

## Absa invests R10,5m in spaza development

An investment by Absa Bank aims to transform spaza shops into sustainable businesses, able to compete with mainstream retailers.

The bank has contributed a total of R10,5m in two tranches to eSpaza Sum Holdings. The first amount of R3,5m facility will help the company uplift and modernise 22 spaza shops in Mamelodi and Pretoria West. A further R7m will be extended to help uplift Mpumalanga and Limpopo spaza shops as the financial year progresses.



Oscar Siziba, Absa managing executive in Limpopo, Mpumalanga, Pretoria; Tshepo Seeta, eSpaza Sum managing director and founder; Anastasia Mathabathe, spaza owner and Tony Ferreira, operations director, Big Save.

“Absa’s support will not only see the sustainable establishment of spaza shops but it is envisaged to create jobs and help these spaza shop’s net triple times more profit as they have in the past. The project has already seen transformed spaza’s record a 300% increase in airtime sales, says Tshepo Seeta, eSpaza Sum managing director and founder.

### Partnerships and skills training

The company secures greater access to markets, procurement, distribution channels and a variety of stock and merchandise at competitive pricing in partnership with Big Save, one of South Africa’s largest wholesalers. It also holds monthly store promotions on behalf of spaza shops and restores their images into well-structured, recognisable, brand backed and established businesses.

Absa aims to provide spaza shops identified through this project with the required banking solutions to run a formal business and fast track skills development with financial literacy training for spaza shop owners so that they can get better at reading a balance sheet, understand income statements and sharpen their knowledge on how to grow a business through social media.

“Our investment in eSpaza Sum is how Absa is contributing to the growth and formalisation of township businesses and economies in line with our Shared Growth commitment to improve the employability or self-employability prospects of young people and entrepreneurs across the country. This also forms part of our Mandela month celebrations,” says Oscar Siziba, Absa managing executive in Pretoria, Limpopo, Mpumalanga.

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