

Urgent update: directions on micro and small business trading in permitted services

14 May 2020 5 min read

by Jacques van Wyk, Director; Andre van Heerden, Senior Associate; and Thabisa Yantolo, Candidate Attorney

On 10 May 2020, the Minister of Small Business Development, Ms Khumbudzo Ntshavheni, signed Directions (“Directions”) in terms of the Regulations made under the Disaster Management Act (“Regulations”). The Directions were published, by way of Government Gazette, on 13 May 2020 and become effective on such date.

The Directions assist micro and small businesses trading in permitted services to comply with the Regulations and avoid deviating from previous directions. The Directions are to be read with previous directions that applied to “informal, micro and small businesses that render essential services.” The ‘permitted businesses’ covered by the Directions are dealt with below.

General

All formal and informal small businesses are required to comply with the Occupational Health and Safety Measures in Workplaces COVID-19 (C19 OHS), 2020 Directions issued by the Minister of Employment and Labour and the Guidelines of the Department of Health with specific reference to preventing the spread of, and infection by Covid-19.

All formal and informal small businesses must ensure that no person is allowed to enter business premises, if that person is not wearing a cloth face mask, a homemade item or another appropriate item that covers the nose and mouth.

An employer must provide every employee who may come into direct contact with members of the public as part of the employee’s duties, with a cloth face mask, a homemade item or another appropriate item that covers the nose and mouth.

All formal and informal small businesses are encouraged to provide transport for their employees during the national state of disaster.

Applicable permits / business licenses required

Small scale bakeries and confectionaries

These businesses must:

1. possess a business licence or permit to trade issued in accordance with the Business Act, 1999 (Act No. 71 of 1991) (“Act”) or a business licence or trading permit issued by the relevant municipality;
2. not sell products or goods that are prohibited by the Regulations; and
3. not allow the business premises to be used as sleeping quarters.

Small-scale hardware stores

These businesses must:

1. possess a business licence or a permit to trade issued in accordance with the Act or a business licence or trading permit issued by the relevant municipality;
2. not sell sub-standard goods; and
3. not allow the business premises to be used as sleeping quarters.

Informal and micro restaurants and shisanyamas

These businesses:

1. must possess a business licence or permit to trade issued in accordance with the Act or a business licence or trading permit issued by the relevant municipality; and
2. may not sell cooked food unless it is for home deliveries and the orders are placed telephonically or online.

Tradesmen and / or Artisans Businesses

1. This includes: plumbers, electricians, locksmiths, glaziers, roof repair work, tow trucks, vehicle recovery and automobile repairs (motor mechanics), including small-scale vehicle services centres/workshops, small-scale motor body repair shops, and fitment centres necessary for rendering emergency repair work.
2. An Artisan’s business must possess a business licence or permit to trade issued in accordance with the Act; or
3. In the case of a vehicle service centre, fitment centre or a motor body repair workshop, if it does not already possess a business licence or trading permit, it must apply for such a business licence or trading permit with the relevant municipality.

Sole traders within the clothing and textiles business

1. Personal Protective Equipment (PPEs) may not be fitted or tried on by customers before purchase.
2. Traders within the clothing and textiles sector:
 - a. are prohibited from selling PPEs that had been fitted, tried on or returned by a customer;
 - b. must ensure that sizes are clearly marked before products are purchased; and
 - c. must display notices that PPEs may not be fitted or tried on before purchase.

Cooperatives

1. Cooperatives must possess a valid and original certificate of registration as a Cooperative, in order to trade.

All other small businesses, not specifically mentioned in these Directions must apply for permits to operate their permitted businesses as per the Regulations.

Application for business license or trading permits

1. The Informal, micro and small businesses which are required to possess trading permits or business licences and which are currently trading without permits, must apply for temporary permits to continue trading.
2. Specific requirements are put in place in the case of non-South African citizens.

Permits

All formal and informal small businesses or sole proprietors must have a permit to perform essential or permitted services as per Form 2 of the Regulations.

The form may be signed by the Head of the Small business and in the case the Head or Sole proprietor is signing on behalf of him or herself, he or she must:

- a. be in possession of an Affidavit indicating that he or she is performing a service permitted in terms of the Regulations; and
- b. have in his or her possession a CIPC company registration certificate, or sole trader document issued by SARS, or certified copies of the trade certificate of the owner or college certificate in the related qualification, or other documentary proof of the existence of, and the nature of, the business.

The Head or Sole proprietor must be able to provide the above mentioned documents together with the permit upon request by an enforcement officer.

Should you require any formal advice regarding the above please feel free to contact us.



Andre van Heerden

Director

[View Profile](#)



Jacques van Wyk

Director

[View Profile](#)