

Black Umbrellas

Developing Africa's Future
Black Businesses Together



ENTERPRISE & SUPPLIER DEVELOPMENT HANDBOOK



*“We are here to turn big dreams into reality.
To empower the small business into big business.
To build the country of our dreams.
To create jobs and grow
a land of opportunity for all.
We are the power of positive change.
We are Black Umbrellas.”*

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INTRODUCTION:

The success of enterprise and supplier development (ESD) lies in nurturing, supporting and developing black owned businesses and entrepreneurs. Without assistance as many as 70% of small, medium and micro enterprises (SMMEs) in South Africa fail in their first two years of existence. In order to ensure sustainability, these businesses need the support and guidance of a knowledgeable, established and well-connected ESD organisation such as Black Umbrellas and meaningful access to procurement opportunities.

Black Umbrellas has a proven track record as an ESD specialist. By helping to build successful 100% Black-Owned businesses in our 9 incubators and listing over 9 520 verified 100% Black-Owned businesses on Blackpages, our online procurement and skills development portal, we have cemented our position as your enterprise and supplier development partner of choice.

“Black Umbrellas is developing black SMMEs at the right time when the country needs to create jobs, to employ people, and to get the economy running.”

General Manager, Inland Operations

Collaboration has been key to our success. By partnering with the private sector, government and civil society we have shown that enterprise and supplier development can be a transformative tool to build a resilient South African economy that creates a sustainable economy for all.

This handbook outlines the opportunities in enterprise and supplier development afforded by the 2013 B-BBEE Codes of Good Practice and how as a black entrepreneur, mentor, donor or procurement professional you can benefit by partnering with Black Umbrellas.

WHO WE ARE:

BLACK UMBRELLAS:

We are a non-profit enterprise development incubation organisation. Our goal is to increase the levels of black entrepreneurship and to equip black entrepreneurs with the skills and training to make their 100% Black-Owned businesses an integral part of the South African economy. Ultimately, Black Umbrellas aims to increase the rate of economic participation and innovation in South Africa through the creation of 100% black owned small businesses that will create local jobs and add value to the economy.

BLACKPAGES:

Blackpages is an online enterprise and supplier development portal which connects 100% black-owned SMMEs with corporate buyers, effectively giving them a national presence. This provides procurement professionals with an easily navigable online tool that searches, filters and locates approved suppliers on our database. Blackpages also provides meaningful enterprise and supplier development assistance to our members via online learning, mentoring and financing platforms.

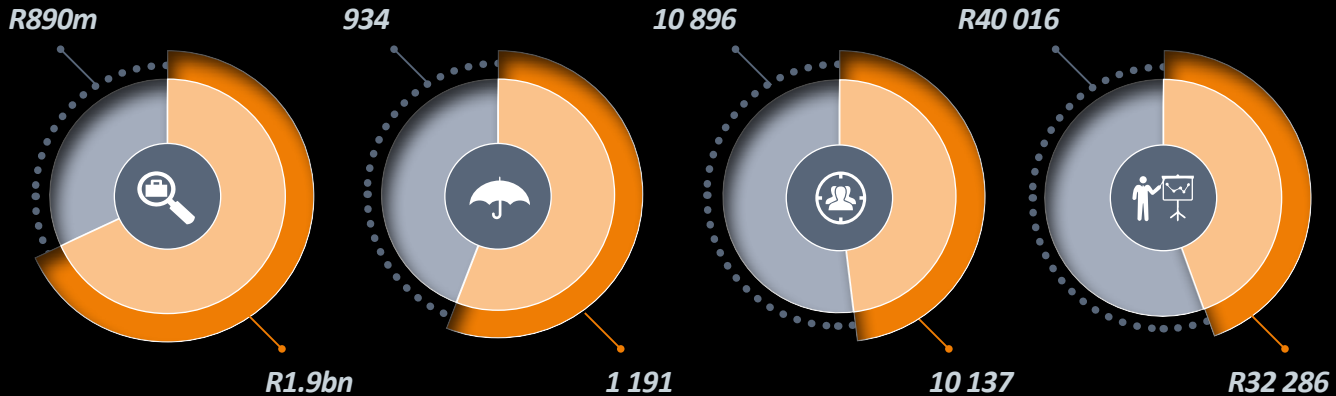
*“Black Umbrellas has made us who we are today. It’s more than the computers and the offices;
it’s also an environment where you meet people, people who will encourage you to go for what you want.”*

