

TOWNSHIP AND RURAL ENTERPRISE PROGRAMMES (TREP) INTERGRATED PRESENTATION

Presenter's Name

Date



small business
development
Department:
Small Business Development
REPUBLIC OF SOUTH AFRICA



DSBD Portfolio

Department of Small Business Development
[DSBD]

Small Enterprise Finance Agency
[sefa]
Development Finance

Small Enterprise Finance Agency
[seda]
Business Development Support Services

STATEMENT BY PRESIDENT RAMAPHOSA ON MEASURES IN RESPONSE TO COVID-19, 21 APRIL 2020

“Our economic strategy going forward will require a new social compact among all roleplayers – business, labour, community and government – to restructure the economy and achieve inclusive growth.

We will forge a compact of radical economic transformation that ensures that advances the economic position of women, youth and persons with disabilities and that makes our cities, towns, villages and rural areas vibrant centres of economic activity”

DSBD COVID-19 Response

- Restructuring of sefa-funded SMMEs – ongoing process
- Business Growth Facility – *Closed*
- SMME Debt Relief Finance – *Closed*

Economic Reset

Localization

Inclusive Growth

Township and Rural Enterprise Programme

Township and Rural Entrepreneurship Programme (TREP)

With the re-opening of the economy, the township and village economies require special focus, if Government is to achieve the aspirations of the new economy post-Covid-19

The following Schemes are available for qualifying entrepreneurs:

- Spaza-shop support programme
- clothing, leather & textiles support programme
- Small-Scale Bakeries and confectionaries support programme
- Autobody repairers and mechanics support programme *(as well as small and independent auto-spares shops and informal automotive entrepreneurs)*

These enterprises will be assisted with Compliance, Business Development Services, Access to Markets, and Structured Finance

- Spaza shops are a critical pillar for creating access to markets for commodities made by other small businesses
- The purpose is to create a system where money can circulate longer in townships and villages
- These programmes are designed to create development impact

Spaza-Shop Support Programme

PROGRAMME OBJECTIVES

- Formalize the informal businesses to micro enterprises
- Facilitate the banking of the unbanked
- Build reliable database for future Government planning and support
- Support opportunities for self-employment and job-creation at economic entry level whilst improving the circulation of money within townships and rural areas
- Realize potential for spaza shops to serve as market for locally manufactured goods, through an inclusion of products manufactured SMMEs including cooperatives supported by the DSBDB portfolio to the supported basket of goods
- Strengthen spaza shops as locals convenient centres for access to basic goods
- Facilitate support programmes to make spaza shops profitable and successful
- Create opportunities for spaza shops to be intermediary step to formal economy



Spaza-Shop Support Programme

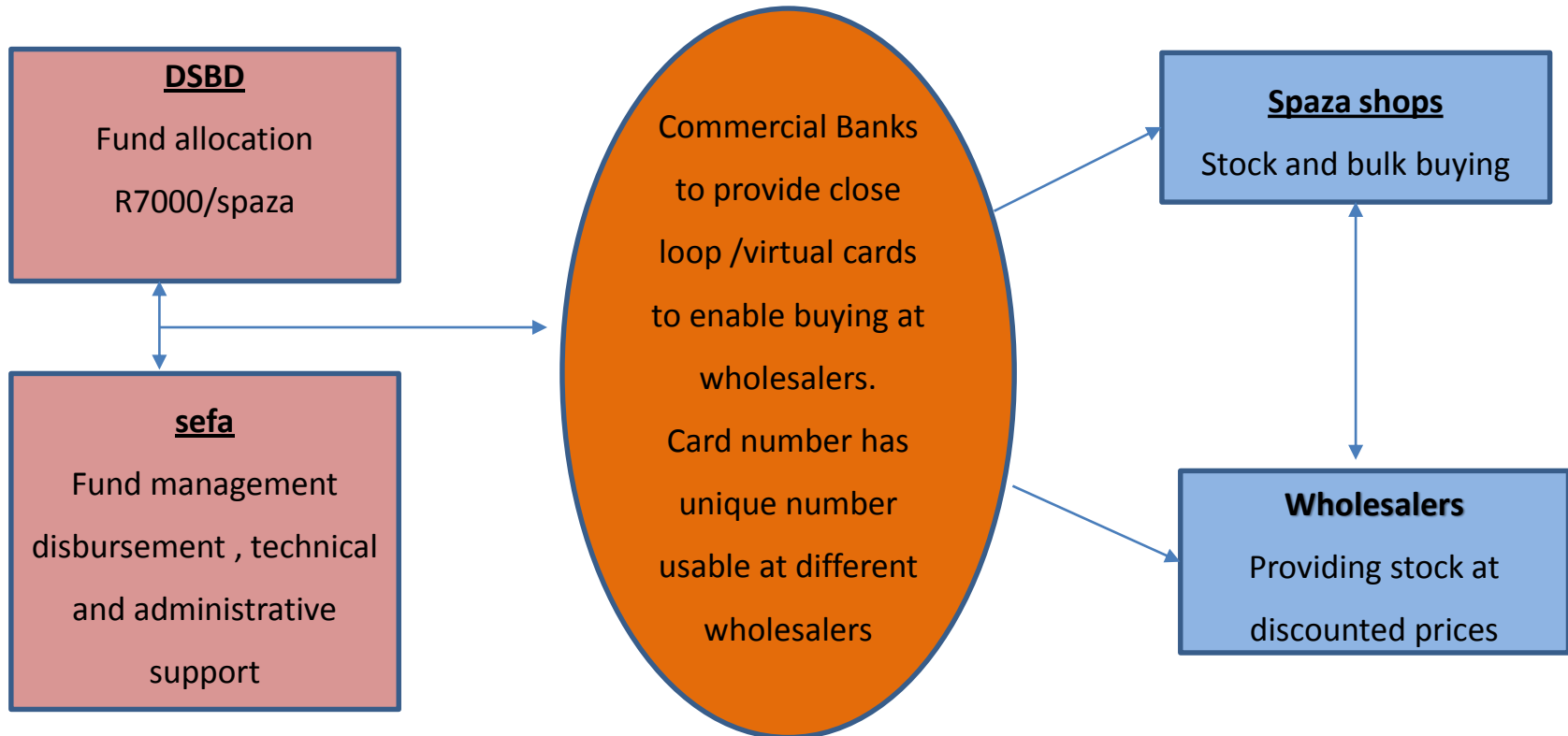
Funding Product	Amount per Spaza
Non-repayable working capital	R3 500
Supplier Credit Guarantee	R3 500
Total Funding	R7 000

