

Edge Growth to administer J.P. Morgan's groundbreaking Abadali EEIP Fund

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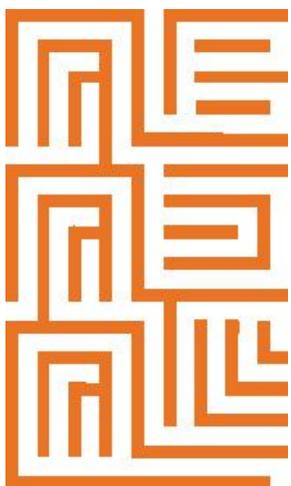
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Qualifying small businesses urged to apply!



There is no doubt that the extreme disruptions and repercussions caused by the Covid-19 pandemic in South Africa will continue for some time. The long-term effect on the already challenged small and medium businesses will also be profound.

Fortunately, initiatives such as the newly launched [Abadali Equity Equivalent Investment Programme](#) (EEIP) aims to have a real, meaningful and direct impact on the South African economy and job creation, specifically within this sector.



This joint initiative by the The Department of Trade, Industry and Competition (the dtic) and international investment bank J.P. Morgan, will provide short-, medium- and long-term finance over an eight-year period for qualifying businesses requiring growth capital, with priority funding being mainly directed at industrial and sustainable green enterprises.

Primary objectives of the Abadali EEIP include enabling the development and growth of sustainable black enterprises, creating at least 1,000 permanent jobs and providing much needed strengthening of the local economy through business support. The programme will promote economic inclusion and opportunities for previously disadvantaged owners and employees of black enterprises.

The Abadali EEIP will be administered by a joint venture between established local fund manager Edge Growth and short-term capital fintech company ProfitShare Partners.

Edge Growth will manage the deployment of capital to medium- and long-term investments.

"We are proud to announce that we have been awarded the opportunity to administer the medium- and long-term

commitments of the Abadali EEIP, which will undoubtedly create much-needed positive economic and social impact locally,” says Richard Rose, CEO Edge Ventures at Edge Growth. “We are privileged to be associated with this initiative to boost small and medium businesses, especially given the devastating effects of the pandemic and the need to grow businesses and job opportunities now more than ever,” he says.

By directly addressing the major contributing factors to business failure which include lack of financial support and the inability to raise funds, the Abadali EEIP aims to effect small business growth and entrepreneurship while also providing wraparound business support in terms of aspects such as business case development, legal advice and tender negotiation support.

The deployment of J.P. Morgan’s initial R300 million through the fund and R40 million through the grant is expected to result in R2 billion-worth of financing transactions and create a minimum of 1,000 jobs over the eight-year period of the Abadali EEIP. The Abadali EEIP will specifically address the critical funding gap for small and medium enterprises that do not meet the traditional underwriting criteria of general commercial banking requirements.

Call for applications for medium- and long-term funding

Qualifying majority black owned and majority black managed enterprises, whether sole proprietors, partnerships or joint ventures, with an annual revenue of at least R1 million and a track record of trading for at least 12 months, are urged to apply. Preference will be given to those trading in the financial services, industrial, education, healthcare, green and digital inclusion sectors.

Please apply by submitting your application [here](#).

Please visit the Abadali website [here](#) for more information.

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Edge Growth



Edge Growth achieves real transformation by partnering with corporates to grow Small and Medium Enterprises (SMEs) who contribute to job creation, black wealth creation and socio-economic development.

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