

SMALL BUSINESS DEVELOPMENT

Budget summary

R million	2024/25				2025/26	2026/27
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	164.7	–	4.9	169.6	176.8	184.9
Sector Policy and Research	60.8	–	0.1	60.9	67.4	70.0
Integrated Cooperatives and Micro Enterprise Development	139.0	63.3	0.1	202.4	208.3	216.8
Enterprise Development, Innovation and Entrepreneurship	32.9	1 970.7	0.1	2 003.7	2 091.7	2 190.1
Total expenditure estimates	397.3	2 034.0	5.2	2 436.5	2 544.3	2 661.8

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 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 and 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 Business Act (1991)
- the National Small Enterprise Act (1996), as amended
- 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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of interventions exposing SMMEs and cooperatives to global market opportunities per year	Integrated Cooperatives and Micro Enterprise Development	Priority 2: Economic transformation and job creation	– ¹	242	68	200	200	200	200
Number of business infrastructure for SMMEs and cooperatives refurbished or built per year	Integrated Cooperatives and Micro Enterprise Development		– ¹	– ¹	2	7	5	5	5

Table 36.1 Performance indicators by programme and related priority (continued)

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of cooperatives supported financially and/or non-financially per year	Integrated Cooperatives and Micro Enterprise Development	Priority 2: Economic transformation and job creation	- ¹	- ¹	321	250	250	250	250
Number of informal businesses supported through the informal micro enterprises development programme per year ²	Integrated Cooperatives and Micro Enterprise Development		- ¹	- ¹	- ¹	1 333	2 000	2 000	2 000
Number of interventions providing financial and/or non-financial support to township and rural enterprises per year	Enterprise Development, Innovation and Entrepreneurship		13 987	- ¹	18 759	20 000	30 000	40 000	50 000
Number of interventions provided to crafters supported through the craft customised sector programme per year	Enterprise Development, Innovation and Entrepreneurship		726	953	659	1 000	1 000	1 000	1 000

1. No historical data available.

2. New indicator.

Expenditure overview

Over the medium term, the department will focus on enabling greater access to financial and non-financial support for SMMEs, cooperatives, startups, and township and rural enterprises; exposing SMMEs and cooperatives to global market opportunities; refurbishing or building approved business infrastructure for SMMEs and cooperatives; and supporting informal businesses through the informal and micro enterprise development programme.

The department has a total budget of R7.6 billion, increasing at an average annual rate of 1.7 per cent, from R2.5 billion in 2023/24 to R2.7 billion in 2026/27. Transfers to entities to support SMMEs account for an estimated 80,4 per cent (R6.1 billion) of the department's budget over the MTEF period, with R4.1 billion of this amount going to the Small Enterprise Development Agency and the remainder to the Small Enterprise Finance Agency.

To enable a new generation of job creators to contribute to economic transformation, the department aims to support 30 000 young entrepreneurs over the next 3 years. This entails providing opportunities for self-employment through the young entrepreneurs programme at a projected cost of R98.5 million over the period ahead in the *Enterprise Development, Innovation and Entrepreneurship* programme.

To provide financial and non-financial support to a targeted 3 000 crafters over the period ahead, the craft customised sector programme is allocated R38.4 million in the *Enterprise Development, Innovation and Entrepreneurship* programme. To provide access to information, business development support services, business infrastructure and working capital to informal and micro enterprises in a targeted 21 product markets, the product markets programme is allocated R198 million over the MTEF period in the *Integrated Cooperatives and Micro Enterprise Development* programme. An estimated R111 million of this amount is allocated for these enterprises to obtain necessary equipment.

Over the MTEF period, the department aims to link 600 SMMEs and cooperatives to international market opportunities through events at which they can showcase their products, with emphasis on enterprises run by women, young people and people with disabilities. For this purpose, R60 million is allocated over the medium term in the *Integrated Cooperatives and Micro Enterprise Development* programme.

The department will continue to facilitate the merger of the Small Enterprise Development Agency, the Small Enterprise Finance Agency and the Cooperative Banks Development Agency to improve cohesion within and support to the small business sector. This is expected to result in expenditure of R34.1 million over the medium term in the *Enterprise Development, Innovation and Entrepreneurship* programme.

