



East London IDZ

SMME Roadshow



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Transformation and Supplier Diversity

ELIDZ `s vision is to be a meaningful contributor towards the South African Government's objectives of furthering ***empowerment of previously disadvantaged individuals***, sustainably developing local industry and improving skills to support localization and industrialization objectives.

ELIDZs mission is to transform its supplier base by engaging in ***targeted Supplier Development initiatives to support localization and industrialization*** whilst providing meaningful opportunities for South Africans with particular emphasis on:

- **Youth**
 - **30% Black Women Owned Businesses**
 - **51% Black Owned Businesses**
 - **People with Disabilities**

This will be achieved through applying creative approaches to procurement and influencing strategic partners to enhance the capability, capacity and efficiency of local suppliers.

Business Opportunities within ELIDZ

Area and Service Required

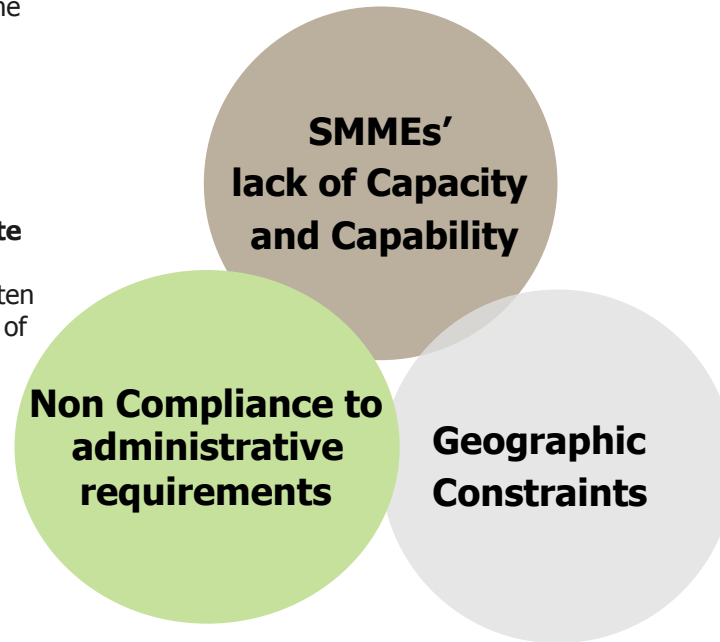
- **Construction** – Civil work and Building
- **Professional Services** – Legal, Consultants, Auditing etc
- **Engineering** – Installation and upgrades, New equipment,
- **Operations/maintenance** – Equipment,
Outsource service
Maintenance estate/zone
ICT infrastructure
- **Electrical Works** - Cabling, Installations
- **General** Training and Development,
Catering,
SHEQ
Office Furniture
Stationery
Communication
General consumables
Refreshments
Printing
ICT requirements

Opportunity

- Refurbishment of buildings, Plumbing, General repairs and Painting.
- Security, Repairs and Maintenance
- Provision of functional training
- Canteen and catering services
- Cleaning of Window
- Gardening and housekeeping services
- Various SHEQ services –Air monitoring, bush clearance, waste management, alien vegetation etc.
- Events management and coordination, Media monitoring, Advertising and printing
- Tea, coffee, sugar and milk
- Cleaning Materials
- ICT requirements

Greatest challenges with SMME's

- SMME's often do not have the pre-requisite **tax clearance certificates**
- SMME's often do not have the pre-requisite **BBBEE certificates**
- Lack of understanding the **RFP documents** and key requirements
- Some SMME's do not understand how to **complete tender documentation**
- Letter from accountant is often not provided in the absence of BEE certificates



Lack of skills & experience:

- Business management
- Financial management
- No capacity to deliver urgently and on big projects
- Cannot create value through volumes(Scale)

- Limited geographic reach:
- only regional and provincial reach
- Limited value creation due to such limitation

