

Select Committee on Economic Development & Trade

the dtic Response to the National Disaster of Classified Foodborne Illnesses

18 February 2025



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

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The Department – Spaza Shop Fund

To support Spaza Shops with funding to refurbish businesses and facilitate wholesale aggregation. Businesses will be provided with financial and non-financial support in terms of technical skills, support for regulatory compliance and capacity building.

The objective is to:

- increase the participation of South African-owned Spaza Shops in the townships and rural areas' retail trade sector;
- provide safe and affordable products and services to Township and Rural Community residents;
- strengthen and support locally-owned Spaza Shops by building capacity, enhancing operational efficiency, and enabling access to competitive pricing through partnerships;
- help Spaza shops tap into bulk purchasing benefits and business support to boost their sustainability and competitiveness.

The Department's response

- Application Criteria for the Support Fund have been developed and publicised in the form of a Brochure.
- The portal for businesses to submit their applications for funding to the National Empowerment Fund (NEF) and the Small Enterprise Development Finance Agency (Sedfa) is ready for application.
<http://www.spazashopfund.co.za>
- Liaison with the Companies and Intellectual Property Commission (CIPC) and South African Revenue Service (SARS) on their registration processes for Spaza Shops has been undertaken.
 - ❖ Registration with CIPC and SARS will be facilitated by both NEF and SEDFA regional offices.
 - ❖ The registration will take into account the informality of the sector, and the registration will be facilitated over a period of time that is linked to education, training, awareness, and associated benefits of registration.