Expenditure trends and estimates

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

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	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27	
Programme 1	112.2	112.5	122.5	159.9	12.5%	5.1%	169.6	176.8	184.9	5.0%	6.8%
Programme 2	10.3	22.8	20.9	51.5	71.0%	1.1%	60.9	67.4	70.0	10.8%	2.5%
Programme 3	52.1	81.2	113.7	201.6	57.0%	4.5%	202.4	208.3	216.8	2.4%	8.2%
Programme 4	2 074.7	2 396.7	2 256.9	2 116.3	0.7%	89.3%	2 003.7	2 091.7	2 190.1	1.1%	82.6%
Total	2 249.2	2 613.2	2 513.9	2 529.3	4.0%	100.0%	2 436.5	2 544.3	2 661.8	1.7%	100.0%
Change to 2023 Budget estimate				-			(253.8)	(266.4)	(277.6)		
Economic classification											
Current payments	183.7	212.4	236.0	349.9	24.0%	9.9%	397.3	414.7	432.3	7.3%	15.7%
Compensation of employees	135.0	138.4	144.4	203.4	14.7%	6.3%	251.6	262.8	274.7	10.5%	9.8%
Goods and services ¹	48.7	73.9	91.6	146.5	44.4%	3.6%	145.8	151.9	157.5	2.4%	5.9%
<i>of which:</i>											
Advertising	0.2	0.5	0.5	6.7	216.6%	0.1%	7.4	7.5	7.7	4.4%	0.3%
Consultants: Business and advisory services	0.3	1.0	7.1	10.3	209.5%	0.2%	13.9	16.5	17.2	18.9%	0.6%
Inventory: Other supplies	-	17.3	29.7	50.0	0.0%	1.0%	37.3	36.7	37.0	-9.5%	1.6%
Operating leases	22.9	11.9	9.5	11.7	-20.0%	0.6%	12.5	13.7	14.4	7.0%	0.5%
Travel and subsistence	8.1	17.2	22.0	42.6	73.6%	0.9%	41.2	41.4	42.4	-0.2%	1.6%
Venues and facilities	0.1	3.6	1.6	2.4	214.6%	0.1%	8.1	8.6	10.1	62.4%	0.3%
Transfers and subsidies¹	2 061.6	2 397.6	2 271.0	2 172.6	1.8%	89.9%	2 034.0	2 124.2	2 223.9	0.8%	84.1%
Departmental agencies and accounts	824.5	842.0	915.8	1 404.8	19.4%	40.2%	1 316.1	1 353.4	1 394.3	-0.2%	53.8%
Higher education institutions	-	-	-	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Public corporations and private enterprises	1 235.4	1 549.0	1 345.5	759.1	-15.0%	49.4%	717.9	770.9	829.6	3.0%	30.3%
Non-profit institutions	1.2	5.4	8.6	8.0	86.3%	0.2%	0.0	0.0	0.0	-95.0%	0.1%
Households	0.6	1.2	1.1	0.7	7.6%	0.0%	-	-	-	-100.0%	0.0%
Payments for capital assets	3.9	3.3	6.9	6.8	20.2%	0.2%	5.2	5.4	5.6	-6.0%	0.2%
Machinery and equipment	3.9	3.2	6.9	6.8	20.2%	0.2%	5.2	5.4	5.6	-6.0%	0.2%
Total	2 249.2	2 613.2	2 513.9	2 529.3	4.0%	100.0%	2 436.5	2 544.3	2 661.8	1.7%	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	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27	
Households											
Social benefits											
Current	558	1 178	1 022	695	7.6%	-	-	-	-	-100.0%	-
Employee social benefits	233	475	-	100	-24.6%	-	-	-	-	-100.0%	-
Households	325	703	1 022	595	22.3%	-	-	-	-	-100.0%	-
Other transfers to households											
Current	-	18	100	-	-	-	-	-	-	-	-
Employee social benefits	-	18	100	-	-	-	-	-	-	-	-

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

	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R thousand											
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	69 858	65 135	79 648	79 645	4.5%	3.3%	75 508	78 593	82 264	1.1%	3.7%
Various institutions: National informal business upliftment scheme	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Product markets	-	30 065	73 254	77 786	-	2.0%	63 289	65 826	68 912	-4.0%	3.2%
Informal micro enterprise development programme	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Black business supplier development programme	28 831	20 000	-	-	-100.0%	0.5%	-	-	-	-	-
Various institutions: Craft customised sector programme	9 903	2 050	1 302	1 859	-42.7%	0.2%	12 219	12 767	13 352	92.9%	0.5%
Various institutions: Cooperatives incentive scheme	31 124	-	-	-	-100.0%	0.3%	-	-	-	-	-
Various institutions: Cooperatives development support programme	-	13 020	5 092	-	-	0.2%	-	-	-	-	-
Other transfers to public corporations											
Current	1 165 500	1 483 879	1 265 826	679 465	-16.5%	51.6%	642 390	692 262	747 286	3.2%	32.3%
Small Enterprise Finance Agency: Township Entrepreneurship Fund	-	-	-	-	-	-	-	-	-	-	-
Small Enterprise Finance Agency: COVID-19 Emergency Relief Fund	1 154 500	-	-	-	-100.0%	13.0%	-	-	-	-	-
Small Enterprise Finance Agency: Blended finance	11 000	425 118	362 501	294 514	199.2%	12.3%	298 209	311 569	325 843	3.4%	14.4%
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund	-	1 058 761	903 325	384 951	-	26.4%	344 181	380 693	421 443	3.1%	17.9%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	824 478	841 961	915 761	1 404 783	19.4%	44.8%	1 316 075	1 353 372	1 394 323	-0.2%	63.9%
South African Broadcasting Corporation	-	-	1	-	-	-	-	-	-	-	-
Various institutions: Craft customised sector programme	-	3 471	1 393	1 837	-	0.1%	1	1	1	-91.8%	-
Small Enterprise Development Agency	650 005	666 091	738 751	1 226 206	23.6%	36.9%	1 131 397	1 160 420	1 192 531	-0.9%	55.1%
Small Enterprise Development Agency: Technology programme	158 408	156 525	159 445	160 466	0.4%	7.1%	167 672	175 184	183 210	4.5%	8.0%
Small Enterprise Development Agency: Capacity-building programme	16 065	15 874	16 171	16 274	0.4%	0.7%	17 005	17 767	18 581	4.5%	0.8%
Small Enterprise Development Agency: National gazelles programme	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions											
Current	1 238	5 414	8 613	8 000	86.3%	0.3%	1	1	1	-95.0%	0.1%
Various institutions: Craft customised sector programme	1 238	5 414	8 613	8 000	86.3%	0.3%	1	1	1	-95.0%	0.1%
Total	2 061 632	2 397 585	2 270 970	2 172 588	1.8%	100.0%	2 033 974	2 124 228	2 223 874	0.8%	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 2024		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												
		2022/23		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Small Business Development		232	20	201	144.4	0.7	283	203.4	0.7	322	251.6	0.8	306	262.8	0.9	302	274.7	0.9	2.2%	100.0%
Salary level	232	20	201	144.4	0.7	283	203.4	0.7	322	251.6	0.8	306	262.8	0.9	302	274.7	0.9	2.2%	100.0%	
1 – 6	35	3	35	9.7	0.3	42	12.9	0.3	42	14.0	0.3	41	14.6	0.4	40	15.2	0.4	-1.5%	13.6%	
7 – 10	92	3	81	40.8	0.5	115	61.2	0.5	133	77.1	0.6	132	81.3	0.6	132	86.1	0.7	4.7%	42.2%	
11 – 12	50	1	45	41.6	0.9	58	55.7	1.0	75	76.8	1.0	75	81.4	1.1	72	82.9	1.2	7.5%	23.1%	
13 – 16	41	1	35	47.5	1.4	47	66.0	1.4	51	75.7	1.5	50	78.8	1.6	50	83.6	1.7	2.1%	16.3%	
Other	14	12	4	4.8	1.2	21	7.6	0.4	21	8.0	0.4	8	6.6	0.8	8	7.0	0.9	-27.5%	4.8%	
Programme	232	20	201	144.4	0.7	283	203.4	0.7	322	251.6	0.8	306	262.8	0.9	302	274.7	0.9	2.2%	100.0%	
Programme 1	123	18	109	72.7	0.7	154	99.7	0.6	161	112.4	0.7	147	115.8	0.8	145	121.4	0.8	-2.0%	50.0%	
Programme 2	26	–	19	16.1	0.8	35	29.4	0.8	48	43.9	0.9	48	46.6	1.0	47	48.2	1.0	10.3%	14.7%	
Programme 3	42	1	36	28.9	0.8	78	62.3	0.8	87	73.6	0.8	86	77.7	0.9	86	82.3	1.0	3.3%	27.8%	
Programme 4	41	1	36	26.8	0.7	16	12.1	0.8	26	21.7	0.8	25	22.7	0.9	24	22.8	1.0	14.4%	7.5%	

