Western Cape Government



DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

Starting your own business



Brought to you by the Department of Economic Development and Tourism, Western Cape Government

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INTRODUCTION

Many people dream of owning and running their own business and, despite the risks, they are taking the big step towards realising that dream. However, with careful planning these risks can be significantly reduced.

This booklet was developed with the entrepreneur in mind, to assist and guide you to reduce the risk of failure. It is not the total solution and not the substitute for good professional advice. However, it is a useful summarised guide of the things you need to know before taking the big step. Carefully following the guide and advice for each stage of starting your own business, will help you assess the viability of your business idea.



If you do go ahead, the work you have done will give you a more focused, business-like approach. Having a comprehensive business plan will help you in your dealings with banks, investors and government agencies.

Remember one thing, stay within your area of expertise. If carpentry is your strength, then starting up a computer business is probably not a good idea.

We sincerely hope that this guide will assist you and wish you all the best in your business venture!!

ARE YOU AN ENTREPRENEUR?

Starting and managing your own business can be very daunting, challenging and frustrating, with many risks involved. However, it can also result in enormous rewards. To become a successful entrepreneur, you need to possess grit, zeal, tenacity, optimism, innovation and have an appetite for risk.

The first question you must ask yourself is why do you want to start a business. The answer to that question should be your motivation. We will outline some of the key aspects when starting a business, which include:

(i) Characteristics of an entrepreneur.
(ii) Factors that determine a successful entrepreneur.
(iii) Challenges and risks of starting a business.
(iv) Key guidelines towards starting a business.
(v) Business structures that an entrepreneur can choose to establish.

This booklet provides you with some thought-provoking questions and considerations that you will have to address before starting your business. These questions are often overlooked, and people think that just because they have a good idea, their business will be viable. This booklet allows you to reflect on your idea, and deal with the obvious pitfalls.

To assess whether you can cope with the demands and challenges that lie ahead, check yourself against the list of qualities that are typical of a successful entrepreneur. Not every entrepreneur, however, possesses all the traits listed below.

DO YOU HAVE:

- A high degree of drive and energy?
- A thorough knowledge of the proposed business?
- A high level of self-confidence?
- The capacity for long-term commitment (time and energy)?
- The ability to sell and market your product(s) or service(s).
- Strong customer centricity.
- Independence, initiative and the ability to be innovative and strategic?
- Ability to cope with uncertainty and willingness to learn, adapt and pivot?

- The ability to set clear goals?
- Integrity and reliability?
- High level of determination to solve problems?
- Comfortable in taking moderate but challenging risks?
- The ability to accept failure as part of the learning process?
- An awareness of the need to make use of experts?

Work through the list, evaluate your own qualities and ask yourself whether you are truly equipped to face the demands of starting your own business. This is a very important exercise so it may be a good idea to discuss the list with your family or a close friend. Try to be as objective and honest as possible.



KNOWING WHAT YOU WANT?

All behaviour is motivated. The question is “By what?” And this is a question you must answer for yourself before going any further. Why? Because running your own business involves responsibility, risk and potential reward. The responsibility and risk will not be worth the effort if the business does not provide you with what you want. Results can take time to achieve, and delays may cause you to become demotivated. But remember, strong self-motivation is fundamental to business success.