The scheme will allow Spaza owners who wish to apply for the full amount of R7000.00 as a credit facility to be able to do so at the respective participating banks with the full backing of Supplier Credit Guarantee Facility



Spaza-Shop Support Programme

Accessing Working Capital Investment



Spaza-Shop Support Programme

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 book keeping and customer service training
- Facilitate for access to basic business tools (e.g instant payment machine – speed point, airtime and electricity vending machine

Health and hygiene support

- Support them to meet the health and occupational health and safety standards

Legal compliance

- Facilitate for the licensing of owner-operated Spaza shops in accordance with the law CIPC, SARS and UIF registration
- Business banking account



Spaza-Shop Support Programme

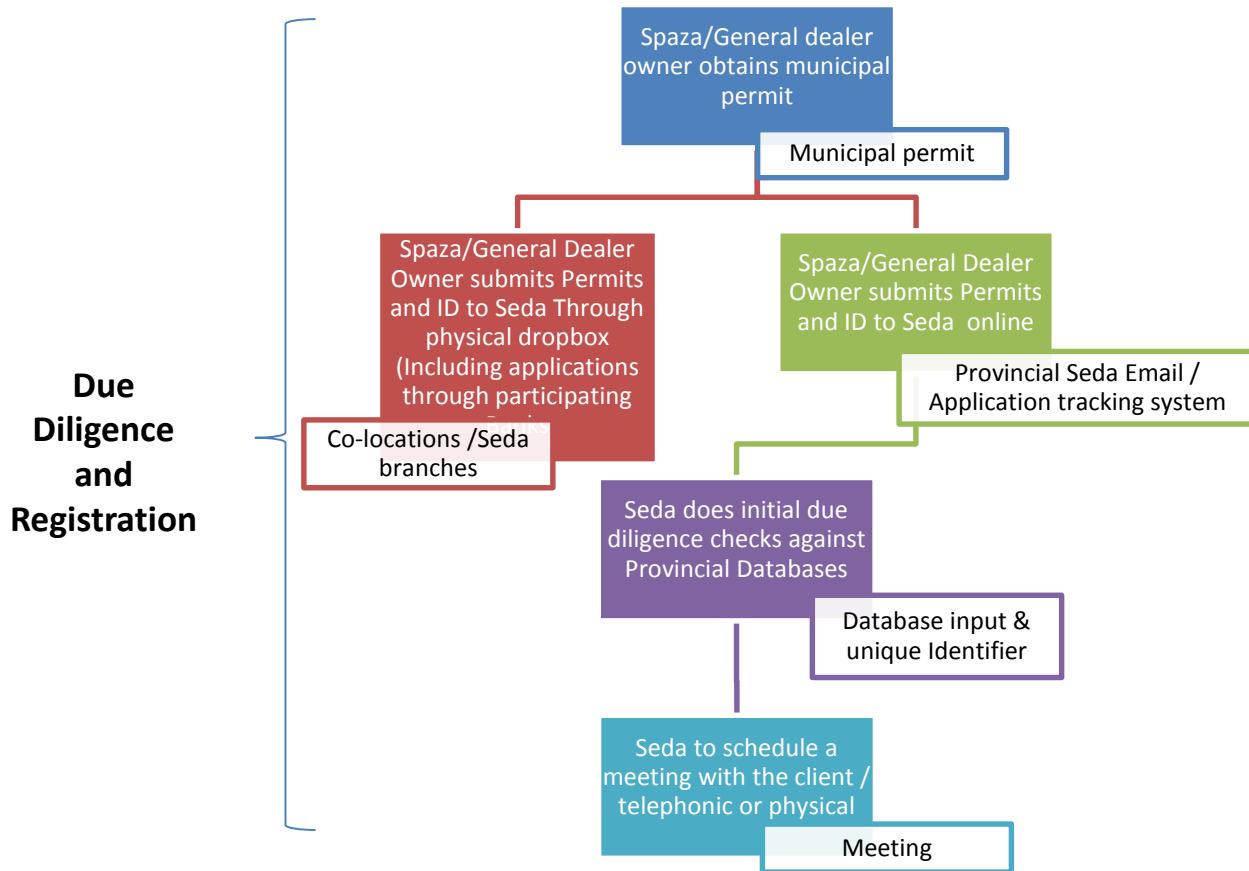
Who can apply - Qualification Criteria?

- The spaza must be owner-managed and operated
- Owner must have a valid SA identification document
- Must register on SMMESA, <https://smmesa.gov.za>
- Spaza shops must hold license to trade, municipal permit or if they do not have, they must obtain one before they can access support
- 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 as organized by the DSBD or any of its Agencies
- Operating in a township or rural area



Spaza-Shop Support Programme (application process)

