

Date: 19 June 2020 Ref No: SMME/0410/4/SA

TO: Minister of Small Business Development: Honorable Khumbudzo Phophi Silence Ntshavheni (Served by Email: rnevhutshena@dsbd.gov.za)

SEFA CEO - Mr Setlakalane Molepo (Served by Email: tsetlakalane@sefa.org.za)

SEDA CEO - Mandisa Tshikwatamba (Acting), (Served by Email: glaas@seda.org.za)

## FIRST AND FINAL URGENT LETTER OF DEMAND: REQUEST FOR SEDA/SEFA AND THE DEPARTMENT TO SETTLE UNPAID AMOUNTS TO SMME "COVID19 SMME"

Dear Honorable Minister Khumbudzo Phophi Silence Ntshavheni

- 1. The above matter refers
- 2. We Hola Bon Renaissance Foundation act on behalf of Small Medium Micro (SMME's) and/or Affected SMME in South Africans and/or the beneficiaries and/or applicants of the COVID-19 SMME Relief scheme Benefit
- 3. It has come to our attention that there are affected SMME's who have not received their relief from the State and/or SEFA and SEDA.
- 4. The State has committed to funding the SMME's who are affected by lockdown and it must honor its contractual and/or relief obligation.
- 5. This Letter serves to demand that SEFA and/or SEDA and the Department to settle unpaid amounts to SMME's.
- 6. On 24 March 2020 the Minister committed by saying: We've put in a facility for a national debt relief facility for small businesses in sectors such as the as hospitality...We are focusing on South African nationals...we want to do interventions, helping with repayment either with their mortgage, vehicle or whatever else they want assistance with
- 7. Since 26 March 2020, South Africans are being on lockdown, most SMME are experiencing liquidation or business closer during these 85 (eighty five) days of lock down.

Physical Address: 88 Marshall Street, Marshalltown, Johannesburg, 2107

Tel No: +27681 596956 Email: info@hbrfoundation.org.za



- There are two categories of relief set out by the department which are Business Growth & Resilience Facility (BGRF) and SMME Debt Relief Finance (SDRF)
- 10. On Category (BGRF): The amount claimed is for the funds requested under this category by the SMME's
- 11. On Category (SDRF): The amount claimed is for the funds requested under this category by the SMME's
- 12. As for rejected and/or non-qualifying beneficiaries, Department and/or SEDA and/or SEFA to provide grounds for such and indicate its feedback, furthermore indicate what measures are taken to enable for any appeal and/or clarity seeking for the beneficiary to receive the relief with 48 hours.
- 13. Any SMME's who have failed to deliver any contract due to department failure to assist, warrants a further bridge of obligation, and the Department compensate the SMME.
- 14. The response turnaround time must be 48 hours in all circumstances, a list of all beneficiaries be published on the Department website.
- 15. Any statement issued on COVID19 SMME to beneficiaries by SEFA/SEDA and Department must have an actual date.
- 16. We therefore demand payment of as per the category approved directly to the beneficiaries within 48 (fourth eight Hours) from the date of transmission hereof, failing which we shall institute legal proceedings against SEDA and/or SEFA and the Department for payment, including recovering the costs that we would have occasioned as a result of Department failure to comply with the terms of its obligation and that of the letter of demand.
- 17. Kindly effect payment into the accounts of all the beneficiaries
- 18. Kindly acknowledge receipt hereof.

Yours faithfully

Bontshitswe P Mothopeng Msieleng

Chairperson of Hola Bon Renaissance (HBR) Foundation