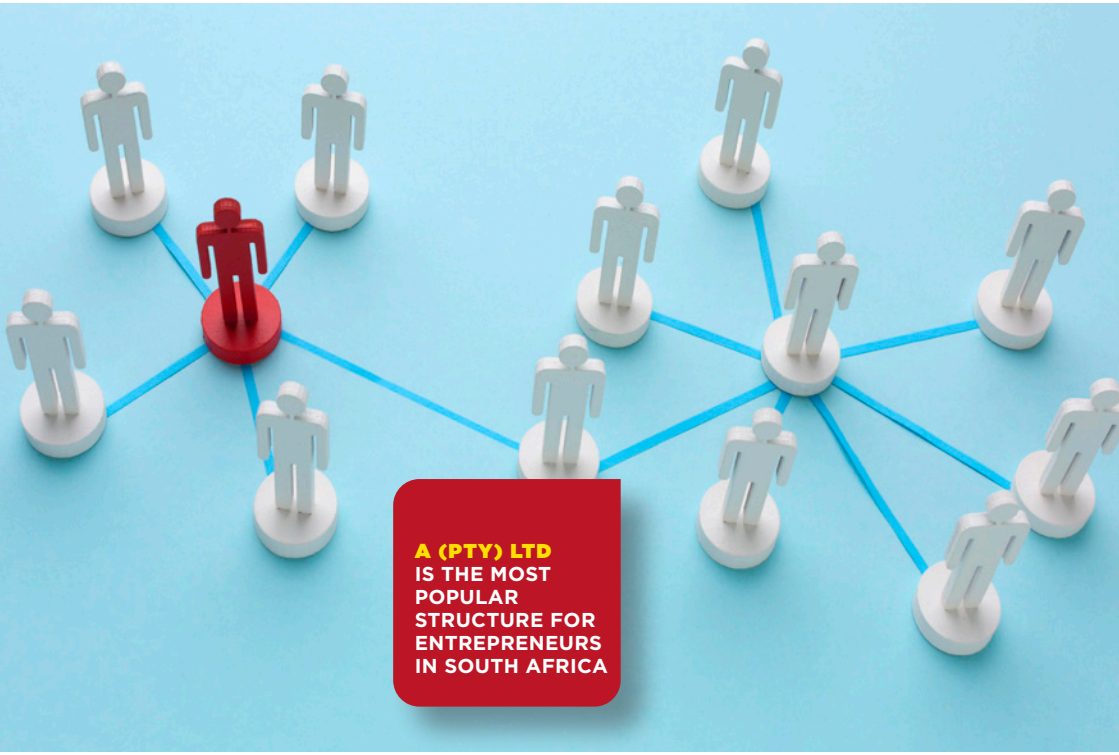
So, take time to think through what you really want from your own business because entrepreneurship is often glamourised. For instance is it:

- Simply that you have a good idea and know you would make it work?
- The freedom to be your own boss and make your own decisions?
- Personal wealth?
- Status?
- A future for your family?

KEY CHARACTERISTICS OF AN ENTREPRENEUR

While entrepreneurs come in all types, certain traits consistently define successful ones:

- **Resilience:** The ability to recover from setbacks and keep going.
- **Self-motivation:** Internal drive to start, sustain, and grow something from nothing.
- **Resourcefulness:** Making the most of limited time, money, and people.
- **Vision:** Seeing possibilities where others don’t — and inspiring others to follow.
- **Risk Tolerance:** Comfort with ambiguity and the courage to act despite it.
- **Leadership:** The ability to guide, influence, and build a team around a common goal.



BUSINESS STRUCTURE

The type of structure you choose will determine your legal liability, how you are taxed, and the business records you must keep. Before proceeding you should consider the following:

SOLE PROPRIETOR

Also known as a sole trader. This is simply when you start trading as yourself. For example, you could fix peoples' cars for which they pay you. You are running a business, but there is no need to create a company name or structure. This is the simplest form of business and requires little effort to set up. You will need to notify the South African Revenue Service (SARS) of your resulting extra income, although this can also be offset

by business expenses. The biggest risk for this structure is that if the business fails, your creditors can recover the debt from assets belonging directly to you.

PARTNERSHIPS

A partnership represents several people coming together, between two and twenty, and contractually agreeing to operate a business together. They further agree to split any profits as per their agreement and in proportion to their interests. In establishing a partnership, each partner needs to contribute to it and as per sole proprietorship the partnership is not a separate legal entity, leaving partners generally liable for debts (i.e. jointly and severally).

COMPANY

Also known as a (Pty) Ltd. This is the most popular structure for entrepreneurs in South Africa. Essentially a company represents a new legal entity which is created as a separate liability from the individual owner. It will have the owners (shareholders), which may be one or more people who own the company, and the managers (directors) who run the company, which may be the same people.

These companies are registered with the Companies and Intellectual Property Commission (CIPC), and each year an annual return must be submitted to them to verify that the company is still trading. Smaller companies will require an annual accounting review undertaken by an accountant.

The advantage of trading as a company is that:

- It provides you with a more professional image.
- Reviews by an accountant can help ensure that you are running things properly and following the law.
- Ability to have other companies or similar legal structures that are shareholders of your company.
- Allows several people to get together and share in the ownership of a business and makes it easier to sell portions, or all of it, to future buyers.
- Debts of a company generally belong to the company, implying your personal assets are safe.

