
**CHURCHES IN SOLIDARITY WITH
INFORMAL BUSINESSES.**



MY PROFESSIONAL BACKGROUND.

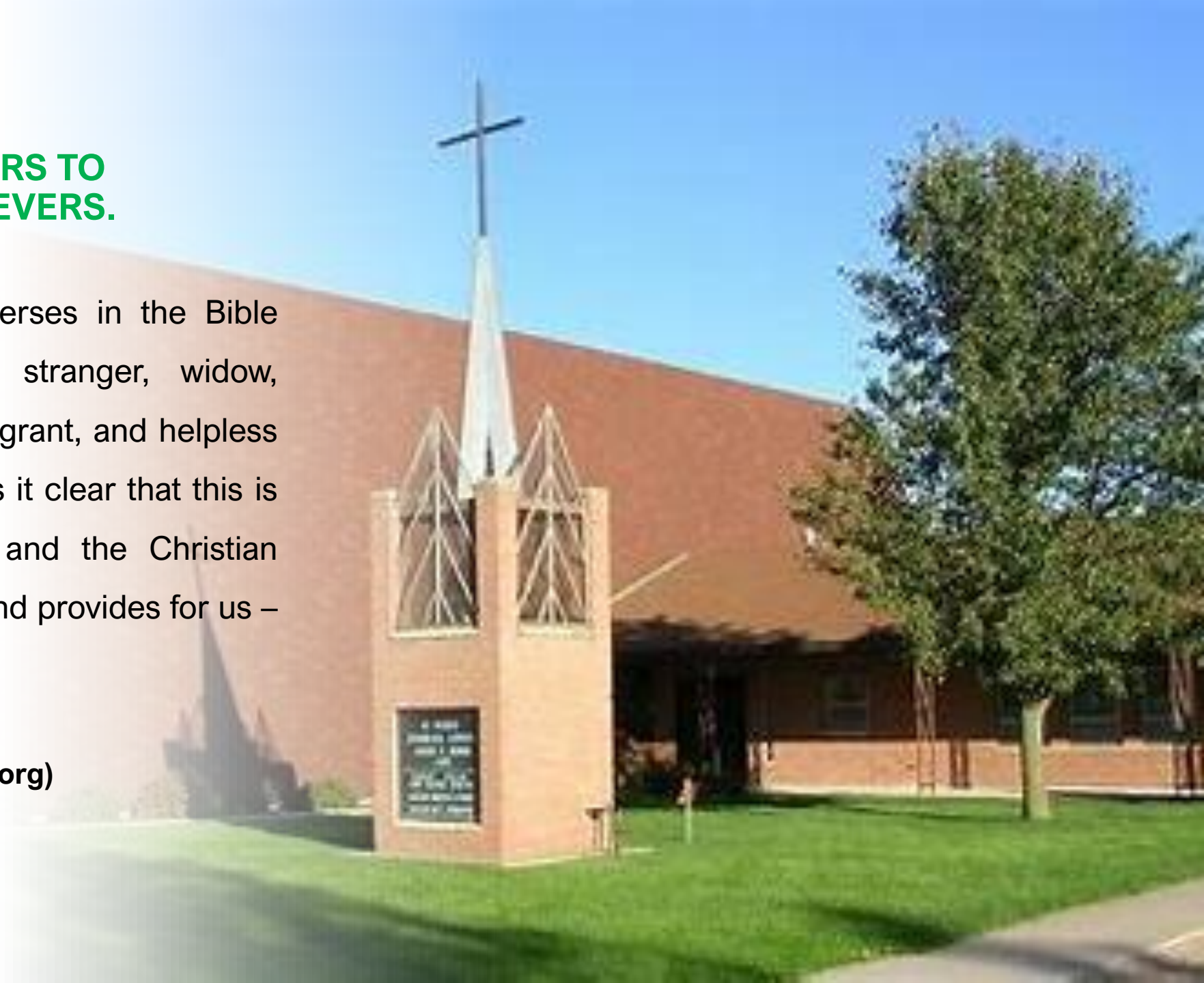
1. Have been involved in public policy and regulation work in the field of entrepreneurship and small business since 1993.
2. Conducted numerous comparative studies on public policy and regulations across various jurisdictions.
3. Advised governments of South Africa, Kenya and Rwanda on entrepreneurship policy, easing of regulatory burdens on small businesses, and simplification of business licensing regimes.
4. Compiled – and evaluated the impact of – entrepreneurship and small business policy in South Africa.



