

SMALL BUSINESS AND INFORMAL BUSINESS ASSOCIATIONS CONDEMN VIOLENCE AND LOOTING AND WELCOME INTERVENTIONS BY THE DEPARTMENT OF SMALL BUSINESS DEVELOPMENT TO PROVIDE SUPPORT TO EXISTING AND NEW SMMES AND INFORMAL TRADES

Friday, 16 July 2021

On Tuesday 13, July 2021, Minister for the Department of Small Business Development (DSBD) Khumbudzo Ntshavheni held a meeting with the leadership of the National African Federated Chamber of Commerce and Industry (NAFCOC), South African Informal Traders Alliance (SAITA) and Foundation for African Business and Consumer Services (FABCOS) pertaining to matters affecting SMMEs and Informal Traders. These organisations comprises of members who conduct business within the SMME sector and Informal Traders in communities affected by the current looting and vandalism meted out to this sector of the economy. The meeting deliberated on the following issues:

1. TEMPORARY RELIEF FROM BUSINESS LICENSES AND TRADE PERMITS

As announced by His Excellency President Cyril Ramaphosa on Sunday, 11 July 2021, that Cabinet has decided that all business licenses and permits that expired between March 2020 and June 2021 will remain valid until 31 December 2022. New business licenses or permits that are issued from the 1st of July will also be valid until 31 December 2022, and no license fee will be payable.

Business licenses and trading permits which were due for renewal 6 (six) months before the declaration of level 4 regulations as gazetted, are not covered in terms of this directive.

This intervention will provide some relief to SMMEs and Informal Traders and assist in fast tracking the issuing of temporary licenses by Municipalities across the country. The directive also allows for the operation of businesses by new entrants whose applications for either business license and/or trade permits are hampered by the unavailability of the relevant authorities empowered to issue such licenses and/or trade permits. Given the job losses the country has been experiencing, it will further remove the fees that are a barrier for people who want to start new businesses.

2. CONDEMNATION OF VIOLENT ATTACKS AND LOOTING

The recent violent attacks have had a major impact on the operations of SMMEs and Informal Traders in various communities across the country. Considering this, Minister Ntshavheni has indicated that Cabinet is working on a package to assist the sector to recover from the damages suffered because of violence, looting and destruction of infrastructure. The Minister further assured the business leaders that government is working with different sectors to bring an end to the looting and violence. Government will take action to protect national key points and the livelihood of communities against threats of violence, intimidation, and destruction of property. SMMEs and Informal Traders continue to be an important safety net in job security and the onus is on communities and government to protect the ongoing operations of these businesses. To this end, security measures have been put in place to ensure the wellbeing of businesses as well as to curb lawlessness. Law enforcement officials will not hesitate to arrest and prosecute perpetrators and they will face the full might of the law.

The organisations appreciated the engagement and the assurance by government that action is being taken to protect their lives and livelihoods. The organisations further extended their full support towards government's position and efforts to curb lawlessness and will communicate through relevant forums and platforms, sharing messages and informing their members not to participate in these violent activities but to assist in the restoration of law and order. This will allow government in collaboration with other key role players in its efforts to continue building and advancing a strong and thriving economy.

Minister appreciated support from business organisations and reiterated that the COVID-19 pandemic is still rampant in the country and communities need to protect themselves by adhering to strict protocols as stipulated in the regulations.

**WEAR YOUR MASK, KEEP A SOCIAL DISTANCE, WASH AND SANITIZE HANDS
REGULARLY!**

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