THE BUSINESS MODEL CANVAS

The Business Model Canvas is a concise one-page overview to develop your business strategy. It maps out the business or products, key actors, activities and resources, the value proposition for target customers, customer relationships, channels involved in financial matters.

KEY PARTNERS

Identify your company's key partners. This can consist of important suppliers in your supply chain. What key recouces does the company receive from these partners? What key activities are performed by these partners? Think about who your company works with, the key partners and the motivations behind it.

KEY ACTIVITIES

What specific key activities are necessary to deliver your value proposition? What activities set your company apart from others? Consider how your company's unique differences in its revenue streams, distribution channels, or customer relationships. Do you need to procure specific niche resources? Do you need to streamline to keep costs and prices low?

KEY RESOURCES

What specific key resources or assets are necessary to deliver your value proposition? Consider what resources your distribution channels and revenue streams may require to function. Additionally, think about what resources are needed to maintain customer relationships. Does your company require a lot of capital or human resources?

VALUE PROPOSITIONS

Identify the core value the company provides to customers. What exactly is the company trying to give to customers? What problem is your company trying to solve and what needs are your company satisfying? How do you offer something different that satisfies the demands of your customer segments (eg, price, quality, design, status)?

COST STRUCTURE

Identify the key costs in your company's business model. What are the major drivers of costs? How do your key activities and key resources contribute to the cost structure? How do your costs relate to your revenue streams? Are you properly utilising economies of scale? What proportion of costs are fixed and variable? Is your company focused on cost optimisation or value?

Whatever it is, make a list. Prioritise it and refer to it whenever making a decision - to make sure that each one will contribute to giving you what you want.



CUSTOMER RELATIONSHIPS

What type of relationship do you have with your customers? How do you interact with customers and how does this differ amongst customer segments? Do you communicate frequently with your customers? How much support does your company provide?

CUSTOMER SEGMENTS

Identify who is your value proposition targets. Who are you creating value for? Who are your most important customers? What are they like? What do they need? What do they enjoy? What is the customer market like? Are you targeting a small niche community or a mass market?

CHANNELS

How do you deliver your value proposition? How do you reach your customer segments? What channels are used? Consider your supply, distribution, marketing and communication channels. Are they well-integrated and cost efficient? Are they utilised effectively?

REVENUE STREAMS

Identify the ways your value proposition generates money for your business. Does your company have multiple methods of generating revenue? What is the pricing strategy for the products offered by your company? Through what channels do your customers pay? Does your company offer multiple forms of payment?

ASSESSING THE VIABILITY OF YOUR BUSINESS IDEA

In testing the viability of your proposed idea, you may want to check whether you can answer the following questions:

- What are all the advantages or benefits of the idea, is there a real need for it?
- Have you established some of the problems or difficulties your idea is expected to solve?
- Does your idea satisfy a consumer need in the market, or does the need have to be created through marketing and advertising efforts? What would the degree of these efforts be? Just because there is a gap in the market, does not mean that there is a market in the gap.
- Is your idea based on an entirely new concept, or is it a new combination or adaptation?
- What immediate or short-term gains or results can be anticipated?
- Is the idea profitable (cashflow projections)? Are the risk factors acceptable?
- What long term benefits can be anticipated?
- Have you checked the idea for weaknesses or limitations?
- Are there any problems the idea might create (e.g. will it result in any environmental impact?) What are the changes involved?
- Have you considered variations or alternatives?
- Does your idea have an inherent marketing appeal? Is the market ready for it? Can customers easily access it, and can they afford it? Why would customers want to buy it? Is there a timing factor?
- What is your competition doing in this area? Can your business compete?
- Have you considered the possibility of user resistance or difficulties?
- Are you aware of any laws that would affect your type of business?
- Is the business subject to seasonal changes?

There are many methods available for evaluating the viability of your idea. You should select the criteria that best suit your needs, depending on the type of business you intend to start. These considerations also raise the importance of undertaking market research. The foundation of every business is the customer.

If the business still looks viable, move on to a more detailed study.

