South African Small, Medium and Micro Enterprise (SMME) Financiers

Introduction

When asked, the majority of entrepreneurs will tell you that access to finance is their greatest challenge. This document provides an overview of organisations that provide funding to the smallest micro businesses all the way through to medium-sized enterprises. Funders may target certain industries, types of business or even geographical areas. By knowing who and where these financiers are, entrepreneurs can approach the most appropriate organisation that meets their specific needs and goals.
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The Technology and Human Resources for Industry Programme (THRIP)
The Banks

ABSA

ABSA has created the following range of finance solutions for small businesses:

Business Revolving Loans

A Business Revolving Loan is a convenient way to access available funds without having to re-apply for financing every time it is needed.

Working Capital

Easy access to available working capital makes a small business much more manoeuvrable, and allows it to take advantage of business opportunities immediately.

Business Overdrafts

A business overdraft on the Small Business Cheque Account will give access to additional funding without having to apply for a loan.

Term Loans

This is for clients who need to fund purchases, such as equipment, without jeopardising their cash-flow. A term loan from Absa can be structured to suit the needs of the business, with a choice of monthly, bi-monthly, quarterly or annual instalments and repayment periods (terms) ranging from 12 to 60 months.

Development Credit Fund

This fund provides financial support to SMEs who do not have sufficient security or collateral and have poor credit records.

ABSA has partnered with the United States Development Credit Authority (DCA) to create a more flexible, realistic and relevant credit option for Small and Medium Enterprises (SMEs) than traditional loans.

This is a R200 million fund for SMEs nationally. Qualifying SMEs will include start-ups, existing and new customers who have insufficient security or collateral and who have been turned away by ABSA’s competitors.

Absa Women Empowerment Fund

SA women who own SMMEs could be eligible for this finance, subject to credit approval.

Absa SMME Fund

Previously disadvantaged individuals with 100% black owned businesses could be eligible for this funding, subject to credit approval. This fund will arrange business finance from R10 000 to R1 500 000 to suit the business funding needs (Note: maximum and minimum loan amounts differ according to province). The client may require finance for working capital, business expansion, and bridging requirements to execute tenders or contracts.

Technology Finance Solutions

Technology procurement and financing through rental financing and discounts.

Franchising fund

Offered to entrepreneurs who are about to buy into a franchise or are running an existing franchise with an annual turnover of less than R10 million.

Vehicle and Asset Finance fund

Loans are offered to new or existing ABSA clients for a new or used vehicle that is in excess of R75 000 and no older than three years. The three finance options are: instalment, lease and rental agreements.

Commercial Property Finance (CPF)

This division has a strong sector and regional focus. From basic offerings to complex financial structures, it seeks to meet the customers’ property finance needs – from the purchase or development of an income-generating property for investment purposes, through to the acquisition of business premises for the client’s own occupation.
Al Baraka Bank

Al Baraka Bank, registered in South Africa since 1989, pioneered Islamic banking in this country in response to an identified need for a system of banking which adhered to Islamic economic principles.

The bank, with its Head Office in Durban and a strategically located national branch network, is South Africa’s only fully-fledged Islamic bank and is a subsidiary of the international Al Baraka Banking Group.

The bank’s track-record to date is indicative of a growing acceptance and confidence in an alternate system of banking in South Africa, creating the ideal platform for Al Baraka Bank to increase its footprint in South Africa’s Islamic financial sector.

Trade Finance - Murabaha

In South Africa, Al Baraka Bank has effectively provided trade finance based on Islamic financing principles.

Al Baraka can purchase a commodity at the request of the client and sell the commodity to the client on a Murabaha basis.

Typically the Bank grants a revolving trade finance facility to the client within this facility.

Asset-Based Finance - Murabaha

Al Baraka Bank has successfully implemented the Murabaha sale with repayments on an instalment basis as a method of financing for all assets, which includes business equipment, industrial machinery and commercial vehicles.

In a Murabaha sale transaction ownership of the asset is transferred to the client immediately. Both parties agree at the outset of the Murabaha contract on the profit mark-up and the period and terms of the repayment. These terms cannot be changed for the duration of the transaction.

Structured packages are advantageous as they allow a business to plan better for growth, development and the upgrading of equipment. Since the price and instalments are fixed, forecasts and profitability are easier to predict regardless of market volatility which could otherwise impact on the cash flow of the business.

Motor Vehicle Finance - Murabaha

Al Baraka understands how important a motor vehicle for either a family or a business is and has developed a practical and effective package.

Murabaha

The Bank will purchase the motor vehicle and sell it to them on a Murabaha basis at a price, which includes a profit. The price is repaid in instalments over an agreed period.

Ownership of the motor vehicle passes onto the client upon conclusion of the Murabaha transaction.

Choice of the payment period can suit the client’s budget and stretch over a period of up to 72 months. The shorter the period, the higher the repayments.

Property Finance - Commercial and Industrial (Murabaha/ Musharaka)

During the past decade, Al Baraka Bank has gained considerable experience in the commercial property financing based on the sound Islamic economic principles of Murabaha and Musharaka. These methods of financing allow their clients’ one of the following options:

Murabaha

The Bank will purchase the property and sell it to the client on a Murabaha basis at a price which includes a profit. The price is repaid in instalments over an agreed period. No changes can be made to the terms of the contract over the stated period.
**Musharaka**

This is a partnership contract between two or more parties who together provide the capital.

When entering into a Musharaka transaction for commercial property, the Bank and the purchaser agree to the proportionate share of the capital to be invested and the basis for sharing the income from the property.

The purchaser can lease the property himself/herself, or lease it to other tenants.

Musharaka financing is particularly attractive to businesses in need of capital for expansion. The share of the profits and losses are agreed upon when the partnership is formed. The purchaser also has the option to buy out the Bank's share over an agreed period.

Approved facilities are valid for a certain period and subject to the Bank's valuation of the property. Repayment can be structured to suit their customer’s circumstances. At the end of the repayment period the customer will have acquired an income-generating asset.

Website: [http://www.albaraka.co.za](http://www.albaraka.co.za)
Customer Services Centre: 0860225786

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**First National Bank**

FNB Commercial provides financial solutions to SMME, Agricultural, Mid Corporate and Business clients.

**Business Overdraft**

A short-term, convenient credit facility that is tailor-made to give the business more financial flexibility. This is ideal for emergencies and unforeseen circumstances.

**The Vumela Enterprise Development Fund**

FNB Commercial, together with Edge Growth, manages the R186 million Vumela Enterprise Development Fund and through it makes equity investments into high growth SME’s currently struggling to access finance through traditional channels. Growth finance of this nature is challenging to access in the SA economy as it falls into the "missing middle".

**FNB Franchise Division**

The dedicated Franchise division focuses on franchise financing.

All applications are handled and monitored centrally, while regional relationship managers are appointed to guide the franchisee through the application process.

**FNB Debtor Finance**

FNB’s Debtor Finance is a facility that improves the small business owner’s cash flow for immediate business growth. It is a non-disclosed facility, which is designed to afford cash flow acceleration against the security of his debtor's book. This facility is available for businesses with an annual turnover of approximately R12 million.

**Vehicle and Asset Finance:** (See Wesbank pg 29)

**Commercial Property Finance**

This can be for those looking to acquire/ refinance office, industrial, retail or residential properties for investment purposes (rental stock). Or to purchase the office, industrial or retail building from which the business operates.

Website: [www.fnb.co.za](http://www.fnb.co.za)
Contact: Business Banker - 087 575 9479

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**Investec**

Investec is an international specialist bank and asset manager that provides a diverse range of financial products and services to a niche client base in the United Kingdom, South Africa and Australia, as well as certain other countries.

Financing products include:
**Personal Finance**

This includes financing for cars, property and lifestyle assets, including finance to expand a professional practice or grow an investment portfolio.

**Corporate Lending**

Funding solutions range from acquisition finance, BEE funding and debt restructuring, through to leveraged recapitalisations, management buy-outs and buy-ins.

**Commercial Property Finance**

Each property deal is examined for its individual merits and risks. If the client is an investor or developer of commercial, industrial or retail properties, Investec will provide a tailored solution that takes into consideration the client’s specific needs. Finance for existing buildings, developments or refurbishments, is also offered.

**Specialist finance products include:**

- **Power & Infrastructure Finance:**
  Power, Transport and PPP / Social Infrastructure Sectors, Investec provides global expertise in advising and structuring specialist finance for complex infrastructure projects

- **Aviation Finance:** Investec’s aviation team has significant experience in advising, arranging and participating in aircraft financing with transactions typically starting at $10 million.

- **Commodities and Resource Finance:**
  Expert teams provide tailored debt and equity financing solutions for mining and resource companies across both precious and base metals, in addition to certain bulk commodities (such as coal), in emerging and developed markets.

**Mercantile Bank**

Mercantile Bank offers a range of business lending products tailored to suit the entrepreneur’s unique requirements, all at highly competitive rates.

**Business Overdraft**

A credit facility linked to the business bank account can help the entrepreneur manage his cash flow and working capital requirements more effectively.

This overdraft option provides easy access to additional funds for unforeseen circumstances. It’s a prime-linked revolving facility offered at competitive interest rates.

**Business Term Loan**

Mercantile Bank offers tailored business term loans to suit the entrepreneur’s unique requirements. Your Business Manager can assist in structuring a facility that will help him make key and timely purchases for his business.

**Leasing**

The entrepreneur can save costs and avoid depreciation of assets by using a leasing facility for movable and durable goods.

This financial service enables the business owner to select items he requires for his business operations which are then purchased by Mercantile Bank and used by the business for an agreed period.

The entrepreneur pays cost-related rentals and Mercantile retains ownership of the goods for the duration of the lease. He can then purchase the equipment from the bank, sell it, trade it in or lease the equipment again.

**Instalment Finance**

Instalment Finance enables the entrepreneur to pay affordable instalments for moveable and durable goods his business requires. Mercantile Bank purchases these goods and sells them to the business owner on agreed terms. In addition to finance charges, the full amount is paid in instalments over an agreed period. Ownership of

Website: [www.investec.co.za](http://www.investec.co.za)
Tel: 011 286 7000
the goods lies with the bank until all payments are made.

**Rental Finance**

Mercantile Bank offers attractive rental products through its subsidiary company, Custom Capital, a rental finance company specialising in finance for a range of asset classes.

These include office automation, telecommunication products, security surveillance, medical equipment, construction equipment and computer equipment.