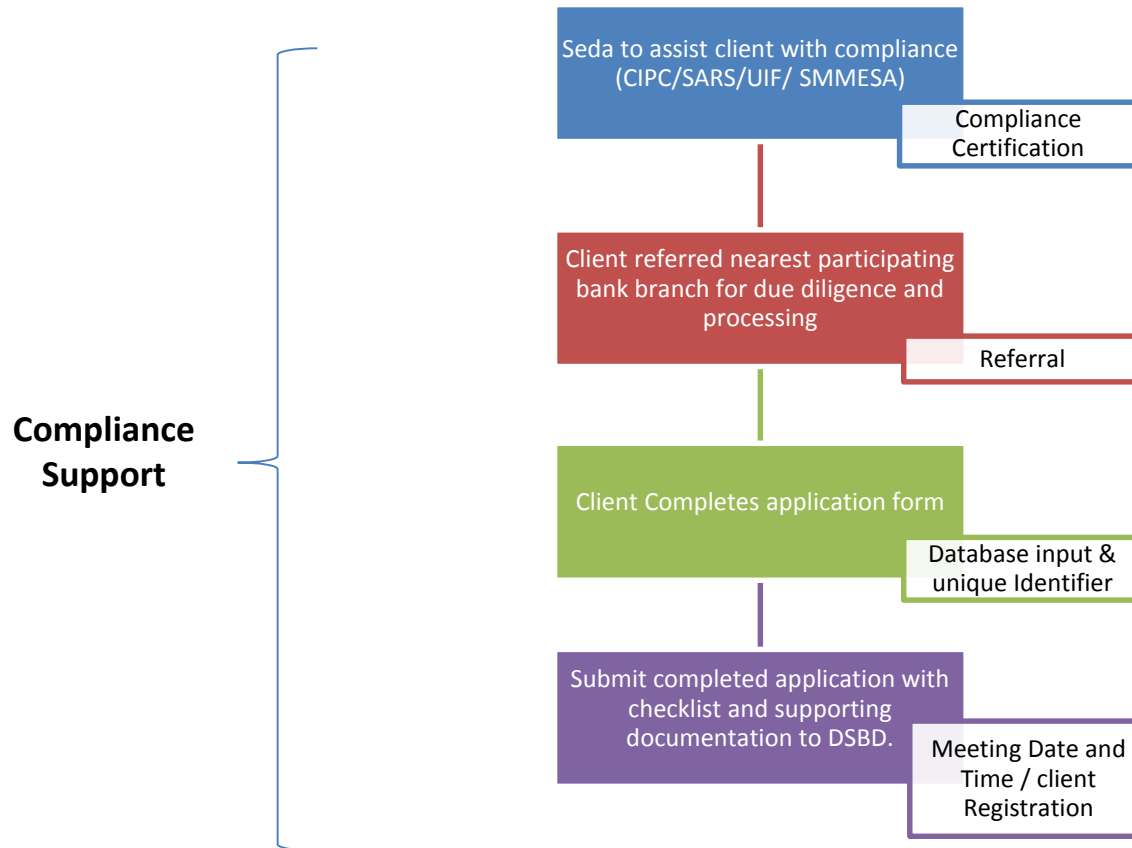
Pre Funding Support



Spaza-Shop Support Programme

(application process)

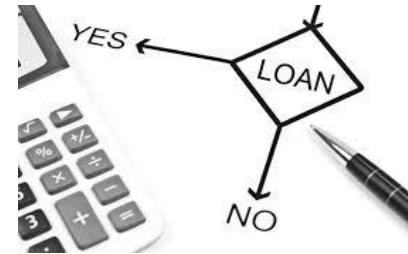
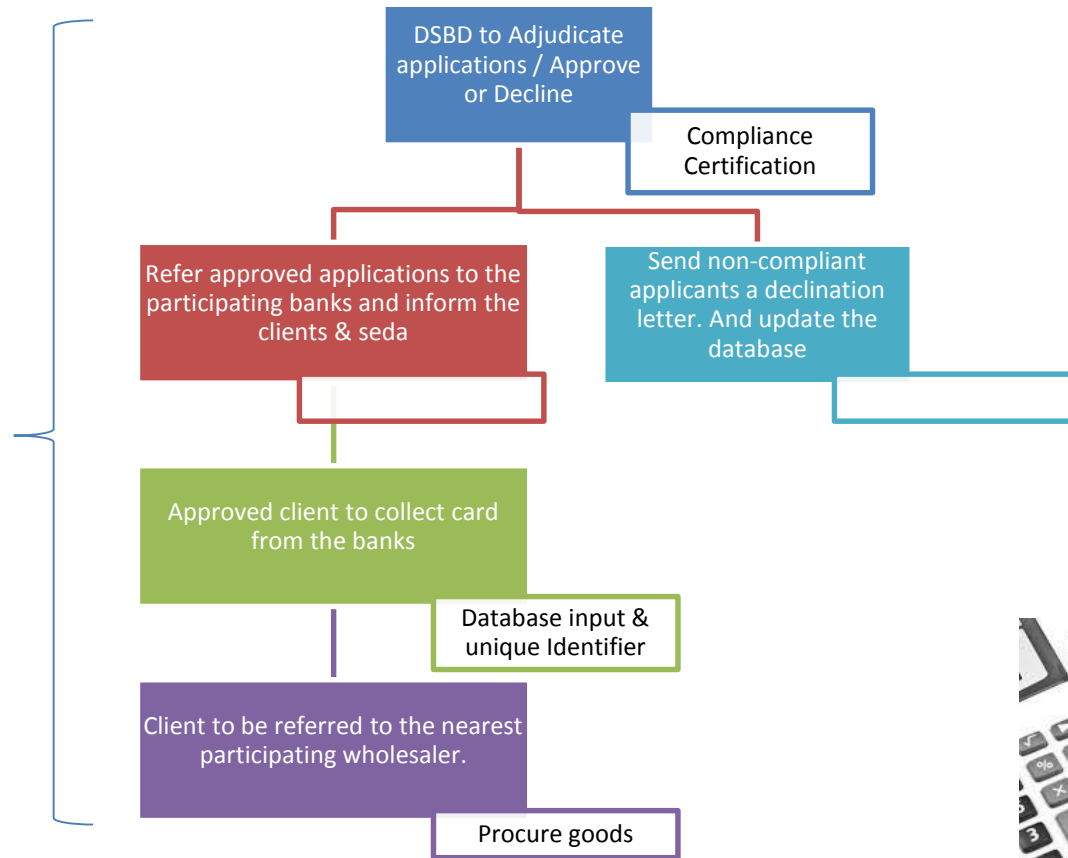
Pre Funding Support



Spaza-Shop Support Programme (application process)

