



The IDC *R500 million* Flood Relief Fund

Partnering you.
Growing the economy.
Developing Africa.



Helping to Restore Businesses, Communities and Livelihoods

The recent floods along the South African Eastern Coast (particularly KwaZulu-Natal) have caused extensive damage to businesses, roads, bridges, water supply, electricity, rail and communication infrastructure. There has also been extensive damage to public infrastructure, including schools and health facilities etc.

The Industrial Development Corporation is committing **R500 million** to help the nation to recover and rebuild all affected infrastructure. This national fund is a response to President Cyril Ramaphosa's announcement of the National State of Disaster declared on 18 April 2022. The fund is open to other provinces and areas that need relief.

Have the recent floods affected your business operations? We have funding available for you!

See our offers that range from Bridging Finance, Infrastructure, Capex, Working Capital and even tailored solutions for the Township Economy.



R400m

Loan Funding

- Insurance Bridging Finance, Working Capital, Damaged Plant & Equipment (including infrastructure)

Funds Application

- Damage to plant and equipment
- Inventory damages and losses
- Damages incurred by farmers from losses of inputs, inventory and damage to equipment
- Infrastructure rebuilds

Target

- Insured
- Uninsured
- Underinsured



R100m

Grant Funding

- Insurance Bridging Finance, Working Capital, Damaged Plant & Equipment (including infrastructure)
- Partnership Programmes Focused on Flood Damages to Informal & Township Economy *
(*Refer to Partnership Programmes Grant Funding)

Funds Application

- Damage to plant and equipment
- Inventory damages and losses
- Damages incurred by farmers from losses of inputs, inventory and damage to equipment
- To assist township traders and informal business who suffered damages and losses to inventory and movable assets
- Infrastructure rebuilds

Target

- Uninsured
- Underinsured
- Will be applied on a case by case and needs basis, and blended with flood relief loan funding

Fund Salient Features

- Funding is from R1 million as per the minimum funding amount
- Funding limit is capped at R60 million per applicant
- Companies within IDC mandate (see www.idc.co.za)
- Companies outside the IDC's current funding mandate such as traders, retail, logistics, transportation, infrastructure and construction will be considered on a case-by-case basis

Qualifying Criteria

- South African companies in existence and operational for at least 12 months at the time of application
- Companies whose trading conditions and operations were impacted by the floods
- Businesses that can prove that their operations will be back to normal (full-scale) in the next 12 to 24 months following relief funding

Exclusions

- Financial and Consulting services
- Tobacco wholesalers and distributors
- Repayment of existing debt obligations to commercial banks or other financiers
- Funding for expansions
- Repayment of shareholders'/intercompany/related party loans

Fund Criteria, Terms and Conditions

- Short-term bridging finance, pending the receipt of insurance proceeds arising from the flooding
- Infrastructure rebuilds
- Mopping up costs, short term operational losses, provided that the Business Plan demonstrates clear or reasonable recovery of operations (within 24 months)
- Working capital funding (term loan)
- Capex/Equipment finance (term loan), where funding is used to replace assets that were damaged or destroyed and where such assets were uninsured or underinsured
- 0% for the first 12 months, thereafter 5% fixed up to month 60
- For property infrastructure rebuild transactions – 0% for first 12 months, thereafter 5% fixed from month 13 to 60 and prime +1% from months 61-120
- All admin fees, except interest, are waived for transactions concluded under this Fund

*Partnership Programmes Grant Funding

The fund provides technical and financial assistance to the informal sector and small businesses in townships, rural areas and small towns that have been affected by the flooding, in order to “build back better”.

Fund Salient Features

- The funds will be limited to R10 million per Strategic Implementing Partner (SIP) and R1.5 million per business
- The application of funds may be used towards funding needs (Capex and Opex) of such affected and targeted businesses through, inter alia:
 - Replacement of assets associated with the business destroyed/damaged
 - Refurbishing the office/business infrastructure and fittings
 - Replacement of lost capacity and associated inventory
 - Working capital shortfalls (max 3 months) due to supply chain disruptions

Qualifying Criteria

- **Criteria for SIPs:**
 - Must be financially stable and socially responsible
 - Have proven capability and capacity
 - Are able to monitor and report on indicators
 - Have been in existence for at least 3 years
- **Criteria for end beneficiaries:**
 - Must have been affected by the flooding
 - Small traders, informal traders, social businesses, small retailers and unbanked and underinsured or uninsured businesses
 - South African citizen or foreign national with residential permit
 - Business in existence before flooding (proof of losses ie police case number, sworn affidavits, photos etc.)



Contact Details:

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Visit www.idc.co.za/flood-relief for more information.

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