



# Covid-19 relief measures

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# National Disaster Benefits

## TERS (Regulations issued in terms of section 27(2) of the Disaster Management act, 2002, Regulation 10(8))

The replacement of lost income to employees during the temporary closure of business and for employees in quarantine

### ASSISTANCE PROVIDED

Category	Monthly	Weekly	Daily
<b>Maximum</b>	R6 730.00	R1 533.00	R310.60
<b>Minimum</b>	R3 500.00	R 830.40	R166.08
<b>Domestic workers</b>		R 622.70	R124.56
<b>Agriculture</b>		R 747.20	R149.44
<b>Expanded public works</b>		R 456.80	R 91.36

### CLAIM PROCESS

Send email to [Covid19ters@labour.gov.za](mailto:Covid19ters@labour.gov.za) in order to receive the draft templates  
 Claims to be submitted to <https://uifecc.labour.gov.za/covid19/covid19>

### REQUIREMENTS

#### Temporary Employer Relief Scheme (TERS)

- Must be registered with UIF
- Letter of authority
- Memorandum of agreement
- Prescribed template that will require information from the employer
- Certified confirmation of bank account
- Payroll for the last 3 months
- Completed application procedure
- Letter of undertaking

#### Reduced work time (RWT)

- UI19
- UI2.7 (employer)
- UI2.1
- UI2.8 (bank)
- Copy of identification
- Termination Code "17"
- Letter from employer reduced work time due to Covid-19

## Compensation Fund (UIF Act Section 20)

### Occupationally-acquired Covid-19

#### ASSISTANCE PROVIDED

- Total temporary disablement
  - Suspected cases – self quarantine (employer responsible)
  - Confirmed cases – if Fund accept liability, will pay for 30 days
- Medical aid
- Death benefit

#### CLAIM PROCESS

Compensation Fund - [covid19claims@labour.gov.za](mailto:covid19claims@labour.gov.za)  
Rand Mutual Assurance – [contactcentre@randmutual.co.za](mailto:contactcentre@randmutual.co.za)  
Federated Employers Mutual – [FEM-Registry@fema.co.za](mailto:FEM-Registry@fema.co.za)

#### FORMS & ADDITIONAL REQUIREMENTS

- Employers report – W.CL.1
- Notice of occupational disease and claim for compensation – W.CL.14
- Exposure and medical questionnaire
- First medical report – W.CL.22 indicating U07.1 as code
- Exposure history – W.CL.110
- Medical report
- Progress medical report – W.CL.26
- Final medical report – W.CL.26
- Affidavit

## Temporary 6 month Covid-19 Grant – R50 billion

### ASSISTANCE PROVIDED

- An additional R300 per month for child support grant beneficiaries in May 2020
- An additional R500 per month for child support grant beneficiaries from June 2020 to October 2020
- An additional R250 per month for all other grant beneficiaries for the next 6 months
- A Covid-19 Social Relief of Distress grant amounting to R350 per month for the next 6 months will be paid to individuals who are currently unemployed and DO NOT receive any other form of social grant or UIF payment \*

### REQUIREMENTS

\* The Department of Social Development still needs to issue the requirements needed to apply for these grants.

## Employees' Tax Incentive

- Tax-compliant SMEs <R100 million revenue and their employees eligible under the current ETI Act
- Expanded definition of a "qualifying employee"
- ETI incentive amount was increased
- ETI refunded deduction accelerated to monthly

Monthly remuneration	First 12 qualifying months	Second 12 qualifying months	Expanded age tests (1 April 2020 to 31 July 2020)
Apply to	Qualifying employees (18-29 years old)	Qualifying employees (18-29 years old)	<ul style="list-style-type: none"> <li>• Qualifying employees 18-29 years old</li> <li>• Qualifying employees aged 30 to 65 years old</li> </ul>
R0 to R2 000	R500 + (50% of monthly remuneration)	R500 + (25% of monthly remuneration)	R500
R2 000 to R4 500	R1 500	R1 000	
R4 500 to R6 500	R1 500 – (75% x (remuneration – R4 500))	R1 000 – (50% x (remuneration – R4 500))	R500 – (25% x (monthly remuneration – R4 500))