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 (%)
	2020/21	2021/22	2022/23					2023/24	2024/25	2025/26		
Departmental receipts	300	144	61	116	72	-37.9%	100.0%	71	73	75	1.4%	100.0%
Sales of goods and services produced by department	58	56	56	64	20	-29.9%	32.9%	66	68	70	51.8%	77.0%
Sales by market establishments of which:												
Parking	22	20	18	20	20	-3.1%	13.9%	22	22	22	3.2%	29.6%
Other sales of which:	36	36	38	44	–	-100.0%	19.1%	44	46	48	–	47.4%
Commission received on the deduction of insurance/premiums from employees' salaries	36	36	38	44	–	-100.0%	19.1%	44	46	48	–	47.4%
Interest, dividends and rent on land	3	3	5	26	26	105.4%	6.4%	5	5	5	-42.3%	14.1%
Interest	3	3	5	26	26	105.4%	6.4%	5	5	5	-42.3%	14.1%
Sales of capital assets	121	–	–	–	–	-100.0%	21.0%	–	–	–	–	–
Transactions in financial assets and liabilities	118	85	–	26	26	-39.6%	39.7%	–	–	–	-100.0%	8.9%
Total	300	144	61	116	72	-37.9%	100.0%	71	73	75	1.4%	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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million					2020/21 -	2023/24	2024/25	2025/26	2026/27	2023/24 -	2026/27
Ministry	19.3	25.5	31.6	35.6	22.5%	22.1%	30.8	30.6	32.0	-3.4%	18.7%
Departmental Management	19.1	27.8	18.1	36.3	23.9%	20.0%	28.0	27.2	28.5	-7.7%	17.4%
Corporate Management Services	54.9	41.1	55.4	66.0	6.3%	42.9%	83.0	89.8	93.8	12.4%	48.1%
Financial Management	18.8	18.1	17.5	22.0	5.4%	15.1%	27.7	29.2	30.6	11.5%	15.8%
Total	112.2	112.5	122.5	159.9	12.5%	100.0%	169.6	176.8	184.9	5.0%	100.0%
Change to 2023				-			7.2	3.4	3.6		
Budget estimate											
Economic classification											
Current payments	109.0	109.5	115.0	154.2	12.3%	96.2%	164.7	171.7	179.6	5.2%	97.0%
Compensation of employees	64.7	70.3	72.7	99.7	15.5%	60.6%	112.4	115.8	121.4	6.8%	65.0%
Goods and services	44.3	39.2	42.3	54.5	7.2%	35.6%	52.3	55.9	58.2	2.2%	32.0%
of which:											
Advertising	0.1	0.2	0.5	6.7	264.5%	1.5%	7.3	7.5	7.6	4.1%	4.2%
Audit costs: External	3.4	4.8	3.3	2.9	-5.1%	2.8%	4.7	4.9	5.1	21.5%	2.6%
Bursaries: Employees	0.6	0.3	0.0	0.9	14.4%	0.4%	1.8	1.8	1.9	29.5%	0.9%
Computer services	6.3	7.2	5.3	6.9	3.1%	5.1%	6.8	7.3	7.6	3.3%	4.1%
Operating leases	22.9	11.9	9.5	11.7	-20.0%	11.0%	12.5	13.7	14.4	7.0%	7.6%
Travel and subsistence	5.7	7.9	12.4	14.2	35.4%	7.9%	9.0	9.4	9.8	-11.5%	6.1%
Interest and rent on land	-	0.0	-	-	-	-	-	-	-	-	-
Transfers and subsidies	0.3	0.7	1.0	0.6	22.3%	0.5%	-	-	-	-100.0%	0.1%
Departmental agencies and accounts	-	-	0.0	-	-	-	-	-	-	-	-
Households	0.3	0.7	1.0	0.6	22.3%	0.5%	-	-	-	-100.0%	0.1%
Payments for capital assets	2.9	2.3	6.5	5.1	20.9%	3.3%	4.9	5.1	5.3	1.6%	2.9%
Machinery and equipment	2.9	2.2	6.5	5.1	20.9%	3.3%	4.9	5.1	5.3	1.6%	2.9%
Software and other intangible assets	-	0.0	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	0.0	-	-	-	-	-	-	-	-	-
Total	112.2	112.5	122.5	159.9	12.5%	100.0%	169.6	176.8	184.9	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	5.0%	4.3%	4.9%	6.3%	-	-	7.0%	6.9%	6.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.3	0.7	1.0	0.6	22.3%	0.5%	-	-	-	-100.0%	0.1%
Households	0.3	0.7	1.0	0.6	22.3%	0.5%	-	-	-	-100.0%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	0.0	-	-	-	-	-	-	-	-
South African Broadcasting	-	-	0.0	-	-	-	-	-	-	-	-

