



31 MAY 2020

**MEDIA STATEMENT BY THE CITY'S MAYORAL COMMITTEE MEMBER FOR ECONOMIC OPPORTUNITIES AND ASSET MANAGEMENT, ALDERMAN JAMES VOS**

City seeks clarity on number of Cape Town SMMEs granted funding as only 4,2% of businesses country-wide receive relief

As the Mayoral Committee Member of Economic Opportunities and Asset Management, I have written to the Minister of Small Business Development, Ms Khumbudzo Ntshavheni, to request a detailed breakdown of how many businesses in Cape have applied, been rejected and granted relief funding from the national Small, Medium and Micro Enterprises (SMME) Relief Fund.

According to my calculations and based on information released by Minister Ntshavheni, approximately 4,2% of SMMEs which applied for access to the SMME Debt Relief Finance Scheme have been granted funding. (See the media release issued on 22 May: <http://www.dsbd.gov.za/?p=3543>)

Of the 35 855 applications that were received, only 14 451 were deemed complete and only 1 497 applications were approved to the value of worth R513 million.

Minister Ntshavheni has committed to publishing a comprehensive list of all the businesses that had been supported, with a breakdown of the demographic spread, which I very much welcome.

I am fully aware that many businesses have been pushed to the brink over this unprecedented crisis and that the level of government relief has not been enough to offset the worst impacts of this massive disruption to our economic activity.

Early on in the crisis, I established the City's Economic Task Team to formulate our plans and responses. This team is working hard to ensure that we not only minimise the effects of this crisis – but build a stronger, more resilient future for our businesses and ultimately the residents of Cape Town.

That is why I have written to Minister Ntshavheni to request that in the breakdown, she also confirms the following:

- Of the total 35 855 applications received, how many of the businesses are (were) based in Cape Town?
- With regard to the 21 414 incomplete applications, what are the reasons for these applications being classified as incomplete?
- Of the 21 414 incomplete applications, how many of the businesses are (were) based in Cape Town?
- Of the 1 497 approved applications, how many of those businesses are in Cape Town?

Information is power. The requested breakdown will give us a better understanding of the impact of this crisis on businesses in Cape Town, and therefore, put the City in a better position to assist and support businesses where we can.

I am still confident that the Cape Town economy will rise again. In this spirit, we are starting to compile a comprehensive economic recovery plan that will draw on the diverse strengths of this city and allow us to rebuild an even stronger and more inclusive economy.

To avoid a return to a hard lockdown, it is imperative that every operating business plays by the rules, and implements the necessary health and safety measures as instructed by the national government to avoid further negative impacts on their respective sector.

This crisis has once again shown us that our residents and businesses are resilient and can adapt to the challenges we face. If we all work together towards the same goal of saving lives and livelihoods, I know that we can get through this.

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