

Coronavirus Update: R19 million funding approved through Operation Vula Fund, but there are missing documents in some applications. Applicants are being contacted by officials who are conducting due diligence process.

**Statement by the MEC for Economic Development, Tourism and Environmental Affairs
Nomusa Dube-Ncube ahead of the sitting of the Portfolio Committee**

19 June 2020

Durban :

Today I will appear before the Parliament's Portfolio Committee on Economic Development and Environmental Affairs.

As the department, we will present the fourth quarter reports detailing governance matters and the overall management of service delivery programme by the department.

Critically, as the department, we will brief lawmakers about plans aimed at re-engineering the provincial economy. We want to ensure economic recovery, economic growth and job creation.

We reiterate our focus on deepening the support needed by emerging entrepreneurs throughout the corners of the province.

We have created instruments for microfinance in every district for small players in order to achieve true economic empowerment.

Over the past week, a team of officials has been conducting the due diligence assessment of applications that are recommended for funding through Operation Vula.

We can confirm that we received more than 3 582 application for funding. Out of these, more than 137 applications have been approved for funding to the value of more than R19 million.

The common challenge that has been raised by the team conducting due diligence is that there are missing supporting documents on the applications.

We are therefore requesting those who applied for Operation Vula funding to ensure that all the relevant documents are supplied to the officials who are currently conducting due diligence.

Our focus is also on assisting small players in the Operation Vula commodities such as Paper & Pulp, Bakery, Furniture and Clothing & Textile.

The support is also being extended to the small manufacturers of detergents and household chemical products. The total amount of to be allocated to these small players is more than R5, 4 million.



In addition, we wish to report that to report that through the Enterprise Development Fund:-

- We have spent R226 million in support of SMMEs with 3 284 jobs created.
- We spent R63.4 million supporting women owned business and 1382 jobs
- To fund and increase opportunities for economic activity at the local level, we have already disbursed R12 million out of the R40 million under the Cooperatives Grant Funding.

This initiative will result in the creation of 400 jobs for people who would have ordinarily been left out of the job market.

A total of 996 SMMEs have also been assisted to register their business entities with the Companies and Intellectual Property Commission (CIPC).

We are stepping up efforts aimed at ensuring that even informal traders, hawkers and many of those involved in the informal economy have their business properly registered.

This is the work being undertaken by the department's Business Regulations Unit in partnership with municipalities across the province.

Ends

ISSUED BY THE MEC FOR THE DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS AND LEADER OF GOVERNMENT BUSINESS- NOMUSA DUBE-NCUBE

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