**Business Property Finance**

Mercantile Bank can help the entrepreneur to expand his business by providing property finance to cater for his needs when it comes to business premises. The bank offers property finance solutions – tailored to suit the entrepreneur’s unique requirements.

Website: [www.mercantile.co.za](http://www.mercantile.co.za)
New Business & Franchising: Mareli Muller
Tel: 011 302 0522 mmuller@mercantile.co.za
JHB Office Tel: 011 302 0300
Head: Business Banking: Riaan Klopper - rklopper@mercantile.co.za

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**Financial Rental**

This option works like a house rental, where the entrepreneur has uninterrupted use of at an agreed interest rate, over an agreed term.

At the end of the term, he can decide to return the goods or take ownership, subject to various conditions. The primary difference between a rental and other agreements is that with a rental, VAT is charged monthly and not on the full purchase price at inception.

**Financial Lease**

A lease agreement provides clients with uninterrupted use of goods rather than ownership of these goods. It is a financial facility whereby movable, durable goods are purchased by the bank, and then used by the client for an agreed period during which the client pays cost-related rentals. Ownership of the goods remains with the bank for the duration of the agreement.

**Instalment Sale**

An instalment agreement is applicable when a client purchases goods from the bank over a negotiated period at an agreed interest rate. It is a financial facility for moveable, durable goods which are purchased by the bank and then sold to the client on specific terms. The client undertakes to repay the full value of the goods, plus finance charges, in instalments over an agreed period.

**Commercial Property Finance**

Nedbank offers property financing through NedBond, a medium- to long-term loan that allows for the purchase of commercial and industrial property occupied by the company.

It provides up to 70% of the purchase price or market value, whichever is lower, of a property valued at a minimum of R720 000, over a period of 10 years.

Website: [www.nedbank.co.za](http://www.nedbank.co.za)
Tel: 0860 116 400
International: +27 11 710 4488
Whether a business needs to buy property, finance equipment or fund operating expenses, Standard Bank offers a number of financial solutions.

**Overdraft**

The overdraft is linked to the business account and can be used up to the business’s limit.

**Business revolving credit plan**

This product offers Business Banking customers a line of credit that can be used when required. The entrepreneur pays a minimum monthly repayment and the credit limit is restored automatically after 25% of the loan amount has been repaid. The amount the business owner qualifies for depends on his repayment ability and can range from a minimum of R10 000 up to a maximum of R4 million.

**Business term loan**

This facility is a simple way to secure funds for a period of up to 10 years. The loan is repayable in equal monthly instalments.

**Medium term loan**

This is a customised term loan product with a fixed maturity period of between one and 10 years. Capital is repayable according to an individualised agreement and only the interest is payable monthly.

**Business mortgage**

A Business Mortgage provides the funds to buy a converted residential property, where a portion, or the entire property, will be used for business purposes.

**Property finance**

The Commercial Property Finance Product is a division within Personal and Business Banking (PBB) that looks after the requirements of the PBB client and their property needs. There is a five million rand minimum loan amount on Owner Occupied and no minimum on Investor loan amount. There is no maximum on Owner occupied and a five million rand maximum loan amount on Investor Loans.

**Debtor finance**

The bank purchases approved trade debtor invoices with an agreed portion (usually 75%) being paid at the time of purchase and a similar portion paid on all future approved trade debtor invoices.

**Bankers’ acceptance**

A Bankers’ Acceptance is a bill drawn on the bank for periods of between 30 and 365 days. Once the bank accepts the bill, an amount equal to its face value, with less finance charges, is immediately paid into the business owner’s account. The full amount of the bill is payable on the maturity date.

Website: [www.standardbank.co.za](http://www.standardbank.co.za)
Tel: 0860 109 075
Tel: 011 299 4633
Email: bizdirect@standardbank.co.za

### Government Funders

**Development Bank of Southern Africa (DBSA)**

The DBSA is a state owned entity with the purpose of accelerating sustainable socio-economic development and improve quality of life by driving financial and non-financial investments in the social and economic infrastructure sectors. Water, energy, transport and ICT are its key focus areas.

Its investment products include Equity Funds, BEE financing of equities and private funding. The DBSA also manages three funds:

**Infrastructure Investment Programme for South Africa (IIPSA)**

IIPSA will support the implementation of the government's infrastructure programme and address the constraints to infrastructure development in Southern Africa. The programme will provide innovative financing involving the co-funding of EU grants together with loans from
participating Development Finance Institutions. IIPSA will support the development of both national and regional infrastructure projects. Click here for more.

The Jobs Fund

The Jobs Fund, which the DBSA manages on behalf of the National Treasury, invites public, private and non-governmental organisations to submit innovative proposals that will facilitate job creation and lead to systemic change within the economy. The Fund offers once-off grants in the areas of enterprise development, infrastructure, support for work seekers and institutional capacity building. For more info click here.

The Green Fund

The objective of the Green Fund is to lay the basis for the South African economy to transition to a low carbon, resource efficient and climate resilient development. The Fund will only support initiatives that would not have been implemented without its support. It is additional and complementary to existing fiscal allocations. For more, click here.

Website: www.dbsa.org
Tel: 011 313 3911

The Eastern Cape Development Corporation (ECDC)

While operating in the same space as South Africa’s major banks, the ECDC distinguishes itself as the financial service provider for initiatives that bring with them a meaningful developmental impact on the Eastern Cape economy.

The ECDC will consider financing any developmental initiative where the head office of the enterprise is in the Eastern Cape, or when the most significant developmental impact of the initiative is experienced in the Eastern Cape economy.

Short term finance products

The ECDC’s short-term financing methodology consists of the provision of small loans, contractor cash-flow facilitation, and trade finance vehicles, including:

The Imbewu micro loan aims to facilitate sustainability for small business enterprises in the province. Planting the seed for greater yields, the ECDC partners with small and micro enterprises to develop sustainable small businesses in the Eastern Cape.

The maximum loan amount is R20 000 over a period of 1 to 6 months. Upon settling the loan, the client receives 10% of the interest back in cash.

The Powerplus small loan aims to facilitate sustainability for small business enterprises in the province by adding financial power to the business through competitively priced short term business financing. Finance begins at R20 000 to a maximum of R500 000 over 12 to 36 months. The loan is linked to the prime interest rate. Upon settling the loan, the client receives 10% of the interest back in cash.

Our Workflow contractor loan facilitates efficient cash-flow for emerging and established contractors, particularly in the construction industry, who require capital advances in order to carry out their projects successfully and to their clients’ satisfaction. Investment bracket: R100 000 to R20 million over 3 to 36 months at Prime -2%.

The Nexus trade finance product allows businesses servicing trade contracts in the Government sector (green orders) or commercial contracts in the private sector to satisfy the terms of their contracts through efficient cash flow management. Investment bracket: R10 000 to R500 000 over 1 to 6 months at 0% interest.

Long term finance products

The long-term financing products provide term loans and equity trading. The Termcap loan and Equitrader equity finance product, respectively, are the vehicles on offer to achieve this. The ECDC’s current portfolio of long-term projects include greenfield projects, expansion projects,
rehabilitation projects and property development projects.

The **EQUItader** is a finance vehicle available for the effective facilitation of equity deals (especially BEE buy-ins and buyouts) through capital investment into client businesses. The equity stake is sold on within 7 years of the date of the investment.

The **TERMcap Loan** is a vehicle by which capital is channelled to the client’s businesses to allow for financial viability and sustainability through term-defined debt financing. Finance begins at R500 000 to a maximum of R20 million paid over a period of between 5 to 7 years.

**Website:** www.ecdc.co.za
**Tel:** 0860 323 2346

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**The Gauteng Enterprise Propeller**

The Gauteng Enterprise Propeller (GEP) is a provincial government agency established in 2005 under the auspices of the Department of Economic Development to provide non-financial support; financial support; and co-ordinate stakeholders for the benefit of Small Medium and Micro Entrepreneurs (SMME’s) in Gauteng.

GEP is geared to provide both financial and non-financial support for the benefit of SMME’s in Gauteng. GEP is working towards enabling full SMME participation in the economy and ensuring their contribution to the creation of employment opportunities.

### Financial Support Programme

The integrated execution and relationship team at GEP will work closely with the entrepreneur to customise the right financing solutions to accommodate his particular needs and goals.

**Benefits to Entrepreneurs:**

- Access to finance
- A flexible approach to doing business
- Competitive lending rates
- Fair conditions of contract
- Fair and equitable rates, terms and conditions
- Personalised service, information, advice and guidance on business issues
- Access to support skills and capabilities normally only available to big business
- Better performance with limited own resources
- Aftercare service through relationship managers and mentors who will visit the business to offer advice or act as sounding board

#### The Micro Finance Loan Programme

The Micro Finance Loan Programme was established to provide access to finance to micro, very small and small businesses. This loan fund will benefit start-up and existing businesses that demonstrate a potential to grow and can contribute to the broader economic objective of job creation and poverty eradication in Gauteng Province.

**Loan Threshold:** R 10 000.00 - R 250 000.00

**Loan Products:**

- Contract Finance / Bridging Finance / Invoice Discounting / Project Finance
- Start-up Finance
- Expansion Finance
- Franchise Finance

Loans are charged at a fixed 8% interest rate per annum with a maximum of 36 months to pay.

#### Collateral

Collateral is subject to loan conditions. GEP will determine the collateral required on the basis of a feasibility repayment structure of each project. This will be done in conjunction with the overall risk profile of the project.

#### Initiation Fee

An initiation fee of R2, 500 is charged on all applications above R24, 000. Below the R24, 000 threshold the initiation fee is determined according to recommended NCR fee table.
Benefits for SMME's

- Low interest rates at 8% fixed interest rate
- After Care Support which may assist GEP in identifying extra interventions which the SMME can benefit from. These interventions can be either marketing, technical, legal or business management of the enterprise.

Website: www.gep.co.za
Tel: 011 085 2001

Industrial Development Corporation (IDC)

The IDC is a national development finance institution belonging to the government, designed to promote economic and industrial development. The IDC provides finance for industrial projects and promotes partnerships between and across industries in South Africa and beyond its borders.

Types of IDC funding available:

Development Funds

These funds are aimed at supporting projects that will have high long-term impact on the economy through growth; bringing projects out of the informal sector and into the economic mainstream.

Agro-Processing Competitiveness Fund

This fund provides support and facilitates increased competitiveness, business growth, job creation and development in the agro-processing and beverages industries.

Gro-e Scheme:

Here the focus is businesses that operate in green industries, the agricultural value chain, manufacturing, clothing and textiles, footwear and leather, forestry, paper, pulp, furniture, chemical, pharmaceutical, plastics, mining value china, tourism and services, media and entertainment, and knowledge economy.