Enterprise Development Initiatives

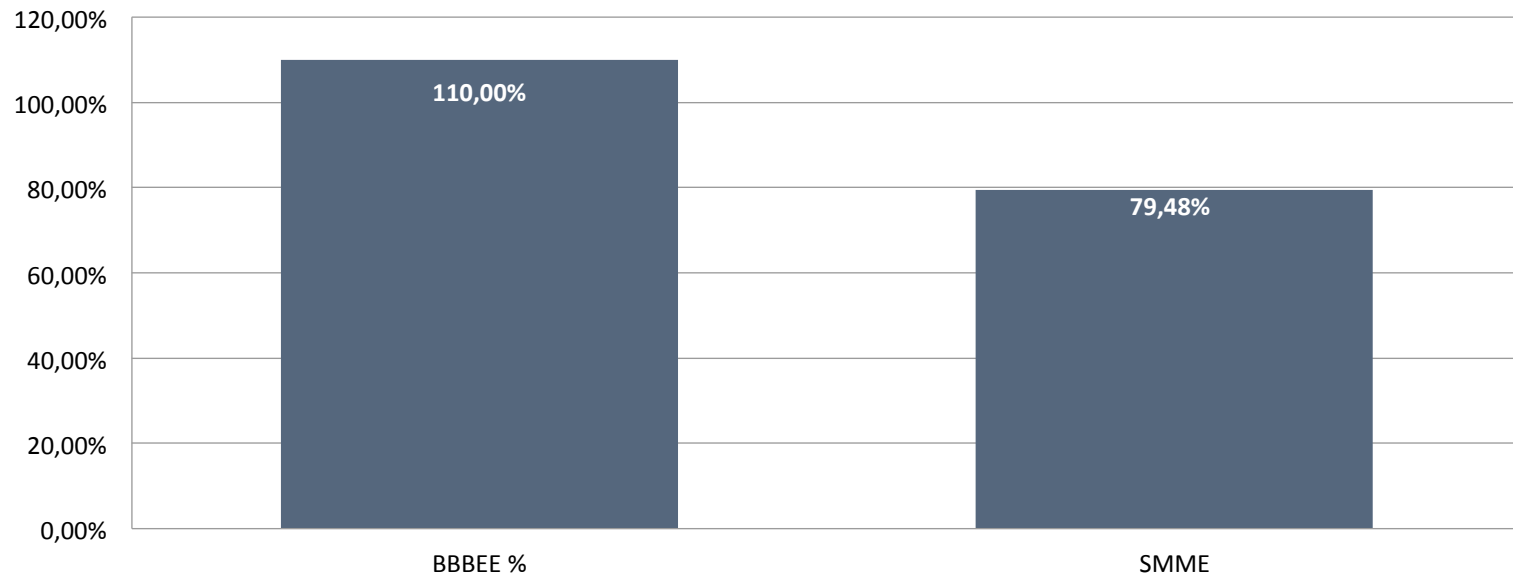
- Targeting of designated groups through sourcing of goods and service using Request for Quotation approach
- ELIDZ commits to pay SMMEs within seven to fourteen days from the day of receipt of valid/compliant invoice.
- ELIDZ will collaborate with Development Institutions such as ECDC, SEDA, BBBEE Commissioner, SARS, National Treasury (CSD) section, Shanduka Black Umbrellas and others on information sessions.
- ELIDZ often organise for SMMEs training and workshops through identify training needs of SMMEs

Enterprise Development Initiatives

- In Professional Consulting Service tenders in the Building Environment, the Project Manager, Architect/Principal Agent, and Quantity Surveyor are required to make provision in their pricing proposal for the employment of a minimum of at least one intern from designated groups for the duration of the project.
- Implementation of the 30% subcontracting requirement for project above R30 million
- Set aside of contracts for designated groups for sectors that are not transformed
- In the event contract is awarded the contract with value above R 2 000 000.00 for the same goods/services on a consecutive basis, the successful Bidder will be required to submit a Supplier development plan for SMMEs to be agreed with the ELIDZ.

The BBBEE targets and achievement for 2017/18

B-BBEE SPEND
April 2017 - March 2018



- The organisation has achieved its target for BBBEE and SMME Expenditure. ELIDZ is in the process of developing a BBBEE Improvement plan that will assist the organisation to improve on its BBBEE status.

The BBBEE targets and achievement for 2017/18

- **The ELIDZ has implemented its BBBEE Programme in awarding of major contracts. During the period, ELIDZ spent 79.48% on SMME procurements;**

THANK YOU