190.0	220.3	246.7	16.9%	7.8%
Goods and services ¹	73.6	61.8	48.7	68.2	-2.5%	3.0%	63.0	62.4	65.9	-1.1%	2.5%
<i>of which:</i>											
<i>Audit costs: External</i>	5.3	3.2	3.4	6.0	4.1%	0.2%	4.6	4.6	4.8	-7.1%	0.2%
<i>Computer services</i>	7.0	5.3	6.3	7.4	1.7%	0.3%	7.7	7.2	7.5	0.4%	0.3%
<i>Consultants: Business and advisory services</i>	5.5	3.1	0.3	6.3	5.0%	0.2%	4.0	4.6	4.8	-8.6%	0.2%
<i>Operating leases</i>	20.4	21.6	22.9	9.8	-21.6%	0.9%	13.5	13.6	14.7	14.4%	0.5%
<i>Property payments</i>	0.0	-	0.6	2.5	841.0%	0.0%	2.6	2.7	2.8	3.8%	0.1%
<i>Travel and subsistence</i>	20.8	17.8	8.1	18.1	-4.4%	0.8%	15.9	15.3	16.0	-4.1%	0.6%
<i>Interest and rent on land</i>	-	-	-	0.0	0.0%	0.0%	-	-	-	-100.0%	0.0%
Transfers and subsidies¹	1 206.4	2 025.7	2 061.6	2 409.2	25.9%	90.3%	2 305.3	2 282.4	2 367.6	-0.6%	89.6%
Departmental agencies and accounts	840.1	881.8	824.5	838.5	-0.1%	39.7%	884.2	889.9	929.8	3.5%	33.9%
Public corporations and private enterprises	365.7	1 143.6	1 235.4	1 570.3	62.5%	50.6%	1 421.1	1 392.5	1 437.7	-2.9%	55.7%
Non-profit institutions	-	-	1.2	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Households	0.7	0.4	0.6	0.4	-11.9%	0.0%	-	-	-	-100.0%	0.0%
Payments for capital assets	6.5	4.2	3.9	4.5	-11.6%	0.2%	4.7	4.9	5.2	4.9%	0.2%
Machinery and equipment	5.0	4.2	3.9	4.1	-6.4%	0.2%	4.7	4.9	5.2	7.8%	0.2%
Software and other intangible assets	1.5	-	-	0.4	-37.5%	0.0%	-	-	-	-100.0%	0.0%
Payments for financial assets	-	-	-	0.0	0.0%	0.0%	-	-	-	-100.0%	0.0%
Total	1 419.5	2 228.8	2 249.2	2 636.5	22.9%	100.0%	2 563.1	2 569.9	2 685.3	0.6%	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 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R thousand											
Households											
Social benefits											
Current	454	385	558	447	-0.5%	-	-	-	-	-100.0%	-
Employee social benefits	211	14	239	347	18.0%	-	-	-	-	-100.0%	-
Households	243	371	319	100	-25.6%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											

Table 36.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R thousand											
Current	840 089	881 761	824 478	838 490	-0.1%	43.9%	884 215	889 871	929 834	3.5%	37.8%
Small Enterprise Development Agency	580 241	680 076	650 005	666 091	4.7%	33.4%	678 751	683 092	713 769	2.3%	29.3%
Small Enterprise Development Agency: Technology programme	199 359	152 281	158 408	156 525	-7.7%	8.7%	159 445	160 466	167 672	2.3%	6.9%
Small Enterprise Development Agency: Capacity-building programme	30 489	15 406	16 065	15 874	-19.6%	1.0%	16 171	16 274	17 005	2.3%	0.7%
Small Enterprise Development Agency: National gazelles programme	30 000	33 998	-	-	-100.0%	0.8%	29 848	30 039	31 388	-	1.0%
Non-profit institutions											
Current	-	-	1 238	-	-	-	-	-	-	-	-
Various institutions: Craft customised sector programme	-	-	1 238	-	-	-	-	-	-	-	-
Households											
Other transfers to households											
Current	200	-	-	-	-100.0%	-	-	-	-	-	-
Employee social benefits	100	-	-	-	-100.0%	-	-	-	-	-	-
Social benefits	100	-	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	365 703	443 584	69 858	134 381	-28.4%	13.2%	171 785	168 596	168 414	7.8%	6.9%
Various institutions: National informal business upliftment scheme	56 742	58 914	-	-	-100.0%	1.5%	-	-	-	-	-
Various institutions: Product markets	-	-	-	64 065	-	0.8%	83 254	83 786	87 549	11.0%	3.4%
Informal micro enterprise development programme	-	-	-	17 000	-	0.2%	-	-	-	-100.0%	0.2%
Various institutions: Black business supplier development programme	257 739	286 126	28 831	20 000	-57.3%	7.7%	-	-	-	-100.0%	0.2%
Various institutions: Craft customised sector programme	10 000	10 560	9 903	11 316	4.2%	0.5%	11 622	11 696	12 221	2.6%	0.5%
Various institutions: Cooperatives incentive scheme	41 222	87 984	31 124	-	-100.0%	2.1%	-	-	-	-	-
Various institutions: Cooperatives development support programme	-	-	-	22 000	-	0.3%	76 909	73 114	68 644	46.1%	2.6%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	-	700 000	1 165 500	1 435 899	-	42.9%	1 249 319	1 223 897	1 269 330	-4.0%	55.3%
Small Enterprise Finance Agency: Township Entrepreneurship Fund	-	700 000	-	-	-	9.1%	-	-	-	-	-
Small Enterprise Finance Agency: COVID-19 Emergency Relief Fund	-	-	1 154 500	-	-	15.0%	-	-	-	-	-
Small Enterprise Finance Agency: Blended finance	-	-	11 000	377 138	-	5.0%	295 994	264 475	266 821	-10.9%	12.9%
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	-	-	-	1 058 761	-	13.7%	953 325	959 422	1 002 509	-1.8%	42.4%
Total	1 206 446	2 025 730	2 061 632	2 409 217	25.9%	100.0%	2 305 319	2 282 364	2 367 578	-0.6%	100.0%