## Employees' Tax (PAYE) Deferral (SME's revenue < R100 million)

Employees tax deferral applicable to tax compliant SMEs <R100 million revenue

Pay only 65% of the employees' tax due per month – effective April to July payrolls

No interest & penalties from 1 April 2020 to 31 July 2020 on 35% employees tax withheld

Remaining 35% payable in six equal monthly installments, commencing on 7 September 2020 to 5 February 2021

**Tax-compliant SME's > R100 million must apply on case-by-case basis**



# Tax Relief Measures

## Deferral of provisional tax cycle payments (SME's revenue < R100 million)

	Before	Relief	Period of relief
<b>1<sup>st</sup> provisional tax payment</b>	50 % of estimated tax liability	<b>15 % of estimated tax liability</b>	<b>1 April 2020 to 30 September 2020</b>
<b>2<sup>nd</sup> provisional tax payment</b>	80 % of estimated tax liability	<b>65 % of estimated tax liability</b>	<b>1 April 2020 to 31 March 2021</b>
<b>3<sup>rd</sup> provisional tax payment</b>	20% of estimated tax liability	<b>35 % of estimated tax liability</b>	

Tax-compliant SME's > R100 million must apply on case-by-case basis



## Additional tax relief / deferral measures

### Skills Development Levy

A 4 month holiday for the contribution to the Skills Development levy

### Carbon tax

A 3 month delay for the filing and payment of Carbon tax

### Contributions to Solidarity fund

Taxpayers can claim and additional 10% as tax deduction on donations to the fund

### VAT

- SARS to fast track VAT refunds
- Relief for exporters and certain imports (essential goods)

**Tax-compliant SME's > R100 million must apply on case-by-case basis**

# Covid-19 Relief Funding / Loan Packages Offered

- **South African Future Trust (SAFT)**  
**Administered by Oppenheimer Generations Total fund: R1 billion**

Target Market	<b>SMMEs</b> <ul style="list-style-type: none"><li>• &lt;R25m turnover</li><li>• In good standing as at 29 Feb 2020</li><li>• Trading for min 2 years</li><li>• Impacted by Covid-19</li></ul>
Type of Relief	<p>An interest-free, 5-year loan to the business entity</p> <ul style="list-style-type: none"><li>• Exclusively for the purpose of paying permanent employees</li><li>• Repayable at the end of the term</li></ul> <p><b>NB:</b></p> <ul style="list-style-type: none"><li>• Proceeds of the loans will be paid directly into the accounts of the participating employees</li><li>• Employees are not liable for repayment of this loan</li></ul> <p><b>Funding available:</b></p> <ul style="list-style-type: none"><li>• R750 weekly wage per employee for 15 weeks = R11 250 per employee</li><li>• No limit to the number of employees per business</li></ul>
Application Process	<p>SMMEs should register their interest directly with their bank. Currently this scheme is limited to clients of ABSA, FirstRand Bank, Nedbank, and Standard Bank</p> <p><a href="https://oppgen.com/saft/#requireddocumentation">https://oppgen.com/saft/#requireddocumentation</a></p>

