

*COMPETITION
COMMISSION
GROCERY RETAIL
SECTOR ENQUIRY*

11 May Transcript

Competition commission

Good morning would open up the. Inquiry and we have a submission from presentation from and is called the Red Tape, is it called the Red Tape? The Red Tape and Reduction Unit and Mr Raven Vogo will be making the submission. Mr Rven Vogo I sit with my colleague Ms Mothanga and the two of us after you've made your presentation will make questions just to give greater clarification and get further information and the The Head of the Task Team Ms Du Plesis may also ask certain questions. And gain bear in mind this is just an inquiry what we're trying to do is to elicit information and evidence and your I think your unit is particularly well placed to assist us in relation to the issue of regulation and one of the objectives of this inquiry is to find out whether or not provincial national provincial municipal regulation constitute barriers to entry. And bear in mind too that we are not only inquiring fact finding exercise to find out whether or not the regulation, how they operate with they do have this effect but also to make recommendations. A report once we've collected evidence, will evaluate that evidence will produce a report plus recommendations that goes to the Minister and gets tabled in the National Assembly.

And obviously the recommendations will be at the level of maybe legislative changes and policy changes. So I would like you in your presentation not simply to confine yourself to your own of factual findings as a unit the, research you've done with the information you've acquired, dealing with regulations of the difficulties of regulations. I really do also like you to spoke what kind of recommendations you are giving to Provisional Government and to Municipal Government. Concerning reducing red tape. And if you would introduce yourself, your units your colleague next to you and then proceed to be very pleased, Thank you.

Red Tape

By way of introduction I am Mr Raven Vogo the Director of Red Tape Reduction in the similarly named Directorate in the Department of Economics Development at Tourism, the Provincial Department of Economic Development and Tourism. My

colleague sitting next to me is my manager John Peters who is Chief Director, of the Chief Directorate Economic Enablement. And you've met my colleague Benson Mncunu is been attending the proceeding since Tuesday I believe. Further the Directorate is about six years old having been established in 2011. In direct response to the need identified by the provincial government in 2009 that there's a need to reduce the regularly then faced by business in general and probably by small businesses in particular. So the unit was set up specifically to assist businesses and it's done so in a number of ways in over the years.

First of all it offers an assistant service to businesses by way of what we call business helpline so people businesses in particular can call in, e-mail, sms and even contact us by means of social media to log issues that they experience and as you can imagine that it covers a wide range of challenges that they experience. From difficulty to a just a business with CIPC which was quite relevant in the early years of the existence of the unit but has got considerably in recent years as the CIPC improved its system of a distraction. The continuing ones are registering employees with the Department of Labor for purposes of the compensation legislation and also to register the employer as well as as an employee with that department unfortunately that problem is still persisting as I said. Other matters include access to the land in particular in the townships and that problem presented itself by way of municipalities. The legislation in terms of which it can make its land available for private development being quite complex and being subject to long term plans such as spatial development frameworks for example so very often the response is that we cannot even consider your request to buy a certain portion of land because in terms of the SDF it has been ear marked for X. hospitals, a school or some purpose that the municipality may need it for. Other issues including with regard to larger businesses the obtaining Visas Foreign workers or foreign management that they require during the startup phase of the business and as I say there's a whole range as you can imagine. So that has been done quite successfully with a high resolution rate over the years and continues.

Other interventions include legislative review we receive from the Department of the Premier on. Practically a daily basis that the new legislation or amendments to existing legislation is distributed we scan those to see which pieces might have possible implications in terms of high levels of administration red tape on businesses and if so we comment on it from that perspective. But also with regard to legislation we often get requests by our minister will Head of Department to comment on certain pieces of legislation. And a big part of our work involves what is called Business Process improvement where we either receive complaints from businesses about the way in which certain applications are dealt with by government departments regulators or other government institutions and other entities we then engage or will seek to engage those departments to obtain their buy in with for a project around the improvement of the process.

In general the provincial departments our sister departments in other words are quite receptive when when approached and so are the municipalities where there is clear lack of capacity to do those either legislative reviews all or business process improvements on national level, with the National departments however we do experience what could probably be termed a certain amount of resistance. And sometimes the impacts of those issues could be quite severe, in recent months for example I think it was in February of this year we became aware of the fact that companies that export prepared foods have been able since late last year I think around September or October of last year to obtain certificates of free sale which are required by 107 of the 113 countries to which we export South Africa support prepared foods. And that problem as a result of an instruction by the Department of Trade and Industry that the entities that used to issue those certificates could no longer do so because they did not or do not have a legal mandate to do so.

And as a result since last year those certificates are not being issued precluding companies from doing the exports in the particular case it was for these coffee

capsules which we did the investigation, the research as to the the value of those exports of prepared food and for the Western Cape it is at least four comma three billion rand a year, so billion, billion. The total for that country is just under thirty billion and calculating it on the basis of the Western Cape share of the national economy it would amount to at least four comma three billion. So obviously that's the the sort of environment in which we would intervene we've already written to the Department of Trade and Industry, the Department of Health and the National Department of Agriculture Forestry and Fisheries, the regulators involved or the departments involved to seek the assistance installing that problem. So in a nutshell that that is our work.

In the department the broader department other research is conducted you would have seen from the documents, research documents that are forwarded to you. The research, one piece of that research was conducted by us the the wonder late into the by laws in the city of Cape Town, the other was by our department or the unit that deals with research or economic planning its called but which is the responsible for the research in our department.

With regard to the this issue we have as far as I'm aware not done research into the grocery retail sector in particular, the Department has conducted research into amongst others the informal economy, as per the document, one of the documents that I've forwarded to you and it is also conducted admittedly not recently I think around 2010 or 2009 into the liquor industry, incidentally the company or the consultants that presented to you yesterday Sustainable Livelihoods conducted that research. In the nutshell I would say that with regard to the grocery retail sector we are of the opinion that a large proportion of the challenges that they face relate to the availability of the premises and land on which to establish business. I referred to it earlier with regards to municipal legislation. And beside me or availability it also speaks to this only loss of the municipality and more particularly I would say to the

comparative unwillingness of municipalities to rezone for the purposes for commercial purposes from residential to commercial I would say in instances where it has been clearly demonstrated that it would be appropriate to do so.

And more so with there has already been organic development, Commercial development in the residential areas. I'm not sure since I know that to sustainable Livelihoods is work in areas such as Dolphin Capricorn whether it was mentioned yesterday but by way of example in Delft on the Cape flats, Delft main road has, from the outset had certain commercial areas along that main road but it was largely and continues to be largely residential. Over the years since the establishment of that township which is now about fifteen years there has been wholesale conversion from the residential to commercial along that main road. A whole range of small and micro businesses that have developed and that has grown most exponentially over the years to such an extent that at this point probably between 60% and 70% of the activity or of the properties along that main road I used for some sort of commercial purpose. But they are not being rezoned despite repeated attempts by some of the residents in that area.

Another example is. I think it's called Sam Mukojola street in Wildest outside crime for Crack Fontaine. I think it it's I'm speaking under correction but I think it's Sam Mukojola I'm not too sure of their surname but that's the street, a well known street and in wholesale in trafficking in the northern parts off of the city. And in my opinion that it's should be one of the first interventions to somehow influence municipality to be more receptive to it to the idea of rezoning to enable and facilitate economic development in townships.

I think with regard to further regulating issues generally the regulating authorities for whatever industry sector should also be to the extent that it possible and does not compromise standards of safety and hygiene etc should it be more accommodating

of economic activity in especially township in areas and that the economic support units of municipalities should also be more supportive because that they can make a big difference. And I can give you an example a few years ago I think it was probably around 2013 or 2014 I was mandated by Mr Peters to do a brief investigation into the needs of small businesses not small businesses informal traders in Mitchell Plain, fruit and veg and and other products in the town center in Mitchell Plains. And a major probably one of the major concerns or complaints that they had is that the city made no provision for storage facilities, overnight storage facilities we arrange other complaints of that but one of the major ones was storage facilities and it is a simple thing the problem being that most of them did not have the own transport, so they would have to pay other people by transport to get their products to the market place there and would have to cut everything back at the end of the day of the working day and the same process every day which is involved a lot of time and effort on their part and due to the lack of support, money to transport the goods.

As a result I then went to either station areas and noticed for example that at the retreat station in the southern suburbs the municipality constructed simply enclosures with palisades fencing where people are leaving goods or if not the goods then at least that carts on which they transport the goods from that storage place to their surrounding area and it's left there over night and these facilities to lock it up at night.

So it cuts out major effort on the part and the same was observed at Molbay station. And it was quite heartening and the interviews with the people to hear how complimentary they spoke about the managers of those two facilities compared to the views of the ones that manage the Mitchells Plain town area for example. The last point I'd like to make before I John would you like to? Ok The last point that I would like to make before handing over to Mr Peters is what was reported to us as unfair enforcement in certain areas where the traders felt that they were being under

regulated. For what is sometimes relatively minor offenses. I was witness in Mitchells Plain town center during my visit they for the purpose of the report that I had to do where boxes of fruit and veg that were placed slightly over the yellow demarcations of the areas in which their trade were kicked by enforcement, the City law enforcement officials on site with an instruction to the traders to move the boxes because they were exceeding the area of trade.

And its really it's, that was the other issue that was reported that when the there was an attempt by the security regulate the area that they were given really small trading areas which way adequate for their purposes and then as I said the fact that they felt the enforcement was at times at least particularly harsh and that he's besides the fact that they also complained that although the law enforcement was provided that they engaged in that sort of conduct rather taking care of real security issues such as robberies and theft that were report to them.

And that those were not really actioned. I can just mention that we received requests from as I mentioned before the Minister our HOD and sometimes from industry associations to do legislative interventions. Where in response to which we then conduct research, some background research before arriving at proposed solutions and that we are obviously open to recommendations that we've come from this initiative or any other if it relates to that into current industry to look into that is to see what to what extent we couldn't intervene 3 and assist. Thank you very much.

Thank you Raven.

Mr Peters

I am John Peters and from the Department of Home Development and Tourism my portfolio is three components. The one is retail reduction which is recently added I think 2012/2013 and then I think my main focus has been enterprise development, small business development and then the other component is municipal support or local economic development. So those are the three components.

I think just maybe give some context and I will touch on the on the on the two question that was posed. Is we, within provincial government we operate differently to the other provinces in that across the government departments there are about 5 city objectives that we all have to buy into and typically you find one department champion a specific city to objective. Which essentially means is transversal management accounts objectives, so in our case the first objective or first to city objective is increasing opportunities for growth and jobs.

Then you have another objective related to health, another the objective related to education and those objectives will be champion by the relevant departments. So we as a department champion opportunities for growth and jobs. So what we've done in there, is we have sort of defined to ourselves what are sectors that we can actually generate these opportunities in jobs and the three sectors we chose was Agri-processing, Tourism and then Oil and Gas which is specifically looking at leak repair so that is the context.

We have also ask ourselves how do you besides doing I'm gonna call it a hands on support to small businesses, what are the systemic changes that you can make to a sector which will affect an entire spectrum of businesses or targeted audience. And one of it is obviously making it easier to do business so at the end of the day it's

about the private sector having to generate jobs, government does, do create jobs by employing more people but that's not the type of growth that we want to look at. How do we stimulate the private sector to do it.

And one of the things to look at these what are almost the binding constraints of a business being started, and or a business being expanded because in that way you can get more employment. And we also very much aware that your growth in employment is not going to come necessary from your large enterprises is going to come typically for me a medium to small enterprises, so that's that's the context. So what we've done is with regard to the ease of doing business with specifically red tape. We've looked at ourselves. What are the three key areas that we would you like to target what would you like to be the outcome of our interventions with regard to red tape reduction. And there's three parts to it, the one is looking at less complexity, less cost and less time. Because you can address those three issues you impact on business, ok.

What we then also did was we asked ourselves in terms of red tape reduction and what are the three components now this is OECD country stuff i they do it in that way also. We look then, we focus then on regulation. We then focus on systems or processes and then on communication. Just to give you an almost practical example, we would look at a regulation and ask ourselves to what extent is that a regulation still relevant. Because in most cases you find that the regulation was pas or the policy was pass in a certain context where the dynamics, were certain dynamics and in most cases you find that those dynamics or the environment has been reevaluate where someone is it still relevant? and So we look at that part.

Raven touched on what we call a call centre, if we get a call that we had is recently a call from I think one of the businesses or, yah one of them is still confirming. A business in a certain area in the city of Cape Town, there is a by law that says you cannot operate a self catered business, in the same location of the same area as as sort of hotel or B&B type of a thing. Now again that might have had a context 1923 but is is still relevant now giving that we are pushing for tourism.

So although we entertained the complaint we asked ourselves is this symptomatic of something broader and so we would look at this specific regulation and you take it up with the regular can this be relooked at, right so that that is the regulatory part. So if only look at the example of liquor laws which Raven is an expert on, what we found was that we need to look at the regulation but typically with liquor your process is determined by your regulation. So if it says for example and I'm just using an example if the regulation says that you need to make an in person application for a liquor license right, assuming there is something like that, that would mean the process will be determined by that regulation, which means you cannot do it online. So what we then do is we ask ourselves is it regulation relevant?