Personnel information

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

Number of posts estimated for 31 March 2022		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						2021/22 - 2024/25					
		2020/21		2021/22		2022/23		2023/24		2024/25									
Small Business Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	229	21	209	135.0	0.6	216	154.6	0.7	276	190.0	0.7	335	220.3	0.7	378	246.7	0.7	20.5%	100.0%
1 – 6	34	3	32	8.4	0.3	39	11.8	0.3	46	13.4	0.3	57	17.2	0.3	83	26.8	0.3	28.6%	18.7%
7 – 10	91	2	81	39.4	0.5	81	40.0	0.5	121	60.4	0.5	164	80.1	0.5	180	91.3	0.5	30.5%	45.3%
11 – 12	48	1	45	39.0	0.9	51	43.1	0.8	59	49.3	0.8	62	52.7	0.9	62	55.1	0.9	6.7%	19.4%
13 – 16	40	1	35	42.0	1.2	43	55.3	1.3	48	62.3	1.3	50	65.7	1.3	50	68.6	1.4	5.2%	15.9%
Other	16	14	16	6.2	0.4	2	4.4	2.2	2	4.5	2.3	2	4.6	2.3	3	4.9	1.6	14.5%	0.7%
Programme	229	21	209	135.0	0.6	216	154.6	0.7	276	190.0	0.7	335	220.3	0.7	378	246.7	0.7	20.5%	100.0%
Programme 1	102	11	94	56.7	0.6	103	70.9	0.7	124	83.9	0.7	140	93.7	0.7	151	101.9	0.7	13.6%	43.0%
Programme 2	35	6	32	22.9	0.7	31	23.5	0.8	45	32.2	0.7	57	38.0	0.7	63	42.0	0.7	26.7%	16.3%
Programme 3	39	2	33	20.0	0.6	33	22.6	0.7	41	26.6	0.6	55	34.3	0.6	63	39.9	0.6	24.1%	15.9%
Programme 4	53	2	50	35.4	0.7	49	37.7	0.8	66	47.3	0.7	83	54.3	0.7	101	62.9	0.6	27.3%	24.8%

