

Support for informal SMMEs

Initiative	Target SMME	Details of support	Process	Links
<p>Spaza Shop Grant Funding</p> <p>Department of Small Business</p> <p>To be announced</p>	<p>Owner-managed and owner-operated Spaza shops.</p> <p>Qualification criteria:</p> <ul style="list-style-type: none"> • Owner-managed and operated Spaza Shop. • Willing to register on CIPC and with UIF. • SARS-registered. • Banked. • Registered on SMMESA. • Hold or be prepared to acquire a trade permit from local municipality. • Willing to stock products of other South African SMMEs. • Willing to submit monthly management accounts <p>Foreign national eligibility yet to be confirmed. Foreign nationals trading lawfully in SA holding valid passports with business visas or permits including the condition to work or operate a business will be eligible.</p>	<p>The Spaza Shop Grant provides:</p> <ul style="list-style-type: none"> • Dedicated access to network purchasing or bulk buying opportunities at pre-selected and pre-approved wholesalers. • Credit facility with seed capital for those unable to access funding. • Management support and bookkeeping. • Inventory management. • Occupational Health and Safety training meeting COVID-19 lockdown requirements. • CIPC and UIF registration assistance. • Assistance setting up bank accounts. • Access to business tools such as instant payment machines, speed points, and other vending facilities 	<p>To be announced</p>	<p>To be announced</p>
<p>Informal trade Stipends</p> <p>Dept. of Small Business</p>	<p>Informal sector businesses including hawkers and other categories of informal self-employed.</p>	<p>No further information has been made available</p>	<p>To be announced</p>	<p>To be announced</p>

Support for informal SMMEs - FAQ (1/2)

1 Who qualifies as an informal trader / hawker

Ministerial Directions on 6 April 2020 cite "SMMEs operating grocery stores including corner shops, spaza shops, and fruit and vegetable stores." However "Informal Food Traders" are limited to Fruit and Vegetable informal traders and the Langanas in the Northern Cape and Western Cape.

Definitions are set out in the by-laws of local municipalities regulating informal traders/hawkers/spaza shops.

2 Where can permits be obtained and can they be obtained electronically?

Permits for informal spazas and traders are issued by local municipalities. Business owners should contact local municipalities for details on permit applications.

3 What is needed to qualify for a permit?

Forms, criteria and approval process is defined by each municipalities' by laws. SMMEs should approach their local municipalities.

Spaza shop owners and informal food traders currently trading without permits may apply for temporary permits. If a non-South African citizen, owners must hold a valid passport with either a business visa or asylum seeker's permit issued by the Department of Home Affairs.

4 What are the hygiene requirements for stalls/spazas etc?

Municipal health by-laws must be adhered to. National Disaster Regulations require that grocery stores implement the following health and hygiene requirements:

- Maintain a distance of 1 m between customers and between the trader and customer;
- Disinfect and sanitize trading spaces in line with Department of Health imperatives.
- No person may stay overnight in a grocery store in contravention of Food Safety and Health Standards.

5 What are the limits on number of shoppers allowed in a spaza?

Customers are required to keep a distance of at least 1 m from each other. Beyond the 1 m social distancing practice there is no directive on the number of people allowed in a shop.

Support for informal SMMEs - FAQ (2/2)

6 What are the requirements in terms of employee (tellers, packers, store assistants)?

Enterprises must ensure that the minimum number of staff are available to safely operate the enterprises during the lockdown period. Enterprises are encouraged to provide transport for their employees during the lockdown period.

7 Where are stalls/spazas permitted to operate?

Determined by individual municipalities by-laws.

8 Can traders transport goods and deliver to homes? What precautions or hygiene standards apply?

Disaster Management Regulations allow for the use of transport services for "obtaining essential goods and services" but limit the number of people allowed in vehicles used for transport services:

- Taxis may not carry more than 70% of the licensed capacity.
- Private vehicles may not carry more than 60% of the licensed capacity.

Hygiene precautions for transportation of persons require:

- Owners of public transport to provide sanitizers or other hygiene dispensers for washing of hands and disinfection of equipment;
- Operators to ensure vehicles are sanitized before picking up or dropping off passengers and are generally clean and tidy;
- Drivers and marshals who interact with the public to wear masks;
- Sanitizers used in public transport vehicles to have a minimum 60% alcohol content.

9 Can a hired vehicle be used to travel to a wholesaler or market? Does this vehicle need a separate permit?

Companies using hired vehicles must ensure that employees have the permits to operate vehicles transporting essential goods and services.