Access to Finance

Here is a list of bridging Finance, Factoring and other support services available for SMME’s:

Small Enterprise Foundation

Location: Limpopo

How Much: loans of maximum of R 1 600

Requirements: None

Performance: R 412 820 loans to the value of R 532 million since year 2005

Contact: 015 307 5837

Eastern Cape Development Corporation

How Much: R 1 000 to R 10 million

For working capital and bridging finance

Requirements: Business plan

Contact: 043 704 5600

Mpumalanga Economic Empowerment Corporation (MEEC)

Reach: Mpumalanga

Loan products: Bridging finance, medium & long term loans

How Much: R 10 000 to R 10 million

Specific industry focus: Mining, manufacturing, agro-industries, tourism and service and retail.

Requirements: Collateral and various security agreements

Contact: 013 755 6328

Ithala Development Finance Corporation

Reach: Kwazulu-Natal

Loan products: Working capital, bridging finance, building loans, plant and equipment finance, export finance and empowerment equity capital.

How Much: R 20 000 to R 30 million

Specific industry focus: All except transport.

Requirements:

- Business plan and Business registration documents, and also business owners do need to put down collateral, this varies.
- Business must be at least 31% black owned

Contact: 031 907 8911
Khethani Business Finance

**Loan products:** Working Capital and bridging finance.

**Loan size:** Up to R 200 000

**Specific industry focus:** None

**Requirements:** Must be operational for at least one year and must be able to cover 30% of loan with own collateral.

**Business Partners**

**Loan products:** medium term loans

**Loan size:** R 250 000 to R10 million

**Specific industry focus:** None

**Requirements:** Business plan and assessment

**Contact:** 021 464 3600

Absa Black Business Incubator Funding Programme

**Loan products:** Equity finance

**Loan size:** R 300 000 to R 10 million

**Specific industry focus:** None

**Requirements:**
- Companies of R5 million turnover and below
- Must be 100% represented by black management
- Those with R5 million to R50 million must have a 51% representation of black management.

**Contact:** 0860 040 302

Industrial Development Corporation (IDC)

**Loan products:** Equity, bridging finance and loans.

**Loan size:** From R 500 000 upwards

**Specific industry focus:** Has 12 business units specializing in sectors which include chemicals, agri-business, tourism

**Requirements:** Loans are usually granted to sizeable projects which will yield expectable profits.

**Contact:** 011 269 3000
Export Marketing & Investment Assistance Scheme EMIA FROM DTI (meant for exporters only)

Product: Subsidy for international exhibitions and international market research

Criteria: must be registered exporter, provide tax clearance certificate, marketing plan

Process: Business must first pay and then claim afterwards

Contact: 012 394 1029

To learn more about EMIA, go to: http://www.dti.gov.za/exporting/exportincentives.htm

DTI Co-operative Incentive Scheme (CIS)

The CIS is an incentive for cooperative enterprises in the emerging economy to acquire competitive business development services.

The maximum grant that can be offered to one co-operative entity under the scheme is R 300 000

To learn more about CIS, go to: http://www.dti.gov.za/Co-operative

ABSA BANK

Loan products: Invoice Discounting, Export Factoring

How Much: 80% of the value of debtors book

Criteria:
- Total credit sales of at least R 2 Million per month
- Insurance (for export factoring)

Contact: 011 242 5600

STANDARD BANK

How much: 75% of debtors book amount

Requirements:
- Minimum turnover of R200 000 a month
- Receive repeat orders from your customers
- Sell on credit terms not exceeding 120 days
- Trade with suppliers of sound financial standing
- Have few trade disputes
- All financial controls and administration should be fully computerized, allowing you to produce a monthly income statement and balance sheet

Contact: 011 636 8616

Factoring (Debtors Finance)

Factoring is a financing method in which a business owner sells accounts receivable at a discount to a third-party funding source to raise capital.
**First National Bank**

