

## SMALL BUSINESS POLICY AND LEGISLATIVE TRACKING

LEGISLATION/ISSUE	OBJECTIVES OF THE LEGISLATION/ISSUE	EFFECT ON FORMALISING BUSINESS AND SMMEs
<b>TRANSFORMED, INCLUSIVE ECONOMY THAT CREATES SUSTAINABLE EMPLOYMENT</b>		
Generic Codes on Broad-Based Black Economic Empowerment	<ul style="list-style-type: none"> <li>• Seeks to specify the interpretative principles of Broad-Based Black Economic Empowerment(B-BBEE)</li> <li>• To specify the application of the Codes and the basis for measurement under the Codes</li> <li>• Indicate the qualifying thresholds for Measured Entity Micro-Enterprises (EME) or Qualifying Small Enterprises (QSE)</li> <li>• Specify the method of measuring Start-Up Enterprises</li> <li>• Specify the elements of B-BBEE measurable under the Generic Scorecard and Qualifying Small Enterprises</li> <li>• Specify the basis for determining compliance by Entities with Code</li> </ul>	<ul style="list-style-type: none"> <li>• The need to promote 51% and 100% Black-owned entities could undermine the broad-based nature of Black economic empowerment such as skills and enterprise and supplier development.</li> <li>• The new provisions on recognition for participation in YES will potentially enable EME businesses to move to a higher level.</li> <li>• QSE businesses can attain their sub-minimum levels through an average provided they participate in the YES initiative.</li> <li>• New provisions for start-up businesses are positive.</li> </ul>
<b>SMALL &amp; MEDIUM ENTERPRISES THRIVING</b>		
<b>PREDICTABLE, CERTAIN &amp; ENABLING REGULATORY ENVIRONMENT</b>		

Preservation and Development of Agricultural Land Bill	<ul style="list-style-type: none"> <li>• Seeks to provide for agricultural regulations pertaining to the subdivision and change of land use applications on agricultural land</li> <li>• to preserve and promote sustainable use and development of agricultural land for the production of food, fuel and fibre for the primary purpose to sustain life.</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory burden is heavier for smaller businesses unless there is sufficient capacity to enable them to make and ensure processing of applications.</li> </ul>
Regulations of Agricultural Landholdings Bill	<ul style="list-style-type: none"> <li>• Seeks to establish the Land Commission to provide for the composition, appointment, qualification and remuneration of members of the Land Commission.</li> <li>• To provide for the establishment and maintenance of a register of public and private agricultural landholdings</li> <li>• To provide for the declaration of present ownership and acquisition of private agricultural land</li> <li>• To provide for prohibition on acquisition of agricultural land by foreign persons</li> <li>• To provide for the determination of ceiling in respect of agricultural land</li> <li>• To provide for redistribution agricultural land</li> </ul>	<ul style="list-style-type: none"> <li>• Participation of smaller businesses will need to be carefully managed to ensure that they are not disproportionately impacted when acquiring or disposing of land.</li> </ul>
Electronic Deeds Registries System Bill	<ul style="list-style-type: none"> <li>• To provide for electronic deeds registration, having regard to legislation regulating electronic communication and transactions; and to provide for matters connected therewith.</li> </ul>	<ul style="list-style-type: none"> <li>• Participation of smaller businesses will need to be carefully managed to ensure that they are not disproportionately impacted when acquiring land.</li> </ul>

