

The MCEP is designed to make existing South African manufacturing companies more competitive. The programme provides working capital loans to qualifying companies. Plant and equipment loans are also provided to manufacturing companies that are owned by black industrialists. Both the working capital loan and plant and equipment loan are priced at a preferential rate fixed of 4% per annum.

Qualifying criteria for a working capital loan

- The facility is available for working capital
- It is not applicable to start-ups
- Capped at R50 million per annum

- Only applicable to manufacturers under Standard Industry Classification Code 3
- The maximum repayment term is 48 months (including moratorium)
- The first drawdown must be within six months of the date of approval

- The applicant may not cut jobs during the term of the facility
- The applicant should be at B-BBEE level 4 – if not, this status should be achieved within 24 months of approval of the loan
- Fees are not applicable

Qualifying criteria for plant and equipment loan

- Only available for black industrialists
- Start-up businesses may apply
- The maximum term for plant and equipment loans is 84 months (including moratorium)
- Maximum loan amount of R50 million per qualifying applicant
- Pre- and post-business-development sector support will be capped at R3 million per application
- Applicants must meet **the dtic's** definition of black industrialist

The Industrial Development Corporation (IDC) administers the programme.



MANUFACTURING COMPETITIVENESS ENHANCEMENT PROGRAMME (MCEP) LOAN FACILITY

the dtic Campus
77 Meintjies Street
Sunnyside
Pretoria
0002

the dtic
Private Bag X84
Pretoria
0001

the dtic Customer Contact Centre: 0861 843 384
Website: www.thedtic.gov.za

