

## Informal traders urged to apply for grant

The Department of Small Business Development and Nedbank have called on informal fruit and vegetable traders who were negatively affected by the pandemic to apply for funding. The two entities have collaborated to empower 40,000 informal traders by helping them to restart their businesses.



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“In a total contribution of R40m, qualifying traders will receive grants of R1,000 each. The money will be used to buy stock,” the department said.

The initiative falls within the Department of Small Business Development’s Township and Rural Enterprises Programme (TREP) launched earlier this year.

“Since March 2020, the department launched support schemes for small businesses to help alleviate the negative impact of the pandemic including the Township and Rural Entrepreneurship programme (TREP).

“The focus of the TREP is to support enterprises based in townships and rural areas, and also micro and informal businesses, to restart, rebuild and improve their businesses as part of the reconstruction and recovery of the South African economy,” the Minister of Small Business Development, Khumbudzo Ntshavheni, said.

The TREP seeks to stimulate the economy through focused financial and business development support geared towards

informal traders and micro-businesses based in the villages, townships and peri-urban areas (also known as small dorpiess).

“While most conversations around the economic impact of the Covid-19 crisis focus on the formal economy, the devastation on the informal sector has been enormous.

“The informal sector, while often operating on a subsistence level, is just as vital to the economic recovery that needs to take place in the wake of the pandemic. Financial service providers in both the public and private sector have the ability to jumpstart this important job creator,” Nedbank group managing executive, retail and business banking, Ciko Thomas, said.



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The department has worked together with Nedbank to find a simple, easy and cost-effective mechanism to disburse the grant money, using mobile wallets.

Traders seeking support can apply for the grant by following two key steps:

- Traders can register on the National Small, Medium and Micro Enterprise (SMME) website for small business funding and complete the online form.

- Key requirements are a South African ID and valid municipal trading permit.

Upon successful registration, each trader will be directed to apply for the grant by dialling \*120\*001# and select option 6 “Apply” from their mobile phones and follow the easy prompts to finish the application.

Successful applicants will receive R1,000, which will be deposited into their mobile wallet, a Nedbank MobiMoney account, which is automatically generated as part of the account application process.

MobiMoney is a mobile-based account that anyone with a valid South African identity number can open from anywhere, within seconds, using a mobile phone.

From these wallets, traders will be able to pay fresh produce suppliers directly from their wallet, without needing to withdraw money.

Fresh produce suppliers will be enabled to accept mobile wallet payments through Masterpass.



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Nedbank has demonstrated a sustained commitment to supporting government in assisting vulnerable communities in the wake of the pandemic, through its robust and flexible financial tools.

In April, shortly after the start of the national lockdown, the bank announced that it would help the South African Social Security Agency (SASSA) with the implementation of the special Covid-19 Social Relief of Distress grants announced by the President.

“Getting relief to people on the ground can be a challenging task. We therefore remain committed to providing the most

relevant entry-level banking tools to offer consumers the benefits of formal banking at a minimal cost to them, even saving them time and resources,” Thomas said.

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