

SMME ASSISTANCE DURING COVID-19

The Department of Small Business Development (DSBD) has established relief funds and facilities to assist Small, Micro and Medium Enterprises (SMMEs) during the COVID-19 pandemic.

The funds and facilities are aimed at providing relief on existing debts and payments, and to assist entities to acquire raw material, as well as to pay labour and operational costs. All these interventions will be structured to match the patterns of the SMME's cash flows, as well as the extent of **the impact experienced due to the COVID-19 pandemic**.

The following relief funds are available to SMMEs:

RELIEF FUND	DEBT RELIEF FINANCE SCHEME	BUSINESSES BUSINESS GROWTH AND RESILIENCE FACILITY	RESTRUCTURING OF SEFA FUNDED LOANS
WHO CAN APPLY?	For Businesses which are negatively affected, directly or indirectly, due to the COVID-19 pandemic. This is available for any small business to assist with e.g. the procurement of stock and to pay staff, i.e. to help with the operational aspects of your business.	For businesses geared to take advantage of supply opportunities resulting from the COVID-19 pandemic or shortage of goods in the local market. For example, for businesses in the health care sector to assist in the production and supply of health care products and services.	A payment moratorium / holiday for six months (April to October 2020) to all SMME's that have Small Enterprise Finance Agency (SEFA) loans and that are adversely affected by the COVID-19 pandemic.
Common QUALIFYING CRITERIA	<ul style="list-style-type: none"> • The business must have been registered with the Companies and Intellectual Property Commission (CIPC) by at least 28 February 2020; • Company must be 100% owned by South African citizens; • Employees must be 70% South Africans; • Priority will be given to businesses owned by Women, Youth and People with Disabilities; • Be registered and compliant with the South African Revenue Services (SARS) and the Unemployment Insurance Fund (UIF); • Complete the simplified online application platform; • Registration on the National SMME Database – https://smmesa.gov.za • Certified ID Copies of Directors/members; • 3 Months Bank Statements; • FICA documents (e.g. Municipal accounts, letter from traditional authority); • Latest Annual Financial Statements or Latest Management Accounts not older than three months from date of application – where applicable; • Business Profile; and • 6 Months Cash Flow Projections – where applicable. 		

RELIEF FUND	DEBT RELIEF FINANCE SCHEME	BUSINESSES BUSINESS GROWTH AND RESILIENCE FACILITY	RESTRUCTURING OF SEFA FUNDED LOANS
<p>Additional QUALIFYING CRITERIA for each fund</p>	<ul style="list-style-type: none"> • The Small Enterprise Development Agency (SEDA) will assist micro-enterprises to comply. A request for assistance must be emailed to debtrelief@seda.org.za or smmerelief@sefa.org.za • Whereas small and medium enterprises must ensure their own compliance; • Proof that the business is negatively affected by COVID-19 pandemic; • Company Statutory Documents; • Copy of Lease Agreement or Proof ownership if applying for rental relief; • If applying for payroll relief, details of employees - as registered with UIF and including banking details – will be required as payroll payments will be made directly to employees; • SMME employers who are not compliant with UIF must register before applying for relief; • Facility Statements of Other Funders; • Detailed breakdown on application of funds including salaries, rent etc. 	<ul style="list-style-type: none"> • Applications must be sent to bizgrowth@sefa.org.za and additional information can be found at www.sefa.org.za; • For non-compliant Micro businesses, Seda will assist them to comply. Information can be found at https://seda.org.za and a request for assistance must be sent to: growthfund@seda.org.za; • CIPC Registration Documents; • Relevant Industry Certification – where applicable; • Estimations for funding requested. 	<ul style="list-style-type: none"> • Funded SMMEs must submit proof of the negative impact of COVID 19 • An analysis of SEFA funded SMMEs will be conducted to assess which clients require restructuring of the loan accounts • The debt repayments will be sculpted to match the pattern of the cash flows • The additional funding will be offered at prime less 5 This will ensure that the already funded SMMEs are protected from high interest rates and are offered an opportunity to survive post the COVID 19 pandemic • Normal SEFA delegation of authority will apply to the approval of debt restructures
<p>How to apply.</p>	<ul style="list-style-type: none"> • Register on the National SMME Database at https://smmesa.gov.za/ • Complete the online Application Form at http://www.dsbd.gov.za/wp-content/uploads/2020/04/COVID-19-Finance-Relief-Application-BR1.pdf • Upload Required Supporting Documents 		

SPAZA SHOPS AND GENERAL DEALERS SUPPORT SCHEME

This support scheme is open to a spaza shop/ general dealer owner who is a South African and holds a valid trading permit (including temporary) or business license in the case of a general dealer, qualifies to apply.

SEVEN STEPS TO QUALIFY	<u>APPLICATION PROCESS (CLICK ON LINK)</u>
<ol style="list-style-type: none"> 1. Have a valid South African ID 2. Have a valid and original municipal trading license/ permit to trade or business license in case of a general dealer (COPIES ARE NOT ACCEPTABLE). Only permits or licenses issued by the municipality, NOT a councillor are valid 3. Be registered with CIPC, SARS and UIF (assistance available if not registered yet) 4. Proof of Banking (owner/business) 5. Registered on https://smmesa.gov.za/ (assistance available if not registered yet) 6. Commit to stock products from SMMES 7. To submit Management Accounts after investment (assistance available) 	<ol style="list-style-type: none"> 1. Spaza shop/general dealer to register on https://smmesa.gov.za/ and upload details 2. Apply for the Spaza Support Scheme at participating banks (banks will access spaza details as registered on https://smmesa.gov.za/) 3. Banks to send application to Department of Small Business Development (DSBD) for validation and verification 4. Upon approval Spaza collects purchasing card from Bank 5. Spaza to go to participating wholesaler to purchase
<p>Further information available at http://www.dsbd.gov.za/wp-content/uploads/2020/04/GUIDELINES-FOR-PARTICIPATION-IN-THE-SPAZASHOPS-AND-GENERAL-DEALERS-SUPPORT-SCHEME.pdf And http://www.dsbd.gov.za/?p=3472</p>	

Additional links to direct funding application for businesses impacted by COVID-19

- [Youth Business Relief Fund](#)
- [Black Business Brochure](#)
- [National Empowerment Fund](#)
- [SMME Relief Funding](#)
- [Business Growth and Resilience Facility Guidelines](#)
- [Debt Relief Finance Scheme](#)
- [SEFA Debt Restructuring Facility](#)
- [IDC package](#)
- [SAFT Fund](#)
- [DAFF FUND](#)
- [Spartan Relief](#)
- [IDC COVID-19 Essential Supplies Funding](#)

Information supplied by Department of Small Business Development (DSBD)

Contact Department of Small Business Development for more information at:

0860 663 7867 or 0860 ONE STOP or mailto: info@dsbd.gov.za

NB: Please note all loan agreements are subject to the National Credit Act [No. 34 of 2005] and all the rights and responsibilities indicated therein, will apply.

All applicants are therefore urged to ensure they understand the terms and conditions of the loan facility they are applying for.

More information available at <https://www.ncr.org.za> or call 0860 627 627.

Stay safe and stay at home during the lockdown.

If you have any queries and for more information on consumer education messaging and activities, you can contact the FSCA at the following details:

Contact Centre: 0800 20 (FSCA)3722

Email: CED.Consumer@fsca.co.za
info@fsca.co.za

Website: <https://www.fscamymoney.co.za/>