The Gro-e Scheme is aimed at start-up businesses and provides funding of a minimum of R1 million to a maximum of R1 billion per project with interest of prime less 3% for loans and the Real After Tax Internal Rate of Return (RATIRR) of 5% for equity financing. Funding is available over five years or until the scheme is exhausted.

Gro-e Youth Scheme

The Gro-e Youth Scheme offers financial and non-financial support to youth enterprises. This fund provides loans at prime less 3% to businesses that operate in industries falling within the IDC’s mandate and are creating new jobs. The funding is available to South African citizens or permanent residents and the minimum amount for finance is R1-million

Product Process Development Scheme (PPD)

This is aimed at providing financial assistance to micro and small enterprises with total assets below R5 million, annual turnover less than R13 million, and the entity employing less than 50 people. The fund is intended to promote innovation and technology development through financial assistance enabling the development of new products and/or processes.

Risk Capital Facility Programme

This fund provides risk finance to companies owned by previously disadvantaged individuals that show substantial job creation potential. Funding can be provided through 3 channels: Direct channel operating alongside IDC’s mainstream business; through a niche fund channel; and third party channel.

Transformation and Entrepreneurship Scheme

This has been set up to finance marginalised groups of South Africans such as women and the disabled. This fund also provides non-financial support such as business planning, training and mentorship.

Green Energy Efficiency Fund

This fund is aimed at improving energy efficiency and helping South Africa transition to a low-carbon economy. It is intended to drive down energy
related costs, improve production capacity, operational effectiveness and competitiveness – thus aiding in job creation.

**Women Entrepreneurial Fund**

This fund aims to improve entrepreneurial participation by women.

Funds will only be given to businesses with a minimum 50% shareholding by women and where women are involved in operations and management.

Funds are provided for businesses with a total asset base of less than R80 million and a maximum provision of finance is R30 million per transaction.

**Distressed Fund**

This fund is designed to assist small and medium businesses negatively affected by the global recession. The main objective of this fund is to keep businesses open, stem job losses and maintain a productive economy. The fund helps by building capacity in existing business – thereby creating jobs – as well as providing for working capital, operational and capital expenses, and assisting in competitiveness.

**The Manufacturing Competitiveness Enhancement Programme (MCEP)**

This is a new suite of incentives aimed at existing manufacturers. It is designed to promote competitiveness in the industry and ensure job retention. It consists of industrial financing loan facilities and production incentive grants.

Website: [www.idc.co.za](http://www.idc.co.za)
Tel: 011 269 3000
Call Centre: 0860 693 888

The primary development focus of Ithala is to increase the participation of black people in all sectors of the economy, and positively impact job creation, skills development and training. Ithala has three major wholly owned subsidiaries, namely Ithala Limited, the KZN Growth Fund Managers and Ubuciko Twines and Fabrics (Pty) Ltd.

**Ithala Business Finance**

Ithala’s business finance solutions are designed for established businesses and emerging entrepreneurs through the provision of short, medium and long-term lending products. Ithala focuses on the agriculture, agri-processing, services, trade, construction, manufacturing and tourism with specific geographic areas that will best realise developmental impact.

Ithala’s Co-operatives Lending Programme is aimed at mobilising communities in KZN to form co-operatives and access much needed finance. The programme aims to contribute towards increasing disposable income amongst participants in the second economy with the view to reducing poverty and unemployment.

Business support is a critical factor to ensuring successful enterprises and Ithala has regional Business Centres throughout the municipal districts of KwaZulu-Natal. This support network is coupled with skills development and mentorship programmes aimed at assisting emerging entrepreneurs.

**Ithala Properties**

Ithala Properties focuses on the development and facilities management of industrial, commercial and small business infrastructure projects.

Ithala owns a large property portfolio in KwaZulu-Natal that includes industrial estates, retail and commercial premises and light industry factories.

**Ithala Limited**

Ithala limited provides a range of key savings and investments products, insurance services and personal and home loan products to communities throughout the Province via an extensive distribution network of branches.
KZN Growth Fund Managers

The KZN Growth Fund Managers’ primary mandate is investment in infrastructure to promote economic development within the Province. The Growth Fund endeavours to ensure an even spatial distribution of investment across the province. All the projects, furthermore, are undertaken with a view to broadening participation in the economy, with special emphasis on Black Economic Empowerment.

Finance begins at a minimum of R25 000 to a maximum of R50 million.

Website: www.ithala.co.za
Head Office: 031 907 8911
Business Finance – Tel: +27 31 907 8762
Email: zmkize@ithala.co.za

Limpopo Economic Development Agency (LEDA)

LEDA is a new economic development agency, following a merger of parastatals under the Department of Economic Development, Environment and Tourism. The merged entities include former Trade and Investment Limpopo, Limpopo Business Support Agency, into the Limpopo Economic Development Enterprise.

LEDA has its head office in Lebowakgomo, in Polokwane, and twenty four satellite offices across Limpopo municipalities.

Funding of between R20 000 and R10 million is also provided to small businesses in all sectors excluding primary agriculture.

Tel: +27 15 633 4700
Email: info@lieda.co.za
website: www.lieda.co.za

The National Empowerment Fund

Established by the National Empowerment Fund Act No 105 of 1998 (NEF Act), the National Empowerment Fund (the NEF) is a driver and thought-leader in promoting and facilitating black economic participation by providing financial and non-financial support to black empowered businesses, and by promoting a culture of savings and investment among black people.

NEF funding is currently obtainable from four funds. These are:

iMbewu Fund

This Fund is designed to assist black entrepreneurs who want to start new businesses and existing businesses with expansion capital. The Fund offers debt, quasi-equity and equity finance products with the funding threshold ranging from a minimum of R250 000 to a maximum of R10 million. Funding is delivered in the form of Entrepreneurship Finance, Procurement Finance and Franchise Finance products.

Mnotho Fund

This Fund is designed to improve access to BEE capital.

Funding ranges from R2 million to R50 million and is divided into five products: Acquisition Finance, New Venture Finance, Expansion Capital, Capital Markets, and Liquidity and Warehousing.

Rural and Community Development Fund

This fund was designed to promote sustainable change in social and economic relations and to support the growth and development in the rural economy, by financing sustainable enterprises. This would be achieved through the mobilisation of rural communities in legal entities or cooperatives, in order to realise the economic transformation goals in rural South Africa.

The fund has three products: Acquisition Finance, Expansion Capital and Project Finance (New Venture/Start-up/Greenfields) with the funding threshold ranging from a minimum of R1 million to R50 million.
Strategic Projects Fund

The Strategic Project Fund (SPF) is at the centre of NEF’s investment strategy when it comes to securing the participation of black people in early stage projects.

Its core function is to provide Venture Capital Finance aimed at developing South Africa’s new and strategic industrial capacity within strategic sectors identified by government as key drivers to economic growth.

Website: www.nefcorp.co.za
Tel: 011 305 8000
Call Centre: 0861 843 633 / 0861
Email: applications@nefcorp.co.za (Funding)
Email: info@nefcorp.co.za (General Enquiries)

North West Development Corporation (NWDC)

During 2013 an enlarged and improved North West Development Corporation (SOC) Ltd (NWDC) was created after the incorporation of trade and investment promotion agency Invest North West into its ranks. The improved and enlarged NWDC’s vision is to be the heartbeat of trade, investment, sustainable economic and job creation in the North West province.

All services offered by the former Invest North West have been retained and are now offered by the NWDC. Furthermore, an extensive range of services including property rentals, SMME development and CIPC registration remain at the heart of the NWDC’s 12 branches situated across the North West province and surrounding areas.

Funding is provided to small businesses across the province upon application. Loan amounts range from R1000 to R1 million.

Website: www.nwdc.co.za
Head Office Tel: (018) 381 3663/4/5
Email: info@nwdc.co.za
Fund Administrators:

Ngaka Modiri Molema 018 – 381 3663/4
Moretele/Odi/Brits 012 – 719 8670
Dr Kenneth Kaunda 084 601 0442
Dr Ruth Mompati 084 601 0442
Bojanala Moss Sereme 014 – 597 3405

Small Enterprise Finance Agency (Sefa)

The Small Enterprise Finance Agency (SOC) Ltd commonly known as sefa was established in April 2012 as a result of the merger of South African Micro Apex Fund, Khula Enterprise Finance Ltd and the small business activities of IDC.

With a footprint of 9 offices around the country, sefa’s mandate is to foster the establishment, survival and growth of SMMEs and contribute towards poverty alleviation and job creation.

Direct Lending Products

sefa provides finance directly to SMEs and co-operatives in all sectors of the economy. The facilities range from a minimum of R50 000 to a maximum of R5 million. Loans can take the form of a bridging loan, a term loan or structured finance.

Wholesale Lending Products

Through its wholesale lending, sefa provides facilities (debt/equity) to intermediaries, joint ventures, partnerships and other collaborative relationships. This target market is survivalists, micro, small and medium businesses (SMMEs), and co-operatives which fall into its funding gap.

Loans can range from R500 to R5 million, depending on the profile/needs of the enterprise.

sefa’s aim is to double the reach to 34 000 businesses and provide R1.6 billion worth of investments over the next five years.

Website: www.sefa.org.za
Call Centre: 0860 00 7332 (sefa)
E-mail: helpline@sefa.org.za
Private Investors/Fund Managers

Angel Investment Network

South African entrepreneurs looking to finance their business ventures through traditional lending routes will often be frustrated and discouraged.

Unlike banks or other financial institutions, angel investors are willing to take a chance and invest money (often small amounts) in high-risk businesses, with the hopes of gaining high returns within a set period of time (usually five to ten years).

The Investment Network

www.angelinvestmentnetwork.co.za is a web-based matching service for angel investors seeking investment opportunities and entrepreneurs seeking capital.

This website is owned by Angel Investment Network Ltd, a London-based investment company founded in 2004.

The company's first online angel network was the UK website (www.angelinvestmentnetwork.co.uk).

Today there are 30 networks worldwide covering over 80 countries in Europe, North America, South America, Africa, Asia and Australasia. Angel Investment Network Ltd brings the investment world much closer together by enabling entrepreneurs to contact investors locally, nationally and internationally (and vice versa).

The network currently has over 500,000 members worldwide making it the largest angel investment community in the world, and their database is growing daily.

Since it is an internet company, overheads are low and the contact process is very streamlined. For this reason the rates are extremely competitive compared to many other Angel Groups.

