

**MSUNDUZI MUNICIPALITY**  
**Sustainable Development & City Enterprises**  
Development Services



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# MSUNDUZI MUNICIPAL EMPLOYMENT INITIATIVE

## GUIDELINES AND APPLICATION FORM

## MSUNDUZI MUNICIPAL EMPLOYMENT INITIATIVE

### 1. BACKGROUND

The Msunduzi Municipality's in collaboration with the KZN Department of Economic Development Tourism and Environmental Affairs (EDTEA) are implementing the Msunduzi Municipal Employment Initiative (MEI). The implementation of the MEI is managed by the Msunduzi Municipality with technical and financial support from EDTEA. The purpose of the MEI is to support informal and micro business enterprises in order to stimulate local economic development and to create job opportunities. Informal and micro businesses enterprises (excluding street traders) that are operating within the Msunduzi Municipality area of jurisdiction are allowed to apply for MEI support from the Msunduzi Municipality.

### 2. FOCUS AREAS

The Msunduzi Municipal Employment Initiative (MEI) intended to assist the following types of informal and micro businesses:

- Businesses that require funding for working capital (including stock, equipment, furniture and fittings)
- Supporting entrepreneurship and strengthening business partnerships;
- Re-establishing supply-chains and routes to markets
- The support needs to address the recovery of businesses;
- Replacement of movable assets and refurbishing the office/business infrastructure and fittings;
- Replacement of lost capacity and associated stock;
- Businesses in the township and rural areas environment will be prioritized.

It is important to note that the support is strictly for regulated businesses with valid licenses and/or permits or CIPR Registration documentation. Only one application per business will be permitted. This will require the submission of documents as listed below, failure to do so will lead to your application not being considered.

### 3. FUNDING TIERS

Informal and Micro businesses will be assisted with implements categorized in two tiers as follows:

FUNDING TIER	FUNDING RANGE
Tier 1 (Informal unregistered businesses with trading license or permit – excluding street traders and vendors)	R10 000.00 - R50 000.00
Tier 2 (Micro Businesses with turnover less than R1 mil pa)	R50 000.00 - R100 000.00

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The available MEI funding is limited and therefore applications and quotations provided must be strictly between R0 – R100 000.00, Applicants quoted above the prescribed threshold will be disqualified

### **4. ELIGIBILITY CRITERIA**

- 4.1. Must be a registered legal business entity in South Africa (for formal micro businesses)
- 4.2. Must be 100% owned by South African citizens
- 4.3. Must have been in operation for more than 18 months
- 4.4. Must be registered and compliant with the South African Revenue Service (for formal micro businesses)
- 4.5. Only businesses within the Msunduzi Municipality jurisdictions will be considered
- 4.6. Only registered micro businesses with an annual turnover less than R mil pa may apply
- 4.7. Informal businesses (excluding street traders and vendors) can apply if they have a trading license and/or permit from the Municipality
- 4.8. Business must preferably be located in a township or rural area
- 4.9. Empower vulnerable groups (pdi's, women, youth and disabled)

### **5. DOCUMENTS TO BE SUBMITTED BY APPLICANTS**

- Completed and signed MEI application form
- Certified copies of applicant and/or business owner ID documents
- Proof of business and residential addresses
- CIPC business registration certificates (for formal micro businesses)
- Valid Tax Clearance Certificate (Pin) (for formal micro businesses)
- Latest three months business bank account statements (for formal micro businesses)
- Municipal business license and/or permits (for informal businesses)
- Business Plan indicating how the support will enhance the business
- Portfolio of evidence of operation i.e. (photos).
- Signed copy of lease agreement or proof of ownership for business premises

### **6. EVALUATION CRITERIA**

- Administrative Compliance (all the required documents submitted)
- History and experience of business
- Functionally of business
- Viability of business proposal
- Motivation and impact of support for the business

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- Value for money for support to be provided
- Locality of businesses (preference for township and rural areas)
- Targeted beneficiaries (vulnerable groups - PDI's, women, youth, disabled)

### **7. EXCLUSIONS**

- Labour brokers
- Manufacturing and selling of ammunition
- Illicit tobacco, Liquor, Gambling and sex trade
- Non-profit organizations
- Political organizations
- Un-rehabilitated insolvent shareholders and/or directors of applying entities
- Speculative property development
- Covering bad debts
- Operational cost of the business/ working capital

### **8. APPLICATION AND CONSIDERATION PROCESS FLOW**

- Complete applications are received and screened for eligibility and compliance (Administrative compliance). Applicants that don't submit all the required documentation will be eliminated
- Technical Evaluation (60% compliance threshold)
- Applications are forwarded to Project Management & Evaluation Committee (PMEC) members to conduct due diligence on applications
- Verification Team to conduct the due diligence on applications screened for compliance.
- Screened application from Verification Team are forwarded to the Evaluation Team
- Applications are assessed by the Evaluation Panel against the evaluation criteria
- Funding panel recommendation forwarded to Senior Manager for approval
- Within six (6) weeks from the date of approval, successful applicants shall be notified of the outcome
- Successful MEI applicants will not receive any direct financial support from the Msunduzi Municipality. The required equipment and goods will be procured delivered and handed over to the MEI beneficiary by the Msunduzi Municipality on certain basic agreed conditions.
- The Msunduzi Municipality will monitor all the MEI beneficiaries for a period of 18 months to determine the impact of the support provided and determine if any additional non-financial support is required.