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	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2018/19	2019/20	2020/21					2021/22	2022/23	2023/24		
Departmental receipts	1 329	23 257	300	87	195	-47.3%	100.0%	100	120	130	-12.6%	100.0%
Sales of goods and services produced by department	57	56	58	56	58	0.6%	0.9%	100	120	130	30.9%	74.9%
Sales by market establishments of which:												
Parking	57	24	24	21	22	-27.2%	0.5%	100	120	130	80.8%	68.3%
Other sales of which:												
List item	–	32	34	35	36	–	0.4%	–	–	–	-100.0%	6.6%
Transfers received	–	23 028	–	–	–	–	91.8%	–	–	–	–	–
Interest, dividends and rent on land	1	9	3	5	–	-100.0%	0.1%	–	–	–	–	–
Interest	1	9	3	5	–	-100.0%	0.1%	–	–	–	–	–
Sales of capital assets	175	145	121	–	121	-11.6%	2.2%	–	–	–	-100.0%	22.2%
Transactions in financial assets and liabilities	1 096	19	118	26	16	-75.6%	5.0%	–	–	–	-100.0%	2.9%
Total	1 329	23 257	300	87	195	-47.3%	100.0%	100	120	130	-12.6%	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 (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2018/19	2019/20	2020/21		2021/22	2018/19 - 2021/22	2022/23	2023/24	2024/25		
R million											
Ministry	32.7	19.1	19.3	31.7	-1.0%	24.7%	28.7	28.8	29.1	-2.8%	22.8%
Departmental Management	22.8	27.7	19.1	32.3	12.4%	24.5%	31.7	34.0	39.3	6.7%	26.4%
Corporate Services	35.1	39.0	37.7	26.6	-8.9%	33.3%	40.7	45.3	48.0	21.8%	30.9%
Financial Management	19.4	15.9	18.8	18.5	-1.6%	17.5%	25.8	28.3	30.5	18.2%	19.8%
Total	110.0	101.7	94.9	109.1	-0.3%	100.0%	126.8	136.4	146.9	10.4%	100.0%
Change to 2021				(7.2)			6.2	12.6	17.6		
Budget estimate											
Economic classification											
Current payments	107.7	100.2	93.4	108.1	0.1%	98.5%	124.0	133.4	143.9	10.0%	98.1%
Compensation of employees	60.9	58.4	56.7	70.9	5.2%	59.4%	83.9	93.7	101.9	12.8%	67.5%
Goods and services	46.8	41.8	36.8	37.2	-7.4%	39.1%	40.2	39.7	42.0	4.2%	30.6%
of which:											
Advertising	0.4	0.3	0.1	1.8	68.9%	0.6%	2.2	2.0	2.1	5.4%	1.5%
Audit costs: External	5.3	3.2	3.4	6.0	4.1%	4.3%	4.6	4.6	4.8	-7.1%	3.8%
Fleet services (including government motor transport)	1.5	1.2	0.6	1.2	-5.8%	1.1%	1.4	1.4	1.5	6.7%	1.1%
Operating leases	20.4	21.6	22.9	9.8	-21.6%	18.0%	13.5	13.6	14.7	14.4%	9.9%
Property payments	0.0	-	0.6	2.5	841.0%	0.7%	2.6	2.7	2.8	3.8%	2.0%
Travel and subsistence	11.3	7.6	5.3	8.3	-9.7%	7.8%	8.4	8.2	8.6	1.0%	6.4%
Interest and rent on land	-	-	-	0.0	-	-	-	-	-	-100.0%	-
Transfers and subsidies	0.2	0.4	0.3	0.1	-25.6%	0.2%	-	-	-	-100.0%	-
Households	0.2	0.4	0.3	0.1	-25.6%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	2.0	1.1	1.2	0.9	-22.8%	1.3%	2.8	2.9	3.1	48.7%	1.9%
Machinery and equipment	0.6	1.1	1.2	0.9	16.9%	0.9%	2.8	2.9	3.1	49.5%	1.9%
Software and other intangible assets	1.5	-	-	0.0	-78.2%	0.4%	-	-	-	-100.0%	-
Payments for financial assets	-	-	-	0.0	-	-	-	-	-	-100.0%	-
Total	110.0	101.7	94.9	109.1	-0.3%	100.0%	126.8	136.4	146.9	10.4%	100.0%
Proportion of total programme expenditure to vote expenditure	7.7%	4.6%	4.2%	4.1%	-	-	4.9%	5.3%	5.5%	-	-

Personnel information

Table 36.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022			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										
			2020/21			2021/22			2022/23		2023/24		2024/25		2021/22 - 2024/25				
Administration			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	102	11	94	56.7	0.6	103	70.9	0.7	124	83.9	0.7	140	93.7	0.7	151	101.9	0.7	13.6%	100.0%
1-6	25	3	24	6.1	0.3	24	6.8	0.3	25	6.9	0.3	26	7.4	0.3	34	10.7	0.3	12.3%	21.0%
7-10	33	2	28	11.9	0.4	33	14.8	0.4	47	21.4	0.5	60	27.5	0.5	62	29.6	0.5	23.4%	39.0%
11-12	23	1	22	17.7	0.8	25	20.5	0.8	28	22.8	0.8	28	23.2	0.8	28	24.2	0.9	3.8%	21.0%
13-16	15	1	14	16.2	1.2	19	24.3	1.3	22	28.2	1.3	24	31.0	1.3	24	32.4	1.4	8.1%	17.2%
Other	6	4	6	4.8	0.8	2	4.4	2.2	2	4.5	2.3	2	4.6	2.3	3	4.9	1.6	14.5%	1.7%