Personnel information

Table 36.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024	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										
2022/23			2023/24	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2023/24 -	2026/27					
Administration			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Salary level	123	18	109	72.7	0.7	154	99.7	0.6	161	112.4	0.7	147	115.8	0.8	145	121.4	0.8	-2.0%	100.0%
1-6	26	3	29	7.5	0.3	28	7.8	0.3	27	8.2	0.3	26	8.4	0.3	25	8.7	0.3	-3.6%	17.5%
7-10	42	3	37	17.4	0.5	56	27.6	0.5	60	31.4	0.5	59	32.8	0.6	59	34.7	0.6	1.8%	38.6%
11-12	27	1	23	20.4	0.9	32	29.1	0.9	34	32.8	1.0	34	34.8	1.0	33	35.8	1.1	1.0%	21.9%
13-16	16	1	16	22.6	1.4	21	28.7	1.4	23	33.2	1.4	22	33.8	1.5	22	35.8	1.6	1.6%	14.5%
Other	12	10	4	4.8	1.2	17	6.4	0.4	17	6.8	0.4	6	5.9	1.0	6	6.3	1.1	-29.6%	7.5%

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 ecosystem 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 burdens for small enterprises
 - improving integrated and streamlined business processes and systems
 - enhancing evidence-based business information and sector-wide monitoring and evaluation
 - increasing the contribution of SMMEs and cooperatives in priority sectors.

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 (%)	
	2020/21	2021/22	2022/23		2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24 - 2026/27	2023/24 - 2026/27
R million											
Business Intelligence and Sector-wide Monitoring and Evaluation	–	5.0	4.2	5.4	–	13.9%	17.3	18.0	18.7	51.0%	23.8%
Intergovernmental Relations and Business Efficiency	3.5	7.6	16.7	15.7	65.0%	41.2%	16.8	16.3	16.9	2.4%	26.3%
Sector-specific Support	6.8	10.3	–	30.3	64.6%	44.9%	26.7	33.1	34.4	4.3%	49.9%
Total	10.3	22.8	20.9	51.5	71.0%	100.0%	60.9	67.4	70.0	10.8%	100.0%
Change to 2023 Budget estimate				–			5.9	6.6	6.4		
Economic classification	10.0	22.6	20.8	49.8	70.8%	97.8%	60.8	67.3	69.9	11.9%	99.2%
Current payments											
Compensation of employees	8.8	16.5	16.1	29.4	49.7%	67.2%	43.9	46.6	48.2	17.9%	67.3%
Goods and services	1.2	6.0	4.7	20.4	155.6%	30.7%	16.9	20.8	21.7	2.1%	31.9%
of which:											
Administrative fees	0.0	0.0	0.0	0.1	25.2%	0.1%	0.3	0.4	0.4	91.3%	0.4%
Catering: Departmental activities	–	0.0	0.0	0.2	–	0.2%	0.3	0.4	0.4	33.3%	0.5%
Communication	0.3	0.4	0.0	0.0	-53.3%	0.7%	0.2	0.2	0.3	115.4%	0.3%
Consultants: Business and advisory services	0.2	0.1	3.5	3.5	169.2%	6.9%	11.5	15.0	15.7	65.4%	18.3%
Travel and subsistence	0.7	3.7	0.9	14.2	175.8%	18.5%	3.8	4.1	4.3	-32.7%	10.6%
Venues and facilities	0.0	0.7	0.0	1.0	234.6%	1.7%	0.2	0.2	0.2	-39.2%	0.7%
Transfers and subsidies	0.2	0.1	–	–	-100.0%	0.2%	–	–	–	–	–
Households	0.2	0.1	–	–	-100.0%	0.2%	–	–	–	–	–
Payments for capital assets	0.2	0.2	0.1	1.6	119.4%	1.9%	0.1	0.1	0.1	-59.7%	0.8%
Machinery and equipment	0.2	0.2	0.1	1.6	119.4%	1.9%	0.1	0.1	0.1	-59.7%	0.8%
Total	10.3	22.8	20.9	51.5	71.0%	100.0%	60.9	67.4	70.0	10.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.9%	0.8%	2.0%	–	–	2.5%	2.7%	2.6%	–	–

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

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)			
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26			2026/27	2023/24	2026/27
	R million													
Households														
Social benefits														
Current	0.2	0.1	–	–	-100.0%	0.2%	–	–	–	–	–			
Employee social benefits	0.2	0.1	–	–	-100.0%	0.2%	–	–	–	–	–			
Other transfers to households														
Current	–	0.0	–	–	–	–	–	–	–	–	–			
Employee social benefits	–	0.0	–	–	–	–	–	–	–	–	–			
Public corporations and private enterprises														
Other transfers to private enterprises														
Current	–	–	–	–	–	–	–	–	–	–	–			
Various institutions: National informal business upliftment scheme	–	–	–	–	–	–	–	–	–	–	–			
Various institutions: Product markets	–	–	–	–	–	–	–	–	–	–	–			
Informal micro enterprises development programme	–	–	–	–	–	–	–	–	–	–	–			

Personnel information

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

Sector Policy and Research	Number of posts estimated for 31 March 2024		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										
			2022/23	2022/23	Unit cost	2023/24	2023/24	Unit cost	2024/25		2025/26		2026/27						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	26	–	19	16.1	0.8	35	29.4	0.8	48	43.9	0.9	48	46.6	1.0	47	48.2	1.0	10.3%	100.0%
1–6	4	–	2	0.7	0.3	6	2.1	0.3	6	2.2	0.4	6	2.4	0.4	6	2.5	0.4	–	13.5%
7–10	8	–	7	3.9	0.5	13	7.5	0.6	16	9.8	0.6	16	10.4	0.6	16	11.0	0.7	7.2%	34.2%
11–12	5	–	4	3.7	0.9	6	5.8	1.0	15	15.6	1.0	15	16.5	1.1	14	16.4	1.2	32.7%	28.0%
13–16	9	–	6	7.8	1.3	10	14.0	1.4	11	16.3	1.5	11	17.3	1.6	11	18.3	1.7	3.2%	24.1%
Other	–	–	–	–	–	0	0.0	0.3	0	0.0	0.3	0	0.0	0.3	0	0.0	0.3	–	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: 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, and implementing responsive programmes for new and existing SMMEs and cooperatives.