NO	ACTIVITY	
1	Define your business carefully	
2	How big is the market? Is the market growing, static or declining?	
3	List all the factors for success (e.g. good location, low price. high quality etc.)	
4	Analyse the situation: By listing your strengths and weaknesses in comparison with your competitors, and by listing all the obvious market opportunities and threats.	
5	List the advantages you have over your competitors.	
6	List advantages that your competitors have over you.	
7	List how you will deal with the disadvantages you face.	
8	Roughly estimate your returns (profit) and compare them against estimated costs.	
9	List what must be done, when it must be done and how it must be done, paying special attention to marketing, manufacturing, financing and administration	

KNOWING YOUR BUSINESS

- Make sure that you know exactly what business you are in.
- Only by precisely defining and validating your idea, will you be able to stay focused on your core business.
- You will also need this definition to identify your market and your competitors.
- Keeping your eye on the ball is as important in business as it is in sport.
- New businesses fail or suffer unnecessary setbacks if their owners stray away from their original idea into areas in which they have less expertise or knowledge.
- As a result, they spread themselves too thinly and increase the risk of failure.

Define your business as precisely as you can by preparing detailed answers to the following questions:

- What product or service will I be supplying to my customers?
- Will I be supplying it myself or through others i.e. partners, employees or distributors?
- Will I be a manufacturer? ... an assembler? ... a distributor? ... a service provider?
- Will I be going into business as a franchise?
- Am I buying an existing business or company or am I starting up a new one?

Bring your answers together to create a precise and comprehensive definition of your new business idea.

Examples:

- I will be in the computer service business, supplying a personal, on-site, computer/printer repair service.
- I will be in the hospitality business, supplying creative, pre-prepared desserts made by myself to pubs, guesthouses and small hotels.
- I will be in the retail outlet support services business, supplying computer systems, designed and programmed by myself and installed on existing hardware, that control stock and re-ordering level.

HOW TO RESEARCH YOUR MARKET

To start and run a successful business you need to:

- Be aware of your potential and existing customers and the market you intend to operate in.
  - Market research is an important tool for all businesses (e.g. government statistics, trade publications and industry associations).
  - Statistics and other market research can assist in making informed decisions about your market, your customers and their needs, as well as giving you a better insight into your competitors.
  - This improved understanding of your market can help you better focus your marketing efforts and make the most of available opportunities.

- No business can survive without sales.
  - Before starting out, you need sufficient proof that your product or service will sell.
  - The potential market is large enough and that there will be a reasonable long-term demand for your product.

- The first step will be to establish a marketing plan, but for this you need to know how to conduct a market research analysis. You will need to know the following:
  - What is the size of the market?
  - What is my likely share of the market?
  - What are the important product features?
  - How do I go about pricing, promoting and distributing my product?

- Your research must be done on two main aspects: firstly, your industry (e.g. computers, motor vehicles etc.) and secondly, your market (e.g. used-car buyers).

RESEARCHING YOUR INDUSTRY

Complete the following questionnaire:

- What is the industry's main activity?
- How large is the industry?
- How long has it been established?
- What are the current trends (e.g. increased use of computers)?
- How competitive is it (what is the level of competition)?
- Do barriers to entry exist (e.g. high capital costs, strict licensing)?
- What risks are related to the industry?
- What are the legal considerations (e.g. laws affecting your type of business)?

RESEARCHING YOUR MARKET

Complete the following questionnaire:

- What is the approximate size of the total market?
- Who are my likely customers? Describe them in terms of age, sex, income group, level of education, location and cultural differences.
- What do customers consider to be important when buying? Is it price, product, appeal service provided etc?
- How many similar products or services are available?
- Who are my major competitors in terms of price and product quality?
- How much do I really know about my competitors?
- What are the strengths and weaknesses of my competitors and how will I deal with it?
- Is it possible that I can compete on price (e.g. selling at a lower price) or
- Provide better value for money (e.g. packaging, delivery) - or both?
- What methods will I use to distribute my product or service.

RESEARCHING YOUR COMPETITORS

To gather information on competitors is neither expensive nor time-consuming. Low-cost ways in which to gather information include the following:

- Reading business magazines and the business sections of daily newspapers.
- Questioning the customers of your top three competitors.
- Buying the products of your competitors to examine their quality, pricing, etc.
- Visiting trade shows or exhibitions and manufacturers.



FINANCING YOUR BUSINESS

A financial viability study identifies how much start-up capital is needed, sources of capital, returns on investment, and other financial considerations.

A financial viability study will help you to determine:

- Whether the business will show a profit?
- How much money you will need to invest in the business?
- How much money you will need to borrow?
- What the operating or running costs will be?
- How much you must sell to cover your costs?
- Whether the expected profit is worth your while given the risks involved?

