

QUALIFYING CRITERIA

1. An entity registered with CIPC including cooperatives;
2. The business must be 100% owned by South African nationals;
3. 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;
4. The enterprise must be operating in a township or rural area;
5. The enterprise or its owner must possess or willing apply for a business license after the funding has been provided, with the local municipality;
6. The enterprise must be registered or must apply for registration with SARS and UIF; and
7. The enterprise must have a valid business bank account or willing to open and operate a business account

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 SmallEnterpriseFinanceAgency

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Small Enterprise Finance Agency

**Township and Rural Entrepreneurship
Programme (TREP)**

Overview

The Township and Rural Entrepreneurship Programme (TREP) supports informal, micro and small enterprises and cooperatives in the rural and township economies. TREP provides blended finance and business development support to various sectors with a view of promoting their participation in the mainstream economy.



Qualifying business sectors

The Scheme supports **all small enterprises operating in townships and rural areas** that meet the qualifying criteria including but not limited to the following sectors:

1. Clothing & Textile
2. Bakeries & Confectionaries
3. Tshisanyama and Cooked Food
4. Retail (including restaurants, car washes, general dealers etc.)
5. Automotive
6. Personal Care
7. Artisans



WHAT DOES THE SCHEME COVER?



1. Cost of production inputs, e.g., material, equipment, machinery, tools, etc.
2. Working capital including salaries, rent etc.
3. Assistance with compliance and technical skills improvement, e.g., labelling, industry standards and quality etc
4. Business and financial management training, including productivity management
5. Facilitated market access



FINANCIAL SUPPORT

The financial package is structured at a maximum value of R1 000 000 that consists of:

- Maximum of R1 000 000 towards working capital, cost of equipment, or any other CAPEX (paid directly to supplier where applicable)
- The financial package will be offered in the form of a blended finance with 50% of the total approved amount being a Grant i.e., maximum grant amount of R100 000

1. **Example 1:** Total funding applied for R100 000 = R50k loan and R50k grant
2. **Example 2:** Total funding applied for R150 000 = R75k loan and R75k grant
3. **Example 3:** Total funding applied for R250 000 = R150k loan and R100k grant
4. **Example 4:** Total funding applied for R1 000 000 = R900k loan and R100k grant

Loan Repayment Terms

1. Maximum 36 months repayment period dependent on cashflows.
2. Interest rate at fixed rate of 5%.
3. Moratorium of up to 3 months.