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 thought leadership in the sector.
- 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 into and growth of SMMEs in prioritised and designated sectors of the economy.
- *Business Intelligence and Knowledge Management* provides evidence-based business information to direct thought leadership in the sector.
- *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 (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Sector and Market Development Management	–	–	–	2.2	–	0.7%	2.2	2.2	2.2	0.2%	1.6%
Business Intelligence and Knowledge Management	19.9	21.2	17.2	26.4	9.9%	27.2%	21.1	23.5	24.8	-2.0%	17.7%
Ease of Doing Business	7.0	7.7	3.5	8.1	4.7%	8.4%	5.3	7.1	8.3	0.9%	5.3%
Access to Market Support	18.2	77.2	13.5	89.8	70.2%	63.7%	102.9	105.2	111.3	7.4%	75.4%
Total	45.2	106.1	34.2	126.4	40.9%	100.0%	131.4	137.9	146.7	5.1%	100.0%
Change to 2021 Budget estimate				(12.4)			(7.3)	6.4	9.2		
Economic classification											
Current payments	41.1	44.5	32.1	42.3	1.0%	51.3%	46.9	52.8	57.7	10.8%	36.8%
Compensation of employees	25.9	34.2	22.9	23.5	-3.2%	34.1%	32.2	38.0	42.0	21.3%	25.0%
Goods and services	15.3	10.3	9.2	18.9	7.3%	17.2%	14.7	14.8	15.7	-5.9%	11.8%
<i>of which:</i>											
Communication	0.5	0.2	1.1	0.9	21.8%	0.9%	0.3	0.2	0.2	-36.0%	0.3%
Computer services	6.5	1.7	6.0	6.6	0.8%	6.6%	6.7	6.2	6.5	-0.4%	4.8%
Consultants: Business and advisory services	3.1	2.2	0.2	4.8	15.9%	3.3%	2.8	3.6	3.8	-7.7%	2.8%
Travel and subsistence	3.9	4.9	1.3	3.1	-7.3%	4.3%	2.8	2.7	2.8	-3.6%	2.1%
Operating payments	0.0	0.4	0.2	0.4	281.0%	0.3%	0.4	0.4	0.4	1.4%	0.3%
Venues and facilities	0.1	0.2	0.0	2.6	229.1%	0.9%	1.4	1.4	1.5	-15.9%	1.3%
Transfers and subsidies	0.1	58.9	0.2	81.1	758.9%	45.0%	83.3	83.8	87.5	2.6%	61.9%
Public corporations and private enterprises	–	58.9	–	81.1	–	44.9%	83.3	83.8	87.5	2.6%	61.9%
Households	0.1	–	0.2	0.0	-40.5%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	3.9	2.7	1.9	3.0	-8.3%	3.7%	1.3	1.4	1.4	-21.8%	1.3%
Machinery and equipment	3.9	2.7	1.9	2.6	-12.0%	3.6%	1.3	1.4	1.4	-18.6%	1.2%
Software and other intangible assets	–	–	–	0.3	–	0.1%	–	–	–	-100.0%	0.1%
Total	45.2	106.1	34.2	126.4	40.9%	100.0%	131.4	137.9	146.7	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	3.2%	4.8%	1.5%	4.8%	–	–	5.1%	5.4%	5.5%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	–	0.2	0.0	-1.2%	0.1%	–	–	–	-100.0%	–
Employee social benefits	0.0	–	0.2	0.0	-1.2%	0.1%	–	–	–	-100.0%	–
Households											
Other transfers to households											
Current	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Employee social benefits	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											

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

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2018/19	2019/20	2020/21		2021/22	2018/19	2021/22	2022/23	2023/24		
R million												
Current		–	58.9	–	81.1	–	44.9%	83.3	83.8	87.5	2.6%	61.9%
Various institutions: National informal business upliftment scheme		–	58.9	–	–	–	18.9%	–	–	–	–	–
Various institutions: Product markets		–	–	–	64.1	–	20.5%	83.3	83.8	87.5	11.0%	58.7%
Informal micro enterprise development programme		–	–	–	17.0	–	5.5%	–	–	–	-100.0%	3.1%

Personnel information

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

Number of posts estimated for 31 March 2022		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/ Total (%)			
		Actual			Revised estimate			Medium-term expenditure estimate										
Number of funded posts	Number of posts additional to the establishment	2020/21			2021/22			2022/23		2023/24		2024/25		2021/22 - 2024/25				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost			
Sector and Market Development		35	22.9	0.7	32	23.5	0.8	45	32.2	0.7	57	38.0	0.7	63	42.0	0.7	26.7%	100.0%
1 – 6	3	–	2	0.7	0.3	6	2.1	0.3	8	2.6	0.3	11	3.9	0.4	22.4%	16.8%		
7 – 10	8	–	8	4.3	0.5	10	5.2	0.5	18	9.6	0.5	29	14.1	0.5	47.4%	45.4%		
11 – 12	10	–	9	8.4	0.9	7	5.8	0.8	10	8.2	0.8	11	9.5	0.9	16.3%	19.9%		
13 – 16	8	–	7	8.6	1.2	8	10.5	1.3	9	11.8	1.3	9	12.6	1.4	4.0%	17.9%		
Other	6	6	6	1.0	0.2	–	–	–	–	–	–	–	–	–	–	–	–	

