



JOE GQABI ECONOMIC DEVELOPMENT AGENCY

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# COVID 19 ACCESS TO RELIEF FUNDING



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# EXECUTIVE SUMMARY

The President of the Republic of South Africa, Honourable President Cyril Ramaphosa declared a state of disaster management and a 21-days nationwide lockdown, which has since been extended by another two weeks until the end of April 2020; this as means to slow down the spread of the coronavirus (COVID 19) pandemic.

Certain sectors of the economy were declared as essential, thus, meaning they would continue with operations, while the majority of the other sectors and industries fell under the non-essential categories. With understanding that the economy of the country would be slowed down, and further, that businesses would be negatively impacted by the lockdown, the President further announced that a Solidarity Fund would be set up, which the South African businesses, organisations, individuals and members of international community would contribute.

Different business support relief options were also set up, as means to assist enterprises during this lockdown.

The documents outline different business relief options that are available for enterprises to partake in and further the qualifications criterion for applications to be criterion.

Joe Gqabi Economic Development Agency was set up to facilitate stimulation of economic growth within the Joe Gqabi District, and thus shall play a fundamental role to ensure that small, medium and micro enterprises within this district obtain assistance to access the available relief options.

# 1. GOVERNMENT COVID-19 ASSISTANCE

## 1.1 DEPARTMENT OF SMALL BUSINESS DEVELOPMENT

### 1.1.1 DEBT RELIEF FINANCE SCHEME

Businesses which are negatively affected, directly or indirectly, due to the Coronavirus pandemic.

#### QUALIFYING CRITERIA

- The business must have been registered with 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 SARS and UIF;
- Seda will assist micro-enterprises to comply and request for assistance must be emailed to [debtrelief@seda.org.za](mailto:debtrelief@seda.org.za);
- Whereas small and medium enterprises must ensure own compliance;
- Registration on the National SMME Database – <https://smmesa.gov.za>
- Proof that the business is negatively affected by COVID-19 pandemic;
- Complete the simplified online application platform;
- Company Statutory Documents;
- FICA documents (e.g. Municipal accounts, letter from traditional authority);
- Certified ID Copies of Directors; 3 months Bank Statements;
- Latest Annual Financial Statements or Latest Management Accounts not older than three months from date of application – where applicable;
- Business Profile;
- 6 months Cash Flow Projections – where applicable;
- 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;
- Detail breakdown on application of funds including salaries, rent etc.

#### APPLICATION PROCESS

- Register on <https://smmesa.gov.za/>
- Complete online Application Form
- Upload Required Supporting Documents



## 1.1.2 BUSINESS GROWTH / RESILIENCE FACILITY

Businesses geared to take advantage of supply opportunities resulting from the Coronavirus pandemic or shortage of goods in the local market.

### QUALIFYING CRITERIA

- The business must have been registered with 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 SARS and UIF;
- For non-compliant Micro businesses,
- Seda will assist them to comply and request for assistance must be sent to: [growthfund@seda.org.za](mailto:growthfund@seda.org.za); Registration on the National SMME Database: <https://smmesa.gov.za/>
- Complete the simplified online application form available from [www.dsbd.gov.za](http://www.dsbd.gov.za); [www.sefa.org.za](http://www.sefa.org.za): <https://seda.org.za> CIPC Registration Documents;
- FICA documents (e.g. Municipal accounts, letter from traditional authority);
- ID Copies of Directors/members;
- 3 months Bank Statements;
- Latest Annual Financial Statements or Management Accounts not older than three months from date of application;
- Business Profile;
- 6 months Cash Flow Projections – where applicable;
- Relevant Industry Certification – where applicable;
- Estimations for funding requested

### APPLICATION PROCESS

- Register on <https://smmesa.gov.za/>
- Complete online Application Form
- Upload Required Supporting Documents



### 1.1.3 SMME PAYROLL ASSISTANCE

Targeted at employees of SMMEs (employers) that will not be able to claim from the Unemployment Insurance Fund (UIF) – owing to employers not being registered with the Fund.

