



edtea

Department :

Economic Development, Tourism and
Environmental Affairs

PROVINCE OF KWAZULU-NATAL

ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS (EDTEA)

INFORMAL ECONOMY DEVELOPMENT INITIATIVE (IEDI)

Application Form

NAME OF THE PROJECT	
DATE OF SUBMISSION	

*THIS APPLICATION FORM IS **STRICTLY** TO BE USED FOR THE
INFORMAL ECONOMY FUND APPLICATIONS ONLY (Reference: 16/2/1/19)*

1. BACKGROUND

The Department of Economic Development, Tourism and Environmental Affairs (EDTEA), as part of the KwaZulu-Natal Provincial Administration, seeks to promote economic development and growth across the KZN province. This is to be achieved through radical economic transformation across all sectors and specifically in the township and rural areas of the province. This is essential for the creation of the most needed job opportunities and eradication of poverty in the most affected communities within the province. Radical economic transformation can be achieved through the promotion of localization, industrialization, value addition, infrastructure development and entrepreneurial development.

The informal sector is acknowledged for the important role it plays in the growth of provincial economy and hence the necessity for the focused informal economy development initiative. The department has therefore developed the Informal Economy Development Initiative (IEDI) as a means to radically transform this sector for economic growth and development of the province. The IEDI will be restricted to Informal Businesses so that they can increase their opportunity of growth and survival within these tough economic times. This fund will assist these informal businesses to overcome barriers such as red tape, access to finances, costs, technology and economic infrastructure. Project selection and funding allocations within this funding initiative is based on an open, competitive process, in relation to pre-defined eligibility and impact criteria. These criteria are designed to maximize innovation, impact and sustainability. This ensures that the limited public resources are channeled to initiatives that will make the most impact.

2. OBJECTIVES OF THE IEDI

The overall objective of the Informal Economy Development Initiative (IEDI) is for EDTEA to collaborate with Municipalities and or other interested stakeholders (DDA, NGO and NPO) to provide support to local informal businesses within the urban, township and rural areas or designated informal economy area with urban areas of KZN

province, through the identification and stimulation of economic opportunities that will allow for increased productivity and improved livelihoods, the acquisition of equipment and skills to ensure sustainability, and the active participation of these informal businesses in the economic growth process.

IEDI consists of two funding instruments. The municipality/DDA/NGO/NPO may apply for both or one of the funding instruments.

Funding Instruments	Minimum	Maximum
Shared Assets	R50 000	R2 000 000
Infrastructure Assets	R500 000	R5 000 000

3. CONTENTS OF THIS APPLICATION FORM

For ease of completion this form is broken down into sections. The application form must be completed in full, neatly and legible to read. The form must be completed in a black pen. Tick the appropriate boxes if indicated. Section B needs to be completed for individual business and therefore can be printed and attached to the application form. The application form consists of eleven pages.

SECTION A: APPLICANT INFORMATION

SECTION B: INFORMAL TRADERS DETAILS

SECTION C: PROJECT DETAILS

SECTION D: FUNDING REQUIREMENTS

SECTION E: JOBS SUSTAINED/CREATED

SECTION F: RISK AND COMPLIANCE

SECTION G: FINANCIAL INFORMATION

SECTION H: DECLARATION AND CONSENT

ANNEXURE 1 – QUALIFICATION CRITERIA

ANNEXURE 2 – CHECKLIST APPLICATION

SECTION A : APPLICANT INFORMATION

Applicants Name	
Project Name	
Type of Business	
Industry (Sector)	
District Municipality	
Location Of Business - Area	
Rural/urban/township	
Business Address	
Postal Address	

CONTACT PERSON

First Name(S)	
Surname	
Contact Number(S)	
E-Mail	
Physical Address	
Postal Address	

SECTION B: INFORMAL TRADERS DETAILS

First Name(S)											
Surname											
Identity Number											
Gender	MALE					FEMALE					
Nationality											
Municipal Permit Number											
Contact Number(S)											
E-Mail											
Residential Address											
Postal Address											
Nature of Business											
Provide Brief Description Of Experience And Career History											

SECTION D : FUNDING REQUIREMENTS

Total finance required	R
EDTEA'S Contribution	R
Applicants contribution (if applicable)	R
Description/Details of Infrastructure/Machinery/Equipment to be purchased	
Purpose of infrastructure/machinery /equipment to be purchased	
Quantity of Items Required	
Cost breakdown	
Total value of item(s)	

SECTION E : JOBS SUSTAINED/CREATED

Jobs created-new /current					
Number of current employees					
Number of new employees					
Number of Females		Number of Youth		Number of Disability	