# The Msunduzi Municipality

Sustainable Development & City Enterprises

Telephone/uCingo: 033 3922893

Facsimile/ifekisi: 0867702951

Private Bag / Isikhwama: X 321

Pietermaritzburg/ePietermaritzburg 3201

## MSUNDUZI MUNICIPAL EMPLOYMENT INITIATIVE APPLICATION FORM

### PLEASE NOTE:

- Read the funding guidelines information before completing the application form.
- All the questions in the application form must be answered in detail – do not only refer to attachments
- The application must be signed
- Submit all the supporting documents as listed on the checklist and / or guidelines
- Incomplete applications will not be eligible for technical consideration
- Applications submitted after the closing date will not be considered

### SECTION A: DETAILS OF APPLICANT

First name(s)	
Surname	
ID Number	
Cell phone number	
Email address	
Physical Address	
Ward No	
Township/ Village	

### SECTION B: BUSINESS INFORMATION

Business Name	
Type of business entity (CC, Cooperative, PTY)	
Business Registration No (CIPC)	
Business Address	
Local Municipality	
Ward No	
Township/ Village	
Sector (Manufacturing, Agriculture, Services, Retail)	
Years in Operation	

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Is the business currently operational? If no, indicate why	
Has the business benefited from government support in the past (provide details)	
Was the business destroyed/damaged by floods/unrest (Specify if applicable)	
Date when the business was vandalized & SAPS case number	

**SECTION C: BUSINESS DESCRIPTION**

1. Business Description / Profile (What does the business do?)

**2. Business Operations (How does the business operate and function?)**

**3. Business Management (Indicate how the business is managed)**



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4. Business Challenges and Risk (indicate challenges and risks that hamper the business)

**SECTION D: MOTIVATION AND IMPACT OF THE SUPPORT**

Provide a problem statement and motivate why the business requires support and what the impact of the support provided will be

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**SECTION E: CURRENT BUSINESS SALES / TURNOVER**

Description of Goods / Service	Weekly Sales (Units)				Monthly Sales (Units)	Unit Price (R)	Monthly Sales (R)
	W1	W2	W3	W4			
<b>Total Monthly Sales (Turnover)</b>							

**SECTION F: REQUIRED EQUIPMENT AND GOODS TO SUPPORT THE BUSINESS**

List and describe the Equipment, Goods and Services Required	Number (Units)	Unit Price (incl. VAT)	Total Cost (incl. VAT)
<b>TOTAL COST (incl. VAT)</b>			

**NOTE:** Obtain and attach two quotations for all goods, equipment and services required and listed above that are not older than 30 days.

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**SECTION G: NON-FINANCIAL SUPPORT REQUIRED**

List and indicate any non-financial support required by the business (if training is required, please clearly indicate the type of training)

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**SECTION H: EMPLOYMENT (CURRENT & NEW)**

Current jobs (Employees currently employed)

No	Position	Job Description	Full / Part Time
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Total number of <u>current</u> full time employees	
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Total number of <u>current</u> temporary employees	
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New jobs (employment opportunities) to be created if the business is supported

No	Position / Status	Job Description	Full / Part Time
1.			
2.			
3.			
4			
5.			
6.			
7.			
8.			
9.			
10.			
Total number of <u>new full time</u> jobs to be created			
Total number of <u>new temporary</u> jobs to be created			

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**SECTION I: CHECKLIST OF DOCUMENTS TO BE SUBMITTED**

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 application not being considered for funding.

Documents to be submitted with the application	YES	NO	If No, please state the reason (s)
1. Completed and signed application form for support			
2. Certified copies of applicant and/or business owner ID documents			
3. Proof of business and residential addresses			
4. CIPC business registration certificates (for formal micro businesses)			
5. Business licenses and/or permits (for informal businesses)			
6. Valid Tax Clearance Certificate (Pin) (for formal micro businesses)			
7. Three months business bank account (for formal micro businesses)			
8. Business Plan indicating how the support will enhance the business			
9. Portfolio of evidence of operation i.e. (photos),			
10. Signed copy of lease agreement or proof of ownership (business premises)			
11. Two quotations for all the goods, equipment and services required that are not more than 30 days old			

**SECTION J: DECLARATION AND CONSENT**

I/we, the undersigned declare that the information provided in this application form is to the best of my/our knowledge true and complete.

I/We also understand that any willful misrepresentation of the information in this application form will disqualify my application and may lead to legal action against me/us including the laying of criminal charges against me/us as sureties as well as against the entity I/we represent for furnishing false statement or information to Msunduzi Municipality.

I/We hereby grant the Municipality consent to perform an entity/personal search and check on my/our records with any other party (e.g.credit bureau and/or a government agency) relating to this application I/we further authorize Municipality to disclose my personal information to these parties to obtain the information they require and acknowledge the Municipality will never disclose more information than they are required to.

The Municipality warrants that it will treat your personal information as confidential and take all necessary steps to protect your information as required by the Protection of Personal Information Act of 2013

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Designation

\_\_\_\_\_  
Signature of applicant

\_\_\_\_\_  
Date