



**small business  
development**

Department:  
Small Business Development  
REPUBLIC OF SOUTH AFRICA

## **MEDIA ADVISORY**

**17 JANUARY 2023**

**TO ALL MEDIA HOUSES**

### **MINISTER NDABENI-ABRAHAMS WORKING ON AN ENERGY RELIEF PACKAGE TO LESSEN THE BURDEN OF LOADSHEDDING ON SMALL BUSINESSES**

The Minister of the Department of Small Business Development, Ms. Stella Ndabeni-Abrahams and her team are currently seized with trying to find solutions aimed at lessening the devastating impact of loadshedding on small businesses.

SMMEs are particularly hit hard by continued power outages. Since many cannot afford alternative power sources such as generators, they are forced to pause trading during loadshedding. The Minister understands that some small businesses resort to selling perishable goods such as meat and vegetables at low prices, to avoid them rotting away. It goes without saying that this eats away on their much-needed income.

The Department's Small Enterprise Finance Agency (**sefa**) also conducted a research study on the impact of loadshedding on its funded clients, and the following were key findings:

- Most respondents indicated that they are highly reliant on electricity for their operations;
- About 71% of respondents indicated that they are negatively impacted by loadshedding;
- The majority of the respondents will require an alternative power source to continue with their operations.

On the instruction of the Minister, the Department, and its agencies (Seda and **sefa**) in consultation with different stakeholders within and outside government, are urgently working on an energy relief package for the small, medium, informal and micro sectors. The details of the package, the criteria and avenues for the application for the relief will be announced soon.

Minister Ndabeni-Abrahams said, “Our aim is to find immediate solutions that can be urgently effected to avoid disastrous consequences, such as closure of small businesses and job losses in the SMME sector. This sector was devastated and is still barely recovering from the ruinous effects of COVID-19. We cannot afford losing more businesses and jobs.”

**Issued by the Ministry of Small Business Development**

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