**How much:** depending on interest rates

**Criteria:**
- Must be in manufacturing, distribution or selected services industry
- Must sell to other companies, trading concerns or institutions but not to individual members of public
- Annual sales should be at least R12 million (not compulsory)
- Well managed debtor's book

**Contact:** 0860 263 362

**Enablis Acceleration Fund**

**Loan products:** Equity, bridging finance and loans.

**Loan size:** info not available

**Specific industry focus:** Entrepreneurship, SME Sector, New markets, Economic Participation

A focus on supporting business ventures of historically disadvantaged persons in Africa

**Requirements:** Loans are usually granted to sizeable projects which will yield expectable profits.

**Contact:** 011-234 2526

**Website:** www.enablis.org

**Identity Development Fund**

**Loan products:** Equity, bridging finance and loans.

**Loan size:** From R 500,000 upwards

**Specific industry focus:** Solely black owned businesses, emphasis on rural and peri-urban areas, enterprises owned by youth and women.

**Requirements:** Loans are usually granted to sizeable projects which will yield expectable profits.

**Contact:** 011 772 7900

**The Small Business Hub**

**Product:** Subsidy for international exhibitions and international market research

**Criteria:** Must be registered exporter, provide tax clearance certificate, marketing plan

**Process:** Business must first pay and then claim afterwards

**Contact:** 082 393 2748
Angelhub

Angelhub is a Business Angel Investment Group that pools funding, expertise and networks from a diverse range of early-stage Angel Investors for investment in high-growth South African ventures to accelerate growth & create value.

www.angelhub.co.za

Greater Capital

Greater Capital, through the Greater Good South Africa Trust, can administer charitable funds, taking donations into its Trust account and paying out grants to pre-checked beneficiary organisations.

Contact: 021 685 9780

South African Investment Network

World’s largest angel investor database, a networking site with local and international investors/entrepreneurs. Funding Guides are provided.

Website: www.investmentnetwork.co.za

Business Finance Promotion Agency

Provides business loans to the small & medium enterprise sector. Target market includes all viable small & medium businesses.

Loan size: R 6000 to R 600 000

Contact: 041 487 0190

Website: bfpa.co.za

National Empowerment Fund:

Provides funds to black entrepreneurs & groups with the aim of facilitating access to finance in support of BBBEE in terms of government legislation.

There must be commercial viability of the business case presented; the business must comply with all relevant laws & regulations; must be able to repay the funding to the NEF.

Contact: 011 305 8000

Website: www.nefcorp.co.za
**Shanduka Black Umbrellas**  
**Criteria:** Start up, SME & Black owned businesses  
**Business Plan:** R 1 100 to R 4 500 Monthly fee  
Also provides office space, computers, internet, vehicle, driver etc  
**Contact:** 011 058 900  
**Website:** www.shanduka.co.za

**Anglo American Chairman’s Fund**  
**Criteria:** Start up, SME & Black owned businesses  
Supports enterprise development  
**Contact:** 011638 9111

**National Youth Development**  
**Criteria:**  
- Aspiring and established Small Micro and Medium Enterprises (SMMEs) and co-operatives in KwaZulu-Natal  
- Youth (18 to 35) must hold greater than 50% of the shares in the company;  
- Must be a previously disadvantaged South African youth  
**Loans size:** R 50 000 to R 5 Million  
**Contact:** 031 907 8762  
**Website:** www.nyda.gov.za

**Khula Finance**  
Khula does not lend directly to business owners, but through the banks and Retail Finance Intermediaries (RFIs).  
Business owners who don't have sufficient enough collateral to secure a bank loan, can take out a Khula Credit Guarantee.  
**Rating:** 5/5 very helpful  
**Contact:** 012 394 5560 or 0800 11 881.  
**Website:** www.khula.org.za

**NEXII**  
**Requirements:** At least one year of annual audited financial statements; Primacy of Social, Commitment to Measurement and Reporting, Sustainable Business Model  
**Target:** Social businesses and impact investment funds  
**Contact:** 021 794 6961  
**Website:** www.nexii.com