Adjudication

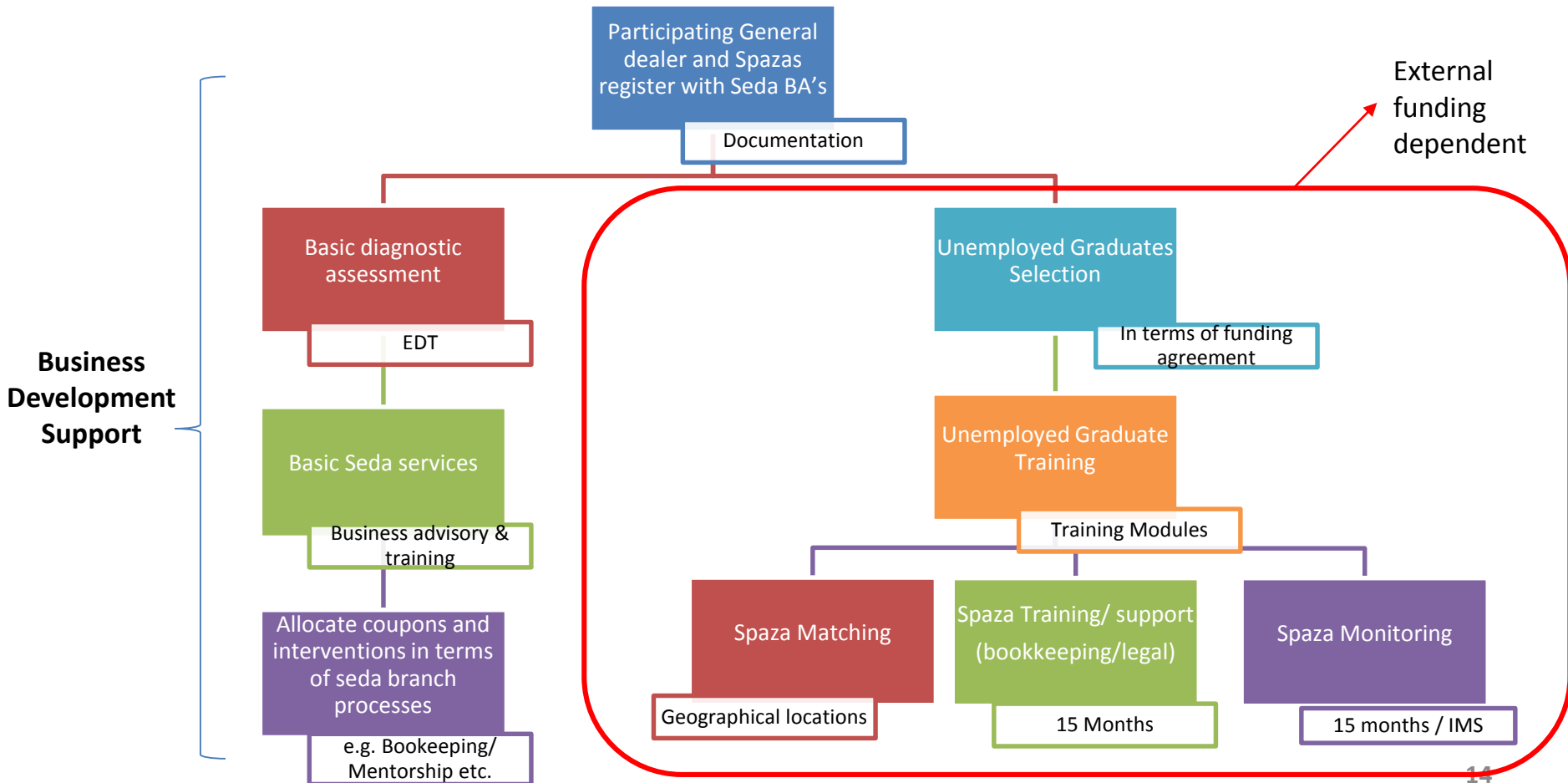
Adjudication
and Funding



Spaza-Shop Support Programme

(application process)

Post Funding Support



Spaza-Shop Support Programme

Participating Partners (Card Applications)



NEDBANK



Standard Bank

BOXER

Bakeries & Confectioneries

PROGRAMME OBJECTIVES

- Facilitate stepped-up access to market
- Scaled-up opportunities for business growth
- Facilitate improved access to credit



Bakeries & Confectioneries

Financial Support

- Minimum of R10, 000 blended finance - Confectionaries
- Maximum of R20, 000 blended finance - Bakeries
- Facilitate access to bulk buying and **sefa**-backed credit facility for input materials through participating wholesalers



Bakeries & Confectioneries

Business Development Support

- Assist with compliance with minimum bread and confectionery nutritional requirements (approved dough mix) and the related testing
- Facilitate compliance with Environmental Health and Food Safety Regulations
- Training on shop floor management and conformity
- Business and financial management training and mentorship
- Facilitate stepped-up access to market through off-take agreements



Bakeries & Confectioneries

Who can apply?

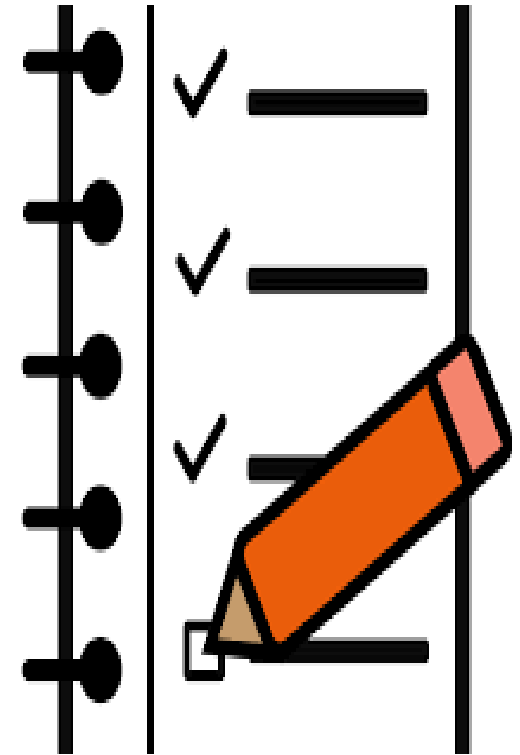
- Owner-managed micro, informal (home-based) and cooperative bakeries and confectioneries
- Bakeries and confectioneries with turnover of less than R500k can apply for both financial and business development support
- Bakeries and confectioneries with turnover of more than R500k only qualify for business development support



Bakeries & Confectioneries

Qualification Criteria

- Be informal/micro or cooperative business including home-based
- Registered or willing to register as a legal entity (CIPC, SARS, UIF, etc.)
- 100% South African ownership - Valid South African identity documents
- 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 as organized by the DSBD or any of its Agencies
- Must be owner-managed
- Operating in a township or village



Bakeries & Confectioneries

Application Process

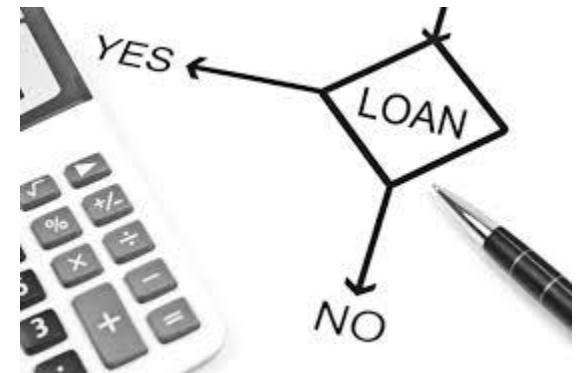
Step 1: Register on <https://smmesa.gov.za>

