



SEIFSA PARTNERS WITH VENNCAP TO OPEN UP ACCESS TO FUNDING FOR COMPANIES IN THE METALS & ENGINEERING SECTOR

JOHANNESBURG, 4 MARCH 2021 – The Steel and Engineering Industries Federation of Southern Africa (SEIFSA) is proud to have partnered with VennCap Business Solutions to assist companies to successfully secure funding for their businesses, thus enabling them to chart a course to sustainability as efforts to revive the economy get under way.

SEIFSA, as an employer Federation that represents more than 160,000 employers in the M&E sector, is cognisant of the challenges facing companies due to the COVID-19 pandemic, and has seen some of them close their doors, unable to weather the national lockdown put in place to curb the spread of the virus.

“Some of these businesses needed funding to help keep the wheels turning during the lockdown. While we laud the efforts of the Government and players in the private sector to support businesses through various relief funds, including the COVID-19 Loan Guarantee Scheme, there are many companies that slipped through the cracks as they did not meet the requirement for such funding,” said SEIFSA CEO Kaizer Nyatsumba.

He said it was important to help companies that had survived the lockdown to rebuild their businesses, while also supporting new, innovative ventures.

“The partnership is one of these initiatives that we have put in place to play our part in helping to turn the economy around. As the voice of employers in the M&E sector, having played a critical role in supporting companies within the sector for almost 80 years, we are able to act as a conduit to help businesses in the sector access to funding. “We are proud of our alliance with VennCap, which we hope will prove to be of importance to companies,” Mr Nyatsumba said..

VennCap Director Jeane Lourens said she was excited to be partnering with SEIFSA, “one of the oldest and most respected Federations in South Africa”.

“This alliance is a game-changer for both the industry and investors alike, allowing investors to invest in established, asset-rich businesses with a direct impact on the revitalisation and growth of the industry and the economy at large,” she said.

Ms Lourens said growth and investment in the labour-intensive manufacturing sector was pivotal in combatting South Africa’s unemployment rate, currently at a record high of 32.5%: “The time for collaboration between Government, institutional investors, private equity and venture capital is now.”

Mr Nyatumba said every player in the manufacturing sector needs to come to the table to support the entire industry, hence SEIFSA was widening the net to reach all businesses in need of funding.

“This is a service that we will be offering not only to our member companies, but to the industry at large. Small businesses, in particular, are encouraged to take up this service because of the additional red tape they face when applying for finance,” he said.

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SEIFSA is a National Federation representing 21 independent employer Associations in the metals and engineering industries, with a combined membership of 1,223 companies employing around 167,000 employees. The Federation was formed in 1943 and its member companies range from giant steel-making corporations to micro-enterprises employing fewer than 50 people.
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