Secondly we question can that process be improved? Because what we found in Australian research OECD researches are find then. In most cases the audience or tche business don't really have a problem with the regulation, it's the process of the system that they have a problem with and most of our complaints at the call centre is about a process, a permit stuck in the system, an official unable to make a decision so it stands over. So regulation and most a lot of our work if you look at in terms of municipalities is how do we improve the process of approving a plan. How do we get that down from thirty days to twenty days because that investor wants a quick turn that on time or at least certainty in terms of a time frame.

The other thing that we find officials tend to give vague answers when asked how long does it take so they must be decisive. We have a situation in the IDZ it with the internationally investors coming in and the only thing they want for now how long does it take to get the plan approved? If you tell them two hundred days they say thank you very much ok, two hundred days we will plan according to that, but obviously they would like to work lesser right. So that is the systems part and it's a big part.

And the other component is the information part, what we find is if there is not good communication on what the requirements are that affects the process part. I will give an example you're going to apply for license or for permit many times you come to the counter only to discover that you actually need a proof of address. Now if somebody had told you that the requirements is a proof of address, as an ID, it is this and that it would have made the system all better. Now those are the three questions we looked at.

Now if I try touch on the question. The question was do regulation constitute barrier to entry? That's a strange thing, if you talk to new interest to certain industries they will tell you that is the case but what you sometimes find is that there's very participants was already in the system actually embrace those regulations because in that way they keeping out competitors so then sectors operate that way right. What I can say and I think what research has shown and Sustainable Livelihood would also say something similar. Is that because of apartheid planning especially in townships it could make it virtually impossible to put on a legitimate license business in an area simply because if you do not get a what you call it? a departure.

Rezoning if you do not get proper zoning you would not be able to have a business, a legitimate business. So I think just in terms of our own regulation a retail in a shebeen, not a shebeen a liquor outlet, a spaza shop or any business that you need

to have the following including the zoning . And rezoning is not going to place place in that area, you are not going to have rezoning in that area or you not going to have in it economic activity in that area.

So I think we need to look those things and these are some models that will be considered, example the one they didn't now in Namibia , is the High Street model where you look at townships and you decide as a municipality to a wholesale rezone that entire strip. So that you can attract businesses there, property values increase and you created sort of hub of activity like you have at a Vortrekker Road towards Belbol exactly what to do there, ok also on that end. So I think that touched on do regulations constitutes barriers to entry, on the one hand as I said if township plan is for the poor.

What I think we must emphasize is that we area anti-regulation because at the end of the day it's still about the health and safety of public, ok that's important component. But again it's the balancing of it,do we become a risk of this, ok. The other, I think the next question was what recommendations can we make and I think very broadly these are the two things that we that we picked up. Is number one that the needs to be ongoing engagements between the regulator and in our case the business. Because you do not know who you regulating for? It difficult, it becomes a paper sort of a desktop exercise we can have obviously negative repercussions. The one tool we've managed to develop, not to develop sorry, to implement in the Western Cape and it's now been approved by the cabinet.

Is what is called RIA's, Regulatory Impact Assessments. Now what means is that no regulation the Western Cape will be passed unless it has gone the regulatory impact assessment. There's a whole part of it and there's the whole process to go through it.

You need to, the regulator needs to justify why the needs to be a law, a bill a by law with regard to that. Including what the repercussions will be on small business and on the public. Because what we find is that regulators, regulate with realizing what the implications are in terms of the own capacity so we had government departments passing certain regulations only to find it themselves they can't actually implement because they don't have the capacity or the officials on the ground that she never even heard of it so you have a situation where a people come to a city or official and say listen this is the regulation, I've good the regulation and I'm not going to do anything.

So the Western Cape provincial government we have now regulatory impact assessments has been standard any new law that needs to be proposed goes through the process. What we also considered or what we also want to do now is to look at and RIA or regulatory view of existing regulations so you actually have a basically a shopping list all of it and you actually go through it and ask yourself right, is it still relevant and you go through a process. That is something similar to be doing also at the municipalities, now the city of Cape Town the recently done what we call a stock take.

I want to call it a stick take in and cow were they identified were they sort of listed all the the by laws and went through a process and I think about almost fifty by laws (I speak under correction) that they basically discarded because it is not relevant anymore. and I mean based on the OECD country's work that's exactly how they do what they think that they drew up a list of bylaws or a list of legislation, look at that relevants and then they start to sculling whatever is not necessary. Yah and that's my input thanks.

Mr Raven

My I just add one thing at a bait based on the feedback that we received from Benson after his attendance of the hearings past two days we realized that the lack of participation by the Minister is quite disappointing and we've already decided that we will communicate with our sister Department, the Department of Local Government and SALGA probably and possibly directly with the municipalities is to alert them to the fact that submissions can still be made until I believe sometime in July to see to what extent you could you get input from them as well, thank you.

Competition Commission

The Drankensteen municipality they made a very extensive presentation.

Mr Raven

We believe so yes we are aware of it. I wonder if I could just begin by asking you, why is it that this reluctance to rezone and the townships do you think?

Mr Raven

It's difficult to say. I have some experience with regard to liquor regulation because I was attached to the Western Cape board for a few years before I transferred to this unit. And To put it bluntly I think it's a sense of, sorry. What's the term I'm looking for? but I sense that that they need to be controlled with regard to specifically with regard to liquor that they're locals somehow need to be protected against the the negative influences of liquor and that's with regard to the liquor industry. With regard to other industries or retail sector in particular I can't really tell.

I know that in my years at the liquor board the one of the arguments that was advanced was that property, properties around would fall in value if they were if they

were to be the zoning along the Dalph main road for example which I can't understand because where with such a rezoning this happened are white areas and the residential areas the opposite has happened and they are scores of examples that can be given. So Personally I'm of the opinion that if the same were to happen in the township areas that they would be similar increase in value in all probability. The research that Sustainable Livelihoods has done may point to that with with regard to the Namibian example if Evelina Street in Windhoek.

If I recall correctly that was mentioned in in their research I'm not sure of the content of their presentation yesterday but Sustainable Livelihood did research into Evelina street in Windhoek cutterCaratara I think it's called in Windhoek were the entire street was rezoned and if I remember correctly it was found there that property values indeed really did increase. I will check with them and if need be we could we could let you know.

Competition Commission

Ok, have we got that? The Namibian research? Seems to be quite important sustainable do you have do you?

Mr Raven

I'm not sure if I have it but I can certainly get it quite easily get it.