<p>Competition Amendment Bill</p>	<ul style="list-style-type: none"> <li>Through the promotion and maintenance of competition, the Competition Act seeks to:               <ul style="list-style-type: none"> <li>(i) promote the efficiency, adaptability and development of the economy;</li> <li>(ii) provide consumers with competitive prices and product choices;</li> <li>(iii) promote employment and advance the social and economic welfare of South Africans;</li> <li>(iv) expand opportunities for South African participation in world markets;</li> <li>(v) ensure that small and medium sized enterprises have an equitable opportunity to participate in the economy; and</li> <li>(vi) promote a greater spread of ownership by increasing the ownership stakes of historically disadvantaged persons.</li> </ul> </li> <li>The draft Bill seeks to advance these objectives of the Act in two important ways. First, the draft Bill focuses on creating and enhancing the substantive provisions of the Act aimed at addressing two key structural challenges in the South African economy: concentration and the racially-skewed spread of ownership of firms in the economy. Concentration refers to the extent to which a small number of firms account for the bulk of sales in a given market. The South African economy is characterised by unusually high levels of concentration, in part due to strategic barriers to entry created by incumbents as well as low rates of business formation and as a result of mergers and acquisitions. Concentration at the levels observed in South Africa is not adequately explained by</li> </ul>	<ul style="list-style-type: none"> <li>The competition authorities envisage that they would be able to act more effectively in preventing abuse of power by dominant companies, in order to help small businesses and businesses negatively impacted by high levels of economic concentration and in particular black entrepreneurs, expand.</li> </ul>
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	<p>improvements in efficiency nor is it driven by innovation.</p> <ul style="list-style-type: none"> <li>• In a number of competition regimes there is growing concern about the impact of high levels of concentration and the impact thereof upon a viable competitive process and the enhancement of welfare. There is also evidence that highly concentrated markets stultify innovation much needed for viable, inclusive economic growth.</li> <li>• Enhanced scrutiny of the causes of concentration and the need for tailored measures to deconcentrate markets are facilitated by the proposed amendments contained in the draft Bill. These amendments seek to ensure evidence-based inquiry into and explicit scrutiny of concentration when mergers are considered, abuses of dominance are prosecuted, and market inquiries are undertaken by the competition authorities.</li> <li>• The amendments permit the competition authorities to undertake far-reaching and targeted interventions to address concentration.</li> <li>• The draft Bill provides for scrutiny of the racially-skewed spread of ownership of the South African economy. These measures also are required in order to realise the transformative vision of economic empowerment for all South Africans, in particular those individuals who are historically excluded and disadvantaged, as set out by the Act's Preamble and which are required to fulfil its Purposes. The amendments proposed will create</li> </ul>	
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	<p>more opportunities to advance the transformation of ownership of the economy.</p> <ul style="list-style-type: none"> <li>• While the transformative provisions are often motivated on the basis of an 'equity' argument, it is important to note the economic argument for transformation.</li> <li>• Concentrated markets that inhibit new entrants and that, accordingly, exclude large numbers of black South Africans from the opportunity to run successful enterprises, are not a basis for strong and sustained growth. They continue to limit the talent pool of entrepreneurs on which the growth potential of the economy relies. An inclusive growth path requires that we address these barriers to entry - whether they are regulated or presently hidden from scrutiny.</li> <li>• Second, the draft Bill also proposes amendments to the Act aimed at enhancing the policy and institutional framework, and procedural mechanisms for the administration of the Act. These measures are designed to improve policy coherence, as well as to promote institutional and procedural efficiency.</li> </ul>	
National Credit Amendment Bill	<ul style="list-style-type: none"> <li>• To amend the National Credit Act, 2005, so as to provide for debt intervention; to include the evaluation and referral of debt intervention applications and the suspension of agreements considered to be reckless as part of the enforcement functions of the National Credit Regulator; to include the consideration of a referral as a function of the Tribunal; to require a credit</li> </ul>	<p>There are potentially significant impacts on small business credit providers:</p> <ol style="list-style-type: none"> <li>1. <u>The role of the NCR in reckless credit assessments</u></li> </ol> <ul style="list-style-type: none"> <li>• Aside from the necessity of increasing funding to the National Credit Regulator (NCR) to perform the</li> </ul>

