

B-BBEE, YOUR COMPANY AND MES

INTRODUCTION

As MES we believe the Broad-Based Black Economic Empowerment (B-BBEE) strategy can be beneficial in addressing some of the social inequality and injustice in the country. The concern on many levels, however, is that the B-BBEE initiatives in many cases have benefited only a small number of selected beneficiaries. At MES we believe that for B-BBEE initiatives to be really broad-based, the role of the non-profit community based organisations should be more active and engaging to develop a more sustainable and socially just society.

MES offers companies valuable and meaningful solutions when partnering with us.

Whether companies seek to do more with their corporate social investment budget or need to get more benefits from what is spent on skills development or enterprise development, procurement and supplier development, MES provides reliable and valuable solutions across the board.

MES can offer companies valuable solutions providing them with much needed B-BBEE points. Companies will be able to build a favourable B-BBEE scorecard, plan ahead, and access markets and tender opportunities enabled by an improved scorecard.

A Section 18A Tax Certificate from MES can be provided as proof that you paid a bona fide donation or a letter of receipt for those contributions which do not qualify for a Section 18A Certificate.

BY PARTNERING WITH MES, COMPANIES CAN IMPROVE THEIR B-BBEE SCORECARD ON:

Socio-Economic Development - Receive maximum points from your contribution on this element. We have a minimum of 75% black qualifying South African beneficiaries and will earn you full recognition on your contribution. We are a registered NPO and qualifying SED recipient.

Enterprise Development - We have a number of black owned start-up and existing enterprises that can benefit from your investment with the objective of contributing to the development, sustainability and financial and operational independence of those enterprises. MES also qualifies as a Black Owned Level 1 Enterprise, thus affording ED points. Investing in our black owned beneficial enterprises could earn your company maximum points on the Enterprise Development Scorecard.

Procurement - MES is a Level 1 B-BBEE Qualifying Small Enterprise with a 135% procurement recognition thus adding value to Preferential Procurement scores. Companies that have made use of any of the services MES offer can allocate their subsequent spend towards MES onto the Preferential Procurement indicator under Enterprise and Supplier Development.

Supplier Development – MES has several value adding black owned supplier enterprises that can benefit from investment with the objective of contributing to the development, sustainability and financial and operational independence of those suppliers. Investing into our black owned beneficial enterprises and utilizing them as a supplier could earn your company maximum points on the Supplier Development Scorecard.

Skills Development – Companies are expected to allocate skills development expenditure on learning programmes towards black unemployed or employed people. MES serves hundreds of unemployed black South African individuals that can benefit from skills development either in the form of company grants, bursaries or the participation into company funded learning programmes. These learning programmes should be executed in line with each specific industry sector.

Ownership – MES offers black ownership options to companies looking for shared ownership options, either through MES as Level 1 B-BBEE contributor NPC or through our Khula Trust, which is deemed a black entity through MES (and thus our clients) as its sole beneficiary. MES Khula Sustainability Trust is an initiative that is not a hand-out, but an investment partnership with private enterprises to ensure the long term sustainability of the organisation to the benefit of our clients. The trust has already raised some funds and is looking for investment opportunities into listed and non-listed shares.

As MES we can be a valuable resource for companies that want to see social change in their communities. The fact that B-BBEE compliance is a consideration, is really an added benefit and need not be the defining premises of a partnership with MES. We therefore invite interested companies to partner and engage with us on social transformation and in so doing to "change the heart of the city!".

For assistance with your B-BBEE spend at MES contact leona@mes.org.za or edgar@mes.org.za.