Step 2: Complete an online application form/Bakeries and Confectioneries Support
<https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

Step 5: Submit application online



Clothing, Leather & Textile

PROGRAMME OBJECTIVES

- Support small enterprises within the sector to seize opportunities availed by the COVID-19 pandemic by participating in the PPE value chain during the pandemic and beyond
- Facilitate the participation of small enterprises in the rebuilding and reshaping of the clothing and textile sector (economic reset)
- Assist small enterprises within the sector and to improve the quality and competitiveness of small-scale clothing, textile and leather enterprises for both domestic and export markets



Clothing, Leather & Textile

Financial and Business Development Support

- Maximum of R10 000 blended finance
- Assistance to comply with relevant industry standards and bodies
- Business management support and mentorship through unemployed Graduate Scheme, or Seda Business Advisors and/or services business professionals
- Facilitate participation in the Clothing and Textile Competitiveness Programme (CTCP)
- Facilitate compliance with SABS for relevant products
- Facilitate trade test certification (for those not certified but requires N3 qualification)
- Municipal business licensing support at the cost to the applicant



Clothing, Leather & Textile

Who can apply?

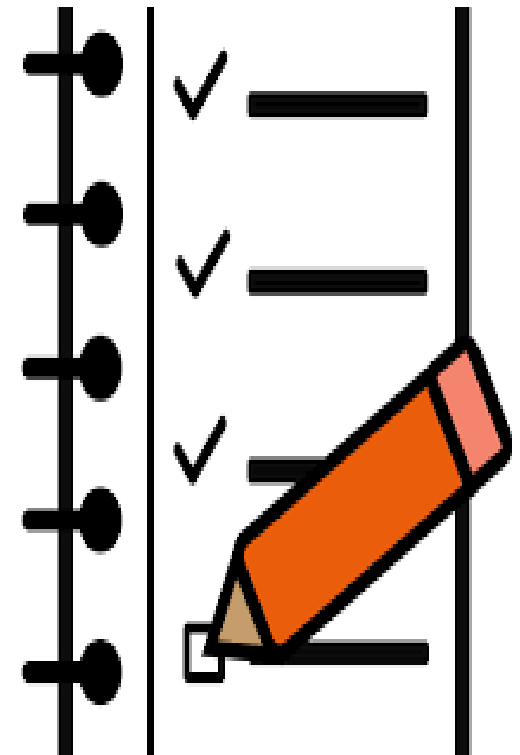
- Seamstresses
- Sewers
- Garment makers
- Patternmakers
- Designers
- Pattern calculators
- Pattern cutters
- Art designers
- Knitters
- Machinist
- Tannery
- Fabric manufacturers
- Shoes, belt and handbag makers



Clothing, Leather & Textile

Qualification Criteria

- Owner-managed micro, informal (home-based) enterprise and/or cooperative
- Registered or willingness to register as a legal entity (CIPC, SARS, UIF, etc.)
- 100% South African ownership – with valid SA identity documents
- 70% employees South African
- Minimum trading period – 6 months
- Have a valid banking account (including newly opened)
- Willing to participate in the bulk buying scheme as organized by DSBD and/or any of its Agencies
- Operating in a township or village



Clothing, Leather & Textile

Application Process

Step 1: Register on <https://smmesa.gov.za>

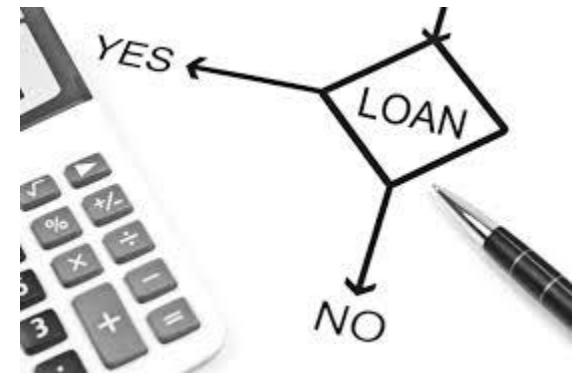
Step 2: Complete an online application form/Clothing, Textile and Leather Support

<https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

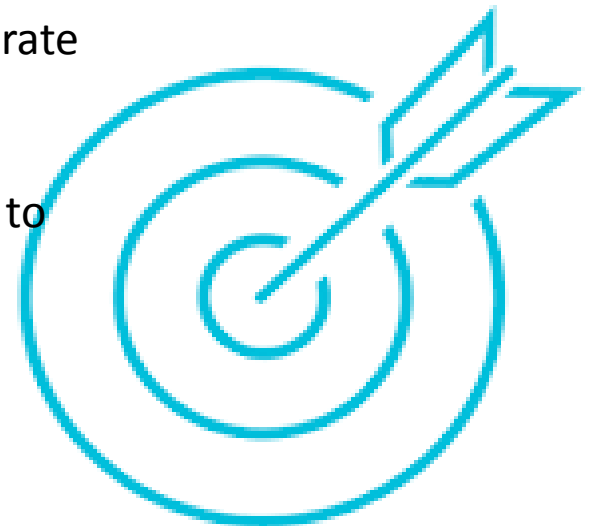
Step 5: Submit application online



Auto-body Repairers and Mechanics

PROGRAMME OBJECTIVES

- Support motor body repairers (panel beaters) to operate accredited small/independent panel beaters (motor body repairers) centres
- Support motor mechanics and other mechanics to operate authorized service centres
- Support the small and independent auto-spares shops to operate profitable auto spare parts centres
- Support in the formalisation of informal automotive entrepreneurs into formal fitment centres



Auto-body Repairers and Mechanics

Nature of Financial Support (Loan)

- Revolving Credit Facility backed by **sefa**
- Maximum of R15 000 working capital for targeted beneficiaries
- **sefa**-backed Revolving Credit Facility between participating motor mechanics/motor body repairers with participating auto spares shops and fitment centres via participating banks.
- Optional to the scheme is a contribution towards a once-off cost of equipment (paid directly to equipment supplier) based on business needs



Auto-body Repairers and Mechanics

Business Development Support

- Facilitate trade test certification (for those not certified but must hold N3 qualification)
- Assistance through facilitating the accreditation of the small/micro automotive businesses with the relevant industry standards and bodies
- Business management support and mentorship through unemployed Graduate Scheme, or Seda Business Advisors and/or services business professionals
- Municipal business licensing support at a cost to the applicant
- Facilitate access to market in both the private and public sectors, for vehicles be serviced at participating service/ motor body repair/ fitment centres