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 into and growth of SMMEs in prioritised and designated sectors of the economy.
- *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 (%)
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million											
Development Finance Management	–	–	3.8	2.8	–	0.2%	2.3	2.3	2.4	-5.7%	0.2%
Model Funding Collaboration	2.3	2.2	2.6	5.0	30.1%	0.3%	4.3	4.3	6.7	9.8%	0.4%
Blended Finance	335.6	1 093.3	1 241.8	1 495.6	64.6%	98.4%	1 345.7	1 321.7	1 366.8	-3.0%	98.1%
Business Viability	10.0	10.6	11.1	15.4	15.4%	1.1%	18.4	20.5	20.5	10.0%	1.3%
Total	347.9	1 106.1	1 259.3	1 518.9	63.4%	100.0%	1 370.7	1 348.8	1 396.3	-2.8%	100.0%
Change to 2021				138.0			(13.6)	(34.9)	(49.7)		
Budget estimate											
Economic classification											
Current payments	38.3	21.0	22.0	28.9	-8.9%	2.6%	32.4	39.7	45.6	16.4%	2.6%
Compensation of employees	33.1	16.6	20.0	22.6	-12.0%	2.2%	26.6	34.3	39.9	21.0%	2.2%
Goods and services	5.2	4.4	2.1	6.4	7.2%	0.4%	5.7	5.4	5.7	-3.7%	0.4%
<i>of which:</i>											
Administrative fees	0.2	0.2	0.1	0.2	3.0%	–	0.2	0.2	0.2	-6.7%	–
Catering: Departmental activities	0.6	0.0	0.0	0.4	-11.6%	–	0.1	0.1	0.1	-48.0%	–
Communication	0.1	0.1	0.5	0.3	31.0%	–	0.2	0.2	0.2	-20.6%	–
Legal services	0.0	0.6	0.3	0.7	292.6%	–	1.6	1.6	1.6	30.9%	0.1%
Fleet services (including government motor transport)	0.1	0.2	0.0	0.1	5.7%	–	0.1	0.1	0.1	-14.8%	–
Travel and subsistence	3.7	3.1	1.1	4.5	6.9%	0.3%	3.6	3.4	3.5	-7.4%	0.3%
Transfers and subsidies	309.1	1 084.7	1 236.6	1 489.5	68.9%	97.3%	1 337.9	1 308.7	1 350.2	-3.2%	97.4%
Public corporations and private enterprises	309.0	1 084.7	1 235.4	1 489.2	68.9%	97.3%	1 337.9	1 308.7	1 350.2	-3.2%	97.4%
Non-profit institutions	–	–	1.2	–	–	–	–	–	–	–	–
Households	0.1	0.0	0.0	0.3	31.1%	–	–	–	–	-100.0%	–
Payments for capital assets	0.5	0.4	0.7	0.4	-4.0%	–	0.4	0.4	0.5	5.0%	–
Machinery and equipment	0.5	0.4	0.7	0.4	-4.0%	–	0.4	0.4	0.5	5.0%	–
Total	347.9	1 106.1	1 259.3	1 518.9	63.4%	100.0%	1 370.7	1 348.8	1 396.3	-2.8%	100.0%
Proportion of total programme expenditure to vote expenditure	24.5%	49.6%	56.0%	57.6%	–	–	53.5%	52.5%	52.0%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	0.0	0.0	0.3	31.1%	–	–	–	–	-100.0%	–
Employee social benefits	0.1	0.0	0.0	0.3	31.1%	–	–	–	–	-100.0%	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	–	700.0	1 165.5	1 435.9	–	78.0%	1 249.3	1 223.9	1 269.3	-4.0%	91.9%
Small Enterprise Finance Agency: Township Entrepreneurship Fund	–	700.0	–	–	–	16.5%	–	–	–	–	–
Small Enterprise Finance Agency: COVID-19 Emergency Relief Fund	–	–	1 154.5	–	–	27.3%	–	–	–	–	–
Small Enterprise Finance Agency: Blended finance	–	–	11.0	377.1	–	9.2%	296.0	264.5	266.8	-10.9%	21.4%
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	–	–	–	1 058.8	–	25.0%	953.3	959.4	1 002.5	-1.8%	70.5%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	309.0	384.7	69.9	53.3	-44.3%	19.3%	88.5	84.8	80.9	14.9%	5.5%
Various institutions: Black business supplier development programme	257.7	286.1	28.8	20.0	-57.3%	14.0%	–	–	–	-100.0%	0.4%
Various institutions: Craft customised sector programme	10.0	10.6	9.9	11.3	4.2%	1.0%	11.6	11.7	12.2	2.6%	0.8%
Various institutions: Cooperatives incentive scheme	41.2	88.0	31.1	–	-100.0%	3.8%	–	–	–	–	–
Various institutions: Cooperatives development support programme	–	–	–	22.0	–	0.5%	76.9	73.1	68.6	46.1%	4.3%
Non-profit institutions											
Current	–	–	1.2	–	–	–	–	–	–	–	–
Various institutions: Craft customised sector programme	–	–	1.2	–	–	–	–	–	–	–	–

Personnel information

Table 36.11 Development Finance personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022		Number and cost ² 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 additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25							
Development Finance		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	39	2	33	20.0	0.6	33	22.6	0.7	41	26.6	0.6	55	34.3	0.6	63	39.9	0.6	24.1%	100.0%
1 – 6	2	–	2	0.5	0.3	5	1.6	0.3	7	2.1	0.3	8	2.5	0.3	8	2.6	0.3	17.0%	14.6%
7 – 10	23	–	21	10.7	0.5	17	9.0	0.5	22	11.7	0.5	33	17.1	0.5	41	22.0	0.5	34.1%	58.9%
11 – 12	5	–	4	3.9	1.0	5	4.1	0.8	6	4.9	0.8	8	6.6	0.8	8	6.9	0.9	17.0%	14.1%
13 – 16	7	–	4	4.6	1.2	6	7.8	1.3	6	7.9	1.3	6	8.1	1.3	6	8.4	1.4	–	12.5%
Other	2	2	2	0.2	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–

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 – including for informal businesses – for township, village and rural economies.
- Advance the competitiveness of SMMEs through an integrated approach that includes implementing the district development model.
- Drive the transformation of the economy through the formulation of policy instruments and advocacy work aimed at including SMMEs in the mainstream economy.

