



**destea**

department of  
Economic, Small Business Development,  
Tourism and Environmental Affairs  
FREE STATE PROVINCE

## **MEDIA STATEMENT**

### **CALL FOR FREE STATE ENTERPRISES TO QUEUE FOR RELIEF FUNDS**

**26 May 2020**

**Bloemfontein.** The onset of Covid-19 and the National lockdown from 27 March 2020 has had devastating impact on the economy with the township economy being one of the biggest casualties. The recovery of the economy, many economists say, we can only be assured with state intervention.

To this end, relevant national departments put together relief funds to support SMMEs that took the knock during the restrictions of trade. National Department of Tourism came up with Tourism Relief funds to the total value of R200 million capped at R50 000 once off assistance per entity.

The following categories can apply for this fund; accommodation establishments, hospitality and travel and related services. The funds could be used by SMMEs for fixed costs, operational, supplies and other pressures. For more information on this fund the Tourism Relief Fund enterprises should visit [www.tourism.gov.za](http://www.tourism.gov.za). SMMEs can submit funding applications by completing a form accessible online at [www.tourism.gov.za/Pages/COVID19tourismrelieffund.aspx](http://www.tourism.gov.za/Pages/COVID19tourismrelieffund.aspx) before the **31 of May 2020**.

The national Department of Small Business Development is implementing the second-wave of support for informal, micro and small enterprises including cooperatives based in townships and villages, namely;

- 1. Small-scale bakeries and confectionaries support scheme**, this financial package (loan) through SEFA is structured to cover cost of equipment (paid directly to equipment supplier) and working capital.
- 2. Informal and small scaling clothing and textile scheme** covering the cost of production inputs; access to credit; assistance with compliance and technical skills improvement, e.g. labelling, industry standards and quality; and business and financial management training, including productivity management.
- 3. Automotive aftermarkets** support which covers working capital, facilitating the accreditation of the small/ micro and participation in a SEFA-backed revolving credit facility, through participating banks, between participating motor mechanics/ motor body repairers with participating auto spares shops and fitment centres.



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**What is needed for applications:**

- a) An entity registered with CIPC as a legal entity including cooperatives;
- b) The business must be 100% owned by South African nationals;
- c) Employees must be 70% South Africans, and in the case of non-South African employees – they must hold valid work permits as determined by the Department of Home Affairs;
- d) The business must be operating in a township or village;
- e) The business must be registered or must apply for registration with SARS and UIF;  
and
- f) The business must have a valid business bank account or willing to open a business account
- g) Central Supplier Database (MAAA number)
- h) Business Proposal
- i) COA/Health & Safety certificate

Application forms for these schemes will be available online on <https://smmesa.gov.za/> from Wednesday, 27 May 2020 and more details are available on all the websites of the Department of Small Business Development

SMMEs are further requested to send the information about their registration - the name of the fund they applied for, the date they applied, the name of their business and the reference number received when applying to [SMME@destea.gov.za](mailto:SMME@destea.gov.za) or call **060 588 6970** so that their applications can be tracked.

Following concerns that many Free State SMME's applications experienced challenges at the evaluation and approval stages, DESTEA, in collaboration with IDC, DFIs and other national departments will host a webinar in order for them to share



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their processes and discuss challenges faced by enterprises when applying for the relief fund and incentives. The webinar will be on the 3<sup>rd</sup> June at 11:00.

**The End!**

**Issued by:**

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**Contact: K. Tau on 051 400 9544/082 833 9595 or Email: [tauk@destea.gov.za](mailto:tauk@destea.gov.za)**