#### QUALIFYING CRITERIA

- The business must have been registered with 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;
- Undertake to register with the UIF (registration will trigger disbursement);
- Registration on the National SMME Database: <https://smmesa.gov.za/> For non-compliant SMMEs, Seda will assist them to comply and request for assistance must be sent to: [payrollassist@dsbd.gov.za](mailto:payrollassist@dsbd.gov.za);
- Alternatively, register directly on <https://www.ufiling.co.za/> Complete the simplified online application form available from [www.dsbd.gov.za](http://www.dsbd.gov.za)
- CIPC Registration Documents;
- Relevant Industry Certification – where applicable FICA documents (e.g. Municipal accounts, letter from traditional authority);
- ID Copies of Directors/members;
- 3 months' Bank Statements;
- 3 months' payroll list with full employees' details

#### APPLICATION PROCESS

- Register on <https://smmesa.gov.za/>
- Complete online Application Form
- Upload Required Supporting Documents

- [info@dsbd.gov.za](mailto:info@dsbd.gov.za)
- [info@mybindu.org.za](mailto:info@mybindu.org.za)
- 0860 663 7867 or 0860 ONE STOP



## 1.2 DEPARTMENT OF TOURISM

### 1.2.1 HOSPITALITY & TOURISM

Businesses which are negatively affected, directly or indirectly, due to the Coronavirus pandemic.

#### CATEGORIES ELIGIBLE TO APPLY FOR THE TOURISM RELIEF FUND INCLUDE THE FOLLOWING:

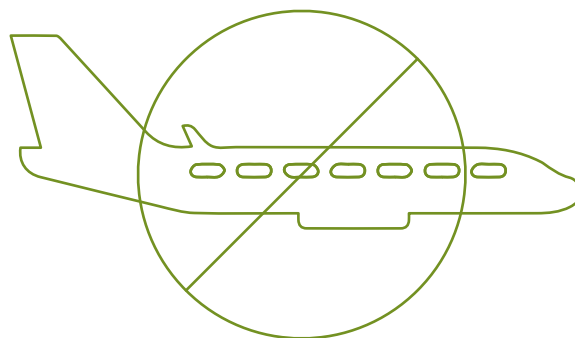
- Accommodation establishments: Hotels; Resort properties; Bed and Breakfast (B&B's); Guest houses; Lodges and Backpackers
- Hospitality and related services: Restaurants (not attached to hotels); Conference venues (not attached to hotels), Professional catering; and Attractions
- Travel and related services: Tour operators; Travel agents; Tourist guiding; Car rental companies; and Coach Operators

- To obtain more information, SMMEs can visit the website: [www.tourism.gov.za](http://www.tourism.gov.za)
- Complete a form accessible online at [www.tourism.gov.za/Pages/COVID19tourismrelieffund.aspx](http://www.tourism.gov.za/Pages/COVID19tourismrelieffund.aspx)
- Inquiries on the fund can be emailed to [callcentre@tourism.gov.za](mailto:callcentre@tourism.gov.za) or [covidrelief@tourism.gov.za](mailto:covidrelief@tourism.gov.za).
- Alternatively contact our call centre telephonically on 0860 TOURISM (868 747) weekdays from 08:00 – 22:00

### 1.2.2 SPORTS, ARTS & CULTURE

The funding of R150 million is for cancelled events, digital solutions and a wide array of projects. The Department indicated that it would revert in due course on how the funds will be allocated amongst the sectors. The ministry reported that thus far about 6000 applications had been received, and announced that the cut off date was 6 April 2020.

SMMEs can visit the department of sports, arts and culture website for further details and enquire on possible extension dates.



## 1.3 DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT

### MINIMUM REQUIREMENTS

- Smallholder farmers/producers must have a minimum turnover of R20 000 per annum but not exceeding R1 million. (produce financial records or evidence if financial statement cannot be produced during this lockdown period);
- South African Certified ID copy; not older than 3 months;
- Valid confirmation of land tenure/ownership (title deeds, Tribal Resolution, Permission to Occupy, minimum 5 years lease agreement);
- Already farming;
- Application form completed;
- Farming operation able to create permanent and/or seasonal jobs;
- In cases where the Environmental Impact Assessment (EIA) Certificate is necessary for the operations, evidence of such to be provided;
- Proof of access to water for irrigation in case of fruits, vegetables and winter crops (i.e. water license/rights or proof that it had been applied for, borehole or other sources);
- Non-Government Employees

- To obtain more information on the selection criteria please visit the respective provincial Department of Agriculture OR national department of Agriculture, Land Reform and Rural Development or visit [www.dalrrd.gov.za](http://www.dalrrd.gov.za)
- Closing Date for the application is 22 APRIL 2020 by 16h00. Late applications will not be considered.