	<p>provider and debt counsellor to determine whether an agreement is reckless; to provide for a court to refer a matter for debt intervention; to provide for an application for debt intervention and evaluation thereof; to provide for orders related to debt intervention and rehabilitation in respect of such an order; to enable the Minister to prescribe a debt intervention; to provide for mandatory credit life insurance; to provide for offences related to debt intervention, prohibited credit practices, reckless lending, selling or collecting prescribed debt and related to failure to register; to provide for measures when an offence is committed by a company; to provide for penalties in relation to the created offences; to provide for the Tribunal to change or rescind an order under certain circumstances; to require the Minister to prescribe a financial literacy and budgeting skills programme; and to provide for matters connected therewith.</p>	<p>envisaged expanded functions in the context of persistent budget deficits and a constrained fiscus, the onus on credit providers to report the <i>suspicion</i> of reckless lending is impractical. Credit providers, when assessing credit applications, do not have access to the information utilised by other credit providers in assessing different applications for credit, and sharing such information could violate obligations in terms of Competition Law. In addition, the powers vested in the NCR to investigate, initiate and adjudicate are overly broad and are open to challenge on constitutional grounds.</p> <p>2. <u>Debt Intervention</u></p> <ul style="list-style-type: none"> <li>• The proposals on debt intervention are likely to have the effect of increasing the cost of credit for consumers over the long term. This is because the chilling effect on credit may have the unintended effect of credit providers restricting credit to “riskier” or lower income earners, with consequent reductions in living standards. Ultimately, informal credit providers may fill the breach created, with higher rates of interest, negative impacts on formal sector jobs, and less revenue to the fiscus being the consequences.</li> </ul> <p>3. <u>Mandatory credit life insurance</u></p> <ul style="list-style-type: none"> <li>• The fundamental problem with this section is that many, if not most credit providers, are not licenced insurers. If external insurers are not found and are</li> </ul>
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		<p>willing to underwrite the policy at the cost prescribed by the Minister, the credit provider will not legally be permitted to extend credit. This is once again likely to increase the cost of credit, particularly for lower-income earners, and increase the cost and complexity of doing business.</p> <p>4. <u>Offences and enforcement</u></p> <ul style="list-style-type: none"> <li>The Bill is open to challenge on the grounds that credit providers need not have demonstrated <i>intent</i> in reckless lending. This violates prevailing South African law in that the onus rests on the State to prove guilt beyond reasonable doubt.<sup>1</sup> Once again, an impact assessment and / or Nedlac process would have proven beneficial in reducing risks inherent in the current version of the Bill. The current version of the Bill is open to challenge and unfortunately narrows the scope for consensus significantly.</li> </ul>
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<sup>1</sup> In terms of Section 35 (3) of the Constitution.

Expropriation without compensation	Review section 25 of the Constitution and other clauses where necessary, to make it possible for the state to expropriate land, in the public interest without compensation, and propose the necessary constitutional amendments where necessary	Any amendment to the Constitution to allow for expropriation without compensation, if not conducted in an equitable way that adequately provides clarity and certainty for all stakeholders, may result in an erosion of property rights, which are a necessary condition for democratic freedom, economic prosperity, and human dignity. SMMEs would not be exempt from the wider social and economic repercussions associated therein.
<b>AFFORDABLE, RELIABLE &amp; SUSTAINABLE ENERGY &amp; INFRASTRUCTURE TO MEET CURRENT &amp; FUTURE NEEDS</b>		
Carbon Tax Bill	<ul style="list-style-type: none"> <li>According to Government, Reducing the impacts of climate change through facilitating a viable and fair transition to a low-carbon economy is essential to ensure an environmentally sustainable economic growth path for South Africa. The carbon tax will play a role in achieving the objectives set out in the National Climate Change Response Policy of 2011 (NCCRP) and contribute towards meeting South Africa's commitments to reduce greenhouse gas (GHG) emissions.</li> <li>The NCCRP provides an overarching policy framework for facilitating a just transition to a low carbon, climate resilient economy. The policy provides for the use of incentives and disincentives, including regulatory, economic and fiscal measures to provide appropriate price signals to nudge the economy towards a more sustainable growth path. The appropriate measures must be developed in line with the</li> </ul>	TBC