How the process works:

1. An entrepreneur either in the idea phase or an established business needing between R100 000 to R100 million, who offers a return, may apply.
2. The entrepreneur must fill in the online form to submit a project to a network of 40 000+ investors.
3. Investors can then view the project and connect with the entrepreneur. 5000+ entrepreneur-investor connections are made every month.

Website: www.investmentnetwork.co.za

Ata Capital

Ata Capital (Pty) Ltd is a majority black owned company established in February 2012 to carry out the business of attracting and managing private and institutional investor capital.

Ata Capital currently has two funds under management, Ata Fund I and Ata Fund II. They are 'Special Situations' funds with a mandate to invest in and provide equity-linked financing solutions to Black Economic Empowerment (BEE) situations. Fund I will invest between R 5 million and R 15 million, while Fund II invests from R 50 million up to R 100 million.

Tel: 011 722 7317
Email: info@atacapital.co.za

Business Partners Limited

Business Partners Limited (BUSINESS/PARTNERS) is a specialist risk finance company that provides customised financial solutions, sectoral knowledge, mentorship, business premises and other added-value services for formal small and medium enterprises (SMEs) in South Africa and selected African countries.

BUSINESS/PARTNERS structures unique, individualised financing solutions using equity,
shareholders’ loan accounts, revenue sharing and term loans or any combination of these.

Applications for finance are assessed on the viability of a business, which comprises two important elements: the business and the entrepreneur.

The business evaluation includes matters such as the product or service and its market acceptability, market size, the gearing of the business, and its ability to exist and grow, as well as the business’s history, the stage of its development and medium- to long-term profit potential, technical aspects and the location of the business.

In evaluating the entrepreneur, aspects such the ability to run a successful business on sound business principles, integrity, drive, vision and appropriate experience, are considered.

BUSINESS/PARTNERS considers financing applications up to R25 million in all sectors of the economy — with the exception of on-lending activities, direct farming operations, underground mining and non-profit organisations — to those formal small and medium businesses whose gross assets are under R100 million, where annual turnover does not exceed R200 million and/or employees are less than 500 in number.

Applications for financing below R500 000 are not considered and the company does not operate in the informal or micro enterprise sectors.

**Property finance solutions**

These include:

- The purchase of business properties for leasing back in order to unlock capital for business expansions.
- Up to 100% finance on existing business occupied properties to unlock capital for business expansion or other requirements (*subject to terms & conditions*).
- Tailor-made property financing solutions.

Website: [www.businesspartners.co.za](http://www.businesspartners.co.za)
Tel: 0861 SMEFIN (0861 763 346)
Email: [enquiries@businesspartners.co.za](mailto:enquiries@businesspartners.co.za)

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**Collins Private Equity Holdings**

Arising from its activities in the property sector, the Collin’s Group also invested in non-property related transactions and interests in the automotive, battery, pharmaceutical and financial sectors. Following the success of these investments, in August 2004 the non-property assets were formalised into a new business called Collins Private Equity.

Collins Private Equity is based in Durban, but is involved in transactions throughout South Africa. Investment amounts can go up to a maximum of R25 million.

Website: [www.collinsgroup.co.za](http://www.collinsgroup.co.za)
Tel: 031 536 8004
Email: bruce@collinsgroup.co.za

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**Edge Growth**

Edge Growth is an Enterprise and Supplier Development (“E&SD”) specialist firm which provides the strategic knowledge, management guidance, operational tools and financial support that inexperienced entrepreneurs need to overcome growth obstacles and succeed in the long term.
ASISA Enterprise Development Fund

Edge Growth, in alliance with the Association for Savings and Investment South Africa (ASISA), manages an Enterprise Development Fund that invests in the strategic growth and development of SMEs so as to create sustainable shared value for investments, investors, industry and the country at large.

The fund invests between R1m and R5m in high growth potential businesses, helping them to create sustainable impact and to align to the supply chains of our Investors.

Investments are structured using an optimised combination of debt and equity, with each investment receiving on-going post-investment support from the Fund Manager to ensure growth and sustainability.

The Vumela Enterprise Development Fund

FNB Commercial, together with Edge Growth, manages the R186 million Vumela Enterprise Development Fund, making equity investments into high growth SMEs currently struggling to access finance through traditional channels.

Growth finance of this nature is challenging to access in the SA economy as it falls into the "missing middle".

The Edge Action Fund Trust

Founded in June 2011, the Fund was established in order to ensure that Enterprise Development delivers quick, responsible results for medium sized businesses. The fund pools multiple ED contributions and then channels them to worthy SME beneficiaries, who receive on-going support to ensure sustainability.

Website: www.edgegrowth.com
Tel: 010 001 3715
Email: cnaicker@edgegrowth.com

eVentures Africa Fund

The eVA Fund was launched in January 2010 by Vincent Kouwenhoven and Brian Hirman, both experienced in business development, management consulting, online business, digital marketing and venture capital.

eVA Fund is dedicated to mobilize capital and experience in the Netherlands/Europe to invest in small and medium sized African internet related companies. eVA Fund focuses on development in terms of capital and business development support, i.e. knowledge, experience, access to proven business concepts/applications, and network.

Criteria

eVentures Africa Fund considers applications that meet the following criteria:

- Existing business with a track record of 2 to 5 years
- Funding requirements of $100,000 to $1,000,000
- Businesses in sub-Saharan Africa
- Business focus: internet and/or mobile applications, platforms, e-commerce and solution-providers (i.e. not in infrastructure and hardware)
- Sound strategy and business model
- Profitable, now or within a limited period of time

We invest in companies that use technology within Africa to build world-class platforms that deliver local content for Africa.

Website: www.eva-fund.com
Email: info@eva-fund.com

Grindrod Bank Limited

Grindrod Bank is a national financial institution with offices in Durban, Cape Town, Johannesburg and Pretoria. For nearly two decades, Grindrod Bank has operated as a competitive investment bank offering a personalised approach to financial
services through its established relationships with private, corporate and institutional investors.

Grindrod Asset Management (GrAM) was founded in November 2009, when a number of asset management projects within Grindrod Bank were grouped together under a single asset management brand.

Investment bracket: R10 million – R 30 million

Website: www.grindrodbank.co.za
Tel: 011 459 1860
Email: jannieg@grindrodbank.co.za

Grofin

GroFin is a SME development financier assisting entrepreneurs and business owners to access tailored finance and experienced business support to start and grow successful businesses.

GroFin was formally established in 2004, but grew out of the RAPS group of companies that has been investing in SMEs since 1999.

GroFin invests by partnering with local entrepreneurs and business owners and finance businesses that it remains actively involved in for the duration of the investment period, usually four to six years.

Finance is structured according to each business’s needs and its cash flow projections on a case-by-case basis and can take the form of debt, quasi-equity or equity.

Finance provided ranges from USD 50 000 to USD 1 500 000 and can be used for a variety of purposes including:

- Starting or growing a business
- Purchasing a business
- The purchase or expansion of business premises
- Growing a new product line

Website: www.grofin.com
Tel: 012 998 8280
Email: info.southafrica@grofin.com

Grovest Venture Capital Company (Pty) Ltd

Grovest is South Africa’s first venture capital company incorporated under Section 12J of the Income Tax Act. This affords investors direct exposure to the rapidly growing VC sector in South Africa, whilst enabling them to write off up to 100% of their investment capital against their taxable income.

Grovest invests in high growth, scalable, low capex private companies, assisting them by providing growth capital and management support to gain traction and scale.

Its primary objective is to return between three and five times initial investment, which equates to an IRR of 28% over a three to seven year period. The funding bracket ranges from R500 000 to R10 million.

Website: www.grovest.co.za
Tel: 011 262 6858
Email: jeffm@grovest.co.za

Horizon Equity Partners

One of South Africa’s longest established private equity firms, with an investment track record dating back to 1992, Horizon Equity Partners is widely recognised as a leading provider of development and buyout capital to SMEs.

Horizon Equity Partners invest amounts from R10m to R100m into privately held South African companies at most stages of the development cycle, from early stage through to pre-listing, including management buy-outs. It is also able to organise and lead syndications with other venture capital firms for larger investments.

In general, Horizon Equity Partners invests as a minority shareholder and will take majority positions only in special cases.
Criteria:

Company Size: Investments are made in companies whose enterprise value at the time of its investment, ranges between R20 million and R200 million.

Capital is provided for: growth capital, acquisition finance, buyouts, BEE (Black Economic Empowerment) recapitalisations public-to-private transactions and private investment in public enterprise.

Geography: Most investment activity is focused on Southern Africa, but they will consider investments in the rest of sub-Saharan Africa in conjunction with a local co-investor.

Industry Sectors: Historically, investment activity has been concentrated around information technology, communications, payment technologies, retailing and distribution, logistics, food processing, healthcare and industrial manufacturing.

Although these sectors remain of high interest, they will also consider investments in many other sectors. Industry sectors of particular interest to right now include: cleantech, alternative energy, and business process outsourcing. However, good businesses can be found in every industry and the fund is open to these opportunities.

Imbewu Capital Partners

Imbewu invests in businesses with sound business models, strong cash flows and a sustainable growth path.

Investments start at R 1 million with the maximum based on a case-by-case basis.

Website: www.imbewucapital.co.za
Tel: 031 566 1484
Email: gcina@imbewucapital.co.za

Inspired Evolution Investment Management (Pty) Ltd

Inspired Evolution was established in 2007 as a specialised investment business to lead sustainable clean energy and resource efficiency investments across sub-Saharan Africa. Investment size ranges from R 10 million to a maximum of R 115 million.

Website: www.inspiredevolution.co.za
Tel: 021 702 1290
Email: info@inspiredevolution.co.za

Knife Capital

KnifeCap is a Southern African growth equity fund manager focusing on technology-enabled ventures for a sustainable impact on innovation, job creation and growth.

HBD Venture Capital

KnifeCap manages HBD Venture Capital's South African portfolio of investments. HBD VC is a South African Venture Capital Fund founded by Mark Shuttleworth in 2000. HBD offered growth capital to a range of early stage businesses. The fund is now fully invested and its current focus is on growing its investments to achieve successful exits.

Knife Capital Growth Equity Fund

KnifeCap is currently in the process of raising a Growth Equity Fund with first closing of between R100m and R150m. The investment targets in need
of expansion capital will have existing revenue flow and a verifiable customer base, matched by significant market potential. Investment size ranges from R10m to R30m per first round investment.

Website: www.knifecap.com
Tel: 021 551 1269
Email: info@knifecap.com

Lereko Metier Sustainable Capital Fund

Lereko Metier Sustainable Capital (LMSC) targets energy efficiency, renewables, water and waste management businesses and projects supporting Southern Africa’s development objectives and environmental commitments.