Mangaliso Zondo, Black Umbrellas graduate and
Owner of Indalo Architecture and Design



OUR POWER MILESTONES:

Over the last two years Black Umbrellas has had a remarkable impact on the development of 100% black-owned businesses in South Africa

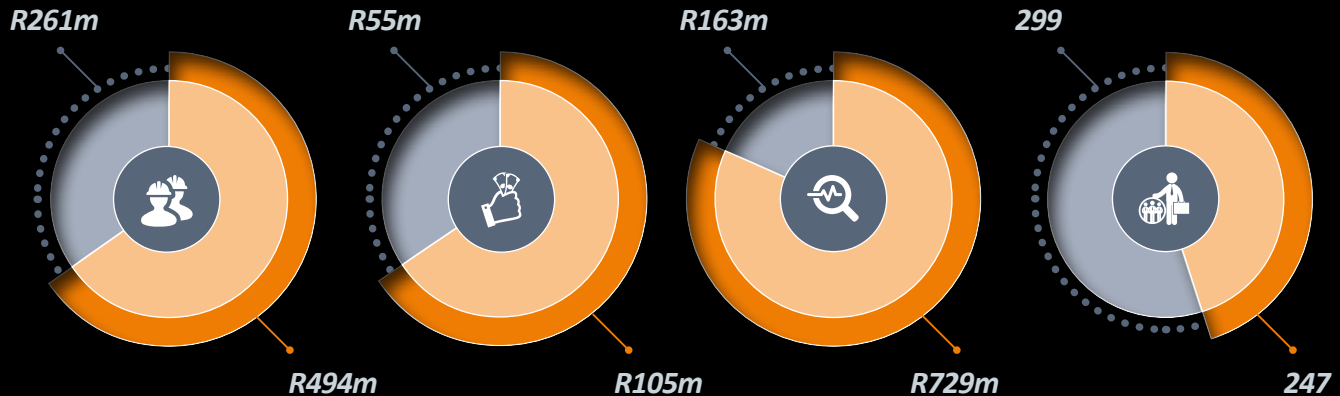


Turnover generated

Total number of SMEs Incubated since Inception

Total Jobs created and preserved

Average Cost per Job



Salaries Paid

Tax Paid By SMEs

Net Asset Value

Clients in Incubation

■ 2016 ■ 17

CYRIL RAMAPHOSA FOUNDATION:

ABOUT OUR COLLABORATION:

The Cyril Ramaphosa Foundation is an independent non-profit organisation that improves lives and creates opportunities through education and enterprise development.

Formerly known as the Shanduka Foundation, it was established in 2004 by Shanduka Group and its founder Cyril Ramaphosa.

Black Umbrellas was first conceived as the Black Umbrellas, a project spearheaded by Cape Town social entrepreneurs Charles Maisel and Mark Frankel to support SMMEs. In 2009 the Shanduka Foundation partnered with Black Umbrellas to scale up the project countrywide; and Shanduka Black Umbrellas was born.

In 2015 Shanduka Foundation changed its name to Cyril Ramaphosa Foundation and became an independent organisation that continued to fulfil its mandate outside of the merged company.

The Cyril Ramaphosa Foundation will continue into the next decade to transform the South African economic, educational and social landscape through:

- Adopt-a-School Foundation – mobilising companies and individuals to support disadvantaged schools
- Kagiso Trust – a new model for collaboration in school development
- Cyril Ramaphosa Education Trust – bursaries for disadvantaged students
- Experiential Work Programme – providing internships and work opportunities to select graduates
- Black Umbrellas – developing South Africa’s future black businesses

Thanks to the ongoing support of many partners in business, government and civil society, the Cyril Ramaphosa Foundation is making a significant impact on the lives of many South Africans.