- For more information please contact:
  - Mr. Sbusiso Nongwanya: 083 536 9119, [Sibusiso.nogwanya@drdar.gov.za](mailto:Sibusiso.nogwanya@drdar.gov.za)
  - Ms Dudu Nghona: 082 577 5622, [Dudu.Nghona@drdlr.gov.za](mailto:Dudu.Nghona@drdlr.gov.za)





# 14 INDUSTRIAL DEVELOPMENT CORPORATION (IDC)

## 14.1 IDC COVID-19 ESSENTIAL SUPPLIES INTERVENTION

The IDC COVID-19 Essential Supplies Intervention is established to provide funding to companies for the acquisition and/or the manufacturing of essential supplies on an urgent basis to combat the Covid-19 pandemic that is facing South Africa.

Essential supplies should include products on the comprehensive list published by the Treasury Department (which may be updated) and include other products that are critical to the treatment and curtailment of the spread of the disease.

### QUALIFYING CRITERIA

- Companies that have a track record of manufacturing comparable products. In other words, that are capable of delivering on the contract in terms of capacity, resources and experience;
- In the case of imports and trade finance the lack or insufficiency of local manufacturing should be confirmed and capacity and experience to import at the required scale should be demonstrated;
- Company should be an accredited supplier (where applicable) if contract or purchase order is with government, retailers or multinationals;
- Company should demonstrate profitability as per historical financial statements;
- The intention should not be profiteering - the mark-up should be reasonable;
- Contract or purchase order with either the South African government or a strong customer for essential supplies;
- In the absence of a contract or orders a corporate guarantee from a company with Investment Grade may be considered. Where a clearly demonstrable shortage of supply exists, letters of intent may be motivated;
- Geographic focus to be South Africa and SACU;
- Exports are allowed if it forms part of a bigger contract for manufacturing but an excess portion of products is exported

- Head Office, 19 Fredman Drive, Sandown, PO Box 784055, Sandton, 2146
- Tel: 011 269 3000 / Fax: 011 269 3116
- Call Centre Tel: 0860 693 888
- mail: [callcentre@idc.co.za](mailto:callcentre@idc.co.za)



## 1.5 DEPARTMENT OF EMPLOYMENT AND LABOUR

### 1.5.1 EASY-AID GUIDE FOR CLIENTS TO ACCESS UI FUNDING THROUGH COVID19

#### STEP 1: KEY DOCUMENTS REQUIRED

- Letter of Authority, on an official company letterhead granting permission to an individual specified to lodge a claim on behalf of the company
- MOA (completion of the agreement between UIF, Bargaining Council and Employer)
- Prescribed template that will require critical information from the employer
- Evidence/payroll as proof of last three months employee(s) salary(ies)
- Confirmation of bank account details in the form of certified latest bank statement. All documents submitted will be subject to verification.

#### STEP 2

- Submission Process Submit/transmit all documents as required in Step 1 to UIF via dedicated mailbox: Covid19UIFclaims@labour.gov.za
- NB: If the spreadsheet is complete; valid and accurate, it will be dumped into an automated calculator to produce the benefit amount due to the beneficiaries and the total amount to be transferred to the employer or bargaining council or whichever method agreed.

#### STEP 3

- Conclusion of the MOA between parties. Payment will only be effected after MOA sign off between the Fund and the Employer/Bargaining Council.

- The UIF will provide a dedicated line that will assist all employer / employees / Bargaining Councils on COVID19TERS. The contact number is 012 337 1997
- All relevant/key information or any urgent changes will be placed on the Department's web site, [www.labour.gov.za](http://www.labour.gov.za)

## 1.5.2 UIF TO PROCESS COVID-19

The Minister of Employment and Labour, T.W Nxesi has recently announced measures that the Department will put in place under the current special circumstance relating to the Corona virus (COVID-19) and its impact on UIF contributors. Therefore, the Unemployment Insurance Fund (UIF) Commissioner, Teboho Maruping, after consultation with UIF's Executive and the Board developed the Covid-19 Temporary Employer-Employee Relief Scheme (COVID-19 TERS) to contribute to the containment of the pandemic.