Do you mind that if we could make a request from you to to submit various pieces of research that you think might be useful for us. And I would really appreciate that and the Namibian research I think its important because it's a captura township. The person making submissions Mr Mogale I think it was for Dranksteen said that it was very very important for the municipalities to engage and consults with the local businesses. And they created what I understood sectoral forums in which they would

develop the needs of the community and the businesses and from that inform the plans and the like.

And so that was really quite important in order to ensure you know the trading base went not just put it in any place but trading by for put in the place that people would respond to. So I think you partially touched on that when you spoke about when you said it was important for the regulators to engage with the regulated. Do you have any experience just in terms of the forms that consultation process should take place?

Mr Peterson

I think for. What we find is in what and what we try to encourage is that obviously the more organize your business is if we talk about in a municipality the easier it is for the municipality to engage with business with one voice of business. What we found for an example in actually recently with South Donabay is that we had you had a sort of consolidation of all business associations, coming under one umbrella on the one in and engaging with municipality with regard to the specific needs.

In that specific municipality also that municipality was recent, this week with the with the Mayor his now sort of got within his office a liaison with the businesses, his thing is almost an ongoing process so I would assume it to be a monthly, were business requires or businesses feel the something going wrong that would be able to have a direct line to the mayor so I think it will take different forms but certainly what we've picked up is that the almost basic interaction that you would have would be some sort of regular engages whether it will be on a monthly basis on a quarterly basis, ok but obviously an ongoing engagement is better.

Like we had a situation like what he's actually done I mean he's very progressive Mayor in that he's identified in that specific area the bottlenecks to film-shoots now film-shoots is big money ok, it stimulates the local economy because it employs local people and it and it can mean a million rand a day basically. So what he's done is he's now got a a component in his office they do specifically with film shoot applications so in that way film shoots, from shoots. so because I mean it filming companies can just be turned off by the regulations and they just go elsewhere you know. So in his case he's got something set which happens I think I assume every month every quarter and it also a direct a channel any specific burning issues that need to be addressed. Here. I just want to understand if. There are it. That's something new to the with love and.

Competition Commission

Thank you I just wanna understand if the Red Tape Unit is something unique to the Western Cape province or does it exist in other provinces at all?

Mr Raven

To our knowledge it is still unique to the Western Cape although we have engaged with other provinces through National Department of Small Business and the National Department of Local Government so there appear to be plans a foot to establish some units in other provinces. I know in KwaZulu Natal in particular is probably closest to establishing one.

Competition Commission

But I assume the other provinces, although they might not have a red tape reduction unit but they do have support for small businesses or is that, they might call it red tape reduction but I am assuming there are structures in the different provinces to assist small business in the same way that you do. As I understand, just if you do

not have the comparison is that it is extensive as yours. If you have you any knowledge of that.

Mr Peterson

Yeah I think. It's more expensive if you look at budget, ok. So we in comparison to the other provinces we not do ,we are not very well funded in terms of a SMME development but it doesn't mean that that we don't do SMME development . I think what what what we've the decision that we've taken is that like I said these two components are small business development component area.Is that with Enterprise Development at the moment like yesterday we had what is called a funding fee and that was almost a direct intervention to get SMME to be finance ready so that's almost a hands on type of assistance to a SMME so we do that, we do we do training in collaboration UWC and ABSA were we training a thousand SMMEs townships basic business skills and stuff like that. The other component of it would be supplier development so we take agri-suppliers who supply Pick n Pay and we try and develop instead of supplying 10 chickens to Pick n Pay supply now thousand chickens that is now processed also, so we do that that component also. So that's one component enterprise component we run.

The other components Red Tape Reduction and municipal support that I say that ends with a systemic sort of regulatory stuff that makes a huge difference to that sector so for example I mean I'm just trying to think. Ok here we go here's a good example. Our Interventions we have tracked I mean conservatively looking at about say five hundred million benefit to the economy in the Western Cape that you so far done to confirm that but take an example of what Raven did for a situation, a case Antlatis where animals on the dunes were banned, you could not have animals on the dunes, ok which meant that film shoots involving animals could not happen.

The request was I think was for a Falcon, a Falcon to be used as part of a film shoot he intervened and the City of Cape Town changed that by law for that policy which now meant that Film shoots now involving animals can actually take place there. so that for us as not open the door for entire group of SMME who want to do that. The same that he did with Filming in harbours, in fishing harbours we had a total ban on that. We intervene in that where film can be done now obviously in a controlled environment but that's now an opportunity that, ok.

If you and I look at the hands on party we might say ok enterprise development try and help this company to do it the bookkeeping so that to be the micro part or the hands on part we offer. So I think just with regard the other provinces they not as big on the ease of doing business red tape reduction part as we are. We are forced to do so because we are put into into these strategic objectives which means we need to look at what is the issues bugging example agri-processing so in that way you need to be very proactively with regard to regulations. Maybe just to add to that what we have done also is we've set the target of one billion the end of benefits or savings to the economy by when is it? when is it when you? 2019. So we are developing a system to actually capture our interventions and actually cost in those interventions.

Competition Commission

Ok, one of the issues or challenges, challenges that you point it out have been raised in your business helpline is access to land in the township. Making land available for business opportunities. Have you considered how this can be done in what format is it through ownership or is it through leasing? Can you speak more to that what documentation you considered in regards to that

Mr Raven

Well the request that we received for ownership in the sense that entrepreneurs would get together, sometimes in consortiums and approach and approach the municipality for development in the township for small, I know of examples in Khayelitsha for example to erect a small mall and hey would come to us after they've engaged the municipality this instance the city of Cape Town to access that land and were told that it was not available in terms of the spatial development framework. so I'm not, as I see the requests that we've received and that's only one example but requests that we received related to two acquisition of land rather than leasing. I don't suppose that leasing is excluded but the wanted to be dealt with was ownership was for outright purchase.

Mr Peters

Sorry can I just add to that one and I don't know much of the details but I know the City of Cape Town of created as proactively identified land properties specifically which they made of it which had actually made available for ownership by SMME's. So I think some of the hives that time that they're actually made available now to be owned by the the tenants or they did it I know they did it in gugus I think think they did some in Khayelitsha but I know they did quite a few in gugus and in the Nyanga where tenants have been occupying the premises for years and the City has now decided, ok look you can actually just take the property now. So in that way I think that it's that stimulates that ownership part.

Competition Commission

Sorry on the point you are making Mr Peters is that land leased for commercial purposes or is it land that they reside on or residential property as well? Because as the next question is going to be the issue of ownership has it been considered as

well on the residential site and I'll tell you when I ask this. We had a submission and I'm sure it's something that will come up throughout processes as we engage with smaller business players that when they look for finance with the banks they find that they don't have assets. The house you leave in you are not an owner of, business that you operate you also tenant in.