The two main types of costs you need to consider are the following:

Establishment/Start-up costs
- Legal services e.g. contracts
- Machinery and equipment
- Stock
- Market research
- Provision for operating costs for at least six months e.g. salaries, advertising, rental

Budgeted operating/running costs
- Salaries and wages
- Rental of premises and equipment
- Municipal services e.g. water and electricity
- Insurance
- Advertising
- Telephone, stationery, postage, etc.

Carefully evaluate your business idea. Having a thorough understanding of its strengths and limitations will help define your financial requirements and identify your most likely sources of funding.

OBTAINING FINANCE

Before obtaining funding from a financial institution, try to access it via friends or family.

SIMPLE PRESENTATION

In raising money for a small business, you need to make a quick, simple presentation to a lender.

You need to show:
- Why the business is sound or why your idea will work
- How much money you need
- When the money will be paid back
- What security you can offer

PROVIDING FIGURES

If your business is operational, submit your latest annual and/or monthly income statement sheets. If your business is a sole proprietorship or a partnership, you may have to personally guarantee any loan. In that case, submit a statement showing your personal net worth (assets less liabilities). Also, you should provide a cash flow projection indicating when borrowings will be repaid.

PLAYING THE PART

The financier's opinion of your capability and trustworthiness will be a major factor in the bank's (or any lending institution's) loan decision. Appear relaxed and confident about your business prospects. If you are seeking funding for a relatively new business, include a resume (list) of your previous accomplishments in your presentation package.



YOUR BUSINESS AND THE LAW – BUSINESS COMPLIANCE

THE BUSINESS LEGAL ENTITY

Business and the law are inseparable - both in forming your new business and its subsequent operations. As a first step you must decide on the structure of your new business - sole trader, partnership, or company - and it is important to take professional advice on this before you finalise your business plan. Professional advice will ensure you understand which structure will be most suitable for you.

STATUTORY REQUIREMENTS TO REGISTER A BUSINESS

Whatever your structure you need to be aware that Government will require you to register your business, register for income tax, Value Added Tax (VAT), Unemployment Insurance Fund (UIF), Compensation for Occupational Injuries and Diseases Act (COIDA), Pay As You Earn (PAYE) and to apply for certain licenses depending on your industry, your size and whether you are employing staff.

REGISTER YOUR BUSINESS

You can register your company by using the following methods:

- **BizPortal:** www.bizportal.gov.za
  - This is an online system that you can use to register your company.

- **eServices:** https://eservices.cipc.co.za/
  - This is an online system you can use to access various services from the CIPC. You will first have to register as a customer and then login. After you have logged in, you will click on company registration.

- **CIPC Self-Service Centre**
  - The self-service terminals can be found at the following address: Cape Town Service Centre, Shop 03, Norton Rose House, Thibault Square, Riebeek Street, Cape Town

- Make sure you have the following when using the self-service terminal:
  - All directors must be present.
  - Valid SA ID number
  - Valid cellphone number
  - Email address

NAME RESERVATION

This a compulsory step for non-profit companies

- You may apply for between 1 and 4 proposed names during an application process.
- For-profit companies can be registered **with or without** a reserved company name.
- Not-for-profit companies must be registered with a name.
- For companies without a reserved name, the company registration number will become the company name with (South Africa) as the suffix. You may apply for a name reservation at a later stage. In this case, you will need to first reserve a name and then apply for a name change, which constitutes a change to its Memorandum of Incorporation (MOI).
- For companies **with a reserved name**, you will need to complete a name reservation application. It is advised that you conduct an internet trademark search of your proposed name before submitting your name reservation application. This may help prevent you from having to apply for a name a reservation again, which would incur extra costs on your side.
- Your name reservation application is only registered or reserved when you receive written confirmation from CIPC in the form of a CoR9.4 (turnaround time is 2 days)
- The name reservation is **valid for a period of 6 months** (from the approval date) during which you must have used the name on a company or co-operative registration or a change to a company name.
- **Name reservation periods can be extended** on an application for a prescribed fee. The extension period is 60 business days at a time and the extension application must be submitted by the individual who submitted the name reservation.
- Approved or reserved names can only be extended within the month before it expires. If your reserved name has expired, you cannot extend it.

