

GLOBAL LINK CAFFOLDING

Support of SMME Policy

1. Objectives

The objective of this policy is to establish a structured strategy in order to support small and/or medium enterprises

2. Definitions

2.1. Global Link recognizes that an **“Historically Disadvantaged Individual”** (HDI) is a South African Citizen who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act 110 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993) (“the Interim Constitution”); and/or who is female; and/or disabled, however, it should be noted that a person who obtained a South African citizenship on or after the coming into effect of the Interim Constitution, is deemed not to be an HDI.

2.2. Global Link regards a **Priority Population Group** (PPG) as HDIs who fall into population groups that were not offered a franchise in the national elections before or after the introduction of the 1984 tri-cameral parliamentary system and who only received a franchise during 1994.

2.3. **“Set Asides”**, for purposes of Black Economic Empowerment (BEE) is defined as a mechanism developed by Global Link that ensures that the procurement of goods and services is strictly reserved for PPGs. At the commencement of Global Links BEE policy, the value of the set asides has been set at R150 000. In keeping with the market trends and good practice, the Rand value of the “set asides” category will be reviewed from time to time.

3. Proposed focus areas

Procurement of goods and services by Global Link

3.1 One of the objectives of the SMME policy is to increase the procurement of goods and services by Global Link from HDI companies or companies in which HDIs have an interest, through the use of the scorecard approach.

3.2 In respect of discretionary procurement of goods and services, Global Links goal is such that a minimum of 65% of the total amount of these purchases should be conducted through HDI companies or companies that HDIs have an interest in.

3.3 In support of increased procurement by HDI companies or companies in which HDIs have an interest, Global Link will seek to expand its supplier development programs to ensure that such enterprises are created and are able to meet the requirements of purchasers in all sectors of the industry.

3.4 Global Link will also negotiate with other parastatals and public entities in order to access their respective databases pertaining to HDI companies and companies in which HDIs have an interest. In this way, experienced suppliers will be identified and where appropriate added to Global Links database.

3.5 Global Link will have ‘set asides’ for BEE purposes, which will be all procurement of goods and services that are valued at R 150 000 and below, in favour of PPG’s.

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3.6 Certain contracts will be sub-divided so as to make the entry point for HDI companies more readily accessible.

3.7 Global Link may creatively negotiate its procurement conditions and procedures where necessary to allow for businesses from HDIs to conduct business with it.

4 Provision of finance to SMME's

4.1 Preference will be given to HDIs that are actively managing and controlling the company as Global Link believes that operational involvement is equivalent to skills transfer.

4.2 Global Link will use innovative marketing methods in order to highlight its improved approach, which will be driven by a more concerted effort by Global Link marketers to attract PPG's.