Subprogrammes

- *Integrated Cooperatives and Micro Enterprise Development* provides leadership to the branch and coordinates the provision of business infrastructure services to small businesses, cooperatives and the informal sector.
- *Economic Transformation Initiatives* manages economic transformation through the provision of 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Integrated Cooperatives and Micro Enterprise Development	3.8	31.3	73.3	80.1	177.4%	42.0%	78.7	81.6	85.7	2.2%	39.3%
Economic Transformation Initiatives	41.7	39.7	5.1	98.3	33.1%	41.2%	63.8	64.8	66.8	-12.1%	35.4%
Value Chain and Market Access Support	6.7	10.2	35.3	23.2	51.6%	16.8%	59.8	61.9	64.3	40.5%	25.2%
Total	52.1	81.2	113.7	201.6	57.0%	100.0%	202.4	208.3	216.8	2.4%	100.0%
Change to 2023 Budget estimate				-			13.3	14.5	14.1		
Economic classification											
Current payments	20.8	38.0	35.2	123.7	81.3%	48.5%	139.0	142.4	147.8	6.1%	66.7%
Compensation of employees	20.0	14.6	28.9	62.3	45.9%	28.0%	73.6	77.7	82.3	9.8%	35.7%
Goods and services	0.7	23.4	6.4	61.4	341.6%	20.5%	65.4	64.7	65.4	2.2%	31.0%
<i>of which:</i>											
Administrative fees	0.0	0.1	0.8	0.1	45.5%	0.2%	0.4	0.4	0.4	76.5%	0.1%
Catering: Departmental activities	0.0	0.0	0.1	0.1	85.0%	-	0.4	0.5	0.5	104.7%	0.2%
Communication	0.2	0.3	0.0	0.0	-39.6%	0.1%	0.1	0.1	0.1	33.9%	-
Inventory: Other supplies	-	17.3	-	50.0	-	15.0%	37.3	36.7	37.0	-9.5%	19.4%
Travel and subsistence	0.5	3.8	3.3	9.7	175.8%	3.8%	25.0	24.9	25.1	37.5%	10.2%
Venues and facilities	-	0.7	1.4	1.0	-	0.7%	2.1	2.1	2.2	29.7%	0.9%
Transfers and subsidies	31.1	43.1	78.3	77.9	35.8%	51.4%	63.3	65.8	68.9	-4.0%	33.3%
Public corporations and private enterprises	31.1	43.1	78.3	77.8	35.7%	51.4%	63.3	65.8	68.9	-4.0%	33.3%
Households	-	-	-	0.1	-	-	-	-	-	-100.0%	-
Payments for capital assets	0.2	0.1	0.1	0.1	-20.0%	0.1%	0.1	0.1	0.1	9.6%	0.1%
Machinery and equipment	0.2	0.1	0.1	0.1	-20.0%	0.1%	0.1	0.1	0.1	9.6%	0.1%
Total	52.1	81.2	113.7	201.6	57.0%	100.0%	202.4	208.3	216.8	2.4%	100.0%
Proportion of total programme expenditure to vote expenditure	2.3%	3.1%	4.5%	8.0%	-	-	8.3%	8.2%	8.1%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	-	-	-	0.1	-	-	-	-	-	-100.0%	-
Employee social benefits	-	-	-	0.1	-	-	-	-	-	-100.0%	-
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	31.1	43.1	78.3	77.8	35.7%	51.4%	63.3	65.8	68.9	-4.0%	33.3%
Various institutions: Product markets	-	30.1	73.3	77.8	-	40.4%	63.3	65.8	68.9	-4.0%	33.3%
Various institutions: Black business supplier development programme	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Craft customised sector programme	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Cooperatives incentive scheme	31.1	-	-	-	-100.0%	6.9%	-	-	-	-	-
Various institutions: Cooperatives development support programme	-	13.0	5.1	-	-	4.0%	-	-	-	-	-

Table 36.10 Integrated Cooperatives and Micro Enterprise Development expenditure trends and estimates by subprogramme and economic classification (continued)

Details of transfers and subsidies	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%)
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
	R million										
Other transfers to public corporations											
Current	-	-	-	-	-	-	-	-	-	-	-
Small Enterprise Finance Agency:											
Township Entrepreneurship Fund	-	-	-	-	-	-	-	-	-	-	-
Small Enterprise Finance Agency:											
COVID-19 Emergency Relief Fund	-	-	-	-	-	-	-	-	-	-	-
Small Enterprise Finance Agency:											
Blended finance	-	-	-	-	-	-	-	-	-	-	-
Small Enterprise Finance Agency:											
Township and Rural Entrepreneurship Fund	-	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Craft customised sector programme	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions											
Non-profit institutions											
Current	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Craft customised sector programme	-	-	-	-	-	-	-	-	-	-	-

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 2024		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											
		2022/23		Unit cost	2023/24		Unit cost	2024/25		2025/26		2026/27				2023/24 - 2026/27			
Integrated Cooperatives and Micro Enterprise Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	42	1	36	28.9	0.8	78	62.3	0.8	87	73.6	0.8	86	77.7	0.9	86	82.3	1.0	3.3%	100.0%
1 – 6	4	-	3	1.1	0.3	6	2.2	0.4	6	2.3	0.4	6	2.4	0.4	6	2.6	0.4	0.2%	7.1%
7 – 10	17	-	15	7.7	0.5	38	21.5	0.6	45	28.1	0.6	45	29.8	0.7	45	31.5	0.7	5.8%	51.3%
11 – 12	11	-	11	11.0	1.0	18	18.8	1.0	20	22.2	1.1	20	23.5	1.2	20	24.9	1.2	3.6%	23.1%
13 – 16	9	-	7	9.0	1.3	13	18.9	1.5	13	20.1	1.5	13	21.3	1.6	13	22.6	1.7	-	15.4%
Other	1	1	-	-	-	3	0.9	0.3	3	0.9	0.3	2	0.6	0.3	2	0.7	0.3	-12.6%	3.0%

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 an ecosystem 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:
 - expanding access to financial and non-financial support, and implementing responsive programmes for new and existing SMMEs and cooperatives
 - scaling up and coordinating support for SMMEs, cooperatives, and village and township economies
 - increasing the contribution of SMMEs and cooperatives in priority sectors.

