

## Coca-Cola Beverages SA smashes supplier transformation target

At its fourth annual Supplier Development Conference, held in Johannesburg last week, Coca-Cola Beverages South Africa (CCBSA) announced that it had surpassed its three-year target to transform R3.9bn of preferential procurement to black suppliers by the end of 2020.



COBSA Supplier Development Conference

The company achieved its target ahead of time, with R4.6bn transformed by the end of 2019 resulting in CCBSA being R2bn ahead of its two-year target (R1.3bn a year).

Launched in 2016, the Supplier Development Conference aims to unlock the full potential of black-owned, high-growth small to medium enterprises (SMEs) operating in the agriculture, manufacturing, engineering, logistics and fleet management industries. The Conference was attended by a total of 1,080 delegates and 120 exhibitors.

"Our initial target when we launched the first conference in 2017, was to allocate R1.3bn a year to high-quality, transformed suppliers between 2018 and 2020," said Velaphi Ratshefola, managing director at CCBSA. "In 2018, we transformed R1.5bn to black suppliers and in 2019, we transformed a further R3.1bn of our spend to black suppliers.

<sup>&</sup>quot;Although we have now surpassed our target, we aren't slowing down our efforts and will continue to direct more of our

budgets toward supporting and developing black suppliers. While the dominant view is that of enterprise and supplier development being a social development initiative, we see inclusive procurement as an integral part to our business strategy," he said.



CCBSA MD Velaphi Ratshefola

The company reported that it had expanded its impact on SMEs, by growing its annual share of spend toward black-owned SMEs from 10% in 2016 to 24% in 2018 and 29% last year.

## **Advisory board**

CCBSA also announced it had appointed I Am An Entrepreneur (IAAE), an organisation founded by Andile Khumalo, to manage its Supplier Development programme for 2020, which will consist of a CCBSA Skills Summit, the IAAE Advisory Board and the IAAE University.

Through the advisory boards, IAAE will select 20 CCBSA suppliers and match them with professionals and entrepreneurs with the appropriate skills and experience, who will serve as board members, including a non-executive chairperson and two non-executive members. IAAE will measure, monitor and evaluate the advisory boards impact on the business performance of these 20 CCBSA suppliers.



Coke bottler dedicates R3.9bn of procurement spend to black suppliers
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The CCBSA Skills Summit will be a two-day programme taking suppliers through various skills and business development topics. This will run at CCBSA offices in Gauteng, Durban, Port Elizabeth and Cape Town during the course of the year.

As an integral part of the 2020 Programme, the IAAE University will offer short 1-to-2 day courses designed to focus on developing just one key discipline at a time for entrepreneurs, in order to keep them engaged and not to keep them away from running their businesses for too long.

## Holistic economic inclusion

"Our approach to transformation isn't just a sideshow," Ratshefola says. "We approach inclusivity and economic development in a holistic way, which is reflected in our leadership team, made up of 78% black directors and 40% black female directors. By 2020, we aim to see 30% of the CCBSA business being transformed."



## Coca-Cola Beverages SA pilots 2L returnable PET plastic bottles

6 Feb 2020



A panel discussion hosted by Khumalo offered tips and insights from experts in major South African corporates and financers, including Accenture, Absa, Barloworld, Investec and the Department of Trade and Industry.

The day was concluded by presentations from Tshidi Masebe, founder of Masebe Farms and Sinelizwi Fakade, MD of Rocky Park Farming, both beneficiaries of the Mintirho Foundation, which falls within CCBSA's vehicle for the development of black farmers around South Africa.

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