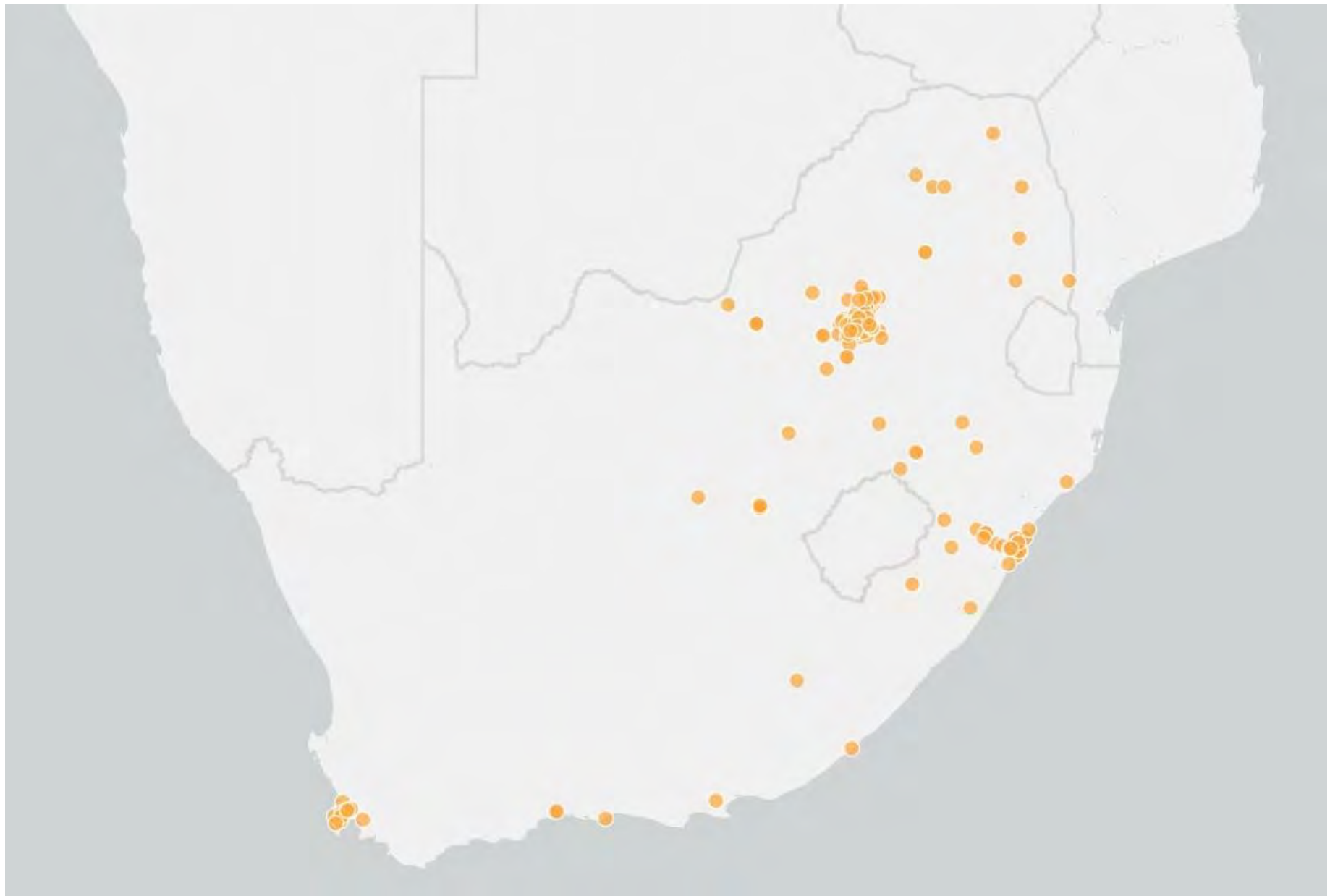
Wholesale Aggregation

- **Proudly South African** has provided a database of vetted South African entities that Spaza Shops can utilise to procure their products.
- Key wholesalers have been vetted and are in the process of finalising agreements to supply Spaza shops with stock and building infrastructure. These wholesalers include:
 - Tiger Brands
 - Kit Kat
 - Big Save
 - Bibi Cash and Carry.
- Memorandum of understanding with service providers included:
 - **Family Tree Group** – With a wealth of experience in assisting rural and township entrepreneurs in installing spaza shops. Family Tree Group will provide a database of potential applicants and assist in the installation and mentorship.
 - **UMS** – A goods delivery business operating in the townships. UMS has promised to deliver goods from wholesalers to the spaza shops for free.
 - **Tedcoza** – Empowers township and rural economies through business development support. They focus on inclusive growth, prioritizing women, youth, and people with disabilities to promote sustainable, community-driven development.

