



# agriculture, forestry & fisheries

---

Department:  
Agriculture, forestry & fisheries  
**REPUBLIC OF SOUTH AFRICA**

**FLYER**

**FOR**

**MICRO AGRICULTURAL FINANCIAL INSTITUTION  
OF  
SOUTH AFRICA  
(MAFISA)**

## **DIRECTORATE: DEVELOPMENT FINANCE COORDINATION**

### **1. What is MAFISA**

Micro Agricultural Financial Institutions of South Africa (MAFISA) is a financial scheme to address financial services needs of the smallholder farmers and agribusinesses. MAFISA provides working capital (production loans) to smallholder operators along the value chains to enhance agricultural activities through accredited Retail Lending Entities.

### **2. Products and services**

#### **2.1 Available product**

- Short to medium term Production loan.
- Capacity building for member based financial institutions.

### **3. Purpose of the loan**

- Purchase of covering production inputs (fertilizers, seeds, pesticides, animal feed and remedies etc.).
- Purchase of small equipment and implements (Knapsack spray, wheel barrow, spades, etc).
- Harvesting (in the case of fruit, forestry, aquaculture and artisanal fisheries), and
- Agro-processing.

### **4. Who can apply?**

- MAFISA loans will be available for smallholder operators who are active in any leg of the agriculture, forestry and fisheries value chains.

### **5. How to apply**

- Contact your local Agricultural Extension Office for information.
- Obtain application form from the participating institutions in your area / provinces.

- Complete the application forms and attach required documents.
- Submit the application form to the participating institution.

## **6. Eligibility criteria**

To qualify for a loan, a client must comply with the following criteria:

- Must be a South African citizen in possession of a valid South African Identity document.
- Be from Historically Disadvantaged Individuals.
- Must have positive credit history.
- Must be 18 years and above of age, in a case of a client which is between 18 - 21 years, the parent/legal guardian consent is needed.
- Gross non-farming income of an applicant must not be above R30 000.00 (thirty thousand) per month.
- The business turnover should not be more than the Value Added Tax (VAT) threshold of R3 000 000.00 (Three million) per annum.
- The client's enterprise must be within the agriculture, forestry and fisheries sector value chain.
- The client must demonstrate the ability and willingness to repay the loan.
- Must have legal permit and or applicable rights required by law to operate the type of business, (title deeds/PTO/lease agreement, water rights or permits, aquaculture / fishing license etc.
- MAFISA loans are available to individuals, groups, trust or an entity.

In a case of trust/legal entity or group, the following will be additional eligibility requirements:

- Be fully-owned by the formerly HDI members (100% of shareholding or members' interest) or fully compliant to the provisions of BBBEE Act.
- Have a formal constitution or articles of association, with a board or committee and a management structure.
- Have legitimate access to the use of land (own, lease, communal etc.) or processing facility.

- The business turnover should be less than the VAT threshold of R5 000 000.00 (Five million) per annum.
- Display willingness and ability to repay.
- Tax clearance is required for registered legal entities.

## 7. Terms and conditions

- A maximum loan size offered by MAFISA is R500 000.00 per client
- The maximum loan size offered without collateral is R50 000.00 per client.
- Money borrowed has to be repaid in full together with the interest
- Money borrowed has to be used for the purpose for which it was applied
- MAFISA clients shall be charged 7% interest rate per annum for the loans granted.

## 8. Contact details

MAFISA call centre situated at No. 20 Beatrix Street, Arcadia, Pretoria, 0001. Contact Person Ms. Portia Mahlangu Tel: (012) 319 7263 / 6825 or [PortiaMahl@daff.gov.za](mailto:PortiaMahl@daff.gov.za) and Ms. Elizabeth Khalo Tel (012) 319 7216 or [ElizabethKh@daff.gov.za](mailto:ElizabethKh@daff.gov.za) Fax: (012) 319 7278: **or accredited institutions as listed below on table 1**

**Table1: Accredited participating institutions**

Institution	Area of operation	Contacts
NATIONAL EMERGENT RED MEAT PRODUCERS ORGANIZATION (NERPO)	All provinces	<b>Tel:</b> 012 348 8566 /012 427 0005
MPUMALANGA ECONOMIC GROWTH AGENCY (MEGA)	Mpumalanga	<b>Tel:</b> 013 755 6328

EASTERN CAPE RURAL DEVELOPMENT AGENCY (ECRDA)	Eastern Cape	<b>Tel:</b> 043 604 7000
PEULWANA AGRICULTURE FINANCIAL SERVICES	All provinces	<b>Tel:</b> 011 341 2833
SOUTH AFRICAN SUGAR ASSOCIATION (SASA)	Kwa-Zulu Natal	<b>Tel:</b> 031 508 7000