Attractive opportunities in this asset class are being driven by sustainability and infrastructure requirements and a supportive policy environment. Metier has experience in developing successful business models to capture such opportunities profitably and to mitigate the risks of doing so.

This effort combines the industry expertise of its executives and is backed by their M&A and private equity skills, as well as the environmental, empowerment and sustainability reputation of the wider Metier private equity team.

Investments begin at R5 million to no more than R100 million.

Website: www.metier.co.za
Tel: 011 268 4055
Email: info@metier.co.za

Musa Capital Fund Managers (Pty) Ltd

Musa Capital specialises in catalytic investment to ensure that investing in Africa triggers sustainable wealth creation both for Africa and its investment partners.

It is a lead innovator in mid-market private equity in Africa, investing anything from R 5 million to R 100 million per transaction.

The Fund’s investment focus is the middle market, and the investments are generally in midcap companies whose business models have great potential, but lack the resources to leverage their growth opportunity.

The Fund provides the required hands-on support across the entire business including amongst other things, managerial, board level and governance support.

Website: www.musacapital.com
Tel: 011 771 6300
Email: info@musacapital.com

Nodus Equity

Nodus Equity is an open ended private equity investment company focused on medium sized businesses. Superior returns are targeted, enhanced through leveraging capital contributed and active support of investee companies.

Investment bracket: R 10 million – R 50 million.

Website: www.nodus.co.za
Tel: 011 327 6907
Email: nodus@nodus.co.za

Sphere Private Equity

Sphere's portfolio of investments is aimed at increasing business opportunities for existing successful enterprises and meaningful returns for all shareholders. Sphere is interested in investing between R10 million and R50 million directly into medium to large quality established businesses that offer:

- A meaningful and sustainable competitive advantage
- Real growth and a positive track record
- A strong, aligned management team
- Meaningful growth prospects in South Africa
- Opportunities to expand into the rest of Africa
Treacle Private Equity

Treacle provides equity capital to mid-market private and small cap listed companies in Southern Africa. We partner management and owners to structure and fund:

- Management buy-outs
- Growth, expansion and acquisition
- Recapitalisation and restructuring of balance sheets
- Development capital for emerging companies
- Replacement of shareholders
- Black Economic Empowerment transactions

Treacle provides on-going strategic marketing input, general business guidance, financial and structuring advice, access to an extensive business network and assistance with employment equity implementation.

Investment bracket: R10 million – R92 million.

Website: www.treacle.co.za
Tel: 011 463 7476
Email: redder@treacle.co.za

TriVest – Contributing Investors

TriVest focuses primarily on three industries: Healthcare (incl. Biotech), Renewable Energies and Security and supports its portfolio companies via three pillars: funding, resources and networks, thereby becoming a core strategic growth partner to them.

The firm has particular interest in acquiring companies in fragmented industries and invests up to a maximum of R20 million.

Growth capital financing

TriVest's primary focus is to invest in businesses which require capital for internal expansion, retaining management and providing strategic, organisational and network resources.

Corporate Acquisitions

TriVest also provides equity for and organises the acquisition of privately-held or smaller public companies, as well as subsidiaries or divisions of larger business enterprises. The management team of the acquired entity will typically have a meaningful investment and a performance-based compensation plan.

Recapitalisations

TriVest will provide funds for thinly capitalised businesses, or for purposes of deleveraging highly geared balance sheets. We can also act in situations where an existing shareholder is being replaced.

Website: www.trivest.co.za
Tel: 010 001 0540
Email: info@trivest.co.za

Utho Capital Fund Managers

UCFM is a private equity fund manager, whose first fund was launched in April 2011. The focus of the fund is on SMME's in the infrastructure sector, with an investment of between R 2 million and R10 million.

Website: www.utho.co.za
Tel: 011 234 1370
Email: modulam@utho.co.za

Zimele

Zimele is an initiative started by Anglo American in 1989 to assist historically disadvantaged South Africans to own and run their businesses.

Zimele provides more than just loans and also teaches business owners and entrepreneurs essential business skills to ensure that their businesses will run successfully.
Zimele operates six funds through which it provides funding and support to entrepreneurs.

The Anglo American Sefa Mining Fund

The Anglo American Sefa Mining Fund is a joint initiative between our South African operations and Sefa, the Small Enterprise Finance Agency SOC Limited, formerly known as Khula Enterprise Finance Limited, a government owned entity that promotes SME development. The Fund helps grow emerging black empowered mining companies into commercially bankable enterprises.

The Fund provides equity and loan finance of up to R30 million per project. It also provides technical support during high-risk exploration and pre-feasibility studies.

Find out about the Fund’s evaluation criteria and application processes

The Supply Chain Fund

The Supply Chain Fund helps our procurement departments to identify appropriate black-empowered SMEs and supports them by linking them with the appropriate commodity teams within the Group.

The Fund provides equity and loan finance of up to R5 million per project. It also supplies hands-on support, business guidance and skills transfer.

Find out about the Fund’s evaluation criteria and application processes

The Community Fund

The Community Fund is managed through a network of 22 small business hubs that are based both within the communities where we operate and labour-sending areas around the country. It provides funding, training and skills development for entrepreneurs and business owners. The Fund provides loan finance of up to R2 million per project, at preferential interest rates, to entrepreneurs and SMEs. It has changed the lives of many of its beneficiaries and their families through its network of small business hubs, which ensures that funding and training is accessible within communities.

Find out about the Fund’s evaluation criteria and application processes

The Green Fund

The Green Fund targets investment opportunities that mitigate carbon, reduce energy and water consumption, and improve waste and emissions management. The Fund provides funding of up to R10 million per project or business.

Find out about the Fund’s evaluation criteria and application processes

The Godisa Fund

The Godisa Fund is a tripartite agreement between Transnet, The Small Enterprise Finance Agency (Sefa) and Anglo American.

The focus of the Fund is the development of black-owned small and medium enterprises (SMEs) primarily in Transnet’s procurement value chain, with focus on the company’s rail and port businesses.

Each partner in the Fund contributes R55m towards the Fund, which totals R165 million.

Find out about the Fund’s evaluation criteria and application processes

The Sebenza Fund

The Sebenza Fund, will channel a total of R500 million into communities throughout South Africa, particularly poverty nodes, with Anglo American and the Development Bank of Southern Africa (DBSA) each contributing R250 million. Sebenza, which means ‘to work’ in isiZulu, expects to create 8,000 new sustainable jobs and support 1,600 SMEs over the next three years.

The Sebenza Fund operates with an infrastructure of 20 business development hubs across South Africa. As a result, Zimele has more than 40 hubs nationwide, providing entrepreneurs with access to affordable finance and on-going business development support (BDS) and mentorship. The majority of these hubs are already in place with a few still to roll-out.
Find out about the Fund’s evaluation criteria and application processes.

Applications must be accompanied by a business plan and submitted to a local Zimele hub manager or fund representative.

Contact Centre: 0860 ZIMELE (946353)
Email: zimele@angloamerican.com
Website: http://southafrica.angloamerican.com/

Micro (to small) Financiers

4Di Capital (Pty) Ltd

4Di Capital is an independent early-stage technology venture capital firm based in South Africa’s “Silicon Cape”. Nurture capital is the term that best describes 4Di Capital’s purpose and philosophy.

4Di Capital Early-Stage Technology Fund 1 targets start-up investment opportunities with high growth potential at the seed- and early-stages in the mobile, enterprise software and web sectors. Investments range from R100 000 to R5 million.

Website: www.4dicapital.com
Tel: 021 659 2042
Email: anton@4dicapital.com

AngelHub (Pty) Ltd

AngelHub Ventures is an Angel seed fund investing into lean start-ups with disruptive business models enabled by technology. Amongst other things, the business must attack existing profitable industries, be scalable and poised for growth, have a strong leadership and already have a minimum viable product. Investment bracket: R 500 00 – R 2 million.

AngelHub does not fund capital intensive businesses (e.g. property investments), grants, donations or sponsorships of any kind or non-profit businesses of any kind.

Website: www.angelhub.co.za
Tel: 021 551 1269
Email: info@angelhub.co.za

Blue Strata Trading

Blue Strata Trading is an import and working capital specialist, with over a decade of industry experience, that handles thousands of shipments each year and imports in excess of R4 billion annually.

Blue Strata facilitates the import transaction from order placement, confirmation and tracking through to the hedging of foreign exchange risk and the management of import logistics until delivery to the entrepreneur.

On delivery of the goods, Blue Strata provides a single invoice consolidating the total landed Rand cost per item, effectively becoming a local supplier of the imported product.

By financing the cost of goods as well as the forwarding and clearing costs involved in the import transaction, Blue Strata releases the working capital that is tied up in the client’s import and provides him with payment terms that closely match his cash flow cycle.

Website: www.bluestrata.co.za
Tel: 011 245 5600
Email: info@bluestrata.co.za

i-Cubed Capital

iCubed Capital’s investment acquisition philosophy includes both long term and medium term investments, with a 5-7 year exit strategy. iCubed invests in the general retail, real estate and FMCG industries.

The company also acquires family businesses where there is no intention of succession planning and looks to form joint venture partnerships with businesses looking to expand their existing operations through a growth strategy.

Website: www.icubedcapital.co.za
Tel: 011 492 1518
Email: info@icubedcapital.co.za
Identity Development Fund Managers (IDF)

IDF Managers was established in 2008 to exploit the opportunity of profitably investing in the entrepreneurial SME sector by providing appropriate products and support.

IDF Managers manage four funds on behalf of both institutional and corporate enterprise development investors.

Funding products are structured according to the capitalisation needs of each business and the structuring is determined on the commercial merits of each case.

To date, the organisation’s funding products have taken the form of debt, equity and quasi-equity.

The funding period typically ranges between 4 to 5 years, and for short term funding, can go as low as 3 months. Transaction size ranges from R30 000 to R5 million.

Website: www.idf.co.za
Tel: 011 772 7900 / 7910
Email: info@idf.co.za

Ikwezi Tourism Facility

The Tourism Enterprise Partnership (TEP) and sefa (Small Enterprise Finance Agency) joined forces to develop an assistance facility that can support a more holistic approach to developing small, micro and medium enterprises (SMMEs) in the tourism industry.

While “access to finance” is often cited as the cause for the lack of entrepreneurial tourism development in South Africa, research shows that funding alone will not ensure the success of any business. The Ikwezi facility combines the ability to access loans, while receiving dedicated enterprise support through TEP’s proven development methodology.