How do I reserve a name for my company?
Name reservation can be done via any of the following platforms:

- E-services: **www.cipc.co.za**
- BizPortal: **www.bizportal.gov.za**
- CIPC Mobile App
- Self-Service Terminal
- Banks (as part of the company registration process)
- Associated name reservations or names requiring supporting documentation namereservationsandregistrations@cipc.co.za.

COMPANY REGISTRATION

- A company registration fee is payable.
- If you registered your company without a name, the company's registration number automatically becomes the company name. Such a company may apply to add a name at a later stage.
- A private company must have at least one (1) director and a non-profit company must have a minimum of three (3) directors.

Once, your company is successfully registered with CIPC, SARS will automatically generate an income tax reference number for your company.

MUNICIPAL COMPLIANCE

There are also municipal by-laws in the respective local area where your business intends operating which need to be considered. Local authorities regulate issues such as zoning, noise levels, hygiene, etc. and will have an impact on your business depending on which industry you plan to operate in. For example, you will probably need permission to run a noisy manufacturing operation, and a health certificate for operating a food preparation business. Different local municipalities have varying by-laws and therefore varying guidelines for compliance. Always contact your local municipality in the planning stages of your business to see what their requirements may be. Many have local economic development departments which can assist you.

REGISTER WITH SOUTH AFRICAN REVENUE SERVICES (SARS)

According to SARS, being tax compliant is when the taxpayer is registered for all the taxes they should be registered for, has submitted all the required returns and declarations, and does not owe SARS any money. The tax you will have to pay depends on the size and nature of your company. As a business owner, you are responsible for the filing and payment to SARS accurately and on time.

When will I need to register with SARS?

- If you have already registered your company with the CIPC, SARS will automatically generate a Company Income Tax (CIT) reference number for you.
- The company representative must then register on SARS eFiling to update information and transact electronically and conveniently with SARS.
- Self Employed/Sole Traders or persons in Partnerships need to register for Personal Income Tax (PIT) directly with SARS via SARS eFiling.
- If you are trading as an individual and do not have an Income Tax Reference Number, you must first register as a taxpayer on eFiling to create a profile, and a tax reference number will be generated for you.

Tax compliance status system

SARS has introduced a new service called the Tax Compliance Status (TCS) system, which replaces the old Tax Clearance Certificate (TCC) system.

How do I get my Tax Compliance Status?

You can activate your TCS using any of the following:

- SARS's Online Query system **https://tools.sars.gov.za/sarsonlinequery/tcr01**
- eFiling system **https://www.sarsefiling.co.za/**
- If you are trading as a Sole Trader or in Partnership - Download the SARS MobiApp from the Google Play Store (Android) or App Store (Apple devices and tap on 'REGISTER'.
- Visiting a SARS branch
- Contacting the SARS Contact Centre at 0800 00 7277 (Calls are free of charge)

The table below describes the different types of companies and can be used to determine what tax(es) your company will need to be registered for

TYPES OF BUSINESS AND TAX REPONSIBILITIES		
TYPES OF BUSINESS	DESCRIPTION	TAX RESPONSIBILITIES
Sole Trader/ Owner	Operates on a small scale and run by self-employed individuals. Includes the informal businesses. No requirement to register with Company and Intellectual Property Commission (CIPC).	Register for Personal Income Tax (PIT) and annually declare your business income on the Income Tax Return for Individuals (ITR12). Where you need to pay SARS, you must do so before the payment deadline reflected on your Notice of Assessment (ITA34).
Partnership	Two or more people with common interest who join to run a business. No requirement to register with CIPC. Each partner will be taxed separately according to their share in the business.	Register for Personal Income Tax (PIT) and annually declare your business income on the Income Tax Return for Individuals (ITR12). Where you need to pay SARS, you must do so before the payment deadline reflected on your Notice of Assessment (ITA34).
Private/ Public Companies	Formal business that is required to register with CIPC and obtain a company registration number. The company is separate from the owner and the owner is required to submit their Personal Income Tax.	Automatic registration for Corporate Income Tax (CIT) when registering with CIPC and declare CIT annually on ITR14. • Register for VAT - if you qualify. • Register for PAYE - if you qualify and Special Small Business taxes; Turnover Tax, SBC or ETI. Payment of Taxes.
Co-operative	A Co-operative is formed when a group of people, with common interests, joins to achieve a certain economic, social or cultural goal, such as stokvel, community agricultural venture, etc. A Cooperative is required to register with CIPC. Co-operative are taxed as companies.	Automatic registration for Corporate Income Tax (CIT) when registering with CIPC and declare CIT annually on ITR14. • Register for VAT - if you qualify. • Register for PAYE - if you qualify and Special Small Business taxes; Turnover Tax, SBC or ETI. Payment of Taxes.