From building schools to supporting black entrepreneurs, from making university study possible for disadvantaged students to providing work experience for young graduates, the Cyril Ramaphosa Foundation strives to develop South Africa’s human potential.



HOW WE WORK:

Our programme focuses on promoting entrepreneurship as a route to achieving economic freedom and providing 100% black-owned businesses with the support they need to become successful and sustainable.

THIS IS ACHIEVED BY:

- Promoting entrepreneurship as a desirable career choice by profiling Black Umbrellas clients, Black Pages members and other entrepreneurs through media, networking and public relations activities;
- Nurturing qualifying 100% black-owned businesses by providing incubators with office infrastructure, professional services and a structured mentorship and training programme at highly subsidised rates;
- Creating employment opportunities by recruiting and supporting those businesses which have the potential to each generate at least four jobs;
- Enabling procurement opportunities for emerging 100% black owned businesses through Black Pages;
- Assisting Black Umbrellas and Black Pages businesses that are finance ready to access funding through third-party service providers;
- Growing the knowledge and quality of our service offering by accurately measuring, monitoring and reporting on all we do.

*“If it wasn’t for Black Umbrellas, we wouldn’t be here now. It gave us a lot of skills in running the business and it has really empowered us. We are three and a half years in business now, because of Black Umbrellas.
If it wasn’t for them, I don’t think we would be here.”*

Charlotte Tshabalala, Client, Nkamulo Technologies

ENTERPRISE AND SUPPLIER DEVELOPMENT:

WHAT IS ENTERPRISE AND SUPPLIER DEVELOPMENT?

The Enterprise and Supplier Development Element, as set out in Code Series 400 of the 2013 B-BBEE Codes of Good Practice, measures the extent to which Enterprises buy goods and services from suppliers with strong B-BBEE procurement recognition levels and who are Empowering Suppliers, and the extent to which Enterprises carry out initiatives intended to assist and accelerate the development and sustainability of black owned enterprises.

Measured Entities are encouraged to align their enterprise and supplier development initiatives with their supply chain requirements thereby linking Enterprise and Supplier Development with Preferential Procurement.

There are a number of elements of the Enterprise and Supplier Development requirements which need to be complied with:

EMPOWERING SUPPLIERS:

In terms of Code Series 400 of the 2013 B-BBEE Codes of Good Practice, procurement may only be recognised for scorecard purposes if such procurement is made from an Empowering Supplier.

An Empowering Supplier is a B-BBEE compliant entity and a good South African citizen. It complies with all regulatory requirements of the country and meets at least three, if it is a Large Enterprise, or one, if it is a Qualifying Small Enterprise (QSE), of the following criteria:

ENTERPRISE AND SUPPLIER DEVELOPMENT:

- (A) At least 25% of cost of sales excluding labour cost and depreciation must be procured from local producers or local suppliers in South Africa, for service industries labour costs are included but capped at 15%;
- (B) Jobs created – 50% of the jobs created are for Black people provided that the number of Black employees, since the immediate prior verified B-BBEE measurement, is maintained;
- (C) At least 25% transformation of raw material/beneficiation which includes local manufacturing, production and/or assembly and/or packaging;
- (D) Skills transfer – at least 12 days per annum are spent on productivity deployed on assisting Black EME or QSE beneficiaries to increase their operational or financial capacity.

Exempt Micro Enterprises (EMEs) and Start Ups are automatically recognised as Empowering Suppliers.

HOW CAN BLACK UMBRELLAS ASSIST?

In sourcing businesses for the provision of procurement opportunities, the majority of Black Umbrellas and Black Pages businesses are EMEs (turnover less than R10 million per annum) and would be Empowering Suppliers for scorecard purposes.

Black Umbrellas and Black Pages can assist QSEs and Large Enterprises in meeting the requirements to become an Empowering Supplier through the mentoring programme in its incubators and the GROW online mentoring portal on Black Pages. All mentoring activities are recorded and accumulated as evidence of the 12 days required to be spent in assisting Black EME or QSE beneficiaries to increase their operational or financial capacity.

