

## R22m allocated to support KZN spaza shops and general dealers

A total of R22m has been allocated to support South African spaza shop owners, supermarkets, and general dealers in KwaZulu-Natal.



The Zimele Traders Fund by the Ithala Development Finance Corporation was announced by Economic Development, Tourism and Environmental Affairs MEC, Siboniso Duma, on Tuesday, 20 February.

Duma said spaza shop owners, including supermarkets and general dealers in the province, who are strictly South Africans can apply for a grant in the form of trading stock to the value of R20,000.

“A total of R10m has been set aside for this purpose. We are targeting 500 spaza shops across the province,” Duma said.

This follows an announcement made towards the end of last year, where the MEC revealed the department’s intention to embark on an entrepreneurship revolution, focusing on spaza shops located in rural areas and townships.

Ithala SOC and Ithala Development Finance Corporation (IDFC), which are the department entities, are deepening support for entrepreneurs in the informal economy.

Spaza shop owners have long complained about being forced out of the market because they lack the buying power, while their competitors, who are mostly foreigners, buy in bulk which gives them a competitive edge.

The MEC said the department had reconfigured the bulk buying warehouse at KwaSithebe in Mandeni, with a cost of more than R15m.

“We have added a call centre and an online ordering system. The first bulk purchase stock for spaza shops, supermarkets and general dealers is valued at R10m.

“In addition, we have made available 17 trucks to move the stock across the province. This is to create direct access stock, reduce costs of goods and further make them accessible within local municipalities,” Duma said.

As a permanent arrangement, the department is identifying buildings that are owned by Ithala across the province to be used as warehouses.

The MEC called on eligible spaza shop owners, supermarkets, and general dealers to submit their applications for the grant.

The applications opened on Tuesday, 20 February, and will close on 16 March 2024.

“Successful applications will be announced on 15 April 2024. Applications will run indefinitely,” he said.

Duma also announced that through the Zimele Fund, a total of about R11.9m has been set aside for a soft loan of up to R100m000 at 2% interest for a co-operative and 4% fixed interest for a Close Corporation/ Pty.

For a quotation request, shop owners are requested to use the WhatsApp number 072 521 0897 or 031 319 5500 for enquiries.

Emails can be sent to [zimeletradersfund@kznedtea.gov.za](mailto:zimeletradersfund@kznedtea.gov.za)/website: <http://www.kznbulk-buying.co.za>.

For more, visit: <https://www.bizcommunity.com>