So it's in that context that I want to understand both from the commercial point of view and the residential point of view. What is the position of the of the law as you understand it in the Western Cape with regards to ownership in what direction is it taking? I'm quite uneducated on that.

Mr Peters

Look I think I mean I'm going to speak under correction here but I think from the City of Cape Town in the coloured community, coloured area it is the city is sold off a lot of its properties to the tenants ok, we we had an option I mean you could buy the property for a very, for a nominal fee or you could choose to actually just rent property and I think quite a few tenants actually took an option of actually buying it. So obviously the that makes it is so much easier to access credit.

Not as if that that in itself wouldn't automatically generate credit SMMEs still have problems with regard to credit. But I think again the City will provide better details with that but there has been a drive from the city side specifically City Cape Town to actually relinquish ownership to the tenants of the I will call it council properties while still maintaining the option of tenants remaining tenants and just start paying and just paying rental.

Competition Commission

You say that's spatial development framework. And the example you gave in relation to the consortium to establish a small mall in Khayelitsha that was refused because it didn't fit in with the special development framework. Just explain to me why a special development framework doesn't take these ideas into account, these types of issues. I mean what way does this development framework block the establishment of these malls and why isn't the special development framework not relooked at?

Mr Raven

Incidentally the next presenter may be able to offer some input on that, Mr Peterson. But the spatial framework development or SDF integral to the municipal IDP so it's document that is developed becomes part of the IDP and it is then valid for the next five years and it's not often over or easily deviated from because it goes through a formal and quite rigorous process of public participation or perhaps I should rather say that provision is made for public participation that process is as very often not very actively participated in by the communities concerned. But to once it is adopted obviously the idea is that it should be fixed for the next five years at least and that's why it's not easily deviated from on the assumption that it had been work-shopped, it had been subjected to two input by the communities.

And certain areas are earmarked for specific purposes in terms of that framework with the result that if it has been earmarked for for as public open space for example or the erection of a hospital or some community purpose. In the case of the Khayelitsha mall it was for the building of a new police station. The strange thing about it was that when we contacted the national department responsible for the police they indicated to us that they were not interested or decided not to take up the option to erect the nuclear or extend the police station into the area where the entrepreneurs sought to develop the mall. But as far as I know they eventually

abandoned the initiative it obviously cost them a lot of money up to that point and it was to my knowledge not proceeded with.

Competition Commission

With regards to what you've done to date are you aware of any efforts that have been made to give priority to and let business owners in the township when municipal is being sold land by the municipality for purposes of development, because one of the issues that came up in the one submission was that you'd find existing business operating in the area and then suddenly there's a development coming and when you look at who the developers are it's people who, if I may put it strongly benefited under the apartheid system and and they coming to own land or occupy land in the black areas with these people still have no access to this land, no ownership of this land and they overtaken again in their own space. So are there any programs that you're aware of or that you have pushed for in with the work that you're doing that it will give preference to the residents of the townships, black areas, peri-urban areas and rural areas to give them access first option at least to purchase municipal land when it does become available for purposes of development.

Mr Raven

I'm afraid I can't really comment on that we are the only instances that we as Red Tape have dealt with where individual requests for land and the examples that I mentioned. What I have come across in one of the cases that we've dealt with at least is the fact that the municipalities in this case the city of Cape Town make very very long term plans. There was one case for example where we received a request from an entrepreneur that bought in or was sometimes donated old bricks from buildings that been demolished and they cleaned up the bricks you know for the people, cleaned bricks and resold them and they needed space.

Other than the space next to the road where they were operating from and in approach the municipality got , didn't get any joy and approached us and the area that they identified we for then found out it was earmarked for the development of a dump site but it was according to the city to be done only in about fifteen years when another dump site had reached its full capacity. And I was reminded of that, I don't know exactly how it works but I was reminded of that when I saw a new, some of you that travel along the N1 may have seen at that outside Worcester, my home town Worcester they used to be a Shell garage that is now closed in the recent months because two other garages were developed further down the road in the direction of Cape Town on both sides of the road. And it intrigued me because there, the first entrepreneurs that owned the first one and now in fact own the new ones too were allowed to develop the site. Despite the fact that I understand the area that piece of land had been earmarked for other purposes also many years hence on the assumption that by the time that it was needed for the new purpose they would have terminated their the operations in that area which is now happened the that filling station is closed and they built new ones down the road and that is possibly something that we should investigate where really really long term plans are in place or land is earmarked for specific purposes like long term ten fifteen twenty years hence.

That it could in the interim period possibly be made available on a on a relatively long term basis still until the intended use that is supposed to kick in fifteen or twenty years down the time down the line is arise when it's required for the other purpose.

Competition Commission

I mean just taking that up I mean a brick cleaning operation wouldn't wouldn't involve any serious infrastructure that that would be required to be demolished in order to to you know if

Red Tape

That was indeed our argument at the time. Yes

Competition Commission

And to be able to secure the land for them

Red Tape

No, no we were we were not they said the it was actually an NGO they secured alternative land at the time or pursued an alternate piece of land to eventually.

Red Tape Second Speaker

Just to add to the to the land issue is that it's obviously very difficult to set conditions if it's privately privately owned land. You know you can't set the condition that you need to cater for SMMEs or black SMEs or something like that unless it's part of some sort of approval plan with regard to some department where they say look if you going to before you putting I'm just saying it could be something that where before you install get one permission to install anything this is the conditions you have to fulfill, right, so I think it is a difficulty there.

There is think especially what you find with a new development depending what is happening is that these are these increase certainly we had a proposal of a developer recently we they a looked at accommodating the te neighboring spaza shops in the in the mall itself so so so maybe not inside of the mall but of align to the mall that had decent infrastructure. So it's more of appeal and more of a go case by coming to the community because you are also going to be helping the community that's the private sector part.

I think certainly with with with the put publicly owned property there in terms of BBBEE and stuff like that which is now being beefed up in terms of the regulations there you could be more preferential and prescriptive of what you want done on the land and If it's properly written you can actually engineer it that it actually benefits your local communities specifically all of your local businesses.

Competition Commission

Actually my question was very specific to municipal owned land, yes.

(Sound break)

Is it municipality or is it privately owned.

Red Tape

It's municipality. I don't remember what their titles are or the tittle of that job is but it's regional managers that responsible for those areas at across regions in the city. So there is one that manages Mitchells plain and Khayelitsha area and the one that manages both the Retreat and the one at Mowbray. Well that's the same manager

manages those two because it's along the southern suburbs railway line, yes. So I think the difference they could probably be explained by the personal approach of the managers concerned and we did raised it with the city at the time to say that if you if you look at the success in the that relative satisfaction levels of the traders at the later to Retreat and Mowbray that is something to be looked at with regard to the managers of the other areas too to change their approach and and actually because it was a it was a direct and very specific request by the traders in Mitchells plain that that is what they needed overnight storage facilities.