To mitigate the impact of the 21-day national lockdown on workers, business and the economy, the UIF will be electronically processing applications for the Covid-19 TERS Benefit.

Caring and responsible employers that are unable to pay the full salaries of the workers they send home for their health and safety due to the lockdown are encouraged to apply for the Covid-19 TERS Benefit from the UIF by sending an email to [covid19ters@labour.gov.za](mailto:covid19ters@labour.gov.za) from midnight tonight when the lockdown starts.

Upon sending the email, applicants will receive an automated reply which outlines all the steps and details, including the requirements to claim benefits. During the lockdown period, manual claims will not be accepted to reduce contact between people to curtail the spread of the pandemic.

The Covid-19 TERS Benefit is de-linked from the other UIF Benefits and other processes, however applications are subjected to normal verification and validation processes of the Fund. UIF has developed a hotline number: 012 337 1997 for Covid-19 TERS Benefit enquiries during the lockdown period.

*Workers, companies and stakeholders are urged to follow @DeptofLabour and @UIFbenefits on Twitter and visit [www.labour.gov.za](http://www.labour.gov.za) for regular updates.*



## 1.6 NATIONAL EMPOWERMENT FUND (NEF)

### 1.6.1 COVID-19 BLACK BUSINESS FUNDING SOLUTION

As South Africa intensifies the fight against COVID-19, the global pandemic that must be defeated, the Department of Trade, Industry and Competition (dtic) in partnership with the NEF call upon black businesses to come forward for funding geared at supporting the manufacture of various medical supplies and the production of food.

R200 million has been set aside under the COVID-19 Black Business Fund as a blended facility for SMEs that manufacture and supply Identified Priority Products to access concessionary loan funding.

#### FUNDING CRITERIA

- Be a registered legal entity in South Africa in terms of the Companies Act, 2008 (as amended); the Close Corporations Act, 1984 or the Co-operatives Act, 2005.
- Be a taxpayer in good standing with a valid tax clearance certificate at assessment as well as before the loan is disbursed.
- Be a current and registered supplier with retailers and other institutions in good standing or have a purchase order / contract / letter of intent.
- Require working capital or funds to purchase machinery and equipment.
- The fund WILL NOT service any pre-existing debt or help settle monies owed.
- Have greater than fifty percent (>50%) Black shareholding and management control. Must be directly involved in the day-to-day running of the operation and must have requisite expertise in the sector. Owned by black South Africans as defined by the Broad-Based Black Economic Empowerment (B-BBEE) Act.
- In line with the NEF's transformation mandate, preference will be given to applications that demonstrate meaningful black women ownership, management and control.
- Have a project with a minimum requirement of R500 000 in working capital, machinery and equipment. Must result in retaining or increasing direct jobs.
- Submission of all relevant documents for commercially viable applications.

**>50%**

BLACK SHAREHOLDING  
& MANAGEMENT CONTROL



## 2. NON GOVERNMENT COVID-19 SUPPORT FOR SMME'S

### THE SOLIDARITY FUND: What is it and how can you access it?

- You can read more about the Solidarity Fund here: <https://www.solidarityfund.co.za/>
- The aim of the fund is to:
  - prevent the spread of the disease by supporting measures to flatten the curve and lower infection rates
  - detect and understand the magnitude of the disease
  - care for those in hospital or medical care
  - support those whose lives are disrupted by the pandemic.
- Individuals and organisations are invited to support these efforts through secure, tax-deductible donations.

### 2.1 ACCESS TO THE SUKUMA RELIEF PROGRAMME THROUGH BUSINESS PARTNERS

The R1-billion that was pledged by the Rupert family will be administered and distributed by Business Partners. The Sukuma Relief Programme will have two separate offerings for formal sole proprietors and other business entities such as companies, closed corporations and trusts.

