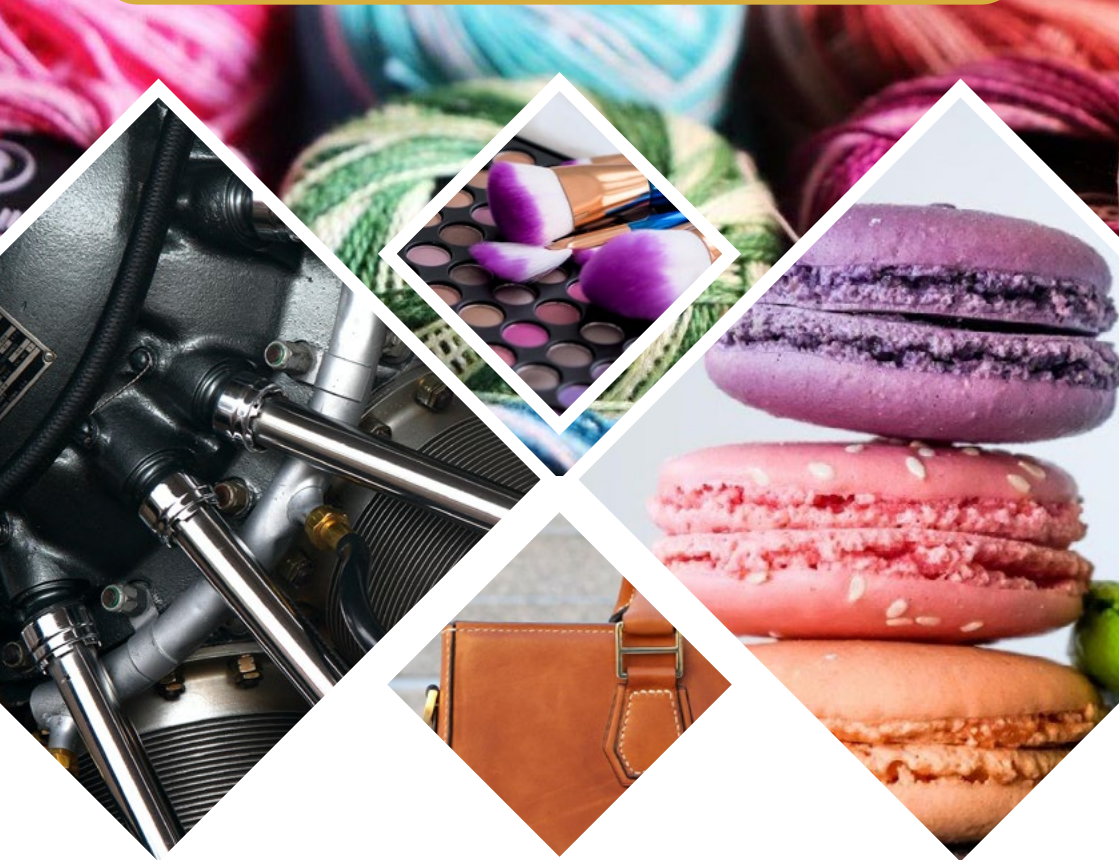


# Township And Rural Entrepreneurship Programme



small business  
development

Department:  
Small Business Development  
REPUBLIC OF SOUTH AFRICA

seda   
SMALL ENTERPRISE DEVELOPMENT AGENCY  
an agency of the state

**sefa**  
Small Enterprise Finance Agency



The Township and Rural Entrepreneurship Programme (TREP) aims to assist informal micro and small enterprises grow their businesses. The programme supports all small enterprises operating in townships and rural areas that meet the qualifying.



## Township and Rural Entrepreneurship Programme Objectives

The Scheme is aimed at supporting small enterprises to:

- participate in the rebuilding and restructuring of the economy in townships and rural areas;
- necessitated by the emergence of the new world order;
- improve the quality and competitiveness of small enterprises for both domestic supply and export market;
- seize opportunities in various sectors availed by the Covid-19 pandemic through the value chains and beyond.





## Township and Rural Entrepreneurship Programme Business Sectors

The Scheme supports all small enterprises operating in townships and rural areas that meet the qualifying criteria including but not limited to the following sectors:

- Clothing & Textile
- Bakeries & Confectionaries
- Tshisanyama and Cooked Food
- Retail (including restaurants, car washes, general dealers etc.
- Automotive
- Personal Care
- Artisans



## Township and Rural Entrepreneurship Programme Support

What does the Township and Rural Entrepreneurship Programme cover:

- Cost of production inputs, e.g., material, equipment, machinery, tools, etc.
- Working capital including salaries, rent, etc.
- Assistance with compliance and technical skills improvement, e.g., labeling, industry standards, quality, etc
- Business and financial management training, including productivity management.
- Facilitated market access.



## Township and Rural Entrepreneurship Programme Financial Support

The financial package is structured at a maximum value of R1 000 000 that consist of:

- Maximum of R1 000 000 towards working capital, cost of equipment, or any other CAPEX (paid directly to the supplier where applicable)
- The financial package will be offered in the form of a blended finance with 50% of the total approved amount being a Grant i.e., a maximum grant amount of R100 000.