Red Tape Speaker 2

Just to stick just to add in there maybe just aligned to that is that what we found was that clearly evident that just in terms of the competitiveness of the local local SMMEs or local small businesses spaza shops in the townships and I think the sustainable livelihood will pointed out I think in Delft and in quite a few of the other areas which are now been dominated by foreign owned businesses and we even see it in the city that in the city you know in CBD that part of the competitiveness of these foreign owned businesses is on first all bulk buying sot they've got central buying which means that prices are lower instead of individually buying at wherever Pick n Pay wherever these guys seem to centrally buying and they sometimes they buy even direct from the supplier and it's distributed you know in a very profitable way so you know so you all you do is operate you just concentrate on selling the chips that's it and you don't worry about the where the chips is going to come from you you just sell the chips. That's the one part the competitiveness of it.

The second part is the storage or the logistics of it and you'll notice in the in the in the town specifically walk down the side streets and and and little offices have been have been re what you call it rejigged or whatever refurbished just to store traders' goods. So what you find is that I mean we just across what's it Green market square

so us have an owner or a group of owners in and I don't know how the ownership works ranting at the component of a building so we all individual traders and we will store our goods there and we go home.

The local guys what we found was like on the parade, you would find our local guys having to cart their goods via taxi so obviously you can only cart that much in a taxi and have to pay for it and that doesn't make them very competitive. So, so I think part of this keeping our local guys competitive is to look at how do you just make it easier for the people competitive because like I said the foreigners have got different business models that assists and are out competing us the local guys

Red Tape Second Speaker

Could I just add to that during my visit to the Mitchell Plain town centre that I mentioned at the beginning of my input that is what I discovered the guys selling fruit and veg all told me I spoke to seven or eight of them and all told me that they collected their goods individually from Epping market which is about what twenty fifteen kilometers at least away so they would have to leave home early in the morning travel individually in most instances without their own transport in other words taxis in some instances and other instances rented transport to collect their goods and I spoke to one or two that had their own bakkies and said to them but how much of the space on your bakkie do you use and they all in the two of then indicated to me that they don't they use are actually very little space and I said but I then spoke to the others and told them that it would make sense for them to enter into some sort of that arrangement where the owners of transport to bring their goods as well and the problem is mistrust.

If you look at the distribution system set up by the foreigners it is extremely efficient and as John said they are therefore able to concentrate on their own businesses

they don't really lose the hours at the start of the day to collect their goods and come back to their place of trade they simply wait until it's delivered and they trust and I suppose there's some sort of system in trust to ensure that they get the same quality of goods that the that the or the transporter is not a trader in most instances he is a distributor that is is his role in the in the value chain and it would appear to me that that is missing amongst many of the South African traders and I think that is where I agree with John that is where we need to intervene and I think we are probably getting closer to reaching a point where we will probably make that intervention to set up the distribution networks for local businesses.

Competition Commission

And. As well as storage facilities where they can go in store individually that is because they don't really have to be a group to do so if these storage facilities are made available .

Red Tape Second Speaker

That's correct

Competition Commission

And then my other question well not quite the question I just want to check if would you have a list of municipalities just for our purposes falling under the Western Cape so that if we wanted to and possibly those that you worked with if either the whole list and pointing out those that you've worked with because with the with that we doing we don't really we don't necessarily work with municipalities with the difficulty that we've had in reaching out to some of them or even getting any response from those that we contacted we would like to see who's operating what when you say municipality in the Western Cape who are we talking about so that we have a clear

picture from our side if you could provide us with would you be able to with such a list

Red Tape

Yes, we will. We will send you the link for the local government handbook which contains details of all the municipality, contact details, the size of the economy and so on and then we could provide you with a list of the municipalities that we've worked with quite closely because obviously we have not worked with everyone but those that we worked with. (do you think you could get Frey to give a brief summary of the into the interventions there)

Our colleague that works in that space will talk to her so that we can give you a summary of the interventions that we had

Competition Commission

and the contact persons

Red Tape

Yes, yes

Competition Commission

That'd be good for us and then my last

Red Tape

Sorry, sorry just on that, I think also an important organization to also speak to is SALGA , South African Local Government Association because they would be able to if you want to reach out to municipalities they'd be able to assist you with regard to that.

Competition Commission

And then ma'am my last point I just wanted to say with regard to the lack of participation by the municipalities there's actually no cut of time but we would have appreciated appreciated that they participated in each of the hearings occurring within their provinces for example in the Western Cape we would have wanted to have a number of them and including mainly the City of Cape Town appearing here and but then with on what they could do going forward even after these hearings that is the Western Cape municipalities including the city of Cape Town they can still make those submissions to us, they can still make contact with us, our work is ongoing.

So, it's there's no cut of time being July. I just wanted to correct it what to said about July. But we would really really like to work with them and make contact with someone there.

Competition Commission

Morning earlier you indicated that you have seen a drop in the time and that the difficulties in registering a new business with a CIPC, I just wanted to find out with whether you what indicators are you using to monitor that and to identify that drop

Red Tape

The first indicator for us which is perhaps a crude one is simply the fact that those are those complaints have dropped almost completely off our radar. In my early days at the unit in 2013 and early 2014 there were still substantial numbers of complaints about those registrations coming in but we engage with the CIPC about it end they indicated that then manager the indicated to us that they were in the process of setting up an electronic systems which we have, which were a demoed to us and which we viewed and we've even tested.

I registered that my own company electronically and it was it was really a cinch and also the submission of annual reports on the system on the platform that they created is very very easy. I have recently about three weeks ago dropped in to the office here which is about a block and a half away from our offices to just be taken through the system again and it really works well.

Competition Commission

Thank you. Then you also indicated that you one of the one of the functions that you that you do is to go through legislation to identify whether there are high administrative burdens within those pieces of legislation. Again do you have specific criteria in identifying that or how do you go about in identifying that.

Red Tape

We look at things such as additional reporting criteria for example to give you an example we had a complaint I think in 2014 of a very small matter the medical practice that complained about the fact that it had to report its waste management to the local municipality and to the our Provincial Department of Environmental Affairs and Development Planning and they felt that it was it was double reporting firstly and the the amount of waste for small practice like that was miniscule. And in addition to that they the waste company one of the big Inviro Save or something that does the collection also keeps a very detailed record of what ever they collected.