- **Debt Relief Finance Scheme**

**Administered by Department of Small Business Total fund: R200m**

<b>Target Market</b>	<p><b>Existing businesses negatively impacted by Covid-19</b></p> <p><b>Requirements:</b></p> <ul style="list-style-type: none"><li>• CIPC-registered companies</li><li>• 100%-owned by SA citizens</li><li>• 70% of employees are SA citizens</li><li>• Registered with SARS; tax-compliant</li><li>• UIF compliant</li></ul>
<b>Type of Relief</b>	<ul style="list-style-type: none"><li>• Loan funding @ Prime-5%:</li><li>• Working capital: Stock, bridging finance</li><li>• Purchase order finance</li><li>• Capital requirement finance</li></ul>
<b>Application Process</b>	<ol style="list-style-type: none"><li>1. Register your business on the small-business database <a href="https://smma.gov.za/">https://smma.gov.za/</a></li><li>2. Complete an application form and upload supporting docs.</li></ol> <p>Contact <a href="mailto:debtrelief@seda.org.za">debtrelief@seda.org.za</a> for assistance with micro-enterprises</p>

# Covid-19 Relief Funding / Loan Packages Offered

- **Business Growth/Resilience Facility**

**Administered by Department of Small Business Development Total fund: R300m**

<b>Target Market</b>	<b>SMMEs providing essential services or products</b> <b>Requirements:</b> <ul style="list-style-type: none"><li>• CIPC-registered companies</li><li>• 100%-owned by SA citizens</li><li>• 70% of employees are SA citizens</li><li>• Tax-compliant</li><li>• UIF compliant</li></ul>
<b>Type of Relief</b>	Loan funding @ Prime-5%: Working capital: Stock, bridging finance Purchase order finance Capital requirement finance
<b>Application Process</b>	<ol style="list-style-type: none"><li>1. Register your business on the small-business database <a href="https://smmesa.gov.za/">https://smmesa.gov.za/</a></li><li>2. Then complete an application form and upload supporting docs.</li></ol> <p>Contact <a href="mailto:growthfund@seda.org.za">growthfund@seda.org.za</a> for assistance with micro-enterprises</p>

# Covid-19 Relief Funding / Loan Packages Offered

- **Spaza Shop Grant Funding**

Administered by Department of Small Business Development in collaboration with SEFA Total fund: R30m

Target Market	Sole props operating spaza shops
Type of Relief	R10 000 (with a possible R5 000 being made available as a second phase) for purchasing a basket of essential goods at a discounted price for a period of three months from participating wholesalers
Application Process	Not yet available

# Covid-19 Relief Funding / Loan Packages Offered

- **Tourism Relief Funding**

**Administered by Department of Tourism Total fund: R200m**

<b>Target Market</b>	<b>Tourism and hospitality industry</b> CIPC – registered and in existence >1 year with turnover ≤R2.5m pa, tax clearance, UIF – registered and proof of min wage compliance.
<b>Type of Relief</b>	Funding available to assist SMEs in the Tourism and hospitality sector, who are under particular stress due to the new travel restrictions.
<b>Application Process</b>	Contact Ms Hlengiwe Nhlabathi <a href="mailto:hnhlabathi@tourism.gov.za">hnhlabathi@tourism.gov.za</a>

# Covid-19 Relief Funding / Loan Packages Offered

- **IDC Covid-19 Essential Supplies Intervention**  
**Administered by Industrial Development Corporation Total fund: R500m**

Target Market	<b>Essential supplies:</b> Companies with manufacturing track record Experience to import at scale Accredited supplier with contract or purchase order or corporate guarantee
Type of Relief	<ul style="list-style-type: none"><li>• Short-term loan</li><li>• Revolving credit facility</li><li>• Guarantees to banks for banking facilities, imports, ordering requirements</li><li>• IDC loan and trade finance facilities: P + 1% pa</li><li>• Guarantees: 2% pa</li></ul>
Application Process	<ul style="list-style-type: none"><li>• Submit documents to <a href="mailto:callcentre@idc.co.za">callcentre@idc.co.za</a></li><li>• Contact Mr Gerrit Claassen at 011 269 3482 or Mr Rishel at 011 269 3261</li><li>• For more info <a href="https://citypress.news24.com/Business/essential-business-support-20200401">https://citypress.news24.com/Business/essential-business-support-20200401</a></li></ul>