Subprogrammes

- *Enterprise Development Management* provides leadership to the programme, oversees the execution of programmes, and coordinates the provision of infrastructure to encourage and support the development of entrepreneurs.
- *Enterprise and Supplier Development* drives the transformation of the economy through the formulation of policy instruments and advocacy work aimed at including SMMEs in the mainstream economy.
- *SMME Competitiveness* works with municipalities through their integrated development plans to develop, enhance and implement enterprise development programmes that are geared 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 (%)
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
R million											
Enterprise Development Management	–	–	2.0	6.4	–	0.2%	2.3	2.3	2.3	-28.7%	0.4%
Enterprise and Supplier Development	857.2	898.2	848.2	862.0	0.2%	97.0%	900.5	909.8	952.8	3.4%	96.5%
SMME Competitiveness	59.3	16.8	10.5	13.7	-38.7%	2.8%	31.4	34.7	40.3	43.4%	3.2%
Total	916.5	914.9	860.7	882.1	-1.3%	100.0%	934.2	946.8	995.5	4.1%	100.0%
Change to 2021				(20.3)			17.6	15.9	22.8		
Budget estimate											

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

Economic classification	Audited outcome			Adjusted appropriation 2021/22	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%)
	2018/19	2019/20	2020/21		2018/19 - 2021/22	2021/22	2022/23	2023/24	2024/25		
	R million										
Current payments	19.4	33.1	36.1	43.5	30.8%	3.7%	49.8	56.7	65.4	14.6%	5.7%
Compensation of employees	13.1	27.9	35.4	37.7	42.3%	3.2%	47.4	54.3	62.9	18.7%	5.4%
Goods and services	6.3	5.2	0.7	5.8	-3.0%	0.5%	2.4	2.4	2.5	-24.5%	0.3%
<i>of which:</i>											
Administrative fees	0.1	0.1	0.0	0.2	20.0%	–	0.1	0.1	0.1	-21.3%	–
Catering: Departmental activities	1.0	0.1	0.0	0.1	-48.0%	–	0.1	0.1	0.1	-19.9%	–
Computer services	–	1.9	–	0.4	–	0.1%	0.4	0.4	0.4	1.7%	–
Consultants: Business and advisory services	1.3	0.3	–	0.4	-32.4%	0.1%	0.1	0.0	0.1	-50.0%	–
Travel and subsistence	1.9	2.2	0.4	2.2	5.0%	0.2%	1.1	1.0	1.1	-20.8%	0.1%
Venues and facilities	1.1	0.3	0.0	2.2	24.8%	0.1%	0.7	0.7	0.7	-30.1%	0.1%
Transfers and subsidies	897.0	881.8	824.5	838.5	-2.2%	96.3%	884.2	889.9	929.8	3.5%	94.2%
Departmental agencies and accounts	840.1	881.8	824.5	838.5	-0.1%	94.7%	884.2	889.9	929.8	3.5%	94.2%
Public corporations and private enterprises	56.7	–	–	–	-100.0%	1.6%	–	–	–	–	–
Households	0.1	–	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.1	0.1	0.1	0.2	7.9%	–	0.2	0.2	0.2	10.0%	–
Machinery and equipment	0.1	0.1	0.1	0.2	7.9%	–	0.2	0.2	0.2	10.0%	–
Total	916.5	914.9	860.7	882.1	-1.3%	100.0%	934.2	946.8	995.5	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	64.6%	41.1%	38.3%	33.5%	–	–	36.4%	36.8%	37.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Employee social benefits	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	56.7	–	–	–	-100.0%	1.6%	–	–	–	–	–
Various institutions: National informal business upliftment scheme	56.7	–	–	–	-100.0%	1.6%	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	840.1	881.8	824.5	838.5	-0.1%	94.7%	884.2	889.9	929.8	3.5%	94.2%
Small Enterprise Development Agency	580.2	680.1	650.0	666.1	4.7%	72.1%	678.8	683.1	713.8	2.3%	72.9%
Small Enterprise Development Agency: Technology programme	199.4	152.3	158.4	156.5	-7.7%	18.6%	159.4	160.5	167.7	2.3%	17.1%
Small Enterprise Development Agency: Capacity-building programme	30.5	15.4	16.1	15.9	-19.6%	2.2%	16.2	16.3	17.0	2.3%	1.7%
Small Enterprise Development Agency: National gazelles programme	30.0	34.0	–	–	-100.0%	1.8%	29.8	30.0	31.4	–	2.4%

