

To: All Media

Attention: News Editors

Date: Thursday, 01 October 2020

FOR IMMEDIATE RELEASE

INVITATION FOR PUBLIC COMMENTS ON THE DRAFT GAUTENG TOWNSHIP ECONOMIC DEVELOPMENT BILL

In his July 2019 State of the Province Address, Gauteng Premier David Makhura pledged to champion and pass the Gauteng Township Economic Development Bill to ease the regulatory burden facing township-based enterprises. The purpose of the draft Bill is to provide a framework for the promotion and development of the township economy— which is valued at about R200 billion per year— and to create a conducive environment for it to thrive.

The draft Bill is one of Gauteng's efforts to make starting and formalising a business in the township simpler and seamless. The proposed legislation seeks to address all by-laws that inhibit, frustrate and suppress the operation of small and medium enterprises (SMEs) and informal businesses in the province. It will also make it easier for SMEs to access funding and technical support from government and will require provincial government entities to play a greater role in supporting SMEs.

The draft Gauteng Township Economic Development Bill is in line with Gauteng Township Economy Revitalisation (TER) Strategy, which the provincial government has championed since 2014, with the aim of transforming the South African economy to sustainably meet the material needs of all its citizens and residents by 2030. The strategy recognises full integration of previously excluded people from the townships and peri-urban centres into the core of the Gauteng economy.

In 2015, the Gauteng Provincial Government held TER roadshows in 65 townships across Gauteng to consult businesses on the challenges facing them. Among others, the entrepreneurs stressed the need for finance, technical skills, access to markets, the shortage of land and premises to do business, and the need to change by-laws to make it easier to do business in townships.

Through this draft Bill, the Gauteng Township Economy Development Fund will also be established to provide credit finance and insurance to township enterprises. The fund will guarantee the repayment of, or provide loan insurance or credit insurance of financial obligation undertaken by township-based enterprises.

The government will also encourage innovation and transfer of technology in order to increase competitiveness of township-based enterprises products and services. The registration and protection of intellectual property rights for sector township-based enterprises will also be facilitated by the government.

The government is now calling on all Gauteng residents to submit written comments on the draft Bill, which was gazetted on September 30, 2020. Comments should be submitted within 30 days of publication for the attention of Ms. Reeva Welman in any of the following methods:

- (a) post to:
Gauteng Department of Economic Development
Private Bag X091
Marshalltown
2107
- (b) hand delivered to:
Umnotho House
56 Eloff Street
Marshalltown
Johannesburg
- (c) email to:
GDEDLegal.Services@gauteng.gov.za

A copy of the bill can also be obtained on the Gauteng Provincial Government website: www.gauteng.gov.za/Departments. To access it go to the “Department of Economic Development” tab, and then click on “Publications”.

Alternatively, a request can be sent directly to the email address mentioned above.

For media enquiries please contact any of the following spokespersons:

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