# Covid-19 Relief Funding / Loan Packages Offered

## • MCEP Covid-19 Programme

Administered by Industrial Development Corporation Total fund: R300m

### Target Market

- Companies that manufacture and provide essential supplies and have been existence > 1year
- Valid contract/purchase order or letter of intent
- Companies with BBBEE Level 4 will be encouraged

### Type of Relief

- MCEP funding can be standalone or blended with IDC
- Limited to R30 million per applicant in total
- Priced at a fixed rate of 2.5% per annum
- Maximum term is 48 months, including moratorium
- First drawdown must occur within one month from approval date
- Raising and commitment fees are excluded
- All other standard fees are applicable

### Application Process

Submit enquiries to [callcentre@idc.co.za](mailto:callcentre@idc.co.za)

# Covid-19 Relief Funding / Loan Packages Offered

- **National Empowerment Fund -COVID-19 Black Business Funding Solution Funding available: R200m**

Target Market	Businesses registered with UIF
Type of Relief	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 (including food) to access concessionary loan funding. Funding of R500 000 – R10 million
Application Process	<b>Required documents:</b> <ul style="list-style-type: none"><li>• Declaration on BEE status and size of business</li><li>• NEF application form (accessible on NEF website: <a href="http://www.nefcorp.co.za">www.nefcorp.co.za</a>)</li><li>• Summary of production in the last 3 months</li><li>• Copy of the financial statements (up to 3 years)</li><li>• Signed copy of the contract or purchase order from the applicant's clients</li><li>• Financial forecast for the duration of the contract, order, or letter of intent</li><li>• Additional information that would be necessary to enhance the application may be requested by the NEF as and when deemed necessary</li></ul>

# Covid-19 Relief Funding / Loan Packages Offered

- Covid-19 SME Fund

Administered by Business Partners (Rupert Foundation & Remgro) Funding available: R900m

Target Market	For working capital (Salaries, rent, HPs, Loan installments)
Type of Relief	Transaction Value – Loans between R250 000 – R1 000 000 Cost of finance: M1 – M12 0%, payment holiday for first 12 months, no early payment implications M12 - M60 Prime interest, no early payment implications
Application Process	<b>Qualifying Criteria:</b> 2019 AFS signed (non negotiable) Fully compliant entity Formal registered entity Ownership does not have to be SA Citizens Excludes: Direct agriculture, non-profit organisations, Underground mining, On lending  <a href="https://www.businesspartners.co.za/en-za/apply-enquire/whatyou-need-to-apply">https://www.businesspartners.co.za/en-za/apply-enquire/whatyou-need-to-apply</a>

*Based on available information the funds have been over subscribed*

## Giving for Hope Fund (Willowton Group in partnership with Albaraka Bank)

Target Market	SMMEs and sole proprietors
Type of Relief	Interest, profit and admin-cost free loans for two years Repayments of loan commences only after first year, in 12 monthly instalments
Application Process	<p><b>Qualifying Criteria:</b></p> <ul style="list-style-type: none"><li>• Restricted to socially responsible SMMEs.</li><li>• Annual turnover of qualifying SMME to be less than R20 million per annum.</li><li>• The minimum number of employees at the SMME at the time of application is 5 employees (excluding family members)</li><li>• South African registered businesses that operate in South Africa.</li><li>• Security will be required for each loan applicant.</li><li>• Successful loan applicants will be required to open an account with Al Baraka Bank, free of any charges except cash deposit fees</li></ul> <p><a href="https://givingforhope.co.za/apply-for-funding-2/">https://givingforhope.co.za/apply-for-funding-2/</a></p>

# Other Covid-19 support to SME's

**A Loan Guarantee Scheme in partnership with the major banks, National Treasury and the South African Reserve Bank Funding available: R200 billion**

Target Market	Initial phase will be companies with a turnover of < R300 million a year to assist companies with operational costs, salaries, rent and supplier payments
Type of Relief	Product details still to be provided
Application Process	Product details still to be provided



**THANK  
YOU**