The programme offers sole proprietors a grant of R25 000 to be used to pay for overheads. You must be able to provide evidence of financial activity prior to the Covid-19 outbreak and be tax and regulatory compliant. The grant will be paid in one single payment within seven working days. You can apply online here.

Companies, trusts and closed corporations can apply for an unsecured interest-bearing loan of between R250 000 and R1 million coupled with a non-repayable grant of R25 000. The loan will be interest-free for 12 months with no repayment obligation during this period. The loan is repayable after 12 months and will bear interest at the prime rate. The money can be used for payroll, rental, and other monthly operating overheads.

The business must be formally registered, provide evidence of financial viability prior to the Covid-19 outbreak, and be both tax and regulatory compliant. The first payment will be made within 7 working days, and the balance will be distributed over a period of 3 months. You will have to submit documents each month to support the continued need for financial aid during these 3 months. You can apply online on <https://finance.businesspartners.co.za>

## SUKUMA RELIEF FUND - BUSINESS PARTNERS

- Available for all industries but must have evidence of financial viability prior to Covid-19 as well as be tax & regulatory compliant.
- Close corps, companies and trusts: must be registered, unsecured interest-bearing loan of R250, 000 - R1 million coupled with a nonrepayable grant of R25,000. 60-month max loan term. No repayment obligations in yr 1, no interest for yr 1, interest at prime and repayment commence from yr 2
- Sole proprietors: Non-repayable grant of R25,000. Must be registered and compliant, and employing 2 or more people.
- Online application process only, payouts in 7 days. Apply at <https://finance.businesspartners.co.za/welcome-to-thesukuma-relief-programme/>

## 2.2 ACCESS TO THE OPPENHEIMER SA FUTURE TRUST THROUGH YOUR BANK

The SA Future Trust have made funds available to South African businesses impacted by the Covid-19 pandemic.

The scheme is currently available to clients of Nedbank, Standard Bank, FNB and ABSA. SMMEs can apply through their main bank. The funds will be distributed as interest-free loans over a five-year term. The aim is to help SMMEs who are suffering from short-term cash flow constraints to continue operations and retain employees.

### WHO QUALIFIES?

- Annual turnover below R25 million
- Must have been trading for at least 24 months
- The business must have been sustainable at 29 February 2020
- The business must be adversely affected by the COVID-19 pandemic

### YOU WILL NEED

- Company or CC registration number, Master's reference number for Trusts, or ID number and address for sole proprietors
- PAYE number
- Income tax number
- Confirmation of employment status of employees

Available to clients of  
the following banks



## 2.3 SOUTHAFRICAN FUTURETRUST (SAFT)

### QUALIFYING CRITERIA

- Any SMME with turnover <R25m per annum;
  - Company types: Sole props; partnerships; operating trusts; CC; (Pty)Ltd;
  - Trading for 24 months or more;
  - In good standing with the statutory creditor;
  - Good credit history;
  - Impacted by Covid-19
- 
- **NB** - Business Partner applications currently closed, SMMEs can visit the site for extensions



<R25M

TURNOVER PER ANNUM

24

MONTHS OF TRADING  
OR MORE

### 3. JOE GQABI REGION KEY SMME PERSONNEL



- **Joe Gqabi Economic Development Agency**
  - 27 Dan Pienaar, Aliwal North, 9750
  - Mzukisi Peter | 078 827 4823 | mzukisi@jogeda.co.za



- **Elundini Local Municipality**
  - No 1 Seller Street, Maclear, 5480
  - Vuyokazi Qayi | 084 487 3119 | vuyokazin@elundini.gov.za



- **Senqu Local Municipality**
  - 20 Murray Street, Lady Grey
  - Mkhululi Ndlela | 065 577 1257 | ndlelam@senqu.gov.za



- **Walter Sisulu Local Municipality**
  - 1 Greyling Street, Burgersdorp, 9744
  - Mr Retsilisitsoe Khamali (JR) | 078 483 8324  
retsilisitsoe.khamali@wdlm.gov.za



- **Joe Gqabi district Municipality**
  - C/O Graham & Street Barkly East, 9786
  - Xola Mahali | 079 058 0426 | led@jgdm.gov.za