

SASOL AND BCI INVEST OVER ONE MILLION DOLLARS IN LOCAL BUSINESSES

In 2021, Sasol and Banco Comercial e de Investimentos (BCI) established a fund to support Micro, Small, and Medium Enterprises (MSMEs). By the end of June 2024, approximately 2,000,000 USD had been disbursed to 54 companies, 13 of which are partially or fully owned by women. This initiative has significantly contributed to income generation, job creation, and the improvement of living standards in Inhambane province.

More than two decades ago, Sasol placed Inhambane on the oil and gas map, attracting other multinational companies to the region. For Mozambican entrepreneurs, "growth" soon meant becoming suppliers to these large corporations.

However, many local businesses lacked the financial strength to compete in the market. As a result, many sought funding from commercial banks and informal sources. Yet, due to high borrowing costs and economic uncertainty, local companies struggled to compete with foreign firms.

Recognising these challenges, Sasol and BCI launched the MSME Support Fund in 2021 to provide low-cost loans to businesses in this segment.



Ovídio Rodolfo - Country Manager of Sasol

Sasol's Country Manager, Ovídio Rodolfo, sees this financial initiative as part of Sasol's long-term vision of being a socio-economic partner to Mozambique. "Our programs align with the Government of Mozambique's development plans. One of our key pillars is social impact, where local content plays a transformative role in local economies."



George Mandawa
Executive Administrator

BCI's Executive Administrator, George Mandawa, highlights the fund's affordability. "When we talk to business owners, they often struggle with access to financing. There are many requirements, and the cost of money is high. Currently, the prime rate stands at 23.5%, whereas this fund offers loans at just 12.3%—nearly half the market rate."

TWO YEARS OF GROWTH



Hassan Dassat - Director of Local Content at Sasol

At its inception, the fund started with 250,000 USD. Over three years, it has grown significantly, surpassing 1 million USD in investments and disbursing nearly 2 million USD by the end of the 2024 financial year. The fund has supported 54 companies in Inhambane, 13 of which are women-led businesses.

Through the fund, local businesses recorded an average increase of 50% in their revenues and the creation of more than 50 new jobs. The financial support also allowed for improved cash flow, the acquisition of new equipment, and business expansion.

"The fund is circular in nature," stated Sasol's Local Content Director, Hassan Dassat, explaining that "as the amount is repaid, more money becomes available for other local businesses." Dassat also emphasized that this financing line is not exclusively for Sasol suppliers but is open to "any company registered in Inhambane province that meets the legal criteria of a micro, small, or medium-sized enterprise."



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We are honoring our commitments

Abdul Razaque Abdul
President of the Inhambane Business Council

Generally, what hinders the economic development of the province is the financial capacity of companies. Many of our businesses, after suffering the effects of COVID-19 and cyclones, are now recovering, and this Sasol and BCI fund may contribute to improving their performance.

From what we know, the first installment of the disbursed fund has brought added value to businesses, which are successfully honoring their commitments and repaying the amount, which is considerably positive.



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The fund made us more competitive

Mussa Abdul Remane
General Director of Boardnet, Limitada - Govuro

The arrival of this Sasol and BCI credit line was the realization of a dream for Farmar's Hotel, especially because it came at a time when we had no way out. We endured two years of hardship due to the pandemic and were considering closing our doors.

By accessing this Sasol and BCI credit line, we were able to redefine our business vision, improve our service delivery, renovate and maintain the hotel, as well as add new services to meet the demand.



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We almost had to close our doors

Francisco Julio
Senior Manager of Farmar's Hotel - Maxixe

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