Now in that instance that matter was resolved because the local the provincial government indicated to us that indeed our argument was indeed correct or that the argument put forward by the practice was indeed correct that they fell below a certain threshold so the insistence by the local municipality that they had to report both to the municipality and send it to provincial government was incorrect so in fact there wasn't a problem but that is the sort of thing that we would look out for example. Unnecessary or unnecessarily onerous reporting requirements.

We also look at communication between the departments and and the sector that it seeks to regulate and how easily information is made available. Last year for example we ran a project in the last financial year up to March of this year we did a project with Green Agri a provincial entity was established to promote green or environmental friendly practices for example because they told us that they've got all the legislation that farmers need to make certain decisions. They've got it on their website but the farmers complain that the information is not easily digestible. So we ran a project with them to look at how the the legislation could be simplified and put

on the website in a more easily understood form. So those amongst others are some of the indicators that we use.

Competition Commission

Then you've spoken about regulations that might be onerous and then also may be enforcing the enforcement of the regulations that in some instances might be too forceful I think you provided an example. Have you also picked up on issues with regards to uncertainty with regards to what the real regulations are that are applicable to spaza shops or informal businesses. Have you picked up on that particular issue.

Competition Commission

I'm speaking now from the perspective of the small businesses, yes

Red Tape

I think it needs to be said that generally, we find that that people are entrepreneurs enter business without much knowledge of the regulations that affect that sector and that as a result they sometimes run into difficulty and very often they approach us for just advice on those and to understand it better.

I firmly believe that the the entrepreneurs need to educate themselves themselves better. And also make use of the available resources we sometimes find that some of the things that they want or that they call in about or email us are quite easily available on the website of the departments concerned.

There is you'd be surprised at the amount of information that that is available not always as easily understood at that as it should possibly be but these an amazing amount of information available. We sometimes point them to sites such as just service.gov.za where all the types of applications that not most of the types of applications that you would have to launch to obtain approvals, licenses and authorizations with any other with any government department or regulator are listed.

Whether you want to open a filling station for example, it indicates what licenses you need to apply for if you want to manufacture or sell fertilizer, the department you would then be directed to the Department of Agriculture Fisheries and Forestry with the details, the steps of the applications, the forms are very often attached and so on so.

I think a big part of our drive and that of other government departments should be to indicate to entrepreneurs that they should use the Internet and other resources available and that in fact much of what they don't know is already available and that is is a particularly good site for anybody to go if you want to know how to go about applying for a license and authorisation or a permit. Its services.gov.za

Red Tape Second Speaker

Just to add to that I think the more if we can call it that the more the more informal or the more subsistence the business is I think the lesser the chance that the operator will first of all realize that whatever he or she's is doing illegal illegally because most cases it will be a matter of look either I do this or I start robbing people you know so and also it's also relative I mean I live in the Table View and when I look at they've got a sand down the road and this happened to be now I call it a taxi rank with taxis

actually park and wait for the for the for the workers that live in the Noon they come from the centers to actually take the taxi from there and then and now obviously you had you have some entrepreneurs that are selling their wares there but but continuously the law enforcement guys are chasing them away and there's one altercation that i overheard that this guys whether her did or not but he just couldn't understand why I can't he be operating here van market is here. Where must he sell? Opposite there.. There's no there's no people there. Here is the people, who can't I Again, a possibly I can't understand why I can't I sell my goods here.

You know you know so it's on the one end yeah maybe we too strict on the other end again, the residents of the area would say no no no we don't want these, not in my backyard you know and stuff like that . So I think it's it's some it's a combination of ignorance and yes I agree that if you into a want to open up a fertilizer company you need to know what the regulations are with regard to that but certainly what I pick up ad hoc sort of anecdotally is that the more informal and subsistence level business the

more they're going to not understand or want to subscribe to the regulations.

Red Tape

I just add to that, I think the importance of industry associations could not be emphasized enough and I'd like to to give you an example. In March late March early April we were contacted by the association that deals film with permits or whatever they call the Association for Still Producers amongst others. The Association for Stills Producers and And video I'm don't remember the exact name now. They contacted us because they reviewed the tariff list on the city of Cape Town for the use of its facilities particularly city halls and community hall for the for the purpose of doing film shoots and they picked up on page one 177 of a 177 page document that the tariffs for filming at those facilities had simply been removed.

So with the implication you can't do you can't hire those facilities for film shoots anymore. They then wrote to us and our minister and the City of Cape Town at the same time saying this is an outrage they've been using it for years and discovered that no provision is made in the 1718 financial year for it and also engaged besides the later they also engaged the city to find out what the reason for that is and were told that the city's approach was that those facilities are for community purposes primarily and that filming interfered with it .

They they argued in response to that though they'd been using those facilities for many years and it brought to value to the local community you know with with when they do film shoot, catering and those services have to be supplied and and other menial jobs, locals were often employed for it and the city then agreed to remove that ban that effective ban that was imposed by the removal of the tariff.

The point that I want to make is here is is an industry body that didn't rest on its laurels or didn't simply throw its hands up in the air and say oh what do we do and came to us for assistance. It engaged the City directly and if you have strong industry associations that is the result. They can in fact move. They either remove their own red tape or they can go quite far in in convincing or changing the attitude of the regulators involved as as was done in this instance. And, I'm a strong advocate of industry organizing itself because they can bring quite a bit of value to the industries, or industry sectors concerned.

Competition Commission

You, I just want to touch on something that you said with regards to communication especially in the context of what you said that you are your work is looking at the constraints faced by small businesses and with focusing on key interventions such as making sure that there's less complexity, less cost and less taken in complying.

Have you considered that when we say when people say us information is available on a website on a website that information is available for a certain caliber of a person not everyone. If a spaza shop owner what access do they first of all you don't even have internet access so these are things that need to be considered. So, have you consider this, because it's not everyone, we are all going this route of having a website and throwing websites at people and not even considering the fact that they don't have access to they don't have the means to get to that Internet you are talking about. So already, by saying that, you've created a complexity to them, you know.

Even even on your own programs that you mentioned for example the trainings that you did with ABSA and stuff like that I kind of wondered how all of these advertised to this communities because I hope they are set up in some in some website somewhere because in most you must let in most case people are not going to another look and not going to see anything that isn't on when a website or have access to it.

Red Tape

John will comment on the last aspect of the training or the engagement with entrepreneurs. With regard to their first part of your question that information is possibly made available only on websites. No, we take the target market into account and there is still quite considerable personally engagement and very often through the business chambers especially the smaller towns we had programs we where we visit the outlying towns in the province and have engagements that are arranged by the local business chambers so that they can get their members there.

And that information is dispensed on on a face to face basis. And then with regard to Internet there is and connectivity there are other programs of foot in the department of the divisions in the department that is working and has already rolled out free internet to I think the intention is 200 and how many, I think about 248 what is called hotspots in communities across the province at this stage I think they've done more than between fifty and sixty at least that I'm aware of so these are continued programs to make Internet available free of charge in communities obviously subject to certain limitations.