Subprogrammes

- *Enterprise Development, Innovation and Entrepreneurship* provides leadership to the programme and manages the provision of innovative solutions that support transversal applications management and digital business support.
- *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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Enterprise Development, Innovation and Entrepreneurship	2.0	5.8	0.2	5.4	38.8%	0.2%	3.9	4.1	4.1	-8.5%	0.2%
Entrepreneurship and Enterprise Development	848.2	856.8	962.4	1 419.5	18.7%	46.2%	1 330.0	1 368.2	1 410.7	-0.2%	65.8%
Funding Support and Coordination	1 224.5	1 534.1	1 294.3	691.4	-17.3%	53.6%	669.9	719.4	775.3	3.9%	34.0%
Total	2 074.7	2 396.7	2 256.9	2 116.3	0.7%	100.0%	2 003.8	2 091.7	2 190.1	1.1%	100.0%
Change to 2023 Budget estimate				-			(280.2)	(290.9)	(301.7)		
Economic classification											
Current payments	43.9	42.3	65.0	22.2	-20.3%	2.0%	33.0	33.2	35.1	16.4%	1.5%
Compensation of employees	41.5	36.9	26.8	12.1	-33.7%	1.3%	21.7	22.7	22.9	23.8%	0.9%
Goods and services	2.5	5.4	38.2	10.1	59.9%	0.6%	11.3	10.5	12.2	6.3%	0.5%
<i>of which:</i>											
Administrative fees	0.1	0.1	0.2	0.2	26.5%	-	0.1	0.1	0.1	-8.9%	-
Catering: Departmental activities	0.0	-	0.3	0.2	279.1%	-	0.4	0.4	0.5	28.9%	-
Communication	0.6	0.5	0.1	0.1	-49.9%	-	0.2	0.2	0.2	46.7%	-
Consultants: Business and advisory services	-	0.3	2.0	4.5	-	0.1%	1.6	0.7	0.7	-46.9%	0.1%
Travel and subsistence	1.3	1.8	5.4	4.5	51.6%	0.1%	3.3	3.0	3.1	-11.6%	0.2%
Venues and facilities	0.0	2.2	-	0.1	13.2%	-	5.5	6.0	7.4	371.0%	0.2%
Transfers and subsidies	2 030.0	2 353.7	2 191.6	2 094.1	1.0%	98.0%	1 970.7	2 058.4	2 155.0	1.0%	98.5%
Departmental agencies and accounts	824.5	842.0	915.8	1 404.8	19.4%	45.1%	1 316.1	1 353.4	1 394.3	-0.2%	65.1%
Public corporations and private enterprises	1 204.2	1 505.9	1 267.1	681.3	-17.3%	52.7%	654.6	705.0	760.6	3.7%	33.3%
Non-profit institutions	1.2	5.4	8.6	8.0	86.3%	0.3%	0.0	0.0	0.0	-95.0%	0.1%
Households	0.1	0.4	0.1	0.0	-47.3%	-	-	-	-	-100.0%	-
Payments for capital assets	0.7	0.7	0.3	(0.0)	-128.8%	-	0.1	0.1	0.1	-285.2%	-
Machinery and equipment	0.7	0.7	0.3	(0.0)	-128.8%	-	0.1	0.1	0.1	-285.2%	-
Total	2 074.7	2 396.7	2 256.9	2 116.3	0.7%	100.0%	2 003.8	2 091.7	2 190.1	1.1%	100.0%
Proportion of total programme expenditure to vote expenditure	92.2%	91.7%	89.8%	83.7%	-	-	82.2%	82.2%	82.3%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	0.4	-	0.0	-47.3%	-	-	-	-	-100.0%	-
Employee social benefits	0.1	0.4	-	0.0	-47.3%	-	-	-	-	-100.0%	-
Other transfers to households											
Current	-	-	0.1	-	-	-	-	-	-	-	-
Employee social benefits	-	-	0.1	-	-	-	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	38.7	22.1	1.3	1.9	-63.7%	0.7%	12.2	12.8	13.4	92.9%	0.5%
Various institutions: National informal business upliftment scheme	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Black business supplier development programme	28.8	20.0	-	-	-100.0%	0.6%	-	-	-	-	-
Various institutions: Craft customised sector programme	9.9	2.1	1.3	1.9	-42.7%	0.2%	12.2	12.8	13.4	92.9%	0.5%

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

Details of transfers and subsidies		Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%)
		2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R million												
Other transfers to public corporations												
Current												
		1 165.5	1 483.9	1 265.8	679.5	-16.5%	51.9%	642.4	692.3	747.3	3.2%	32.9%
Small Enterprise Finance Agency: COVID-19 Emergency Relief Fund		1 154.5	–	–	–	-100.0%	13.1%	–	–	–	–	–
Small Enterprise Finance Agency: Blended finance		11.0	425.1	362.5	294.5	199.2%	12.4%	298.2	311.6	325.8	3.4%	14.6%
Small Enterprise Finance Agency: Township and Rural Entrepreneurship Fund		–	1 058.8	903.3	385.0	–	26.5%	344.2	380.7	421.4	3.1%	18.2%
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current												
		824.5	842.0	915.8	1 404.8	19.4%	45.1%	1 316.1	1 353.4	1 394.3	-0.2%	65.1%
Various institutions: Craft customised sector programme		–	3.5	1.4	1.8	–	0.1%	0.0	0.0	0.0	-91.8%	–
Small Enterprise Development Agency		650.0	666.1	738.8	1 226.2	23.6%	37.1%	1 131.4	1 160.4	1 192.5	-0.9%	56.1%
Small Enterprise Development Agency: Technology programme		158.4	156.5	159.4	160.5	0.4%	7.2%	167.7	175.2	183.2	4.5%	8.2%
Small Enterprise Development Agency: Capacity-building programme		16.1	15.9	16.2	16.3	0.4%	0.7%	17.0	17.8	18.6	4.5%	0.8%
Small Enterprise Development Agency: National gazelles programme		–	–	–	–	–	–	–	–	–	–	–
Non-profit institutions												
Non-profit institutions												
Current												
		1.2	5.4	8.6	8.0	86.3%	0.3%	0.0	0.0	0.0	-95.0%	0.1%
Various institutions: Craft customised sector programme		1.2	5.4	8.6	8.0	86.3%	0.3%	0.0	0.0	0.0	-95.0%	0.1%