A fund of R50 million has been ring-fenced specifically for the Ikwezi facility, which is managed by a dedicated team at TEP.

Loans ranging from a minimum of R10 000 to a maximum of R5 million will be available to qualifying enterprises.

Website: www.ikwezifacility.co.za
Tel: 011 880 4712
Email: info@ikwezifacility.co.za

The Masisizane Fund

The Masisizane Fund is an initiative of Old Mutual established in 2007. The Fund’s mandate is to contribute to employment creation, reduction of inequality, economic growth and attraction of investment to Small, Medium and Micro Enterprise (SMME) development and promotion of entrepreneurship.

Masisizane was set up as a non-profit funding company to provide loan financing and support to SMMEs.

Minimum direct loan amounts start at R150 000 and maximum R10 million with a maximum repayment term of 5 years. Contract financing is offered to clients to assist with cash flow requirements and on a maximum 90-day repayment term.

Website: www.oldmutual.co.za
Tel: 011 217 1767 (small bus solutions)

Merchant Capital

Merchant Capital is an innovative solution for South African small and medium businesses struggling to access working capital for growth. We use a unique model based on future credit and debit card sales to provide a cash injection for growing businesses.
Merchant Capital was created by entrepreneurs who understand what running a business is all about.

They know that small businesses can’t rely on easy access to traditional lenders and that they are looking for a dependable cash flow alternative.

The company is partnered with Merchant Cash and Capital, one of the United States’ leading providers of the Merchant Cash Advance.

If the business has been in operation for more than 12 months and turns over more than R30 000 in monthly card sales, the required cash can disburse in as little as 3 days.

Merchant can provide up to 80% of the average credit and debit card turnover as working capital.

The entrepreneur does not need security to access a loan and funding can be used for any cashflow challenges there may be at that time.

Website: [www.merchantcapital.co.za](http://www.merchantcapital.co.za)
Tel: 011 217 2880
Email: info@merchantcapital.co.za

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**Merchant Factors**

Merchant Factors was founded in 1988 to offer growing businesses an alternative to traditional bank loans and overdrafts.

The company prides itself on innovation and flexibility, offering local and cross-border trade finance. It is able to tailor its facilities to suit most emerging small and medium size businesses.

Clients’ turnovers range from R100 000 per month to R15 million per month.

**Services**

- Factoring / Debtor Finance and Administration Services
- Trade Finance
- Invoice Discounting
- Bridging Finance

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**Qualifying criteria**

- The client sells on credit terms not exceeding 120 days
- He deals business to business only. Sales to debtors who are individuals or sole proprietors are excluded
- He sells on an outright basis, not on consignment or "sale or return"
- He has no contractual obligations that need to be performed at a future date (such as retentions, progress payments, interim claims or draws)

**Debtor administration services**

Debtor administration services cover:

- Opening of new debtors accounts
- Checking the completion of credit application forms
- Performing the necessary credit checks
- Accessing credit limits based on the credit reports obtained
- Sending reminder letters and final demands where necessary and as guided by the client
- Verifying deliveries as an after-sales service
- Assisting in the settling of disputed accounts and liaising with attorneys when accounts are handed over. This is done in consultation with the client.

Website: [www.mfactors.co.za](http://www.mfactors.co.za)
Tel: 021 466 5244
Tel: 011 447 2513
Tel: 031 312 2360

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**Rand Trust**

Rand Trust was established in 1958, and is a member of the Transaction Capital Group of companies. It provides finance by converting receivables into cash and in so doing, assists in financing growth in credit sales, where clients have limited access to capital.

Costs are minimised by allowing clients to select which invoices they wish to convert to cash. In addition, a fully outsourced debtor administration
function is provided by administering receivables on specialised computer programmes, customised to suit the exact requirements of various industries.

Rand Trust’s experienced management team offers the client the opportunity, insight and expert advice to unlock the full potential of his business by improving access to working capital and assist with cash flow challenges. There are no hidden costs or admin fees.

Website: www.randtrust.co.za
Tel: 011 844 7160
Chris Eyre - chris@randtrust.co.za
Shayne Nicolas - Shayne@randtrust.co.za

Real People

Incorporated in 2001, Real People is built on a focused portfolio of businesses that centre around providing responsible finance and customer-centric debt rehabilitation solutions to individuals and businesses. The company employs over 1 500 employees in South Africa and East Africa.

It’s portfolio of businesses cover:

- Home Finance
- Education Finance
- Business Finance
- Rehabilitative Finance

Debt Rehabilitation Solutions

- Portfolio Recovery Solutions

SME Finance

Real People provides viable Small and Medium Enterprises (SME’s) with comprehensive financing solutions. Whether the customer is an aspiring entrepreneur with a great business idea or an existing entrepreneur with an established business, Real People provides business finance to those SME’s who would not normally qualify for commercial bank funding due to inadequate own contribution and collateral.

- Loans up to R5 000 000 (All loan applications are subject to final credit approval. Terms and conditions apply)
- Up to 84 months to pay
- Interest rates from approximately 15% to 22%. (Interest rates are subject to the prime bank lending rate which can vary from time to time. Real People reserves the right to change the above-mentioned guidelines at their discretion.)

Requirements

In order to qualify for a SME Loan the entrepreneur must have a:

- Viable and convincing business idea or proposition and submit a Business Plan
- Minimum own contribution of at least 15%
- Minimum collateral of at least 50%
- South African Identity Document
- Passion to succeed or at least some previous experience in the chosen field
- Willingness to undergo SME training if required.

Website: http://smeloans.realpeople.co.za
Email: SME@realpeople.co.za
Tel: 010 245 8000/1

ReichmansCapital

ReichmansCapital offers working capital and medium term finance to growing owner-managed businesses, together with prompt, viable and realistic finance solutions to meet business owners’ funding and finance needs. Our product offering includes:

Working Capital Finance

- International and local trade finance
- Debtor finance
- Asset based lending
Medium Term Finance

- Asset and equipment finance
- Specialised growth funding
- Sale and leaseback finance

As a member of the Investec Group of Companies, Reichmans Capital has access to a wide range of services and expertise. Reichmans Capital is also a broad-based BEE company with offices in Johannesburg, Cape Town, Durban, Geneva and New York.

Website: [www.reichmanscapital.com](http://www.reichmanscapital.com)
Email: info@reichmanscapital.co.za
Tel: 011 286 8275
Tel: 021 416 4000
Tel: 031 575 4881

Retail Capital

In January 2011, Retail Capital was established to provide small businesses in the retail, restaurant and beauty industries - and medical practitioners - with an accessible, flexible and convenient alternative to traditional small business loans.

Retail Capital partners with its customers, linking payments to business turnover so that they match the cash flow cycles of the business to ensure affordability. Each advance is tailored to the specific needs of each business owner and all costs are fully transparent and are agreed up front.

This financier does not require security or place restrictions on the use of the funds and the money is available within 10 days.

Website: [www.retailcapital.co.za](http://www.retailcapital.co.za)
Tel: 021 712 9900
Email: enquiries@retailcapital.co.za

Royal Fields Finance

Royal Fields Finance was started in March 2009 to provide specialised short-term funding to SMEs and start-up ventures.

The company focuses on SMEs that are unable to raise funding from banks and other traditional funding institutions due to a lack of trading history, security and risk capital.

The company provides short-term loans of between R70k and R2.5m to businesses across a wide array of different sectors.

The specialised short-term funding covers project-specific finance, supply chain finance, bridging finance, invoice discounting and working capital.

Working Capital

This facility is provided to small businesses temporarily in need of cash. The borrower must demonstrate cash flow (i.e. tenders, contracts, etc.) out of which the facility will be repaid.

As a consequence, this facility will only be available to businesses that demonstrate determinable future cash flows.

Bridging Finance

This is a short-term loan (usually 1 – 6 months) intended to bridge the finance gap between transactions.

Contract / Project Finance

This facility is intended for borrowers with public / private sector contracts to provide goods and/or services. This working capital that can be utilised to cover the cost associated with fulfilling the contract.

A borrower MUST be in possession of a contract in order to access this funding.

Trade Finance

Royal Fields Finance can provide short-term funding for the importation of goods into South Africa. If required, it also assists in mitigating the risk of importing these goods.
**Asset Finance**

The Asset Finance products are intended to cover IT and office automation, plant and machinery, delivery vehicles and office furniture.

Asset Finance is offered in several forms with the aim of providing an affordable solution that preserves the cash flow of SMEs.

Website: [www.royalfields.co.za](http://www.royalfields.co.za)
Tel: 086 178 9607
Email: info@royalfields.co.za

**WDB Investment holdings**

WDBIH is a private enterprise formed in 1996 to make a difference in the lives of rural women and communities. The main beneficiary and shareholder in WDBIH is the WDB Trust, which focuses on the social and economic upliftment of rural women and households, principally by providing micro-enterprise credit and business skills training to aspiring female entrepreneurs.

WDBIH ED Fund provides micro and small businesses loans of between R50 000 to R400 000.


Website: [www.wdbinvestments.co.za](http://www.wdbinvestments.co.za)
Tel: 011 341 9900
Email: mpumim@wdbih.co.za

**Wizzit Bank**

WIZZIT Bank was established in 2004 and is registered as a division of the SA Bank of Athens Limited. Wizzit offers business loans to SMEs and caters for the needs of both new and existing entrepreneurs, specialising primarily in the franchise sector.

Finance is available to qualifying entrepreneurs in the form of loans ranging from R15 000 up to a maximum of R2.5 million. Repayment terms can be up to 84 months (7 years) and prime-linked interest rates range from approximately 15% to 24%.

Website: [www.wizzit.co.za](http://www.wizzit.co.za)
Tel: 0861 949 948
Email: wow@wizzit.co.za

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**Bidvest Bank**

As a provider of asset-based lending in the vehicle market, Bidvst Bank also has a wealth of experience in asset-backed funding in other fields, most notably the medical and commercial property sectors.

**Fleet & asset finance**

Commercial vehicle and asset finance can take the form of:

- Full maintenance leasing: Remove the risk of vehicle resale, ownership or maintenance. Costs remain fixed throughout the contract's duration.
- Operating rentals: Remove the risk of ownership and improve the cash flow for your business.
- Sale and leaseback: We’ll assist with converting existing owned fleets to leased fleets.
- Instalment sale/financial lease

**Medical equipment**

By acquiring medical equipment finance, medical professionals can procure the equipment they need to build their practices without the commitment of large amounts of upfront capital. Finance can be made available on a comprehensive range of sophisticated equipment.
With Bidvest Bank medical equipment finance, you select the repayment period - from a minimum of 24 months to a maximum of 60 months. The capital sum and interest charges are paid off by the end of the term.