Please refer to the Mentor section for further details.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

PROCUREMENT TARGETS:

The procurement scorecard per the 2013 B-BBEE Codes of Good Practice has been substantially revised, as follows:

LARGE ENTERPRISE: (ANNUAL TURNOVER GREATER THAN R50 MILLION)

PREFERENTIAL PROCUREMENT			
CATEGORY	INDICATOR	SCORECARD POINTS AVAILABLE	TARGET
All Empowering Suppliers	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	5 points (previously 12)	80% of Total Measured Procurement Spend (previously 70%)
Empowering QSEs	B-BBEE Procurement Spend from Empowering QSEs based on the B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	3 points (previously 3 for QSEs and EMS)	15% of Total Measured Procurement Spend (previously 15% for QSEs and EMEs)
EMEs	B-BBEE Procurement Spend from EMEs based on the B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	4 points (previously 3 for QSEs and EMS)	15% of Total Measured Procurement Spend (previously 15% for QSEs and EMEs)
51% Black owned Empowering suppliers	B-BBEE Procurement Spend from Empowering suppliers that are at least 51% black owned based on the applicable B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	9 points (previously 3)	40% of Total Measured Procurement Spend (previously 12%)
30% Black women owned Empowering suppliers	B-BBEE Procurement Spend from Empowering suppliers that are at least 30% black women owned based on the applicable B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	4 points (previously 2)	12% of Total Measured Procurement Spend (previously 8%)
BONUS POINTS AVAILABLE			
	B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% black owned	2 points	2% of Total Measured Procurement Spend

A Large Enterprise must achieve a minimum of 40% of the targets set, failing which the B-BBEE rating will be discounted by one level.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

QUALIFYING SMALL ENTERPRISE: (ANNUAL TURNOVER BETWEEN R10 MILLION AND R50 MILLION)

PREFERENTIAL PROCUREMENT			
CATEGORY	INDICATOR	SCORECARD POINTS AVAILABLE	TARGET
All Empowering Suppliers	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	15 points (previously 25)	60% of Total Measured Procurement Spend (previously 50%)
51% Black owned Empowering suppliers	B-BBEE Procurement Spend from Empowering suppliers that are at least 51% black owned based on the applicable B-BBEE Procurement Recognition Levels as a % of Total Measured Procurement Spend	5 points (previously Nil)	15% of Total Measured Procurement Spend (previously Nil)

If a QSE chooses to comply with the minimum threshold requirements for the Enterprise and Supplier Development Element rather than the Skills Development Element, a minimum of 40% of the targets set must be achieved, failing which the BEE rating will be discounted by one level.

HOW CAN BLACK UMBRELLAS ASSIST?

Many companies experience difficulty in sourcing quality black owned businesses from which they may procure in order to meet the required procurement targets. Black Umbrellas, with over 300 100% black owned businesses in its incubators, and Black Pages, with over 9,000 100% black owned businesses as members listed on the online enterprise and supplier development portal, provide a meaningful source of possible suppliers which can assist in meeting scorecard targets.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

As over 33% of Black Umbrellas and Black Pages businesses are black women owned, that provides an effective solution to Large Enterprises to meet at least 17 (EMEs, 51% Black owned Empowering suppliers and 30% Black women owned Empowering suppliers) out of the 25 points available for procurement on the scorecard, as well as contributing towards the remaining eight points available. For QSEs, Black Umbrellas can assist meaningfully in sourcing businesses to meet required scorecard requirements.

In addition, the recognisable B-BBEE Procurement Spend that can be attributed to a Supplier is multiplied by a factor of 1.2 where the supplier is:

- A recipient of supplier development contributions from a Measured Entity under Code Series 400 and has a minimum 3 year contract with the Measured Entity;
- A black owned QSE or EME which is not a supplier development beneficiary but that has a minimum 3 year contract with the Measured Entity;
- A first time supplier to the Measured Entity.