OFFICE OF THE CONSUMER PROTECTOR

What is the office of the consumer protector?

The Western Cape Office of the Consumer Protector (OCP) is a Provincial Government unit that is mandated to act as a consumer protection agency within the province by the provisions of provincial and national legislation. The OCP is primarily responsible for

two main mandates namely, the investigation of consumer disputes and the provision of consumer education and awareness to citizens and businesses.

Which legislation is used by the office of the Consumer Protector?

- Consumer Protection Act (CPA), 68 of 2008 and Regulations
- Western Cape Consumer Affairs (Unfair Business Practices Act), Act 10 of 2002
- National Credit Act, 34 of 2005
- Common law

Does the Consumer Protection Act apply to MSMEs?

- The CPA applies to all transactions for goods or services in South Africa in the ordinary course of business. A "consumer" is defined as any person (which includes juristic persons e.g. a business) to whom goods or services are marketed, the person transacting as well as the beneficiary of a particular good or service. A "supplier" is any person who markets goods or services. The phrase "ordinary course of business" means that if a supplier sells a product to a consumer, that consumer can only enforce his rights if the supplier is in the business of selling that product or service.
- The consumer's rights can only be enforced by consumers as defined – natural persons (individuals) or juristic persons (such as companies) with an annual turnover or asset value of less than R2million.
- A MSME could therefore be classified as a consumer but it's asset value or annual turnover must be less than R2million. The intention is clear, to protect individuals and small businesses.

The aim of the Consumer Protection Act is to:

- Promote a fair, accessible and sustainable marketplace for consumer products and services and for that purpose to establish national norms and standards relating to consumer protection,
- Provide for improved standards of consumer information,
- Prohibit certain unfair marketing and business practices,
- Promote responsible consumer behaviour,
- Promote a consistent legislative and enforcement framework relating to consumer transactions and agreements.

How do I lodge a complaint or get advice from the office of the Consumer protector?
The Office of the Consumer Protector can be contacted on our toll-free number: 0800 007 081, or via e-mail consumer.protector@westerncape.gov.za
Walk-in service centre: 80 St. George's Mall, Waldorf Building, Cape Town 8000.



DIRECTORY OF USEFUL LINKS

REGISTRATION / COMPLIANCE	WEBSITE LINK
Taxpayer registration	https://www.sars.gov.za/businesses-and-employers/small-businesses-taxpayers/
Business registration	https://www.bizportal.gov.za/default.aspx
VAT vendor registration	https://www.sars.gov.za/types-of-tax/value-added-tax/register-for-vat/
PAYE	https://www.sars.gov.za/types-of-tax/pay-as-you-earn/
COIDA	https://cfonline.labour.gov.za/OnlineSubmissions/
UIF	https://ufiling.labour.gov.za/uif/

BUSINESS DEVELOPMENT SUPPORT AND GENERAL INFORMATION

NON-FINANCIAL SUPPORT

ORGANISATION	CONTACT NUMBER / EMAIL ADDRESS	WEBSITE LINK
Small Enterprise Development and Finance Agency (SEDFA)	(021) 487 3640 Email: kmhlongo@seda.org.za	https://www.sedfa.org.za/
National Youth Development Agency (NYDA)	Tel: 087 158 7701 Email: Capetown@nyda.gov.za	https://nydawebsite.azurewebsites.net/index.html
Productivity South Africa (PSA)	Tel: (021) 910 1591	https://productivitysa.co.za/

ORGANISATION	CONTACT NUMBER / EMAIL ADDRESS	WEBSITE LINK
Casidra	Tel: (021) 863 5000 info@casidra.co.za	https://casidra.co.za/
Wesgro	Tel: (021) 487 8600	https://www.wesgro.co.za/corporate/home
SME Toolkit South Africa	Tel: (011) 713 6600 Email: smetoolkit@businesspartners.co.za	https://www.smetoolkit.co.za/
Department of Small Business Development	Tel: 0861 843 384 E-mail: info@dsbd.gov.za	http://www.dsbd.gov.za/
Department of Economic Development and Tourism | Western Cape Government	Tel: 0860 142 142 Email: redtape@westerncape.gov.za	https://www.westerncape.gov.za/edat
Department of Agriculture | Western Cape Government	Tel:(021) 808 5111 Email: DOA.Info@westerncape.gov.za	https://www.westerncape.gov.za/agriculture