	<p>“Polluter Pays Principle”; i.e. “Those responsible for harming the environment must pay the costs of remedying pollution and environmental degradation and supporting any consequent adaptive response that may be required” (NCCRP). The development of the carbon tax policy and framework for the use of carbon offsets has been developed along the polluter pays principle.</p> <ul style="list-style-type: none"> <li>• The Revised Carbon Tax Bill includes the detailed and revised carbon tax design features as per the Carbon Tax Policy Paper of 2013 and the Carbon Offsets Paper of 2014 and takes into account public comments received following extensive stakeholder consultation since 2011. The Revised Carbon Tax Bill provides for the introduction of the carbon tax in a phased manner. This gradual approach takes cognizance of the developmental challenges facing South Africa and international climate policy developments. This will also help encourage investments in and the uptake of more energy efficient and low carbon technologies.</li> </ul>	
Eskom’s tariff increases (Regulatory Clearing Account Application for FY 2014/15, FY 2015/16, FY 2016/17)	<ul style="list-style-type: none"> <li>• The Multi-Year Price Determination (MYPD) was meant to provide a price-path that would enable customers, investors and other stakeholders to plan with a certain level of certainty with respect to future electricity prices. The development of the MYPD Methodology, including the Regulatory Clearing Account (RCA) concept was intended to balance and mitigate the risk of exogenous factors that could significantly change the projected future.</li> </ul>	<ul style="list-style-type: none"> <li>• The 3 RCA applications of Eskom are at least partially a result of Eskom’s inability to complete and put into commercial operation the new power stations as well as its inferior maintenance on the existing generation fleet. The demand for electricity during this period was far less than the installed capacity of Eskom and had the generation fleet been optimally performing there would have been no need to purchase additional power on short-term contracts and from international utilities.</li> </ul>

	<p>The RCA was meant to manage excessive returns or inadequate revenue during the control period.</p>	<ul style="list-style-type: none"> <li>• The consumers are required to compensate Eskom for over expenditure in purchasing additional power as well as lost revenue through lost sales and yet they were required to reduce their consumption by at least 10% or face load shedding or curtailment.</li> <li>• Particularly given the current economic situation, any increase as a result of these 3 RCAs is going to be impossible for the economy to bear in a single year. This is especially true for small businesses, with limited abilities to invest in off-grid generation.</li> </ul>
Municipal non-payment of electricity	<p>This is a recent focus of the Department of Cooperative Governance and Traditional Affairs, with the objective of addressing Eskom's approach of cutting electricity to municipalities that default on payments to Eskom.</p>	<p>SMMEs operating in municipalities undergoing outages as a result of non-payment for electricity are unintended yet direct victims of municipal non-payment. In many cases, businesses pay for electricity to municipalities, who in turn do not make payment to Eskom.</p>
White Paper on Transport	<ul style="list-style-type: none"> <li>• To support the goals of the prevailing, overarching plan for national development to meet the basic accessibility needs of the residents of South Africa, grow the economy, develop and protect human resources and involve stakeholders in key transport-related decision making;</li> <li>• To enable customers requiring transport for people or goods to access the transport system in ways that best satisfy their chosen criteria;</li> <li>• To improve the safety, security, reliability, quality, and speed of transporting goods and people;</li> <li>• To improve South Africa's competitiveness and that of its transport infrastructure and operations</li> </ul>	<ul style="list-style-type: none"> <li>• Possible iintegration of SMMEs into the formal public transport system will be addressed pro-actively and in a structured manner by all levels of government;</li> <li>• Possible support for SMMEs in the road freight industry.</li> </ul>