Black Umbrellas can assist in developing existing 100% black owned EMEs and QSEs within a Measured Entity's supply chain so that they may be provided with greater procurement opportunities and increase the percentage of Total Measured Procurement Spend procured from these companies.

The benefit in considering 100% black owned EMEs and QSEs for procurement opportunities is that these entities have a B-BBEE status of Level One Contributor with a B-BBEE procurement recognition of 135%.

In meeting the amended procurement targets for 51% Black owned Empowering Suppliers, if all of these were 100% black owned EMEs or QSEs a Measured Entity would only be required to spend 30% of its Measured Procurement Spend in this category as opposed to 40%.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

It is strongly suggested that each 100% Black-Owned business provided with procurement opportunities within a Measured Entity's supply chain be supported in an Enterprise and Supplier Development Programme with Black Umbrellas as this:

- Significantly mitigates the perceived risks in procuring from small businesses;
- Ensures all Enterprise and Supplier Development requirements in terms of the amendments to the B-BBEE Codes of Good Practice are complied with; and
- Enables enhanced procurement scorecard benefits.

If the Measured Entity procured from a 100% Black-Owned EME or QSE which was a first time supplier or provided with a minimum 3 year contract, it could claim $135\% \times 120\% = 162\%$ of the spend for scorecard purposes.

“Empowering black businesses, particularly your small-medium enterprises, is absolutely essential if we are going to transform and grow the economy of our country.”

Chairperson of the Cyril Ramaphosa Foundation



ENTERPRISE AND SUPPLIER DEVELOPMENT:

ENTERPRISE DEVELOPMENT:

The changes to the B-BEE Codes of Good Practice have introduced the concept of Supplier Development in addition to Enterprise Development. Companies are still required to make Enterprise Development Contributions and activities which previously met the scorecard requirements will continue to do so but the scorecard points available for these contributions have been reduced.

THE REVISED SCORECARD FOR ENTERPRISE DEVELOPMENT IS AS FOLLOWS:

ENTERPRISE DEVELOPMENT		
INDICATOR	SCORECARD POINTS AVAILABLE	TARGET
LARGE ENTERPRISES: Annual value of all Enterprise Development contributions made by the Measured Entity as a percentage of the target	10 points (previously 15)	2% of NPAT (previously 3% of NPAT)
QSES: Annual value of all Enterprise Development contributions made by the Measured Entity as a percentage of the target	5 points (previously 25)	1% of NPAT (previously 2% of NPAT)

The concept of Category A beneficiaries (EMEs or QSEs which are more than 50% black owned) where contributions may be recognised at a factor of 1.25 has been discontinued and an Enterprise Development Beneficiary now needs to be a minimum 51% black owned or black woman owned EME or QSE to qualify as an Enterprise Development beneficiary.

Under the amendments to the B-BEE Codes of Good Practice, a Measured Entity must achieve a minimum of 40% of the target number of points set for Enterprise Development.

If the Measured Entity is a large entity and fails to achieve this threshold, the entity's BEE status level will be discounted by one level. If a QSE chooses to comply with the minimum threshold requirements of the Enterprise and Supplier Development Element rather than the Skills Development Element the discounting rule applies.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

SUPPLIER DEVELOPMENT:

A Qualifying Local Supplier Development Beneficiary is defined as any existing or new entity that qualifies as an Enterprise Development Beneficiary or is at least 51% Black-Owned and receives Local Supplier Development support, in accordance with Statement 400, from the Measured Entity.

Measured Entities receive points on the Enterprise and Supplier Development scorecard only if they have fulfilled the requirement to demonstrate that they have developed an Enterprise and Supplier Development plan for Qualifying Beneficiaries.

This plan should include:

- Clear objectives;
- Priority interventions;
- Key performance indicators;
- A concise implementation plan with clearly articulated milestones.