Personnel information

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

Number of posts estimated for 31 March 2024		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													
		2022/23		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Enterprise Development, Innovation and Entrepreneurship		41		1	36	26.8	0.7	16	12.1	0.8	26	21.7	0.8	25	22.7	0.9	24	22.8	1.0	14.4%	100.0%
Salary level																					
1 – 6		1	–	–	1	0.4	0.4	2	0.8	0.4	3	1.3	0.4	3	1.3	0.4	3	1.4	0.5	14.5%	12.1%
7 – 10		25	–	–	22	11.8	0.5	8	4.7	0.6	12	7.9	0.7	12	8.3	0.7	12	8.8	0.7	14.4%	48.4%
11 – 12		7	–	–	7	6.6	0.9	2	1.9	1.0	6	6.2	1.0	6	6.6	1.1	5	5.8	1.2	35.7%	20.8%
13 – 16		7	–	–	6	8.0	1.3	3	4.4	1.5	4	6.1	1.5	4	6.4	1.6	4	6.8	1.7	10.1%	16.5%
Other		1	–	–	–	–	–	1	0.3	0.3	1	0.3	0.3	–	–	–	–	–	–	-100.0%	2.2%

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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of SMMEs and cooperatives supported through the incubation programme per year	Technology	Priority 2: Economic transformation and job creation	- ¹	2 700	2 500	1 800	2 000	2 200	2 400
Number of SMMEs and cooperatives supported through the technology transfer assistance programme per year	Technology		- ¹	- ¹	70	50	80	90	100
Number of SMMEs and cooperatives supported with quality improvement interventions per year	Impact and sustainability		- ¹	2 000	2 500	1 000	1 200	1 400	1 600
Number of SMMEs and cooperatives supported with productivity improvement per year	Impact and sustainability		- ¹	- ¹	2 000	1 000	1 200	1 400	1 600
Number of SMMEs and cooperatives whose turnover has increased by a minimum of 5% per year	Impact and sustainability		- ¹	- ¹	450	700	800	900	1 000
Number of jobs created by SMMEs and cooperatives supported through non-financial support interventions per year	Impact and sustainability		- ¹	3 500	4 000	4 500	4 800	5 000	5 300
Number of jobs sustained by SMMEs and cooperatives supported through non-financial support interventions per year	Impact and sustainability		- ¹	3 500	6 000	8 000	9 000	10 000	11 000
Number of people who attended entrepreneurship awareness sessions per year	Enterprise development		- ¹	18 000	20 000	20 000	26 250	27 000	28 000
Number of township and rural-based businesses supported with non-financial business development per year	Enterprise development		- ¹	28 000	16 000	18 000	20 000	21 000	22 000
Number of SMMEs and cooperatives supported to participate in local markets per year	Enterprise development		- ¹	2 500	1 200	2 500	2 800	3 000	3 200

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

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of SMMEs and cooperatives supported with international market readiness interventions per year	Enterprise development	Priority 2: Economic transformation and job creation	- ¹	1 000	1 000	500	550	600	650
Number of SMMEs and cooperatives supported through trade missions per year	Enterprise development		- ¹	- ¹	- ¹	500	550	600	6 500
Number of SMMEs and cooperatives supported with business development (urban-based clients) per year	Enterprise development		- ¹	- ¹	- ¹	2 000	2 500	3 000	3 500
Number of SMMEs and cooperatives supported per year in priority sectors with non-financial business development to scale-up their businesses	Enterprise development		- ¹	- ¹	100	50	70	90	100
Number of SMMEs and cooperatives supported with training, mentorship and coaching per year	Enterprise development		- ¹	5 000	20 000	20 500	21 000	21 500	22 000

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). The agency 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, focusing on the development of township, rural and informal businesses by maintaining incubators in these areas. This will be funded through an allocation of R526.1 million over the medium term in the technology programme. Other resources for this work will be sourced from various stakeholders within and outside of government. To support 800 cooperatives over the period ahead through the provision of business assets and development support services, the agency plans to implement the cooperatives development support programme at a projected cost of R215.4 million.

The agency plans to train graduates to become business management trainers and coaches by offering them opportunities to work with informal businesses for a maximum of 18 months. Through these partnerships, a targeted 12 500 spaza shops and general dealers, mainly in rural areas, will receive business development support training. Spending for this initiative is within the agency's allocation from the National Skills Fund, amounting to R356.5 million over the MTEF period.

The agency is set to derive 89.3 per cent (R4.1 billion) of its revenue over the medium term through transfers from the department and 8 per cent from the National Skills Fund. Revenue is expected to increase at an average annual rate of 7.1 per cent, from R1.1 billion in 2023/24 to R1.4 billion in 2026/27, in line with expenditure.

Programmes/Objectives/Activities**Table 36.15 Small Enterprise Development Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Administration	167.3	182.6	193.4	230.5	11.3%	19.6%	226.1	232.1	244.5	2.0%	16.9%
Technology	409.9	418.2	183.4	169.0	-25.6%	31.2%	176.7	193.0	197.6	5.3%	13.3%
Impact and sustainability	171.4	89.8	93.4	84.7	-21.0%	12.0%	131.1	135.6	136.4	17.2%	8.6%
Enterprise development	–	472.9	480.9	656.7	–	37.2%	1 022.1	943.3	822.8	7.8%	61.2%
Total	748.7	1 163.5	951.2	1 140.9	15.1%	100.0%	1 556.0	1 503.9	1 401.3	7.1%	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	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2020/21 - 2023/24	2024/25		
Revenue											
Non-tax revenue	120.3	119.5	47.9	193.8	17.2%	12.3%	239.9	150.6	7.0	-66.9%	10.7%
Other non-tax revenue	120.3	119.5	47.9	193.8	17.2%	12.3%	239.9	150.6	7.0	-66.9%	10.7%
Transfers received	747.4	782.8	909.0	947.2	8.2%	87.7%	1 316.1	1 353.4	1 394.3	13.8%	89.3%
Total revenue	867.7	902.2	956.9	1 140.9	9.6%	100.0%	1 556.0	1 503.9	1 401.3	7.1%	100.0%
Expenses											
Current expenses	748.7	1 163.5	951.2	1 140.9	15.1%	100.0%	1 556.0	1 503.9	1 401.3	7.1%	100.0%
Compensation of employees	335.3	376.7	381.1	390.2	5.2%	37.9%	414.4	441.3	470.0	6.4%	30.9%
Goods and services	400.8	773.6	553.0	734.3	22.4%	60.6%	1 124.4	1 046.3	914.4	7.6%	67.9%
Depreciation	12.5	13.2	17.0	16.5	9.7%	1.5%	17.2	16.3	16.9	0.9%	1.2%
Interest, dividends and rent on land	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Total expenses	748.7	1 163.5	951.2	1 140.9	15.1%	100.0%	1 556.0	1 503.9	1 401.3	7.1%	100.0%
Surplus/(Deficit)	119.1	(261.2)	5.7	–	-100.0%		–	–	–	–	