	<p>through greater effectiveness and efficiency to better meet the needs of different customer groups, both locally and globally;</p> <ul style="list-style-type: none"> <li>• To invest in infrastructure or transport systems in ways that satisfy social, economic or strategic investment criteria; and</li> <li>• To achieve the above objectives in a manner that is economically and environmentally sustainable and minimises negative side effects.</li> </ul>	
Draft National Road Policy	<ul style="list-style-type: none"> <li>• Provide an over-arching policy that covers all aspects of the road sector and applies to all three spheres of government;</li> <li>• Determine financial options in the road infrastructure investments, road safety, law enforcement and enabling mechanisms to implement programmes and projects;</li> <li>• Provide Policy certainty with clear and concise regulatory framework for roads;</li> <li>• Ensure integration of plans for stream-lined and integrated service-delivery;</li> <li>• Maximize jobs creation and skills development;</li> <li>• Ensure integration of NMT as a recognized mode in the transport system;</li> <li>• Clear national directive on how to tackle road safety;</li> <li>• Ensure proper, Monitoring, Evaluation &amp; Reporting of transport programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• SMMEs would benefit from investments in road infrastructure contributing to a safe and efficient road network, contributing to savings for SMMEs (in terms of insurance, productivity, etc.) and opening up space for, <i>inter alia</i>, additional small business opportunities in the courier and logistics industries.</li> </ul>
PRODUCTIVE & STABLE LABOUR MARKET		

Labour Relations Amendment Bill	<p>To introduce a number of provisions that should translate into labour relations stability.</p> <ul style="list-style-type: none"> <li>• Introduction of default picketing rules</li> <li>• Make secret strike ballot explicit</li> <li>• Extension of conciliation period prior to strike if this can result in resolution</li> <li>• Advisory arbitration for protracted or violent strikes</li> <li>• Introduction of Code of Good Practice on Collective Bargaining, Industrial Action and Picketing.</li> <li>• Provides for extension of collective bargaining agreements in Bargaining Councils with the provision of regulations that will guide participation of SMMEs</li> </ul>	<ul style="list-style-type: none"> <li>• Indirect impact of labour relations instability to smaller businesses may be more limited with the introduction of these provisions that promote labour relations stability.</li> <li>• The Code of Good Practice that will be introduced once the Bill is passed will provide guidance to business on what conduct is expected during collective bargaining, industrial action and picketing.</li> <li>• Bargaining Council agreements will need to include the impact on small businesses.</li> </ul>
National Minimum Wage Bill and Basic Conditions of Employment Amendment Bill	<p>To introduce a National Minimum Wage:</p> <ul style="list-style-type: none"> <li>• R20 hour, or R18 for farmworkers, R15 for domestic workers</li> <li>• NMW applicable to workers and employees</li> </ul>	<ul style="list-style-type: none"> <li>• NMW is not affordable to three quarters of SMMEs that pay below the amount, but provisions are in place to mitigate job loss including: hourly rate and the exemption provisions on grounds of affordability.</li> <li>• Payment of the NMW on a national level should translate into higher levels of stability, fair wages and productivity.</li> </ul>
National Minimum Wage Exemption Regulations	<ul style="list-style-type: none"> <li>• To introduce the regulations guiding the exemption process relating to the National Minimum Wage</li> </ul>	<ul style="list-style-type: none"> <li>• Requirements for proof of earnings are prohibitive in that they require 3 years of audited financial statements</li> <li>• The arbitrary setting of thresholds can negatively impact employment.</li> </ul>
Unemployment Insurance Amendment Bill	<ul style="list-style-type: none"> <li>• To provide for the extension of the unemployment insurance benefits to learners who are undergoing learnership training and civil servants;</li> </ul>	<ul style="list-style-type: none"> <li>• Improved benefits should translate into lower costs for smaller businesses when staff are terminated, ill, or on maternity or paternity leave</li> </ul>