We have what is called a broadband initiative in the province.

Competition Commission

Then a question with regard to their regulatory impact assessments that you have started to and have already conducted. My first question with regards to that is, to what extent is competition or the assessment of the impact on competition a criteria in those regulatory impact assessments?

Red Tape

The the main criteria that are taken into account is is economic impact and unintended consequences of the regulation or the proposed regulation in that that may be obviously include impact on competition. I in in the pieces of legislation that we have reviewed so far, in fact let me first start by saying that we have not conducted regulatory impact assessment as yet.

The first one after the adoption of the RAs as a requirement in this province, the first one was commenced and is currently under way and that is with regard to the Green

Paper on alcohol harms reduction for the Western Cape, which is started only recently, I think towards the end of March.

So there is, there is a series of questions that are asked. And competition could be amongst them, it depends on the nature of the legislation concerned and obviously.

Competition Commission

And then I think you also mentioned that and correct me if I'm wrong that if I'm wrong that you've already reviewed at a number of of bylaws and that you and that you've identified a couple of clauses in those bylaws that are that are not necessary anymore. Is that correct did I understand that correctly?

Red Tape

Not ourselves but part of the programming we are rolling out put it this was up until last year our municipal support was most looked squarely at local economic development so we'd look at a program to provide local economic economic development. From this year we've looked we looking exclusively at processes and legislation because with regard to local local municipalities .

I think a good example if you want them was a case on their east to speak to the City of Cape Town and what they have done in terms of their regulations. OK, So but very simply put they've identified a whole list they drew up a list of what they stock they had a stock takeover and they were in systematically through it and sort of called it off which is of no no relevance

Competition Commission

OK, we we will contact the City of Cape Town but are you perhaps aware if there is a report that has been produced in that regard that we can have access to.

Red Tape

I'm not sure about the report was a report. We can look into and check if there was a report but certainly all we've all we got from them was a list of regulations that are being put to pasture.

Competition Commission

Can you perhaps and we can discuss this off line but can you provide us with the relevant the contact details of the relevant official that would be able to assist us?

Thank you.

Then another question with regards to liquor I think you've identified now that a regular a regulatory impact is under way with regards to liquor. Is this with regards to the new liquor bill that has been proposed because we've heard some compliance with regards to liquor specifically in the in the province's liquor licenses and they may be very onerous.

Red Tape

Ya, the regulator impact assessment is not with regard to the new national liquor legislation its just with regards to the provincial policy on alcohol harms reduction which obviously includes a number of policy statements or policy

directives that the province wants to take in regulating the sale and production and sale and consumption obviously of liquor in the province.

We have commented on the national liquor policy which is to result or lead to a new national Act but that that is a separate process. There we've only commented. There's regulatory impact Assessment although we have suggested one to be conducted in respect of the national legislation.

Red Tape Second Speaker

Raven can confirm. I think from a national perspective RAs are required or CAs are required.

Red Tape

Perhaps I can just comment that in 2007 the national government adopted regulator impact assessments it became a requirement by national government, the presidency was supposed to ensure that the RIAs are conducted in respect of all new legislation.

That has not really worked. We have requested in instances where we were told that RIAs had been conducted in respect of new legislation, we've requested copies but it had never been made available. Contrary to what the practice should be, that when you conduct one, it's supposed to be part of the public participation process around that piece of legislation and then in 2012 or 13, the presidency decided to adopt a new approach and implemented or institutionalize what is called social economic impact assessment with lesser of a focus on economic impacts but but to

bring in social impact as well such is exclusion or social inclusion etc. That that is a state of play with regard to RIAs and or CAs as at a national level.

Red Tape

Certainly from our side, our almost standard input to any national proposed legislation is that a RIA needs needs to be done I mean that's this and obviously a divulge. You can't have an option of saying yes, we do a RIA but reserve the right not to actually make a public.

Competition Commission

Thank you. Have you as a unit heard a number of complaints with regard to other over regulation in the liquor sector.

Red Tape

We've, Yes we do. Are you talking about the provincial or national legislation.

Competition Commission

Both

Red Tape

Yes. Yeah , we've we have certainly, and with regard to the proposed approach

for new liquor legislation at national some of the complaints that we've heard relate to policy directions around for example what is called the the radius principle that one would not be allowed to grant a liquor license within a radius of five hundred meters from a school, church or other similar institution.

What else is there that but certainly we have heard complaints. The reduction of drinking age to increased to increase it from the current 18 to 21 etc.

Competition Commission

Thank you and then have you had any complaints with regard to attempts to develop on tribal land or difficulties in accessing and a developing on tribal land.

Red Tape

No. Not , we have not.

Competition Commission

Thank you.

Competition Commission

Just one last question from me on the work that you've done. Would you be able to provide us in your interaction with us with whatever you will be do providing us with all the all the regulations, bylaws that you've put forward for for for for for for

reconsideration, review, repeal because for example yesterday I sort of raised with the with the gentleman from Sustainable Livelihoods Foundation as to whether he's aware of you know where you have a regulation that that existed pre 1994 which was into intended to use to be restrictive to people you know and then at times you find that people are unaware of the real rationale behind the law, it may continue continue to be enforced even post 94 and where you made an input so so basically we would be looking at where you've made an input and therefore just to make sure that we don't create too much to duplication in the processes so that we we see what work you have done in what may be already under way from let's say within the municipalities and sort of relooking at those bylaws. Would you be able to have it as a list of those for us okay and tell us maybe the stages where they are whether you've received feedback, positive feedback in the sense that this is what they are the considering the input you've made or where your input has been turned down so that we can get if if needs be from our side we can then still make the make the emphasis provided as it's relevant to the work that we are doing

Informal business and specifically grocery and the thing is we we we we not quite I don't have I am not familiar with all the regulations so some regulations may may broadly affect all informal all businesses not necessarily businesses so even if you are in a grocery retail you have to comply with them but there will be those that are specific to the grocery retail. Those are easier to identify and so we are aware of those so both in my view. Thank you.

Competition Commission

I really want to thank you very much and I know that you have a complicated day today and that you've really accommodated us and I want to thank you very much for for for your submission and for and coming through.

Its been enormously valuable and I think the other information research and other documents that you will send us will be of enormous use to you and to our work so I really do want to thank you.

That we will close the inquiry in Cape Town. The next day, there was a further person to make a submission but he was waiting for for this presentation to end and was unable to to wake me longer. And what have just but I've just been told that he will make his drug submissions in writing. And with that we closing Cape Town.