Under the amendments to the B-BEE Codes of Good Practice, a Measured Entity must achieve a minimum of 40% of the target number of points set for Supplier Development. If the Measured Entity is a Large Enterprise and fails to achieve this threshold, the entity's B-BBEE status level will be discounted by one level. If a QSE chooses to comply with the minimum threshold requirements of the Enterprise and Supplier Development Element rather than the Skills Development Element the discounting rule applies.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

THE SCORECARD FOR SUPPLIER DEVELOPMENT IS AS FOLLOWS:

SUPPLIER DEVELOPMENT		
INDICATOR	SCORECARD POINTS AVAILABLE	TARGET
<p>LARGE ENTERPRISES: Annual value of all Supplier Development contributions made by the Measured Entity as a percentage of the target</p>	10 points (previously nil)	2% of NPAT (previously nil)
BONUS POINTS AVAILABLE		
Bonus point for graduation of one or more Enterprise Development beneficiaries to the Supplier Development level.	1 point	None
Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured Entity	1 point	None
<p>QSEs: Annual value of all Supplier Development contributions made by the Measured Entity as a percentage of the target</p>	5 points (previously Nil)	1% of NPAT (previously Nil)

HOW CAN BLACK UMBRELLAS ASSIST?

In terms of the Code Series 400, Statement 400, of the 2013 B-BEE Codes of Good Practice, Black Umbrellas may conduct Enterprise and Supplier Development on behalf of a Measured Entity as follows:

- Per clause 9.1.23 Enterprise and Supplier Development Contributions include payments made by the Measured Entity to suitably qualified and experienced third parties to perform Enterprise and Supplier Development on the Measured Entity's behalf.
- Per clause Annexe 400(B), the Benefit Factor Matrix, 100% of Grant Contributions may be claimed as an Enterprise and Supplier Development Contribution.

ENTERPRISE AND SUPPLIER DEVELOPMENT:

100% of grants made to Black Umbrellas as a third party performing Enterprise and Supplier Development on behalf of the Measured Entity may be claimed as an Enterprise Development or Supplier Development Contribution as applicable.

The Black Umbrellas Enterprise and Supplier Development solution will ensure the risk to a Measured Entity in bringing new suppliers into their supply chain or further developing existing suppliers already within their supply chain will be minimised via the systems and processes already operating within the Black Umbrellas programme, namely:

- Working with procurement and supply chain personnel to identify supplier development opportunities;
- Sourcing qualifying Enterprise and Supplier Development (ESD) Beneficiaries;
- Providing a holistic development programme to ESD beneficiaries and enabling them to become sustainable, generate employment and contribute to the South African economy;
- Developing and implementing meaningful and effective ESD programmes;
- Capacitating corporate partners with the necessary supplier development skills, resources and tools;
- Effectively monitoring and evaluating all activities to ensure compliance with the B-BBEE Codes of Good Practice.

There are several ways in which you and your company are able to partner with Black Umbrellas and Black Pages as part of your ESD programme; either as a client, mentor or donor.

HOW CAN YOU GET INVOLVED?

100% BLACK-OWNED BUSINESSES:

DEVELOPING SOUTH AFRICA'S FUTURE BLACK BUSINESS

If you are a black entrepreneur and have a business model which will achieve the following objectives within three years and the drive to make it happen, apply to join Black Umbrellas today:

- Employ at least 4 people on a full time basis;
- Generate sufficient cash to pay the business owners and employees a reasonable salary;
- Generate sufficient turnover and revenue to cover the market related expenses incurred in operating the business and generate an annual profit at least equal to the owner's salary;
- Show positive year-on-year growth in sales;
- Generate a positive net asset value.

As every successful entrepreneur will tell you, success does not come easily. It takes hard work, commitment and a willingness to learn from both successes and failures. Many SMMEs fail in their first year, often due to a lack of planning, support, skills or access to resources. This is where Black Umbrellas can help you.

Our Incubation Programme offers black entrepreneurs an incredible platform that will help you develop your business to full economic independence.

HOW CAN YOU GET INVOLVED?

BENEFITS

As a client member of Black Umbrellas you will benefit from:

- Comprehensive training programmes;
- A meaningful mentorship programme;
- Access to networks, markets and financing;
- Office space;
- Computers, printers, internet access and e-mail;
- Telephone and reception services;
- Bookkeeping;
- Access to a vehicle with driver.

