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ENTERPRISE &  
SUPPLIER DEVELOPMENT

*Sun* International | PROCUREMENT

[suninternational.com/corporate/procurement](http://suninternational.com/corporate/procurement)

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## Foreword

Small Businesses offer significant value to the economy, contributing 42% towards South Africa's Gross Domestic Product.

Small businesses with fewer than 50 employees contribute 68% of all employment in the country. The significance of this contribution to the economy is reflected in the National Development Plan's priority to increase small business's contribution to the economy to 90% by 2030.

Given these statistics there are significant opportunities for small businesses within our country as Entrepreneurs are recognised for their contribution to the economy of South Africa.

Small Businesses represent 98% of the firms in South Africa, but only have a 9% survival rate over a 10-year period. For this reason, the major emphasis of Enterprise and Supplier Development is the long term sustainability of these small businesses. We recognise that by enabling our Entrepreneurs we are enabling South Africa's future economic growth.

Enterprise and Supplier Development is one of the mechanisms through which large corporate companies are seeking to foster entrepreneurial and small business development.

**Sifiso Ndwandwe**  
Executive Director  
Catalyst for Growth  
[www.catalystforgrowth.org](http://www.catalystforgrowth.org)



# Broad-Based Black Economic Empowerment

Broad-Based Black Economic Empowerment (B-BBEE) aims to ensure that the economy is structured and transformed to enable the meaningful participation of the majority of its citizens and to further create capacity within the broader economic landscape at all levels through skills development, employment equity, socio economic development, preferential procurement, enterprise development, especially small and medium enterprises, promoting the entry of black entrepreneurs into the mainstream of economic activity, and the advancement of co-operatives. B-BBEE needs to be implemented in an effective and sustainable manner in order to unleash and harness the full potential of black people and to foster the objectives of a pro-employment developmental growth path.

[www.economic.gov.za](http://www.economic.gov.za)



## SMME Development

Government has prioritised entrepreneurship and the advancement of Small, Medium and Micro-sized Enterprises (SMMEs) as the catalyst to achieving economic growth and development. With the assistance of other government departments and institutions, the dti takes the lead in implementing SMME-related policies, to ensure that adequate financial and non-financial assistance is provided to the sector, for its long-term prosperity and that of the country as a whole.

[www.thedti.gov.za](http://www.thedti.gov.za)



# The National Development Plan 2030



South African Government

www.gov.za

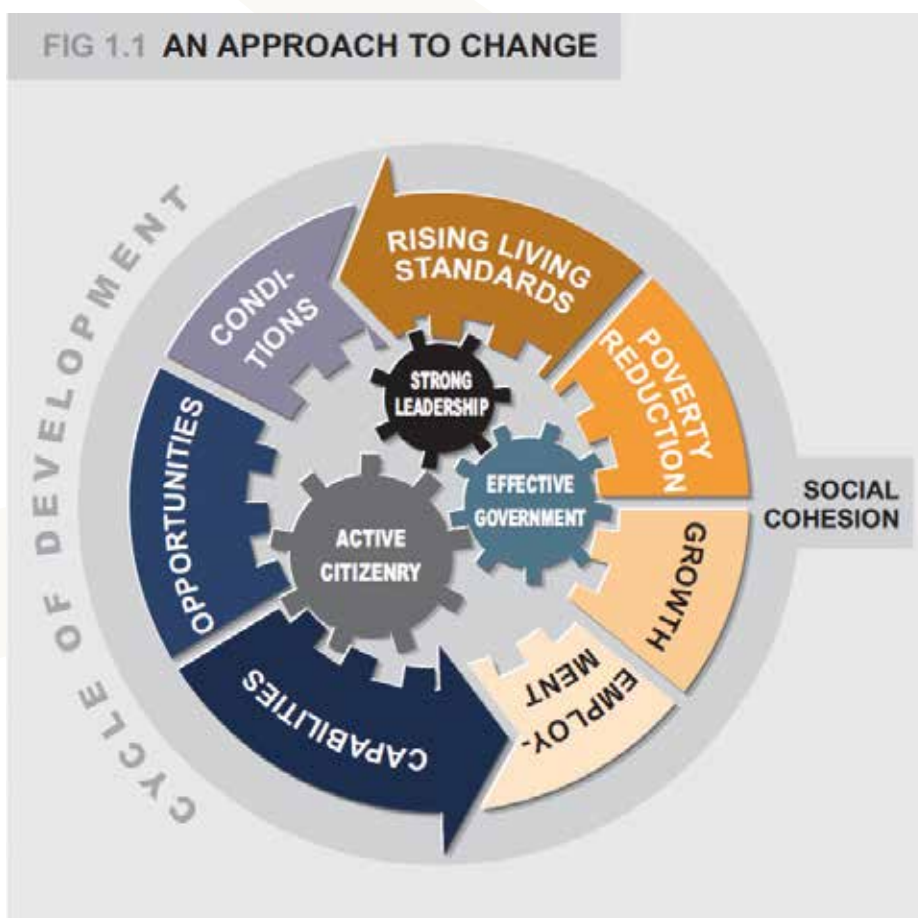
Together we move South Africa forward



The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.

The NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

The Sun International E&SD Program supports the objectives of the NDP.



# Sun International Enterprise & Supplier Development Policy

Sun International (SI) is committed to the transformation of the South African economy through the adoption of the Broad-Based Black Economic Empowerment (B-BBEE) framework.

The group believes that all South African business enterprises have an equal obligation to redress the imbalances of the past by facilitating constructive participation by Black South Africans at all levels within our economy.

It is this belief that drives our philosophy behind sustainable procurement practices related to Enterprise & Supplier Development (E&SD)

- ❁ All South African based properties will comply with the Broad-Based Black Economic empowerment Act, 2003 (Act 53 of 2003) and the relevant Codes of Good Practice (CoGP) issued under this Act
- ❁ All procurement activities will be conducted in an equitable, ethical and transparent manner and in accordance with the spirit of the Codes
- ❁ E&SD controls, systems and processes will align procurement activities to achieving these outcomes
  - ❁ Preference given to B-BBEE compliant, commercially competitive suppliers
  - ❁ Senior management authorization of new supplier requests
  - ❁ Ongoing compliance management of existing suppliers
- ❁ SI Seeks to partner with local suppliers who share a similar vision for the South African economy
  - ❁ Suppliers will be good corporate citizens, complying with the laws of the land
  - ❁ Suppliers will hold valid B-BBEE certification
  - ❁ Suppliers will be "Empowering", as defined in the CoGP
- ❁ SI will create shared value with local communities through the introduction of Black Owned business into the supply chain through consistent and structured application of ED and SD initiatives
- ❁ SI will demonstrate good corporate governance in relation to E&SD activities by
  - ❁ Responding in a confidential and non-discriminatory manner to all reports of unethical behavior (relates equally to SI and Supplier behavior)
  - ❁ Monitoring performance and compliance through the group B-BBEE Committee

  
G E Stephens  
Chief Executive

  
M V Mofsa  
Chairman



# Objectives of the Sun International E&SD Program

We have been fortunate to be recognized for our efforts to create a meaningful contribution to the development of previously disadvantaged SMMEs through a number of awards.

Through our E&SD programme, we identify and assist sustainable startup businesses at our various properties. Assistance is provided in many ways, be it capital facilitated at interest free rates and repayable over viable periods; managerial skills transfer; mentorship; financial expertise or rent free offices, and many other areas of assistance.

Invariably the business identified will begin work at one of the Sun International properties, providing a defined service, but as the business flourishes, the scope of expansion lies at other properties and outside the Sun International Group too.

The objective of the Enterprise Development programme is to create a solid business base for entrepreneurial people and in turn create further employment.

## The Sun International E&SD Program will

- ❁ support the introduction and development of Black Owned SMME businesses within its supply chain.
- ❁ offer consistent and structured application of E&SD projects
- ❁ focus on sustainability of the E&SD beneficiary organizations
- ❁ support the objectives of the National Development Plan 2030
- ❁ support strategic category management plans
- ❁ achieve meaningful value through effective use of E&SD funds

## Benefits of joining the Sun International E&SD Program

Beneficiaries within the Sun International E&SD Program will be assured of:

- ❁ A structured approach to the review & selection process
- ❁ Integrity and transparency in assessing applications
- ❁ A comprehensive implementation plan towards long term sustainability of the Beneficiary organization
- ❁ Business Development Services as part of the development plan
- ❁ Training and Skills Transfer opportunities
- ❁ Mentorship and coaching
- ❁ Monitoring & Evaluation against agreed business deliverables
- ❁ Opportunities for access to market within Sun International business units
- ❁ Extended business networking opportunities
- ❁ Inclusion in relevant Sun International supplier activities or events
- ❁ Exposure through endorsement by Sun International
- ❁ A minimum 3 year development agreement between the Parties
- ❁ A minimum 3 year supply agreement between the parties (Supplier Development only)



## Qualification for E&SD Assistance

As defined within the CoGP, an entity will qualify for E&SD support subject to meeting the following requirements:

- ❁ ≥ 51% Black owned EME with a valid B-BBEE Affidavit

- ❁ ≥ 51% Black owned QSE with a valid B-BBEE Affidavit

(Sun International requires the QSE beneficiary to meet the requirements of Empowering Status.)