WHY THE ISSUE MATTERS TO US AS CHRISTIAN BELIEVERS.

“With more than 2,000+ verses in the Bible (wow!) about loving the stranger, widow, orphan, impoverished, immigrant, and helpless among us...the Bible makes it clear that this is important to God’s heart and the Christian walk. Just like He rescues and provides for us – so should we for others.”

- Oliver Gospel (Olivergospel.org)





SOME HIGHLIGHTS ABOUT INFORMAL BUSINESS IN SA.

- Estimated total annual GDP contribution of 8%
- Approximately 20% of total employment (about 2.5 million people) attributable to informal businesses.
- Rising informal employment in response to high levels of unemployment
- Strong woman participation, with an estimated 36.84% of women active in the informal sector.

Ultimately, Church solidarity with informal businesses is about the promotion of access to **economic opportunity, economic justice** and **social cohesion**.

INFORMAL BUSINESSES FACE SEVERAL CHALLENGES.

- Lack of formalisation
- Virtually no access to finance – limits expansion prospects
- Inadequate infrastructure and facilities
- Informal employment practices
- **Competition**
- Insecurity and regulatory harassment
- Limited access to appropriate technology
- Vulnerability to external shocks
- **Social stigma and marginalisation**



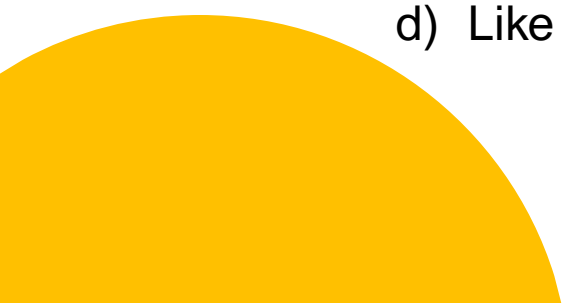


WHY PUBLIC POLICY & REGULATION MATTERS.

Public policies and regulations have enormous power to shape the conditions and incentives that govern citizen initiative. Good policies and regulations can unleash citizen resourcefulness across all strata of society and bad policies and regulations stifle individual initiative.



THE PROPOSED NATIONAL BUSINESS LICENSING POLICY ACKNOWLEDGES SOME OF THE RISKS ASSOCIATED WITH LICENSING.

- a) Inefficient and cumbersome licensing procedures can increase regulatory burdens and unnecessarily restrict entry into a market and/or competition within a market.
 - b) Creating barriers to businesses operating in the informal sector moving to the formal sectors.
 - c) Licensing requirements can result in standards being unnecessarily high and otherwise distortive.
 - d) Like all regulatory activities, licensing can open up scope for corruption.
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OTHER KEY CONSIDERATIONS IN LOOKING AT THE PROPOSED NATIONAL BUSINESS LICENSING POLICY.

Key Area 3: Preferential business licensing

- a) Setting out clear requirements and conditions for foreign investment and entrepreneurship rather than reacting to specific incidents or challenges.
- b) Protecting local industries and jobs from unfair competition and supporting the growth of local businesses.
- c) Adopting a proactive approach designed to create a stable and predictable regulatory environment that attracts foreign investment, and is aligned with South Africa's national interests.

WAYS CHURCHES CAN STAND IN SOLIDARITY WITH INFORMAL BUSINESSES.

- Business and financial skills development
- Providing or facilitating microfinance
- Market access facilitation and networking
- Digital literacy
- **Advocacy and legal support**
- Mentorship and guidance
- Community solidarity and collaboration
- Provision of infrastructure and facilities
- Promoting ethical business practices
- Acknowledging and celebrating their contributions

The logo for Teasda features a large, stylized red cross with a white outline, set against a light gray circular background. To the right of the cross, the word "Teasda" is written in a bold, black, sans-serif font. Below the word "Teasda", the full name "THE EVANGELICAL ALLIANCE OF SOUTH AFRICA" is written in a smaller, red, sans-serif font.

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