Commercial property

With a specialised approach on commercial property, we can provide asset-based funding to investors, owner-occupiers, those looking to buy their business premises, and those in the property development industry.

Bidvest Bank's commercial property finance enables our corporate clients to renovate commercial, industrial or retail property, or to re-finance an existing funding structure.

It is a competitively priced commercial property financier with facilities for various periods. The maximum term is 10 years and the maximum capital amount is R200 million.

The property in question becomes security for the loan and up to 70% of the property's value will be advanced to the client.

Website: www.bidvestbank.co.za
Tel: 0860 102 499 (Fleet & Asset Finance)

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Centrafin

Centrafin commenced operations in October 2002 as an independent financial intermediary in the Operating Rental market. In March 2012 Centrafin became a full subsidiary of the PTH group.

Centrafin provides a standard range of finance products including Operating Rental, Hire and Service Agreements and Short Term Project Finance for technology-based equipment.

Operating Rental/Lease

Centrafin offers Operating Rental/Lease Finance for technology based equipment countrywide. This type of finance enables customers to acquire equipment and have the benefit of being able to upgrade equipment as technology changes.

Where applicable, Operating Rental/Lease provides a fully tax deductible operating expense to a business.

Hire & Service Agreements

Centrafin works with group and selected partners to provide customers with an agreement covering both the hire of equipment and ancillary services.

Bridging / Project Finance

For qualifying customers, Centrafin will fund the acquisition of equipment required to complete an order or bridge the period from invoice to payment by a supplier.

Website: www.centrafin.co.za
Tel: 011 654 6460
Email: info@centrafin.co.za

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First Asset Finance

First Asset Finance is a specialised asset finance company, operating throughout South Africa. The company has been trading since 2008, and enjoys long standing relationships with dynamic like-minded businesses.

Asset Finance

Medical equipment: First Asset Finance has financed hundreds of doctors, purchasing a range of assets from various medical suppliers. New or used equipment are financed.
Other equipment: Through selected suppliers, First Asset Finance has financed ATM’s, telephone systems, printers and copiers, security equipment, computer equipment, and many other movable assets.

Instalment and Rental finance

Traditional purchasing of assets used instalment sales as the transaction method of choice. While First Asset Finance does provide this option, it believes instalment finance is becoming less popular amongst most of its clients.
Rental finance allows the business owner to enhance his debt/equity ratios, by renting instead of buying assets and equipment.

Website: www.faf.co.za
Tel: 0800 212 537
Email: info@fhf.co.za

Madison Asset Finance

Madison Asset Finance provides efficient and flexible asset finance solutions via an established partner network of financial institutions, dealers and suppliers.

Informed asset acquisition customised to client needs that embraces market change to convert opportunities into profitable success.

Solutions are tailored to finance the following industries:

- Aviation
- Agricultural
- Computer
- Medical
- Earthmoving and Construction
- Mining
- Commercial Vehicles markets

Finance options can take the form of an instalment sale, financial lease, rentals and preferential funding mechanisms.

Website: www.asset-finance.co.za
Tel: 082 8253 044
E-mail: info@asset-finance.co.za

Merchant West

Established in 2002, Merchant West Holdings is an Investment holding company offering specialist business finance and advisory services through its subsidiaries.

Its main focus areas are asset finance, full maintenance lease, specialised finance, working capital solutions and treasury risk management solutions.

Asset Finance

Merchant West supports successful business expansion by providing innovative and customised asset finance services in the following areas:

- Corporate Asset Finance.
- Supplier Asset Finance.
- Public Sector Asset Finance.

Assets accommodated include office automation, information technology, yellow metal, earth moving equipment and commercial vehicles. We also assist in the importation of capital equipment purchases.

The Industries Merchant West operates in are telecommunications, office automation, information technology, infrastructure, mining and transport.

Asset Rentals

To support positive cash flow management, operational efficiencies and an enhanced debt to equity ratio, Merchant West can assist clients to finance asset rentals.

This protects organisations against depreciating assets while they benefit from the latest technology and equipment.

Specialised Finance

Specialised Finance solutions become necessary when the value of a potential transaction is significantly higher to the net asset value of the company, causing funding capacity and gearing constraints.

Specialised finance draws on experience acquired through implementation of an array of financial products and services, including:

- Trade securitisation and debt syndication programmes
- Commercial Property Finance
- BEE transactions
- Corporate finance
- Debt securitisation
- Large-debt asset finance
• Balance sheet restructuring

Working Capital Solutions

Merchant West Working Capital Solutions specialise in the following products:

• **Single Invoice Discounting** is best suited to companies that are experiencing growth, but do not have the capital to fund it. Working Capital Solutions discounts selective ‘Blue Chip’ debtors to free up working capital.

• **Full Disclosure Discounting**: These companies have a well-spread Debtors book, even though they are not necessarily all “Blue Chip” or Listed companies. Full Disclosure Discounting differs from Single Invoice Discounting, in that Working Capital Solutions will purchase the business’s entire Debtors Book and advance up to 80% of “fundable debtors”. This facility is fully disclosed to the debtors.

• **Trade Finance**: This product is best suited to companies who have back-to-back orders and require assistance in bridging the cycle from supplier to customer. Working Capital Solutions will import the goods for the entrepreneur, so his working capital facilities are not strained.

Website: [www.merchantwest.co.za](http://www.merchantwest.co.za)
Tel: 011 305 9400
Mike Murray - [mi kem@merchantwest.co.za](mailto:mi kem@merchantwest.co.za)
Tel: 011 305 9400

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Wesbank

WesBank, a division of FirstRand Bank Limited, is a leading Vehicle and Asset Finance bank and part of one of the largest financial services groups in Africa. With over 40 years’ experience in asset finance, Wesbank focuses on providing secured instalment finance to retail, public sector and corporate markets, as well as related services such as insurance, fleet management and full maintenance rental.

Finance products include:

**Fleet Finance and Rentals**

WesBank provides tailor-made solution for procurement of company vehicles.

**Plant and Equipment Finance**

Wesbank will also finance new or used forklifts, cranes, backhoe loaders, graders, front-end loaders and other construction equipment.

**Agri Equipment Finance**

Agricultural finance experts will work with the entrepreneur to understand his particular requirements for farming equipment, and then structure a payment solution.

**Commercial Vehicle Finance**

WesBank will provide finance for an entrepreneur who wants to grow his fleet with the addition of a long-haul truck-trailer, flat bed, tanker, bus or even adding refrigeration units to your delivery trucks.

**Manufacturing Equipment Finance**

Finance is provided for a wide range of manufacturing equipment, from extrusion, blow moulding and injection moulding machinery to CNC lathes, milling machines and metal presses, to digital production printers, packaging machinery, industrial printing equipment and conveyors.

**Aviation Finance**

WesBank is an expert in aviation finance and can tailor-make an aircraft finance solution. Wesbank will finance General Aviation aircraft supplied by its trusted agents and approved suppliers. Minimum deal size is R750 000 for local transactions and R3 million for imports.

Website: [www.wesbank.co.za](http://www.wesbank.co.za)
Tel: 0861 137 137 or 0861 900 900
E-mail: [finance@wesbank.co.za](mailto:finance@wesbank.co.za)
Government Grants and Incentives

The Department of Trade and Industry (the dti) offers a range of incentives and grants geared towards Small, Micro- and Medium-sized Enterprises (SMMEs).

Aquaculture Development and Enhancement Programme (ADEP)

The ADEP is an incentive programme available to South African registered entities engaged in primary, secondary and ancillary aquaculture activities in both marine and freshwater (fish hatcheries and fish farms) and production, processing and preserving of aquaculture fish.

The grant is provided directly to approved applications for new, upgrading or expansion projects.

The programme offers a reimbursable cost-sharing grant of up to a maximum of R40 million qualifying costs in machinery and equipment; bulk infrastructure; owned land and/or buildings; leasehold improvements; and competitiveness improvement activities as outlined in section 8 of the ADEP guidelines.

Visit the dti website for more details.

Automotive Investment Scheme (AIS)

The AIS is an incentive designed to grow and develop the automotive sector through investment in new and/ or replacement models and components that will increase plant production volumes, sustain employment and/ or strengthen the automotive value chain.

The AIS provides for a non-taxable cash grant of 20% of the value of qualifying investment in productive assets and 25% of the value of qualifying investment in productive assets by component manufacturers and tooling companies as approved by the dti.

Eligible Enterprises

- Light motor vehicle manufacturers that have achieved, or can show that they will achieve, a minimum of 50 000 annual units of production per plant, within a period of 3 years
- Component manufacturers that are part of the Original Equipment Manufacturer (OEM) supply chain
- Those that will achieve at least 25% of total entity turnover or R10 million by the end of the first year of commercial production, as part of a light motor vehicle manufacturer supply chain.

For more information, visit the dti website.

Black Business Supplier Development Programme (BBSDP)

The BBSDP is a cost-sharing grant for black-owned small enterprises to assist them to improve their competitiveness and sustainability. The programme provides grants to a maximum of R1 million:

- R800 000 for tools, machinery and equipment on a 50:50 cost-sharing basis
- R200 000 for business development and training interventions to improve corporate governance, management, marketing, productivity and use of modern technology on an 80:20 cost-sharing basis.

For more information visit the dti website.

Business Process Services Incentive

As part of a process of improving South Africa’s position as an investment destination, a systematic review of the Business Process Outsourcing & Offshoring (BPO&O) incentive programme was undertaken with the private sector resulting in a revised BPS incentive.

The BPS incentive aims to attract investment and create employment in South Africa through
offshoring activities. These incentive grants are calculated on the number of projected offshore jobs to be created based on a tapering scale and is awarded on actual offshore jobs created.

South Africa has risen to rank among the top three global offshore locations that can provide quality English language skills and excellent writing skills on a large scale.

Enquiries:
Sidwell Medupe, Departmental Spokesperson
Cell: 079 492 1774
Email: MSMedupe@thedi.gov.za

Capital Projects Feasibility Programme (CPFP)

The CPFP is a cost-sharing grant that contributes to the cost of feasibility studies likely to lead to projects that will increase local exports and stimulate the market for South African capital goods and services.

The grant is capped at R8 million to a maximum of 50% of the total costs of the feasibility study for projects outside Africa and 55% of the total costs of the feasibility study for projects in Africa.