Auto-body Repairers and Mechanics

Who Can Apply

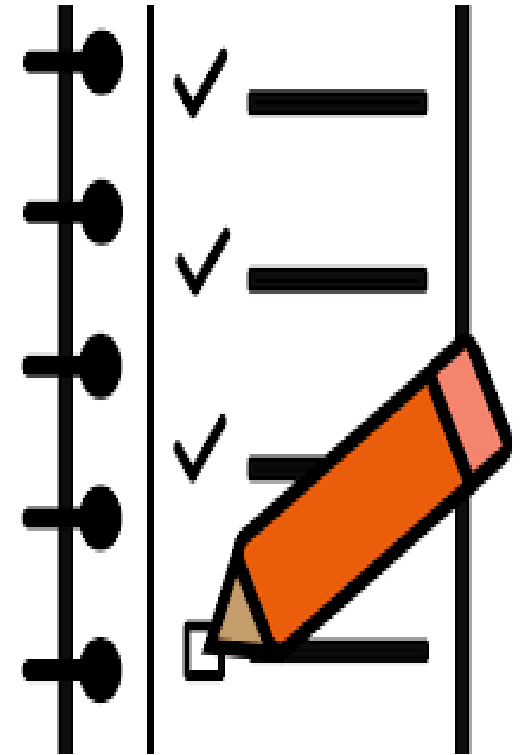
- All auto mechanics such as motor mechanics, heavy equipment mechanics, tractor and forklift mechanics, and diesel fitters
- Panel beaters
- Glaziers
- Tyre and glass fitment
- Auto spares shops



Auto-body Repairers and Mechanics

Qualification Criteria

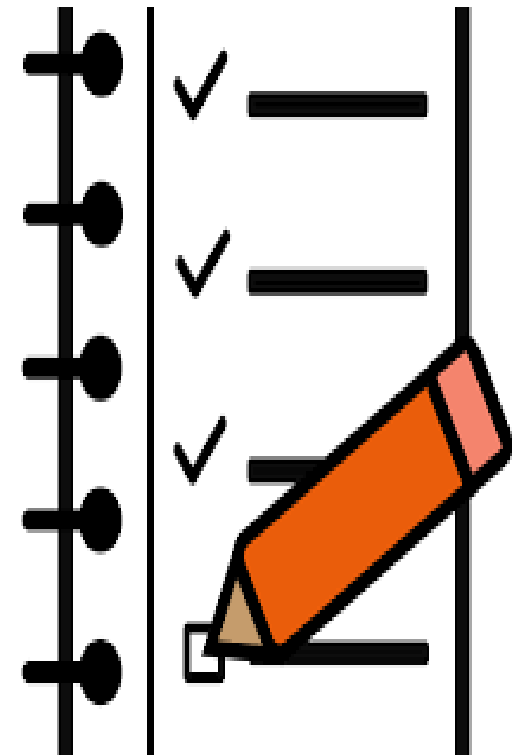
- Be informal/micro business or cooperative
- Registered or willingness to register as a legal entity (CIPC, SARS, UIF. etc)
- 100% South African ownership - valid South African identity documents
- 70% Employees South African
- Minimum Trading Period (6-Months)
- Have a valid business bank account (including newly opened)
- Willing to participate in the Revolving Credit Facility as organized by the DSBD or any of its agencies
- Operating in a township or village



Auto-body Repairers and Mechanics

Conditions for Participating

- The applicant must be willing participate in the revolving credit facility between participating motor mechanics/motor body repairers with participating auto spares shops and fitment via a participating bank
- The business operating premise (including the home premise) must hold or willing to be assisted to acquire an Occupational Health and Safety Act compliance certificate
- The business must be willing to participate in the certification and accreditation programme through the relevant industry accreditation bodies



Auto-body Repairers and Mechanics

How To Apply For The Scheme

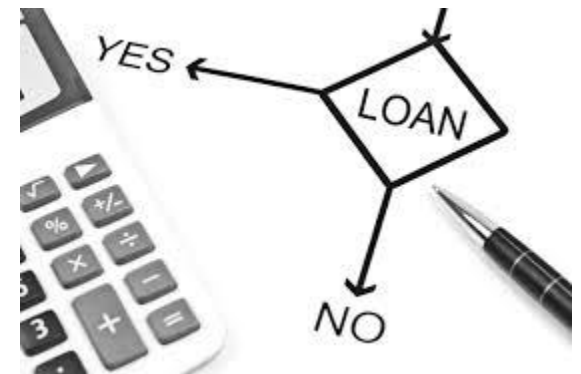
Step 1: Register on <https://smmesa.gov.za>

Step 2: Complete an online application form under the Application Forms/Automotive Aftermarket Support <https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

Step 5: Submit your application online



Butcheries Support Programme

PROGRAMME OBJECTIVES :

- a) Grow businesses operating in this sector to formalize and seize opportunities presented by trading under formal arrangements.
- b) Seize new opportunities that were not present in their business models such as the use of delivery channels to their customers, especially as under the consideration of harder lock down levels.
- c) Provision of business focused support packages (financial and non-financial) to strengthen operations during the Covid-19 lockdown and as part of interventions for Township and Rural Entrepreneurship Programmes.
- d) Package common basket of goods to quantify stock merchandise response to specific market demands during and beyond Covid-19 to enable alignment of financial and non-financial support.
- e) Improve on their standards and quality assurance through the provision of BDS from the agency (SEDA) in partnership with the DSBD and sefa.
- f) Resuscitate and ensure business continuity under the current challenges presented by the Covid-19 and as part of economic recovery support.
- g) Identify possible linkages between suppliers, vendors and their categories customers to lock-in the whole value chain within SMMEs and create synergies starting from small scale producers, followed by logistical support, operations support and trade interfaces by these players.