Personnel information

Table 36.13 Enterprise Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2022		Number and cost ² 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 additional to the establishment	Actual		Revised estimate		Medium-term expenditure estimate														
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Enterprise Development		53	2	50	35.4	0.7	49	37.7	0.8	66	47.3	0.7	83	54.3	0.7	101	62.9	0.6	27.3%	100.0%
Salary level																				
1 – 6	4	–	4	1.1	0.3	4	1.2	0.3	6	1.8	0.3	15	4.6	0.3	30	9.6	0.3	95.7%	18.4%	
7 – 10	27	–	24	12.5	0.5	21	11.0	0.5	34	17.7	0.5	42	21.4	0.5	45	23.8	0.5	28.9%	47.5%	
11 – 12	10	–	10	9.0	0.9	14	12.7	0.9	15	13.5	0.9	15	13.7	0.9	15	14.4	1.0	2.3%	19.7%	
13 – 16	10	–	10	12.6	1.3	10	12.8	1.3	11	14.3	1.3	11	14.6	1.3	11	15.2	1.4	3.2%	14.4%	
Other	2	2	2	0.2	0.1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	

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		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of SMMEs and cooperatives reached through entrepreneurship awareness sessions per year	Township, rural and informal business	Priority 2: Economic transformation and job creation	-1	-1	-1	16 666	20 000	25 000	30 000
Number of jobs created per year	Township, rural and informal business		-1	-1	-1	3 500	5 000	6 000	6 500
Number of SMMEs and cooperatives supported to be competitive in local markets per year	Business competitiveness and viability		-1	-1	-1	-1	3 000	3 500	4 000
Number of SMMEs and cooperatives listed to supply wholesalers and retailers per year	Business competitiveness and viability		-1	-1	-1	-1	1 250	1 500	1 500
Number of SMMEs and cooperatives exposed to international markets per year	Business competitiveness and viability		-1	-1	-1	-1	1 000	1 250	1 500
Number of SMMEs and cooperatives assisted with quality improvement per year	Business competitiveness and viability		-1	-1	-1	-1	2 500	2 800	3 000
Number of SMMEs and cooperatives assisted through the ecosystem per year	Business competitiveness and viability		-1	-1	-1	-1	9 000	12 000	15 000
Percentage of identified stakeholders participating in the ecosystem per year	Business competitiveness and viability		-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	4 091	5 254	5 254
Number of SMMEs and cooperatives supported through sector-specific training per year	Business competitiveness and viability		-1	-1	-1	-1	4 000	4 500	5 000

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 continue to promote business competitiveness, viability and localisation, with a particular focus on the development of township, rural and informal businesses by facilitating the establishment of new incubators in these areas. Over the MTEF period, the agency plans to support an estimated 10 500 SMMEs and cooperatives to be competitive in local markets; and create 17 500 jobs within the SMME ecosystem. To achieve these targets, expenditure is expected to increase at an average annual rate of 2.9 per cent, from R870.8 million in 2021/22 to R949.6 million in 2024/25.

The agency expects to derive 95.4 per cent (R2.7 billion) of its revenue over the medium term through transfers from the department. Revenue is expected to increase in line with expenditure.