SECTION F : RISK AND COMPLIANCE

Is The Project Self Sustainable After Obtaining The Fund	YES		NO	
Risk Factors: Storage /Security/Co-Operative Issues/Any Factors That Will Lead To Work Stagnation, /Insurance, Repairs To Machinery and Equipment and Infrastructure				
Sector Compliance/Health And Safety/Safety-Protective Clothing And Equipment				
Bulk/Basic Municipal Services Required With New Machinery Or Equipment Supplied E.G. Water/Electricity				
Any Other Non-Financial Assistance Required-Training				
Any requirements needed for infrastructure: Building Plans and Zoning of Site.				
Insurance				
Any Other Risk and Compliance Requirements				

SECTION G: FINANCIAL INFORMATION

FINANCIAL YEAR END OF BUSINESS(DD-MM-YYYY)			
PERIODIC ABRIDGED FINANCIAL STATEMENTS			
	EXISTING INFORMAL BUSINESSES	EXISTING INFORMAL BUSINESSES	NEW PROJECT
	CURRENT FINANCIAL YEAR	PREVIOUS FINANCIAL YEAR	PROJECTED FINANCIAL STATEMENTS-CASH FLOW
	R	R	R
GROSS TURNOVER			
GROSS PROFIT			
GROSS OPERATING EXPENSE			
NET PROFIT			
ASSETS AND LIABILITIES			
TOTAL VALUE OF FIXED ASSETS			
TOTAL VALUE OF CURRENT ASSETS			
TOTAL VALUE OF CURRENT LIABILITIES			
TOTAL VALUE OF LONG TERM LIABILITIES			
NET WORTH			

SECTION H : DECLARATION AND CONSENT

DECLARATION AND CONSENT

I/We, the undersigned, declare that the information provided in this application form is to the best of my knowledge true and complete. I also understand that any wilful misrepresentation of the information in this form will disqualify my/our application and may lead to legal action against me/us and/or the institution that I/We represent.

I/We, give the Department of Economic Development, Tourism and Environmental Affairs permission to check my records with any credit reference agency and to carryout fraud prevention checks and to share information relating to this application through the South African Fraud Prevention Service (SAFPS) or any other relevant authority.

Full Name(S)	
Surname	
Designation	
Signature	
Place	
Date	

Full Name(S)	
Surname	
Designation	
Signature	
Place	
Date	

ANNEXURE 1 : QUALIFICATIONS/EXCLUSIONS

Qualification Criteria

Informal Traders must be SA citizens

The Informal Traders must have permits within the relevant Municipality

Informal Traders must be involved in the day to day running of the business on a full time basis.

The business must be conducted with a profit motive and economically viable

The informal trader must display entrepreneurship, skills and experience directly related to the nature of the business.

Compliance with relevant laws and regulations

Demonstrate Job Creation(Potential to create new jobs or sustain existing ones)

Fund Range : R 50 000 to R2 000 000 Shared Assets/Infrastructure-R500 000 to R5 000 000

Exclusions

Tobacco, Liquor, Gambling and Sex Trade

Manufacturing and selling of Ammunition

Persons under debt review

Political Organisations

Un-rehabilitated insolvent shareholders/members/directors of applying entities

Primary Agriculture

Speculative Property development

ANNEXURE 2 : CHECKLIST

<p>PLEASE CHECK THAT EACH OF THE FOLLOWING COMPONENTS IS COMPLETE BEFORE SUBMITTING YOUR APPLICATION. PLEASE EXPLAIN THE REASONS IF YOU ARE UNABLE TO PROVIDE ANY OF THE INFORMATION LISTED BELOW. PLEASE NOTE THAT FAILURE TO PROVIDE THE NECESSARY INFORMATION OR PROVIDE AN ADEQUATE EXPLANATION MAY RESULT IN YOUR PROJECT NOT BEING CONSIDERED FOR FUNDING.</p>	To be completed by the Applicant		If no, please state the reason (s)
	Yes	No	
1. The correct Application Form- One original and 2 copies of the application form are included. An electronic copy of the application form is enclosed.			
2. The application form has been completed in English, a “Declaration and Consent by the Applicant” form have been completed and signed.			
3. Business Plan/Business Profile/Business Concept			
4. Surety Form –If Applicable			
5. Certified Copies of Identity Document of all Beneficiaries			
6. Proof of residence-utility bill/sworn affidavit(not older than 3 months)			
7. Valid Tax Clearance Certificate if Applicable			
8. Beneficiary Trade Permits			
9. Letter or document to prove that a judgement, notice or default is settled or arrangements are made to settle and is up to date in settlement payments			
12. Copies of Contracts/orders secured (if any).			
10. Copy of Lease /Title Deed/Rental Payments –if Applicable			
11. Quotations –Machinery/Equipment			
12. Proof of own (Applicants) contribution-if applicable			
13. Historical Financial Statements-if applicable			
14. Approved Building Plans			
15. Costed Bill of Quantities			
16. Any other documentation that would assist in motivating your project application, and assist the Evaluation Committee in assessing its feasibility and sustainability are annexed			