Butcheries Support Programme

Financial and business development support:

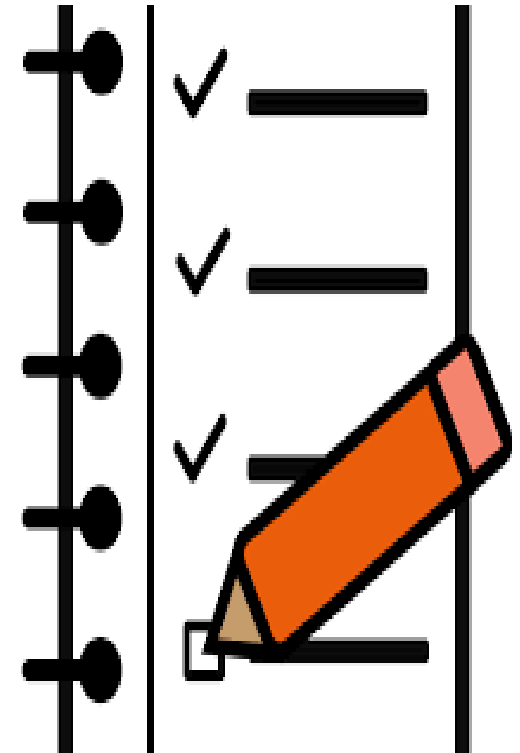
- Maximum of R10 000 blended finance
- Business management support and mentorship through unemployed Graduate Scheme, or Seda Business Advisors and/or services business professionals



Butcheries Support Programme

Qualifying criteria:

- a) An entity operating in the targeted groups above as a Butchery outlet
- b) An entity registered or willing to register with CIPC including cooperatives;
- c) The business must be 100% owned by South African nationals;
- d) The business must have been trading as a butchery for a minimum period of 6 months prior to the Covid-19 lockdown.
- e) Employees must be 70% South Africans, and in the case of non-South African employees – they must hold valid work permits as determined by the Department of Home Affairs;
- f) The butchery must have a turnover of less than or equal to R250 000.00 per annum;
- g) The enterprise or its owner must possess or apply for a business license with the local municipality (Municipal permit);
- h) The enterprise must be registered or must apply for registration with SARS and UIF; and
- i) The enterprise must have a valid business bank account or willing to open and operate a business account



Butcheries Support Programme

Application Process

Step 1: Register on <https://smmesa.gov.za>

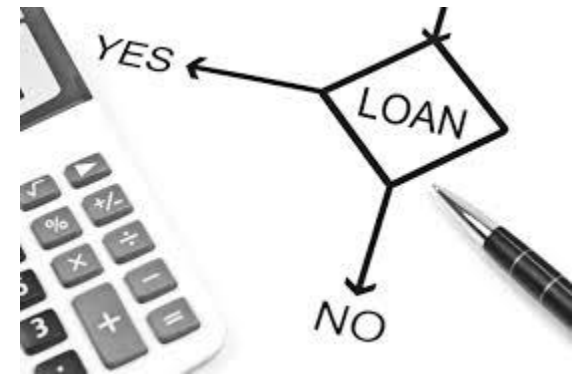
Step 2: Complete an online application form/**Butcheries Support Programme**

<https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

Step 5: Submit application online



Tshisanyama and Cooked Food

PROGRAMME OBJECTIVES:

The scheme supports informal and micro restaurants for full and meaningful participation in the cooked/prepared food industry. The aims are to:

- a) Support **tshisanyama and informal and micro restaurants** to re-enter the market and graduate bulk to profitable enterprises;
- b) Assist the informal and micro restaurants to adapt to new business models and remain profitable and competitive
- c) Enhance the participation and growth of the enterprises in the whole prepared food sector
- d) Position the informal and micro restaurants as route to market for butcheries, fruit and vegetable vendors, and other small-scale producers or suppliers.



Tshisanyama and Cooked Food

Financial and Business Development Support:

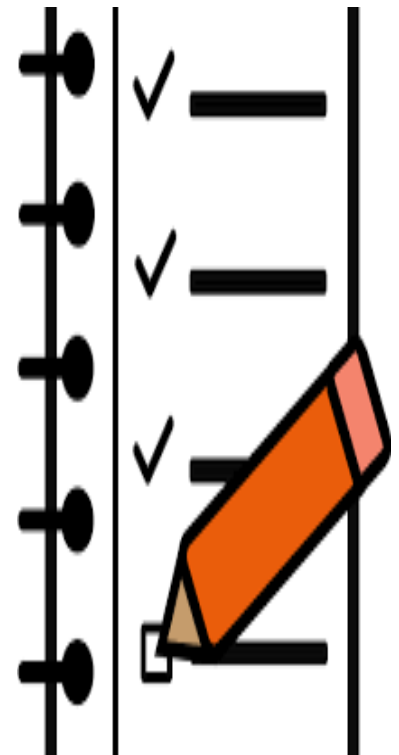
- R10 000 per enterprise in blended funding model
- Business and financial management training and mentorship through the Unemployed Graduate Scheme
- Industry specific technical training, e.g.: menu and pricing
- Food Handling training and facilitate Certificate of Acceptability (COA)
- Facilitate training and compliance with Environmental Health and Food Safety Standards, quality and standards assurance
- Facilitate professional culinary and food service management training



Tshisanyama and Cooked Food

Qualifying Criteria:

- a) An entity operating in the cooked/prepared food sub-sector;
- b) The entity must be registered or must apply for registration with CIPC, SARS and UIF, even newly registered entities will be considered;
- c) The business must be 100% owned by South African nationals;
- d) Employees must be 70% South Africans, and in the case of non-South African employees – they must hold valid work permits as determined by the Department of Home Affairs;
- e) The enterprise or its owner must possess or apply for a business license with the local municipality;
- f) The enterprise must have a valid business bank account or willing to open and operate a business account;
- g) The entity must have a turnover of below **R250 000 per annum**;
- h) The participants must be willing to participate in the DSBBD/ SEDA facilitated business development process;
- i) The applicant must register on the SMMESA database: <https://smmesa.gov.za/>; and
- j) The scheme is not meant for the enterprises in catering services unless they provide such catering on a daily basis through a contract (copy of the contract must be provided).