FINANCIAL SUPPORT

ORGANISATION	CONTACT NUMBER / EMAIL ADDRESS	WEBSITE LINK
Department of Trade, Industry and Competition (dtic)	Tel: (021) 480 8050 Email: ERafapa@thedtic.gov.za	https://www.thedtic.gov.za/
Small Enterprise Development and Finance Agency (SEDFA)	Tel: (012) 741 3225 / (012) 741 3221 Email: applications@sefa.org.za	https://www.sedfa.org.za/
National Youth Development Agency (NYDA)	Tel: 087 158 7701 Email: Capetown@nyda.go.za	https://nydawebsite.azurewebsites.net/

ORGANISATION	CONTACT NUMBER / EMAIL ADDRESS	WEBSITE LINK
National Empowerment Fund (NEF)	Tel: (021) 431 4760 0861 NEF WCP (0861 633 927) Email: westerncape@nefcorp.co.za	https://nefcorp.co.za/
Industrial Development Corporation (IDC)	Tel: 021 421 4794 Email: wc@idc.co.za	https://www.idc.co.za/
Technology and Innovation Agency (TIA)		https://www.tia.org.za/
Business Partners	Tel: (021) 464 3600 Email: enquiries@businesspartners.co.za	https://www.businesspartners.co.za/
FinFind	n/a	https://www.finfind.co.za/home

GOVERNMENT PROCUREMENT REGISTRATIONS

ORGANISATION	CONTACT NUMBER / EMAIL ADDRESS	WEBSITE LINK
Central Supplier Database (CSD)	n/a	https://secure.csd.gov.za/
Western Cape Supplier Evidence (WCSEB)	Tel: (021 833 5361/62/63 up to 5377) Email: wcseb@westerncape.gov.za	https://www.westerncape.gov.za/provincial-treasury/tenders/supplier-databases
City of Cape Town	Tel: (021) 417 4043 Email: Business.support@capetown.gov.za	https://www.capetown.gov.za/City-Connect/Register/Business-and-trade/Register-as-a-supplier

WHAT IS A SMALL BUSINESS?

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4
Sectors or sub-sectors in accordance with the Standard Industrial Classification	**Size of class of enterprise**	**Total full-time equivalent of paid employees**	**Total annual turnover**
Agriculture	Medium	51-250	≤35.0 million
	Small	11-50	≤17.0 million
	Micro	0-10	≤7.0 million
Mining and quarrying	Medium	51-250	≤210.0 million
	Small	11-50	≤50.0 million
	Micro	0-10	≤15.0 million
Manufacturing	Medium	51-250	≤170.0 million
	Small	11-50	≤50.0 million
	Micro	0-10	≤10.0 million
Electricity, Gas and water	Medium	51-250	≤180.0 million
	Small	11-50	≤60.0 million
	Micro	0-10	≤10.0 million
Construction	Medium	51-250	≤170.0 million
	Small	11-50	≤75.0 million
	Micro	0-10	≤10.0 million
Retail, motor trade and repair services	Medium	51-250	≤80.0 million
	Small	11-50	≤25.0 million
	Micro	0-10	≤7.5 million
Wholesale	Medium	51-250	≤220.0 million
	Small	11-50	≤80.0 million
	Micro	0-10	≤20.0 million
Catering, accommodation and other trade	Medium	51-250	≤40.0 million
	Small	11-50	≤15.0 million
	Micro	0-10	≤5.0 million
Transport, storage and communication	Medium	51-250	≤140.0 million
	Small	11-50	≤45.0 million
	Micro	0-10	≤7.5 million
Finance and business services	Medium	51-250	≤85.0 million
	Small	11-50	≤35.0 million
	Micro	0-10	≤7.5 million
Community, social and personal services	Medium	51-250	≤70.0 million
	Small	11-50	≤22.0 million
	Micro	0-10	≤5.0 million

Note: this is currently under review.


SMALL BUSINESSES ARE BUILT ON INNOVATION, INDEPENDENCE, AND INITIATIVE.

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Western Cape Government