In addition to these requirements, selected beneficiaries will

- ❁ Have been trading for a minimum of 2 years

- ❁ Provide a product or service directly related to the Sun International supply chain

- ❁ Demonstrate the ability to become sustainable within the contractual period

- ❁ Demonstrate capacity to repay all business loans within the contractual period

- ❁ Demonstrate capacity to promote job creation through efficient application of development assistance

Sun International will only enter into agreements with suppliers where

- ❁ a regular procurement opportunity exists for the duration of the contractual period

## Distinction between Enterprise Development (ED) and Supplier Development (SD) Beneficiaries

- ❁ In simple terms, an Enterprise Development (ED) Beneficiary would refer to the development of an entity (the Beneficiary) **NOT CURRENTLY AN ACTIVE SUPPLIER** to the Contributor

- ❁ A Supplier Development (SD) Beneficiary would refer to a Beneficiary who **IS CURRENTLY AN ACTIVE SUPPLIER** to the Contributor

## Recognised methods of business development assistance

In line with the amended Codes of Good Practice, the following are acceptable recognized forms of E&SD assistance, with the corresponding recognition factors.

<b>Grant and related contributions</b>	<b>Benefit factor</b>
Grant contribution	100%
Direct cost incurred in supporting Enterprise & Supplier Development	100%
Discounts in addition to normal business practices supporting ESD	100%
Overhead costs incurred in supporting Enterprise & Supplier Development (including people appointed in ESD)	70%
<b>Loans and related contributions</b>	
Interest-free loan with no security requirements supporting ESD	70%
Standard loan	50%
Guarantees provided on behalf of a beneficiary entity	3%
Lower interest rate supporting ESD	Prime - Actual
<b>Equity Investments and Related Contributions (Capital)</b>	
Minority Investment in ESD (less than 50%)	100%
ESD Investment with lower dividend to financier	
<b>Contributions made in the form of human resource capacity (Skills)</b>	
Professional Services rendered at no cost	60%
Professional services rendered at a discount	60%
Time of employees of measured Entity productively deployed in assisting beneficiaries	60%
<b>Other contributions (Cash flow)</b>	
Shorter payment periods for Supplier Development Beneficiaries	15% cap

# Sun International Supply Categories

## Casino & Gaming

Casino Equipment & Supplies  
Casino Equipment Services  
Consulting Services  
Other Consulting Services  
F&B Consulting Services  
Legal Services  
Auditing & Verification Services  
Environmental Services  
Waste Removal Services

## Fixtures, Fittings & Equipment

Art & mirrors  
Drapery & Fabrics  
Floor coverings  
Furniture  
Furniture & Fittings Installations Services  
Lighting & shades

## Food & Beverage

Beverage - Cold  
Beverage - Hot  
Food - Dry/Ambient  
Food - Frozen  
Food & Beverage Technical Services  
Industrial & Commercial Catering Services  
Tobacco

## HR Services

Learning & Development Services  
Medical & Wellness Services  
Payroll & Pension Services  
Recruitment & Labor Services  
Health & Safety Specialists

## IT Services & Supplies

Tele Comms systems & services  
Audio visual equipment & services  
IT Hardware  
IT Software  
IT Support & Maintenance Services  
IT Support & Maintenance Services

## Professional Service Providers

Grounds & Landscaping Equipment  
Laundry equipment and smalls  
Architecture  
Conference & Events Agents  
Construction & Civil Services  
Courier, Freight & Logistics Services  
Engineering Services  
Equipment Rental Services  
Financial Services  
Floral Supplies & Services  
Grounds & Landscaping Services  
Hygiene, Sanitation & Cleaning Chemical Supplies  
Hygiene, Sanitation, Cleaning & Pest Control Services  
Interior Design  
Kitchen Design Consulting  
Laundry Services  
Project Management  
Quantity Surveyors  
Regulatory & Licensing  
Security Equipment, Systems & Access Control  
Security Services

## Logistics

Warehousing & Storage Services  
Maintenance Supplies & Services  
Heating, Ventilation and Air Conditioning (HVAC)  
Display & Signage Equipment  
Fire Equipment  
Fire Systems  
Fuel, Gas & Oil  
General Maintenance Services  
Maintenance & Hardware Supplies  
Mechanical equipment & supplies  
Motorised vehicles & supplies  
Plumbing supplies  
Property & Facilities Management Services  
Vehicle Maintenance Services  
Vehicle Purchase & Lease Services