For more information visit the dti website.

Contacts:
James Koko - JKoko@thedi.gov.za
Tel: 012 394 1037
Pumzo Tshikitshwa - PTshikitshwa@thedi.gov.za
Tel: 012 394 1249

Clothing and Textile Competitiveness Improvement Programme (CTICP)

The CTCIP aims to build capacity among clothing and textile manufacturers and in other areas of the apparel value chain in to enable them to effectively supply their customers and compete on a global scale. Such competitiveness encompasses issues of cost, quality, flexibility, reliability, adaptability and the capability to innovate.

Production Incentive (PI): Under the PI, applicants can use the full benefit as an upgrade grant facility, an interest subsidy facility, or a combination of both. Eligible enterprises include clothing manufacturers, textile manufacturers, Cut, Make and Trim (CMT) operators, Footwear manufacturers, Leather goods manufacturers, and Leather processors.

For more information, visit www.ctcp.co.za or the dti website.

Co-operative Incentive Scheme (CIS)

The Co-operative Incentive Scheme (CIS) is a 100% grant for registered primary co-operatives (consisting of five or more members). The objective is to improve the viability and competitiveness of co-operative enterprises by lowering their cost of doing business.

Eligible activities through the grant:

- Business development services (e.g. feasibility studies; manufacturing and production systems; and production efficiency and improvement, etc.)
- Technological improvements
- Machinery, equipment and tools
- Commercial vehicles
- Infrastructure linked to the project (e.g. 3-phase electricity; boreholes…)
- Working capital

The maximum grant that can be offered to one co-operative entity under the scheme is R350 000.

For more information visit the dti website.

Contacts:
Administrators Secretariat:
Tel: 012 394 3022
Business Development Unit:
Tel: 012 394 1115
Tel: 031 305 3389
Tel: 041 582 1267
Tel: 021 480 8051/60
Critical Infrastructure Programme (CIP)

The CIP is a cost sharing grant for projects designed to improve critical infrastructure in South Africa. The grant covers qualifying development costs from a minimum of 10% to a maximum of 30% towards the total development costs of qualifying infrastructure. It is available to approved eligible enterprise upon the completion of the infrastructure project concerned.

For more information visit the dti website

Contacts:
Lawrence Muthapuli
Email: LMuthapuli@thedti.gov.za
Tel: 012 394 1431
Charmaine Prinsloo
Email: CPrinsloo@thedti.gov.za
Tel: 012 394 1454

Film and Television Incentive

The South African Government offers a package of incentives to promote its film production and post-production industry.

The incentives consist of the Foreign Film and Television Production and Post-Production incentive to attract foreign-based film productions to shoot on location in South Africa and conduct post-production activities.

To support the local film industry and boost job creation, the South African Film and Television Production and Co-Production incentive aims to assist local film producers in the production of local content.

For more information visit the dti website.

Contacts:
Wendy Mphahlele - MphahleleW@thedti.gov.za
Tel: 012 394 1876
Rudi Siefert - RSiefert@thedti.gov.za
Tel: 012 394 1270

Export Marketing & Investment Assistance Scheme (EMIA)

The Export Marketing and Investment Assistance (EMIA) scheme develops export markets for South African products and services, and to recruit new foreign direct investment into the country.

Eligible Enterprises

- South African manufactures and exporters;
- South African export trading houses representing at least three SMMEs or businesses owned by Historical Disadvantaged Individuals (HDIs);
- South African commission agents representing at least three SMMEs / HDI-owned businesses; and
- South African exports councils, industry associations and JAGs representing at least five South African entities.

For more information visit the dti website

Incubation Support Programme (ISP)

The dti initiated the ISP to develop incubators and create successful enterprises.

The ISP aims to ensure that small, micro and medium enterprises (SMMEs) graduate into the mainstream economy through the support provided by the incubators. The ISP is aims to encourage partnerships in which big business assists SMMEs with skills transfer, enterprise development, supplier development and marketing opportunities.

Incubation support will be available on a cost-sharing basis between the Government and private sector partner(s).

It is available for infrastructure and business development services necessary to mentor and grow enterprises to ensure that within 2 to 3 years the enterprises will graduate to a level of self-sustainability by providing products and services to the market.
For more details visit the [dti website](http://www.dti.gov.za).

Application enquiries: [appisp@thedti.gov.za](mailto:appisp@thedti.gov.za)
Claims enquiries: [claimisp@thedti.gov.za](mailto:claimisp@thedti.gov.za)

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**Isivande Women’s Fund (IWF)**

Isivande Women's Fund is an exclusive fund that aims to accelerate women's economic empowerment by providing affordable, usable and responsive finance. The IWF assists with support services to enhance the success of businesses. It pursues deals involving start-up funding, business expansion, business rehabilitation, franchising and bridging finance.

The Fund is managed by the Industrial Development Corporation (IDC) on behalf of the [dti](http://www.dti.gov.za) through a development fund manager.

Applications to the Isivande Women’s Fund should be made through [http://www.idf.co.za](http://www.idf.co.za) or call 011 772 7910. Application forms can be downloaded from [www.idf.co.za](http://www.idf.co.za)

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**Manufacturing Competitiveness Enhancement Programme (MCEP)**

The MCEP which is one of the key action programmes of the Industrial Policy Action Plan (IPAP) will provide support aimed at encouraging manufacturers to upgrade their production facilities in a manner that sustains employment and maximises value-addition in the short to medium term.

The MCEP comprises two sub-programmes: the Production Incentive (PI) and the Industrial Financing Loan Facilities which will be managed by the [dti](http://www.dti.gov.za) and the Industrial Development Corporation respectively.

1. **Production Incentive**

The Production Incentive 80% by Rand value of the MCEP. Calculation of MCEP credits for this incentive will be up to 25% of the manufacturing value added.

2. **Industrial Financing and Loan Facilities**

The Industrial Financing and Loan facilities comprises two components i.e. Pre and post-dispatch Working Capital Facility and the Industrial Policy Niche Projects Fund.

For any correspondence regarding the MCEP Incentive, visit the [dti website](http://www.dti.gov.za) or email - [MCEP@thedti.gov.za](mailto:MCEP@thedti.gov.za)

**Contacts:**

Agro-processing, biofuels, forestry, furniture, timber, paper & pulp
Puleng Bothole - [Pbotlhole@thedti.gov.za](mailto:Pbotlhole@thedti.gov.za)
Tel: 012 394 1207

Advanced manufacturing, metals fabrication, capital, electro-technical and transport equipment
Magdeline Thwala - [mthwala@thedti.gov.za](mailto:mthwala@thedti.gov.za)
Tel: 012 394 1089

Non-metallic minerals, chemicals, cosmetics, plastics, pharmaceuticals, printing and green industries
Sithembile Tantsi [tsithembile@thedti.gov.za](mailto:tsithembile@thedti.gov.za)
Tel: 012 394 1258

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**Manufacturing Investment Programme (MIP)**

The MIP is a reimbursable cash grant for local and foreign-owned manufacturers who wish to establish a new production facility, expand an existing production facility, or upgrade a facility in the clothing and textiles sector.

**Benefits**

- Investment grant of 30% of the investment cost of qualifying assets for new or expansion projects below R5 million
- Investment grant of between 15% to 30% of the investment cost of qualifying assets for new or expansion projects above R5 million
• Qualifying assets: machinery and equipment, buildings, and commercial vehicles.

Visit the dti website for more.

Administrators:
Herminah Lewis: HLewis@thedti.gov.za
Thato Malebye: tmalebye@thedti.gov.za
Kesentseng Moche: kmoche@thedti.gov.za

People-carrier Automotive Investment Scheme (P-AIS)

The P-AIS is a component of the Automotive Incentive Scheme (AIS) and provides a non-taxable cash grant of between 20% and 35% of the value of qualifying investment in productive assets approved by the dti.

Qualifying projects will be evaluated on the following economic benefit requirements:

• Tooling
• Research and Development (R&D) in South Africa
• Employment creation / retention
• Strengthening the automotive supply value chain
• Empowerment

The approved P-AIS grant is to be disbursed over a period of three (3) years.

Grant payment is subject to an evaluation to determine whether the project achieved the stipulated requirements.

For more information visit the dti website.

Seda Technology Programme (STP)

The Stp is a division of seda (Small Enterprise Development Agency) focusing on technology business incubation. stp seeks to stimulate economic growth and development through facilitating technological innovation, increasing the accessibility to (and utilisation of) technology and technical support for small enterprises, while at the same time improving their sustainability and international competitiveness.

Stp, is responsible for the provision of both financial and non-financial technology transfer, business incubation and quality support services for small enterprise.

For more details, visit the dti website.

Contacts:
Technology Transfer Unit (TTU)
Theresa Breytenbach
Email: tbreytenbach@seda.org.za
Tel: 012 441 1375
Support Programme for Industrial Innovation (SPII)

The SPII is a support programme of the dti, managed by the Industrial Development Corporation (IDC). The SPII is designed to promote technology development in industry through the provision of financial assistance for the development of innovative products and/or processes.

The SPII specifically focuses on the product development phase, beginning once basic research has been done and ending with a pre-production prototype.

Criteria for SPII Support:

- Development should represent significant advance in technology
- Development and subsequent production must take place within South Africa
- Intellectual Property to reside in South African registered company
- Participating businesses must be South African registered enterprises

For more information visit the website: http://www.spii.co.za

Enquiries: SPII Administrator
Nikki Gwaze - nikkig@idc.co.za
Tel: 011 269 3073
Share-Call: 086 069 3888
Tel: 011 269 3911

The Technology and Human Resources for Industry Programme (THRIP)

THRIP is a partnership programme funded by the dti and managed by the National Research Foundation (NRF). On a cost-sharing basis, THRIP supports science, engineering and technology research collaborations focused on addressing the technology needs of participating firms.

It encourages the development and mobility of research personnel and students of participating organisations.

The programme aims to:

- Increase the number and quality of skills in the industry
- Improve knowledge exchange and technology transfer through more interaction and mobility among researchers in universities and Science, Engineering and Technology Institutions (SETIs)
- Increase investment by industry and government, in research and technology development
- Transfer technology and product or process improvement/development, through research collaboration between enterprises, universities and SETIs.

For more information, visit the dti website.

Contact:
THRIP Marketing Officer
Etresia Diedericks
E-mail: etresia@nrf.ac.za
Tel: 012 481-4040

For more information on government incentives, visit http://www.investmentincentives.co.za/
Compiled on behalf of Business Partners Limited and the SME Toolkit South Africa, April 2015.

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