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

R million	Audited outcome			Revised estimate 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Administration	163.6	168.6	167.3	182.7	3.7%	20.3%	208.3	218.2	228.0	7.7%	23.0%
Township, rural and informal business	441.5	473.7	409.9	446.9	0.4%	52.7%	456.3	451.3	471.6	1.8%	50.3%
Business competitiveness and viability	227.7	273.8	171.4	241.3	2.0%	27.0%	237.6	239.1	249.9	1.2%	26.7%
Total	832.8	916.1	748.7	870.8	1.5%	100.0%	902.2	908.7	949.6	2.9%	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 2021/22	Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2021/22	Medium-term expenditure estimate			Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25		
Revenue											
Non-tax revenue	153.4	135.0	120.3	107.7	-11.1%	14.5%	18.0	18.8	19.7	-43.3%	4.6%
<i>of which:</i>											
Other non-tax revenue	153.4	135.0	120.3	107.7	-11.1%	14.5%	18.0	18.8	19.7	-43.3%	4.6%
Transfers received	724.9	817.4	747.4	763.0	1.7%	85.5%	884.2	889.9	929.9	6.8%	95.4%
Total revenue	878.2	952.4	867.7	870.8	-0.3%	100.0%	902.2	908.7	949.6	2.9%	100.0%
Expenses											
Current expenses	832.8	916.1	748.7	870.8	1.5%	100.0%	902.2	908.7	949.6	2.9%	100.0%
Compensation of employees	340.0	367.4	335.3	368.0	2.7%	42.0%	385.0	401.3	420.4	4.5%	43.3%
Goods and services	476.5	534.4	400.8	488.9	0.9%	56.3%	503.9	493.3	514.3	1.7%	55.1%
Depreciation	16.3	14.3	12.5	13.9	-5.2%	1.7%	13.4	14.1	14.8	2.2%	1.5%
Interest, dividends and rent on land	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total expenses	832.8	916.1	748.7	870.8	1.5%	100.0%	902.2	908.7	949.6	2.9%	100.0%
Surplus/(Deficit)	45.4	36.3	119.1	-	-100.0%	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	73.2	(11.0)	163.5	(12.7)	-155.7%	100.0%	13.4	14.1	14.8	-205.4%	100.0%
Receipts											
Tax receipts	-	-	16.4	96.2	-	3.2%	-	-	-	-100.0%	2.8%
Non-tax receipts	16.1	13.1	11.3	10.0	-14.7%	1.4%	6.0	6.3	6.5	-13.4%	0.8%
Other tax receipts	16.1	13.1	11.3	10.0	-14.7%	1.4%	6.0	6.3	6.5	-13.4%	0.8%
Transfers received	724.9	816.7	844.6	763.0	1.7%	91.4%	884.2	889.9	929.9	6.8%	95.4%
Financial transactions in assets and liabilities	133.4	1.7	1.7	1.5	-77.5%	4.0%	12.0	12.5	13.2	105.0%	1.1%
Total receipts	874.4	931.6	874.0	870.8	-0.1%	100.0%	902.2	908.7	949.6	2.9%	100.0%
Payment											
Current payments	801.2	942.5	710.5	883.4	3.3%	100.0%	888.9	894.6	934.8	1.9%	100.0%
Compensation of employees	340.0	367.4	335.3	357.3	1.7%	42.3%	385.0	401.3	420.4	5.6%	43.4%
Goods and services	461.2	575.1	375.2	526.1	4.5%	57.7%	503.9	493.3	514.3	-0.8%	56.6%
Interest and rent on land	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total payments	801.2	942.5	710.5	883.4	3.3%	100.0%	888.9	894.6	934.8	1.9%	100.0%
Net cash flow from investing activities	(6.3)	(14.6)	(24.0)	(16.6)	37.9%	100.0%	(23.2)	(27.7)	(27.7)	18.6%	100.0%
Acquisition of property, plant, equipment and intangible assets	(6.2)	(15.1)	(24.2)	(16.6)	39.2%	100.3%	(23.2)	(27.7)	(27.7)	18.6%	100.0%
Acquisition of software and other intangible assets	(0.2)	-	-	-	-100.0%	0.7%	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.4	0.2	-	-	-1.0%	-	-	-	-	-
Net cash flow from financing activities	-	(31.5)	-	-	-	-	-	-	-	-	-
Other flows from financing activities	-	(31.5)	-	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	66.8	(57.0)	139.5	(29.3)	-176.0%	4.3%	(9.8)	(13.7)	(12.9)	-23.8%	-1.8%

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

Statement of financial position		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2018/19	2019/20	2020/21				2021/22	2022/23	2023/24		
R million												
Carrying value of assets		39.5	39.5	50.9	38.1	-1.1%	16.8%	40.1	42.5	43.8	4.7%	34.7%
Acquisition of assets		(6.2)	(15.1)	(24.2)	(16.6)	39.2%	100.0%	(23.2)	(27.7)	(27.7)	18.6%	100.0%
Inventory		0.4	0.3	0.3	0.5	2.8%	0.2%	0.5	0.5	0.5	3.2%	0.4%
Receivables and prepayments		13.3	34.1	27.8	5.3	-26.4%	6.8%	5.6	6.0	6.5	7.0%	4.9%
Cash and cash equivalents		261.0	204.0	343.5	91.2	-29.6%	76.3%	68.7	65.7	63.0	-11.6%	60.0%
Total assets		314.2	277.9	422.6	135.1	-24.5%	100.0%	114.9	114.7	113.8	-5.6%	100.0%
Accumulated surplus/(deficit)		124.0	128.8	247.9	35.0	-34.4%	42.6%	15.0	15.0	15.0	-24.6%	16.3%
Trade and other payables		157.5	115.5	141.1	81.6	-19.7%	46.4%	47.9	47.7	44.8	-18.2%	45.8%
Provisions		32.7	33.6	33.6	18.5	-17.4%	11.0%	52.0	52.0	54.0	43.0%	37.9%
Total equity and liabilities		314.2	277.9	422.6	135.1	-24.5%	100.0%	114.9	114.7	113.8	-5.6%	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 2022		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											
		2020/21		2021/22		2022/23		2023/24		2024/25		2021/22 - 2024/25							
Small Enterprise Development Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	758	758	335.3	0.4	758	368.0	0.5	758	385.0	0.5	758	401.3	0.5	758	420.4	0.6	4.5%	100.0%	
1 – 6	260	260	260	41.5	0.2	260	45.6	0.2	260	47.7	0.2	260	49.7	0.2	260	52.1	0.2	4.5%	12.4%
7 – 10	411	411	411	206.7	0.5	411	226.9	0.6	411	237.4	0.6	411	247.4	0.6	411	259.2	0.6	4.5%	61.7%
11 – 12	67	67	67	61.3	0.9	67	67.2	1.0	67	70.3	1.0	67	73.3	1.1	67	76.8	1.1	4.5%	18.3%
13 – 16	20	20	20	25.8	1.3	20	28.3	1.4	20	29.6	1.5	20	30.9	1.5	20	32.3	1.6	4.5%	7.7%

1. Rand million.