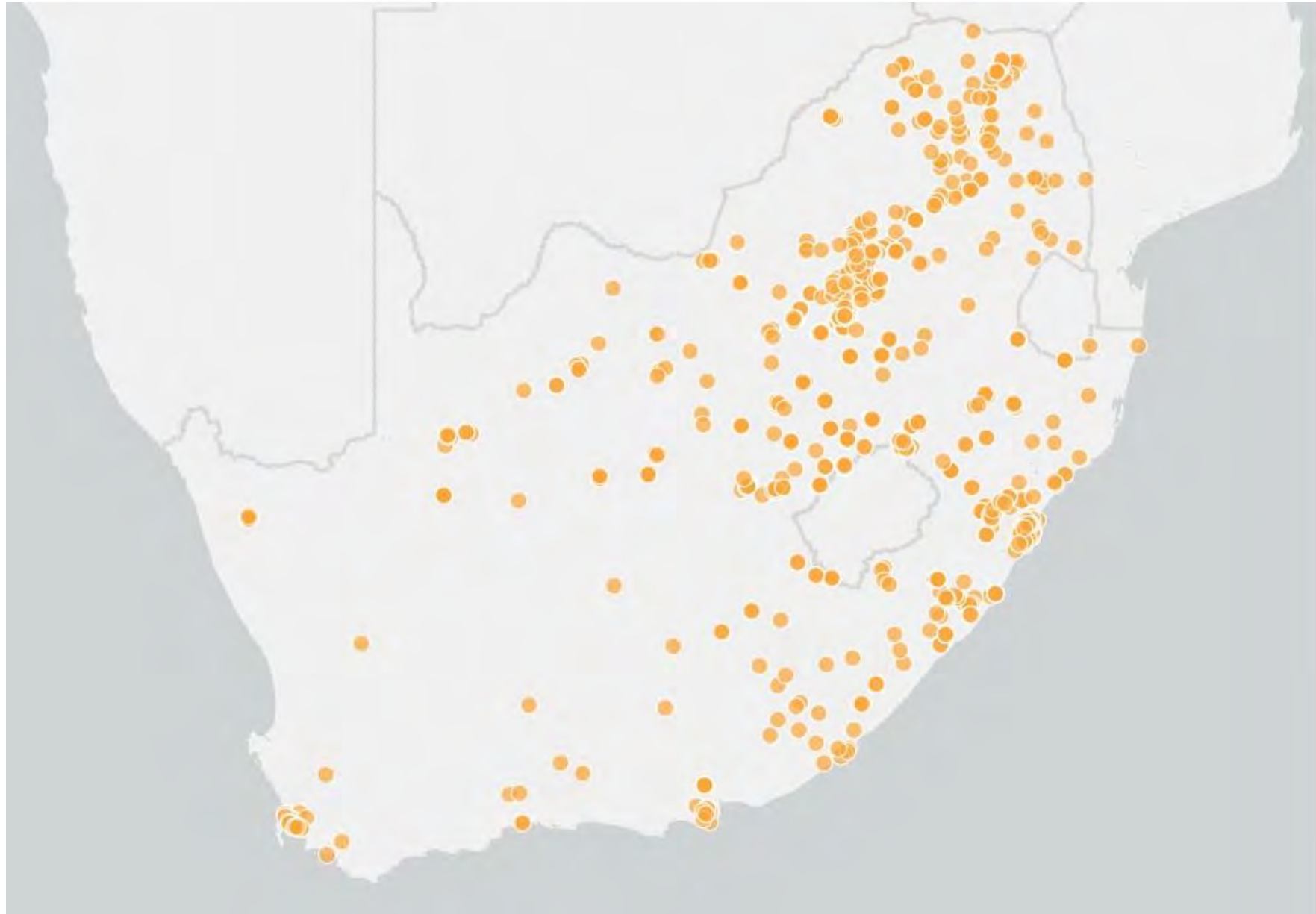
List of Products By Local Producers

Basic chemicals	Baking premixes	FMCG Food	Canned spinach
Basic precious and non-ferrous metals	Processed meat products	Foil Products	Natural spring water
Timber products	Beetroot	Frozen vegetables	Nonalcoholic gingerbeer concentrate
Furniture	Beverages	Gas	Oil Lubricants
Coke oven products	Biscuits	Hair care products	Olive Oil manufacture
Plastic products	Bottled chilli sauces	Hair extensions	Potato crisps
Medical and surgical equipment,orthopaedic appliances	Bottled water	Handmade Soap	Tissue Paper
Paints,varnishes and similar coatings	Bread and Baking Flour	Home and personal care products	Alkaline supplier and beauty skin products
Petrol,lubricating oils and grease	Charcoal	Tea	Pet food
Pharmaceuticals,medicinal chemicals and botanical products	Cheese	Ice Cream	Mopani Worms snacks
Prepared animal feeds	Condiments	Infant milk powder	Gas
Production, processing and preserving of meat	Maize meal	Kefir dairy products	Dairy juice
Recycling of non-metal waste and scrap n.e.c.	Maize meal snacks - Chips, Popcorns,	Energy drinks	Spices and condiments
Cleaning Chemicals	Candy sweets	Diapers	Cosmetics manufacturer
Soap,detergents and perfumes	Coffee Manufacturer	Atchar vegetables and organic sauces	Sanitary pads
Structural non-refractory clay and ceramic products	Cooking Oil	Flavoured water	

Geolocation of Local Producers



Preliminary Geolocation of Registered Spaza Shops



THANK YOU