	<ul style="list-style-type: none"> <li>• to adjust the accrual rate of a contributor's entitlement to unemployment insurance benefits;</li> <li>• to finance employment services;</li> <li>• to extend a contributor's entitlement to benefits under certain circumstances;</li> <li>• to provide for the process of application for maternity benefits;</li> <li>• to repeal some enforcement provisions; to empower the Unemployment Insurance Board to provide in its constitution for the functions of regional appeals committees;</li> <li>• to amend Schedule 2 to the Unemployment Insurance Act, 2001, so as to provide for the adjustment of the Income Replacement Rate.</li> </ul>	
Employment Equity Amendment Bill	<ul style="list-style-type: none"> <li>• Seeks to empower the Minister of Labour to establish sectoral numerical targets in order to ensure equitable representation of suitably qualified people from designated groups across all occupational levels in the workforce in various sectors.</li> <li>• Enhance the administration and implementation of the Employment Equity Act, including the promulgation of section 53 dealing with the issuing of certificates of compliance as a condition for access to State Contracts, removing the annual turn-over thresholds as a qualifier in the definition of "designated employers" and to ensure ease of compliance.</li> </ul>	<ul style="list-style-type: none"> <li>• The proposed amendment of the definition of "designated employer", which seeks to remove the annual turn-over threshold, will alleviate the regulatory burden on smaller employers who do not employ over 50 employees.</li> <li>• Consultation requirements will not be practical for participation of SMMEs.</li> </ul>

## A PROGRESSIVE TAX SYSTEM THAT SUPPORTS INCLUSIVE GROWTH OBJECTIVES

Public Finances	<ul style="list-style-type: none"> <li>The 2018 Budget outlines a series of measures to rebuild economic confidence and return the public finances to a sustainable path.</li> </ul>	<p>Aside from the overarching impact of the state of public finances on small businesses, the following are noteworthy developments arising from the 2018 Budget:</p> <ul style="list-style-type: none"> <li>Recent amendments to the venture capital company tax incentive have resulted in investment of R650 million in qualifying small businesses – increasing the pool of funding available to support enterprise development.</li> <li>Revised public procurement regulations came into effect in April 2017. These enable designated groups, including small businesses and those operating in rural and township economies, to participate more effectively in public procurement.</li> <li>Government's Small Business and Innovation Fund, focused on providing support for entrepreneurs, will fund businesses in their start-up phases. The fund will also help to commercialise local innovation, with R1 billion allocated for 2019/20.</li> <li>The expansion of small, medium and micro enterprises (SMMEs) can help transform the economy. SMMEs employ 47 per cent of the workforce,<sup>3</sup> contribute more than 20 per cent of GDP and pay about 6 per cent of corporate taxes.<sup>4</sup> The 2015 SMME Survey shows that the majority of small businesses do not borrow</li> </ul>
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		from financial institutions, with only 2 per cent indicating that they rely on banks for funding. In 2018, the National Treasury in partnership with the World Bank will publish a diagnostic assessing financing constraints on the SMME sector. It will inform new interventions, expected to include credit information sharing, a review of credit guarantee initiatives and further work on a movable asset register.
<b>TRADE REGIME &amp; INTERNATIONAL CO-OPERATION THAT ENABLES SOUTH AFRICAN BUSINESS</b>		
Dairy Sector (Nedlac process)	<ul style="list-style-type: none"> <li>The purpose of the Nedlac Dairy Sector Task Team includes describing:             <ul style="list-style-type: none"> <li>1.1.1. The size and performance of the South African Dairy sector in the last decade, in the context of the size and performance of the international Dairy industry;</li> <li>1.1.2. The structure of the South African Dairy sector value chain, including inputs, from the farm gate and processors to retail and wholesale;</li> <li>1.1.3. The legislative and trade requirements applicable to the Dairy sector;</li> <li>1.1.4. The tariff protection policy and import duties of South Africa and major export partners regarding the imports and exports of Dairy products of South Africa;</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Market forces, and the need for land transformation as disciplined by the Competition Act, continuously push the structure of the South African dairy industry in the direction of the most competitive structure. In other words, the issue of size, number and geographical location of members of the dairy industry, or the extent to which small, medium and micro enterprises and “small holder dairy farmers” are operating in the dairy industry, is determined by their competitiveness and the most efficient members expand at the expense of the least efficient. In principle the issue is not whether a member of the dairy industry is of small, medium or micro size, but whether it is competitive. The competitiveness of a member of the dairy industry, is not only determined by the size of the member, but also by other factors such as location, service delivery by the public sector in the area concerned, the quality and composition of the products produced or</li> </ul>

