Funding of black SMEs for up to R10 million per applicant with a 12-month repayment holiday

COVID-19 Emergency Funding Intervention

As South Africa intensifies the fight against COVID-19, the global pandemic that must be defeated, the Department of Trade, Industry and Competition (dtic) in partnership with the NEF call upon black businesses to come forward for funding geared at supporting the manufacture of various medical supplies and the production of food.

The fund is aligned with the NEF’s transformation mandate and preference will be given to applications that demonstrate meaningful black women ownership, management and control.

R200 million has been set aside under the COVID-19 Black Business Fund as a blended facility for SMEs that manufacture and supply Identified Priority Products to access concessionary loan funding.

Salient Features of the Fund:

- Limited to R10 million per applicant for working capital, machinery and equipment;
- Up to 12 months payment moratorium at 0% fixed interest rate;
- After 12 months a fixed interest rate of 2.5% will apply;
- Maximum term is 60 months, including moratorium;
- First drawdown must occur within 1 month from approval date.

The fund will continue to focus on a limited list of Identified Priority Products as follows: