



FROM NAFCOC FREE STATE

Office of the Chairperson

TO: PRINT AND ELECTRONIC MEDIA

FROM: TSHEPO MATSABA

**SUBJECT: NAFCOC IS CONCERNED WITH HOW LITTLE THE SMALL AND INFORMAL
BUSINESSES IN THE FREE STATE ARE BEING FUNDED**

DATED: 29 APRIL 2020

Relief Fund meant for SMME's

Nafcoc FS is very much aggrieved by the statistics coming from the Ministry of Small Business on the amount of funds being approved for companies in the Free State. Nafcoc in the Free State would like voice their dissatisfaction at how things are being done where small businesses seem to be set-up to fail by the complex application processes which is obviously meant to benefit those who are not struggling at the expense of struggling Informal businesses.

Applications Approved

As the biggest chamber in Free State it came as a shock to us to find out that out 279 approved applications the Free State only got 20 companies approved. More shocking is that our province is set to benefit +- R 5 m out of +- R 280 m of approved applications. After many of members who own Tuckshops in the province indicated that they have applied for the funding it came as an even more shock to find out that only 4 were approved.

Way Forward

Nafcoc Free State has written to the Provincial government to voice their dissatisfaction at which these grants and loans are been handled and we would like to ask the national government to launch an investigation into the fairness of the process and to ensure that there is no corruption.

[extracts from the letter written to provincial govt]

Possible Solutions to the Challenges on Relief efforts

1. Printing, Scanning and Sending Applications

With the lack of access and knowledge of technology by most elderly informal business owners being a challenge we recommend that the use of application documents to be printed and sent be made an option together with the online applications.

2. Monitoring and Reporting

We propose a monitoring, evaluation and reporting mechanism be established as to track the progress of each and every application submitted. An sms and/or e-mail be sent to the applicant with the update of the application and time frames.
The same should be done for UIF applications.

3. Processing of applications in the province

Nafcoc proposes that all applications from the Free State be processed, approved and paid in the Free State to limit the backlog and encourage more businesses to apply. Department of Small Business and Treasury be classified as essential work during the period of the lockdown.

4. Covid-19 Business forum

Nafcoc FS proposes that a provincial business forum be established which would include business, government and banks to oversee the process application as smooth, fair and reaching all vulnerable sectors in our society. This forum would also ensure that covid-19 related tenders gets distributed to those who need it the most and black business run companies are given an opportunity to participate.

5. Issuing of Permits

Business Chambers to become part of the municipal LED forums which should be given the mandate to oversee the issuing of permits. South African owned businesses must be given the priority and be allowed to operate within their own communities.

For any enquiring contact:

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