	<p>1.1.5. The status and plans of transformation in the South African Dairy industry; make recommendations on ways to fast track transformation, and developing a means for easier access for small and previously disadvantaged players to enter this sector</p> <p>1.1.6. The initiatives of the public sector, the private sector, the organised Dairy industry and organised labour, to promote employment in and the growth and transformation of the South African Dairy industry.</p>	<p>manufactured, seasonality of production, the use of production and manufacturing technology (including measuring key performance areas), the effectiveness of management and marketing and its involvement in other economic activities.</p>
<p>Technical Infrastructure Agencies (Nedlac process)</p>	<p>The objectives of the Nedlac task team are as follows:</p> <p>2.1. Recommend a means of improving communication between customers and technical regulatory infrastructure agencies;</p> <p>2.2. Introduce mechanisms to assist Agencies to adhere to turnaround times as per their performance indicators, and recommend practical steps that may contribute to reducing approved turnaround times without compromising public safety;</p> <p>2.3. Analyse resource requirements and gaps to determine if sufficient</p>	<p>SMMEs would benefit from improvements in the functioning of the NRCS and SABS in the following ways:</p> <ul style="list-style-type: none"> <li>• Establishment of the advisory Forum contemplated by the Legal Metrology Act.</li> <li>• The revitalisation of the Sectoral liaison Forum meetings</li> <li>• Clarification and publication of NRCS policies and procedures</li> <li>• Reduction in 120 LoA approval turnaround time</li> <li>• Modernisation of NRCS ICT system</li> <li>• Alignment of SARS and NRCS risk systems</li> <li>• Alignment of inspections policy with that of SARS</li> </ul>



	<p>testing capacity exists to support compliance assessment; if not, indicate shortcomings and how best it may be overcome;</p> <p>2.4. Eliminate unilateral suspension of services by agencies; (Government noted that this item could be dealt with under 2.1.)</p> <p>2.5. Inform all stakeholders of the content of Agency standard operating procedures and service level agreements to facilitate understanding by customers;</p> <p>2.6. Devise recommendations to determine the conditions under which the South African Police Service (SAPS) is utilized for surveillance in terms of the NRCS Act.</p> <p>2.7. Develop mechanisms to establish alignment between risk engine of SARS and the NRCS. Determine a means of encouraging coordination between SARS risk engine and NRCS utilization of its contents.</p> <p>2.8. Identify measures that Agencies can use to promote local</p>	<ul style="list-style-type: none"> <li>• Exploration of how measures with respect to the writing of standards may be used in a manner that defends and grows industries and is used for the purpose of industrialisation</li> <li>• Explore measures that can be used to ensure that testing tools within the regulatory environment defend and grow the industry.</li> <li>• Investment in SABS test facilities</li> <li>• Access for auditors to SABS information through digitalization</li> <li>• A partial testing agreement between SABS and NRCS</li> <li>• Tailoring of SABS standards to localization.</li> </ul>
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	industrialisation and job creation and devise a work programme for this to be implemented.	
Trade	<ul style="list-style-type: none"> <li>• Priority is to focus on African development, industrialisation and integration.</li> <li>• Africa needs to shift its current consumption and commodity-driven growth path onto a more sustainable industrial development path.</li> <li>• Pursue “development integration” in SACU, SADC, T-FTA and C-FTA: market integration; industrialisation and regional value-chains; and infrastructure development.</li> <li>• Maintain trade and investment relations with industrialised economies.</li> <li>• Work to build industrial complementarities and shift structure of trade with dynamic economies of the South, e.g. BRICS.</li> <li>• Work to ensure a development-outcome to the WTO’s Doha Round, through the development of a Post-Nairobi Work Programme.</li> </ul>	<ul style="list-style-type: none"> <li>• Although not a specific focus of Government’s trade policy, the impact of trade agreements concluded by Government have significant impacts on SMMEs, both in relation to the cost of imports and the opening of markets for exports.</li> </ul>
EDUCATION & SKILLS DEVELOPMENT FOR CURRENT & FUTURE WORK		
AFFORDABLE COMPREHENSIVE SOCIAL SECURITY FRAMEWORK FOR FUTURE GENERATIONS		