Cash flow statement

Cash flow from operating activities	163.5	(132.6)	(103.4)	16.5	-53.5%	100.0%	(103.8)	(110.8)	(115.5)	-291.4%	100.0%
Receipts											
Non-tax receipts	11.3	11.0	8.7	7.5	-12.6%	1.0%	7.0	7.0	7.0	-2.4%	0.5%
Other tax receipts	11.3	11.0	8.7	7.5	-12.6%	1.0%	7.0	7.0	7.0	-2.4%	0.5%
Transfers received	844.6	782.8	909.0	947.2	3.9%	90.3%	1 316.1	1 353.4	1 394.3	13.8%	89.3%
Financial transactions in assets and liabilities	18.2	111.2	37.1	186.3	117.2%	8.6%	232.9	143.6	–	-100.0%	10.2%
Total receipts	874.0	905.0	954.8	1 140.9	9.3%	100.0%	1 556.0	1 503.9	1 401.3	7.1%	100.0%
Payment											
Current payments	710.5	1 037.6	1 058.2	1 124.5	16.5%	100.0%	1 659.8	1 614.7	1 516.8	10.5%	100.0%
Compensation of employees	335.3	376.7	381.1	390.2	5.2%	38.6%	414.4	441.3	470.0	6.4%	29.5%
Goods and services	375.2	660.9	677.1	734.3	25.1%	61.4%	1 245.4	1 173.4	1 046.8	12.5%	70.5%
Interest and rent on land	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total payments	710.5	1 037.6	1 058.2	1 124.5	16.5%	100.0%	1 659.8	1 614.7	1 516.8	10.5%	100.0%
Net cash flow from investing activities	(24.0)	(21.3)	(3.3)	(16.9)	-11.1%	100.0%	(15.5)	(16.1)	(14.7)	-4.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(24.2)	(18.3)	(3.4)	(16.9)	-11.3%	97.3%	(15.5)	(16.1)	(14.7)	-4.5%	100.0%
Acquisition of software and other intangible assets	–	(3.3)	–	–	–	3.8%	–	–	–	–	–
Proceeds from the sale of property, plant, equipment and intangible assets	0.2	0.3	0.1	–	-100.0%	-1.2%	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	139.5	(153.9)	(106.7)	(0.4)	-114.1%	-1.5%	(119.3)	(126.9)	(130.2)	591.7%	100.0%

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

Statement of financial position		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million						2020/21 - 2023/24					2023/24 - 2026/27	
Carrying value of assets		50.9	58.6	44.6	61.2	6.3%	27.0%	72.9	84.5	84.5	11.3%	51.0%
of which:												
Acquisition of assets		(24.2)	(18.3)	(3.4)	(16.9)	-11.3%	100.0%	(15.5)	(16.1)	(14.7)	-4.5%	100.0%
Inventory		0.3	0.2	0.3	0.4	5.4%	0.2%	0.5	0.5	0.5	8.4%	0.3%
Receivables and prepayments		27.8	25.0	27.1	6.0	-40.2%	9.4%	6.0	6.0	6.0	-	4.0%
Cash and cash equivalents		343.5	189.6	82.9	65.7	-42.4%	63.4%	65.7	65.7	65.7	-	44.6%
Total assets		422.6	273.5	155.0	133.3	-31.9%	100.0%	145.0	156.7	156.7	5.5%	100.0%
Accumulated surplus/(deficit)		247.9	(13.4)	(7.7)	1.0	-84.1%	12.4%	1.0	1.0	1.0	-	0.7%
Trade and other payables		141.1	258.7	138.3	120.3	-5.2%	76.9%	130.0	140.7	140.7	5.4%	89.9%
Provisions		33.6	28.1	24.4	12.0	-29.1%	10.7%	14.0	15.0	15.0	7.7%	9.4%
Total equity and liabilities		422.6	273.5	155.0	133.3	-31.9%	100.0%	145.0	156.7	156.7	5.5%	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 2024		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: salary level/ Total (%)					
		Actual			Revised estimate			Medium-term expenditure estimate												
Number of approved funded posts	Number of posts on establishment	2022/23		2023/24			2024/25		2025/26		2026/27		2023/24 - 2026/27							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost			Unit cost					
Small Enterprise Development Agency		768	718	706	381.1	0.5	718	390.2	0.5	718	414.4	0.6	718	441.3	0.6	718	470.0	0.7	-	100.0%
Salary level																				
1 – 6	221	121	249	57.1	0.2	205	45.7	0.2	205	48.5	0.2	205	51.6	0.3	205	55.0	0.3	-	28.6%	
7 – 10	440	368	389	238.5	0.6	416	234.0	0.6	416	248.5	0.6	416	264.6	0.6	416	281.8	0.7	-	57.9%	
11 – 12	73	170	48	53.9	1.1	69	69.8	1.0	69	74.1	1.1	69	78.9	1.1	69	84.1	1.2	-	9.6%	
13 – 16	34	59	20	31.6	1.6	28	40.8	1.5	28	43.3	1.5	28	46.1	1.6	28	49.1	1.8	-	3.9%	

1. Rand million.