

TEP launches B-BBEE Codes programme

The Tourism Enterprise Partnership (TEP) has launched an Enterprise and Supplier Development Solutions (ESDS) programme to assist corporates in the sector meet the new amended B-BBEE Codes of Good Practice and has announced a brand new partnership with The Maslow Hotel.



The new empowerment codes, which come into effect in May 2015, have made ownership, skills development, and enterprise and supplier development (ESD) priority elements that all measured entities will need to comply with for their scorecard. ESD alone will count for 40 points.

To assist the tourism industry in meeting the new standards, TEP has revised its existing Enterprise Development Portfolio (EDP), and now offers the ESDS programme, which allows corporates to comply with the Enterprise and Supplier Development element of the amended codes.

TEP's CE, Dr Salifou Siddo, explained: "Under the new B-BBEE Codes of Good Practice, measured entities will have to invest 3% of their profit after tax into providing support to black-owned SMMEs. SMMEs will need to be at least 51% black owned in order to qualify as ESD beneficiaries. Because ESD is a priority element, companies will have to comply with it in order to avoid being downgraded one level."

"At TEP, we realised that, in order to assist the industry to become compliant, we needed to expand our current database of more than 4000 tourism SMMEs to include small businesses that provide goods and services to the industry and that meet the requirements of the new codes."

The TEP database now includes small business operators in the following categories:

- Manufacturers of uniforms for the hospitality industry;
- Producers of poultry and eggs;

- Suppliers of dry goods in bulk quantities (e.g. cereals, sugar, tea, coffee);
- Producers of dairy products (e.g. cheese);
- Suppliers of fresh fruit and vegetables;
- Suppliers of paper napkins and serviettes;
- Suppliers of operating equipment (e.g. cutlery, crockery, cooking utensils, etcetera);
- Halaal catering;
- Carpet cleaning services; and
- Garden services.

The common denominator of these SMME service providers is that they are all at least 51% black owned. The database is a work in progress and TEP hopes to make it as comprehensive and responsive to the ESD requirements of the industry as possible.

The Maslow Hotel

The first enterprise to team up with TEP on this programme was the Maslow Hotel and the resultant partnership has demonstrated just how valuable the programme can be: TEP has secured three contracts with SME suppliers to the tourism industry for The Maslow Hotel.

The three small enterprises will benefit hugely from the new contracts and hope to grow their businesses significantly with this market access as well as further TEP training and mentoring.

The three 100% black-owned small businesses are: Gugu & Daughters Farming, which will provide fresh vegetables, fruit and herbs direct to the Malow's kitchen; Tassy's Caterers & Suppliers, which will provide snacks for the bar and entertainment areas of The Maslow; and ML Sebogodi Transport Projects, which will provide dry goods.

Johann Scheepers, GM of The Maslow Hotel, said: "From the outset, we have recognised that The Maslow's success and sustainability depends not only depends on our ability constantly to deliver premium services and facilities, but also on our ability to help build and maintain a sustainable community. We look forward to long and fruitful relationships with the SME."

There are several more partnership in the pipeline for TEP as well as existing clients converting their current status with the assistance of the new programme.

Siddo said that by elevating ESD to priority status, the amended BEE codes are set to bring fundamental change to the composition and management of business supply chains in South Africa and TEP, through its ESDS, will be at the forefront of assisting the tourism industry to comply with this element of the codes.

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