Tshisanyama and Cooked Food

Application Process

Step 1: Register on <https://smmesa.gov.za>

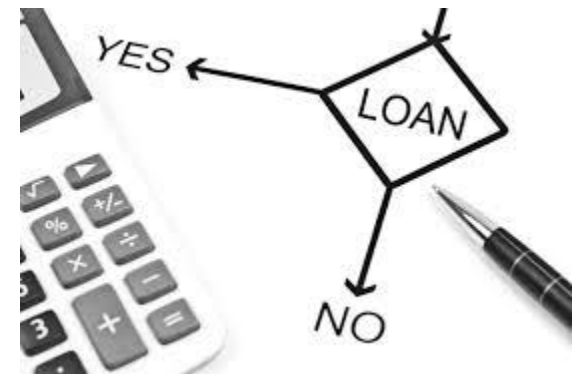
Step 2: Complete an online application form/Tshisanyama and Cooked Food

<https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

Step 5: Submit application online



Fruit and Vegetable Hawkers

PROGRAMME OBJECTIVES:

- a) Provision of business focused support packages (financial and non-financial) to strengthen operations during Covid-19 lockdown and as part of Township and Rural Entrepreneurship Programme interventions.
- b) Package common basket of goods to quantify stock merchandise in response to specific market demands to enable alignment of financial and non-financial support.
- c) Identify and implement value chain linkages between suppliers, vendors and their categories of customers to lock-in various SMMEs into the value chain and create synergies starting from small scale producers, followed by logistical support, operations support and trade interfaces by these players;
- d) Facilitate relationships and collaborative support interventions that enhances service delivery and increase sector performance through vibrant systems.



Fruit and Vegetable Hawkers

Financial and Business Development Support:

R1 000 (as a once-off grant)

Entrepreneurs must be in possession of **Municipal Trade Permits** selling Fruits and Vegetables on designated spots in townships, rural areas and CBD areas demarcated in terms of municipal by-laws for trading purpose.

Application Process

Step 1: Register on <https://smmesa.gov.za>

Step 2: Complete an online application form/**Fruit and Vegetable Hawkers**

<https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

Step 5: Submit application online



Personal Care Services

PROGRAMME OBJECTIVES:

The Scheme supports micro and informal businesses within the personal care industry. The aims are to:

- a) Improve the quality and competitiveness of the micro and informal personal care services businesses;
- b) Re-position the businesses within the sector's ecosystem for consolidated participation in the personal care industry supply value chain;
- c) Promote and serve as a route to market for the locally and SMME products; and
- d) Facilitate improved access to formal credit through the formalised businesses.

The Scheme supports informal and micro-businesses in the following sectors:

- a) Hairdressers and hair salons
- b) Beauty therapists, make-up artists and beauty salons.
- c) Nail technicians and salons
- d) Massage therapists and massage parlours/ spas including mobile spas



Personal Care Services

Financial and Business Development Support:

R10, 000 blended finance

Facilitate compliance with the Minimum National Department of Health Guidelines for personal care services;

- i. Business and financial management training and mentorship, including Inventory tracking and management training and support through Unemployed Graduate Scheme or other initiatives;
- ii. Customer service management training;
- iii. Facilitate compliance with Occupational Health and Safety Standards and Covid-19 operating protocols;
- iv. Facilitate municipal business licensing, where applicable; and
- v. Access to products manufacturers network and product training with discounted packages

Personal Care Services

Who is covered under the Scheme?

The business can be:

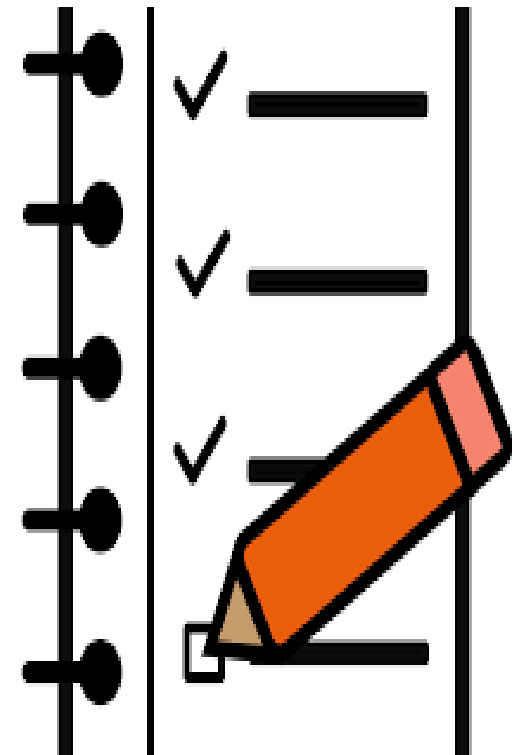
- (a) Home-based-: self-employed artisans who have set up a hair services, beauty treatments and body massage in their homes and operate from one of the rooms in their homes;
- (b) Salon based-: business that operate in a place/ shop where one can get hair services, beauty treatments or body massage; and
- (c) Mobile: a salon which does not operate from a fixed space but visit clients in their homes or place of work, or at another agreed upon location.
- (d) Sole proprietors/Businesses that rent a chair in in another salon

Personal Care Services

Who can apply?

The applicant must:

- a) Register on the SMMESA database:
<https://smmesa.gov.za/>
- b) Be an entity registered with CIPC and SARS, even newly registered entities will be considered;
- c) Be registered with UIF, if the entity has employees and at least 70% of the employees must be South African;
- d) Be 100%-owned by a South African;
- e) Have a turnover of below **R100 000 per annum**;
- f) Have a valid business bank account or willing to open and operate a business account;
- g) Be willing to participate in the DSBD/ SEDA facilitated business development process; and
- h) Be located in the township or village or rural/ small towns



Personal Care Support

Application Process

Step 1: Register on <https://smmesa.gov.za>

Step 2: Complete an online application form/**Personal Care Support** <https://www.eservices.gov.za/>

Step 3: Complete all the mandatory fields

Step 4: Upload the required supporting documents

Step 5: Submit application online



Contact Details



- <https://www.smmesa.gov.za>
- <http://www.dsbd.gov.za>
- <http://www.seda.org.za>
- <https://www.sefa.org.za>
- <https://www.mybindu.org.za>



- | | | |
|---------------|---|--------------|
| ○ DSBD | - | 086 184 3384 |
| ○ SEDA | - | 012 441 1000 |
| ○ sefa | - | 012 748 9600 |



- | | | |
|---------------|---|--|
| ○ DSBD | - | sbdinfo@dsbd.gov.za |
| ○ SEDA | - | info@seda.org.za |
| ○ sefa | - | helpline@sefa.org.za |

STAY HOME

**TOGETHER WE CAN
BEAT THE CORONAVIRUS**

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WHATSAPP SUPPORT EMERGENCY NUMBER
0600 123 456 0800 029 999
sacoronavirus.co.za
////////////////////

SAVE SOUTH AFRICA



THANK YOU!!!



**small business
development**
Department:
Small Business Development
REPUBLIC OF SOUTH AFRICA



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