

COVID-19 SMME EMERGENCY FUNDING SOLUTION

Covid-19 Emergency Funding Intervention

- The **Department of Trade, Industry and Competition (DTIC)** in partnership with **NEF** are joining hands to support manufacturing companies with access to finance in response to COVID-19 challenges.
- **R200 million** has been set aside under the COVID-19 SME Response Fund (Fund) as a blended facility for SMEs who manufacture and supply **Identified Priority Products** to access concessionary loan funding.
- In some instances, the loan may be converted to a grant if performance milestones are reached.
- **Salient Features of the Fund:**
 - Limited to R10 million per applicant for working capital, machinery and equipment;
 - Up to 12 months payment moratorium at 0% fixed rate
 - After 12 months a fixed rate of 2,5% will apply
 - Maximum term is 60 months, including moratorium;
 - First drawdown must occur within 1 month from approval date;

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 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.

Fund's Identified Priority Products

- MEDICAL GLOVES AND ACCREDITED MASKS



- DIAGNOSTICS AND ACCREDITED TEST KITS



- BULK SUPPLIES OF DISINFECTANTS, SANITIZERS (HAND AND INDUSTRIAL) AND WIPES



- NEBULISERS AND NEBULISING AGENTS



- VENTILATORS AND FILTERS



- DISPOSABLE VISORS, GOOGLES, GOWNS AND APRONS



- PACKAGING (BOTTLES, CAPS, PUMPS, SACHETS ETC.)



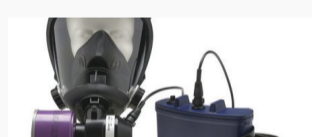
- DRUGS PROVEN TO COMBAT THE



- CORONAVIRUS



- DIGITAL BODY THERMOMETER



- POWERED AIR PURIFYING RESPIRATOR (PAPR)



- SANITARY PADS, TOILET AND TISSUES PAPER



- MANUFACTURING OF HOSPITAL BEDS



- MANUFACTURING OF OXYGEN



Required Documentation

Constitutional documents

- Declaration on BEE status and size of business
- NEF application form ([accessible on NEF website: www.nefcorp.co.za](http://www.nefcorp.co.za))
- Summary of production in the last 3 months
- Copy of the historical financial statements (up to 3 years if available)
- Signed copy of the contract, purchase order, or letter of intent from the applicant's client/s
- Financial forecast for the duration of the contract, order, or letter of intent. The forecast should include income statement, cash flow statement and balance sheet for duration of the funding
- Additional information would be necessary to enhance the application may be requested by the NEF as when as deemed necessary.