### **Example [1]:**

- Total funding applied for R100 000= R50k loan and R50k grant

### **Example [2]:**

- Total funding applied for R150 000= R75k loan and R75k grant

### **Example [3]:**

- Total funding applied for R250 000= R150k loan and R100k grant

### **Example [4]:**

- Total funding applied for R1 000 000= R900k loan and R100k grant

### **Loan Repayment Terms**

- Maximum 60 months repayment period dependent on cashflows.
- Interest rate at a fixed rate of 5%.
- 6 months moratorium (on capital and interest)



## **Township and Rural Entrepreneurship Programme Business Development Support**

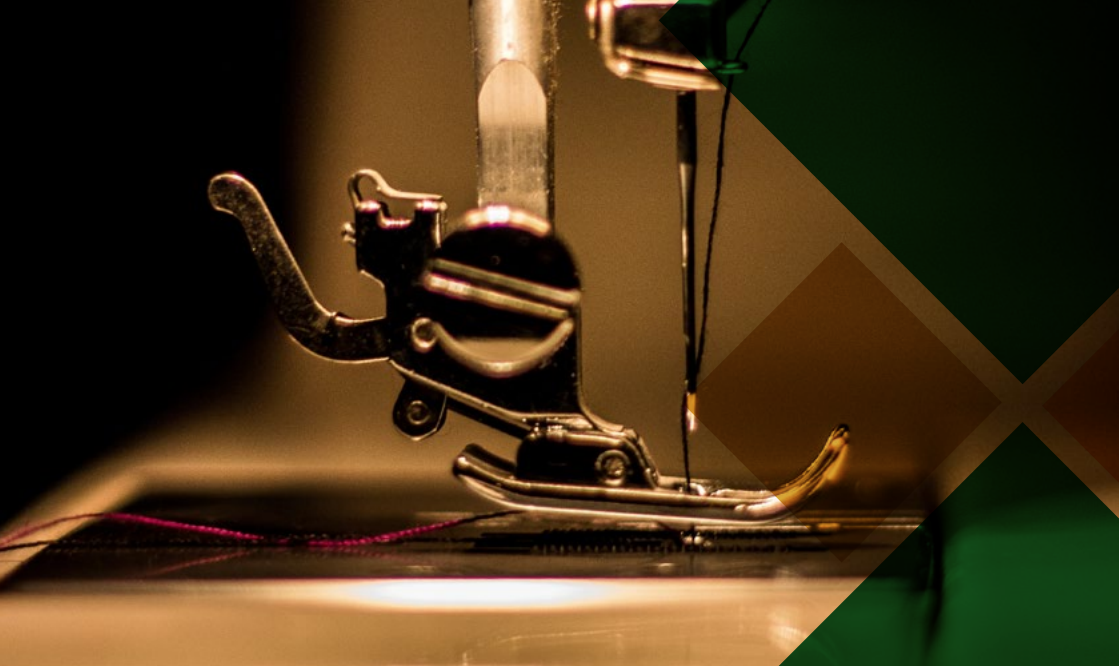
**The following business development support linked to the scheme will be coordinated through seda:**

- Compliance with applicable standards for products
- Business and financial management training and mentorship through participants in the Business Services support scheme

### **Conditions for participating in the scheme:**

- Willing to participate in the DSBD/ Seda facilitated business development process





## Township and Rural Entrepreneurship Programme Eligibility Criteria

### Who can apply?

- An entity registered with CIPC including cooperatives;
- The business must be 100% owned by South African nationals;
- Employees must be 70% South Africans, and in the case of non-South African employees - they must hold valid work permits;
- The enterprise must be operating in a township or rural area;
- The enterprise or its owner must possess or willing apply for a business license after the funding has been provided, with the local municipality;
- The enterprise must be registered or must apply for registration with SARS and UIF;
- The enterprise must have a valid business bank account or willing to open and operate a business account





## Township and Rural Entrepreneurship Programme Application Process

How to apply for the Township and Rural Entrepreneurship Programme for Small Businesses in the Automotive Industry:

- Application form is available on sefa internet **[www.sefa.org.za](http://www.sefa.org.za)**
- On the option <<apply for finance>>, choose TREP and get application form
- Applications must be submitted to **[trep@sefa.org.za](mailto:trep@sefa.org.za)**
- Submit ALL the required statutory and supporting documents

# SPAZA SHOP SUPPORT SCHEME





## Spaza shop support scheme

### **The financial package**

- Maximum of R15 000 (70% - grant & 30% - loan)

### **Loan Repayment Terms**

- Revolving credit
- 60 days interest-free and thereafter minimum payment as per credit card rules
- Failure to settle the amount in 90 days will result in a card being blocked

### **Business development support**

- Networking or purchasing power (bulk buying)
- Coordinate and support bulk buying on a pre-approved basket of goods and distribution
- Business knowledge
- Provide basic bookkeeping and customer service training
- Facilitate access to basic business tools
- Health and hygiene support
- Support meet in the health and occupational health and safety standards
- Legal compliance
- Facilitate the licensing of owner-operated Spaza shops in accordance with the law CIPC, SARS, and UIF registration
- business banking account





## Spaza shop support scheme

### Who can apply?

- The spaza must be owner-managed and operated
- Owner must have a valid SA identification document
- Spaza shops must hold license/permit to trade
- Registered or willing to register as a legal entity (CIPC, SARS, UIF, etc.)
- Undertaking to comply with the Consumer and Customer Protection and National Disaster Management Regulations and Directions
- Willing to submit monthly management
- 70% Employees South African
- Minimum trading period (6-Months)
- Have a valid business bank account (including newly opened)
- Willing to participate in the bulk buying scheme
- Operating in a township or rural area

**Applications must be submitted to Standard Bank, Nedbank branches, or Boxer Supermarkets**



# Notes

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