Comprehensive Social Security	<ul style="list-style-type: none"> <li>• To address the needs of mandatory insurance cover for all participants in the formal employment sector, and their dependents;</li> <li>• To create mechanisms for voluntary contributions to social insurance for those who cannot realistically be covered by mandatory arrangements.</li> <li>• To create a phased and measured introduction of a comprehensive system of income support, on the strength of improvements over time in fiscal and administrative capacity;</li> <li>• To integrate an approach to retirement provision, based on mandatory participation, preservation of benefits, improved fund administration and governance, simplification of the tax structure and improved consumer protection;</li> <li>• To improve disability insurance and compensation for occupational injury and disease as well as reform of the road accident benefits, as part of a new social insurance framework;</li> </ul>	<ul style="list-style-type: none"> <li>• The mounting financial burdens for smaller businesses decreases the chances of SMME's being able to create or sustain employment.</li> </ul>
National Health Insurance Bill	<ul style="list-style-type: none"> <li>• Lay the foundation for moving South Africa towards universal health coverage (UHC) through the implementation of National Health Insurance and establishment of a unified health system.</li> </ul>	<ul style="list-style-type: none"> <li>• Implications on Business are currently unclear. Costs to employers may be prohibitive for smaller employers. BUSA to monitor the administrative and financial burdens that may arise.</li> </ul>

	<ul style="list-style-type: none"> <li>To provide citizens with access to quality healthcare services that are delivered equitably, efficiently, effectively and appropriate based on social solidarity, progressive universalism, equity and health as a public good and a social investment;</li> </ul>	
Compensation for Occupational Injuries & Diseases Act	<ul style="list-style-type: none"> <li>Seeks to amend COIDA to substitute, insert, delete and repeal certain sections and definitions; to provide for rehabilitation, re-integration and return to work for rehabilitation, re-integration and return to work of occupationally injured and diseased employees; to extend the application of the Act to domestic workers, to regulate the use of health care services, to regulate compliance and enforcement and to provide for matters connected therewith.</li> </ul>	<ul style="list-style-type: none"> <li>Unlimited fines, without a ceiling (failure to have a maximum of “up to”) will have dire consequences on SMMEs particularly those who have financial challenges.</li> <li>Application of COIDA in smaller businesses is onerous and often difficult to implement.</li> </ul>
<b>ETHICAL &amp; ACCOUNTABLE BUSINESS FOR CORPERATION &amp; INFLUENCE IN SA, SADC, AFRICA &amp; GLOBALLY</b>		
Customs Fraud & Illegal Imports (Nedlac process)	The Trade and Industry Chamber agreed to establish a Customs Fraud Task Team. The objectives are to protect domestic industries and jobs and institute all possible and legal means to combat customs fraud and illegal imports. Customs fraud also means a loss to the Fiscus of money that is legally due to the State and required for various essential Government programmes.	Small businesses, particularly legitimate retailers, suffer unfair competition from illegal imports and customs fraud, and are in many instances unable to compete with competitors trading in illegally imported goods, that are sold at lower prices.