## Marketing Services

Retail, gifting and promotional items  
Creative & Media Agencies  
Entertainment & Hosting Services  
Event Ticketing Agents  
Events & Artist Services  
Public Relations Services

## Operating Equipment & Supplies

Beds, Cots & Mattresses  
Chef's Uniforms  
Crockery, Cutlery, Glassware  
Electrical equipment & supplies  
Guest amenities & supplies  
Gym & spa equipment & supplies  
High Pressure Equipment  
Hollowware & Buffetware Equipment  
Hotel Room equipment  
Housekeeping Equipment  
Kids equipment  
Kitchen and bar smalls  
Kitchen equipment  
Linen & Toweling Products  
Medical Equipment & Supplies  
Office Printing & Stationery Supplies  
Paper & packaging supplies  
Protective clothing (PPE)  
Trolleys & Carts  
Uniform & Clothing Supplies

## Travel Services

Accommodation Services  
Air Travel Services  
Car Hire Services  
Travel & Tour Operators/Agents

# Registration to the Sun International Supplier Database

The primary focus of our procurement function is to create and maintain an efficient and equitable supply chain aligned to business imperatives.

At the same time, and in support of the group's Vision, our supply chain seeks to create genuine value for the communities in which we exist.

It is this vision that drives our philosophy behind sustainable procurement practices.

To this end, Sun International seeks to partner with qualifying suppliers who share a similar vision for South Africa, and who will support us in meeting these objectives.

We invite such suppliers who believe that they have a relevant product or service offering to register as a potential supplier to our group, and to apply for entry to the E&SD Program.

Whilst sourcing within the group remains a commercial process, our commitment to the transformation of the South African economy through the adoption of the B-BBEE Framework supports opportunities for participation of Black South African SMME enterprises within our supply chain.



Preference will be given to commercially competitive suppliers who demonstrate optimum Sun International B-BBEE compliance.



Potential suppliers to our group are required to register on our Supplier Database for inclusion in any sourcing opportunity.

[suninternational.com/corporate/procurement](https://suninternational.com/corporate/procurement)

It is important that suppliers complete the process in full, and maintain a current and relevant profile.

## **Supporting documentation required for on-boarding:**

- ❁ Company Registration document (ID document in the case of individuals)
- ❁ A Valid B-BBEE certificate (South African entities only)
- ❁ Tax Clearance Certificate (South African entities only)
- ❁ Compliance to legislation relevant to your sector
- ❁ Gaming Board registration if applicable

Once you have successfully registered onto our database, your organisation's profile will be immediately available to the group for inclusion in sourcing processes.

Whilst you are welcome to contact our properties directly, please be reminded that listing on the potential supplier database does not guarantee any business with the group.

We do, however, commit to offering your organization an opportunity to compete for business wherever a suitable opportunity exists, and where your organization meets the unique requirements of that opportunity.

# Application, Review and Approval of E&SD Applications

The application review process ensures a consistent and comprehensive approach to assessing the suitability and viability of all applications.

- ❁ Applications will be submitted via [www.suninternational.com/corporate/procurement](http://www.suninternational.com/corporate/procurement)
- ❁ An initial review of applications against qualifying requirements will be conducted
- ❁ Successful applicants will be requested to submit a detailed business proposal with supporting documentation
- ❁ A review of the business plan will be conducted to determine the feasibility of the project
- ❁ Due diligence will then be conducted on successful applicants
- ❁ Dependent on the outcome of the due diligence, applicants will be invited to present their business proposal to the relevant E&SD Committee
- ❁ The E&SD Committee will award or reject the proposal at this stage
- ❁ In the interests of business development, Sun International will at its own discretion share constructive feedback with applicants where a proposal has been rejected
- ❁ A detailed E&SD contract and structured business development plan will be entered into between Sun International and the successful applicant
- ❁ Third part expertise and formal Business Development Support Services (BDS) may be introduced as required, including mentorship and coaching
- ❁ Formal business deliverables and measurables will be agreed between the parties, intended to ensure sustainability of the beneficiary entity

## Commitment of Integrity

The Sun International E&SD program aims to ensure that the E&SD initiatives within Sun International will be conducted in an equitable and transparent manner.

Should you feel that any one of our properties has not lived up to this commitment, please email [procurement@suninternational.com](mailto:procurement@suninternational.com) or alternatively report your concern to our ethics hotline on 0800 11 53 54



# GROWING OUR ECONOMY BY GIVING OPPORTUNITIES TO SMALL BUSINESSES

As part of Sun International's commitment to transforming the South African economy, we partner with small businesses and entrepreneurs to provide services across our business.