As a premium member of Black Pages you will benefit from:

- Inclusion in our online procurement portal; exposing you to corporate procurement opportunities;
- Access to live tender bulletins, financing opportunities and a range of discounted products and services;
- Access to learning and mentoring channels to ensure you have access to a network of resources linked to business skills and knowledge to assist in your business journey.

TO JOIN BLACK UMBRELLAS AS A CLIENT:

Call 0861 UMBRELLA or visit our website www.blackumbrellas.org

TO JOIN BLACKPAGES AS A CLIENT:

Visit our website www.blackpages.africa
or call 0861 SBLACK

View our full contact details on the Contact Us page

HOW CAN YOU GET INVOLVED?

MENTORS

GIVE BACK & SHARE YOUR EXPERIENCES

By becoming a mentor you will play an integral role in the success of Black Umbrellas and Black Pages and will help to empower and inspire a new generation of South African entrepreneurs. As a mentor you will inspire and teach your mentee the ins and outs of the business world based on your own business experiences, provide insight and advice on setting and achieving goals.

Before a mentor is paired with a mentee, you will both be assessed on a number of criteria so that you are assured of working with someone you can connect with. They will learn from your past success and failures, knowledge and expertise.

“Being a Black Umbrellas mentor has been one of the highest returns of investment of my time, knowledge and experience.”

Imraan Ismael, Black Umbrellas Mentor



HOW CAN YOU GET INVOLVED?

HOW OUR MENTORING PROGRAMME WORKS

BLACK UMBRELLAS:

When Black Umbrellas clients graduate from the pre-incubation programme into full incubation, they are paired with a suitable mentor and our Enterprise Development Manager continuously monitors the progress of the mentor interventions with the client to ensure required objectives are met.

The Black Umbrellas Mentorship Programme has a two tier structure:

(A) VOLUNTEER MENTORS:

Mentors are linked one-on-one with participating Black Umbrellas clients.

Minimum time commitment by volunteer mentors:

- Half day training (once-off);
- One hour per month for mentoring;
- 30 minutes per month for reporting on the online mentoring portal;
- Three hours per year for a mentor report back meeting.

(B) PANEL OF EXPERTS:

The panel consists of industry specialists across various sectors. They are called on when necessary by the mentor to address specific issues pertaining to a client being mentored. They also may be requested to run a workshop, or address the Black Umbrellas clients from time to time.

Time required is adhoc.

HOW CAN YOU GET INVOLVED?

BLACKPAGES:

Opportunities are available for those who wish to mentor Black Pages premium members. All mentoring activities with Black Umbrellas and Black Pages are conducted via the GROW online mentoring portal. The process is as follows:

- Mentor registers on the GROW online mentoring portal;
- Mentor completes their profile ;
- Mentor identifies mentees which are aligned to areas in which mentor can assist or is contacted by mentees who believe mentor can be of assistance;
- Once the mentoring relationship is agreeable to both mentor and mentee, the relationship is confirmed online;
- A workflow mentoring process is followed, which enables all mentoring activity to be recorded for scorecard purposes.

“When you invest time and effort into someone else’s life, be it a business or a person, you get massive returns; you see the person grow, you see the company grow, you see them grow exponentially and you see them reaching their dreams. That’s what it’s about; Black Umbrellas allows small companies to dream.”

Charl Klopper, Mentor, Lonmin



HOW CAN YOU GET INVOLVED?

BENEFITS FOR OUR MENTORS:

Apart from the knowledge that you are personally involved in the transformation and empowerment of an aspiring black entrepreneur, our mentors can benefit directly via the Enterprise and Supplier Development element of the 2013 B-BBEE codes.

All time spent mentoring is logged via the GROW online mentoring portal and the attributable value thereof is calculated. This provides a twofold benefit:

- Meeting the Empowering Supplier requirement where at least 12 days per annum of productivity is deployed in assisting Black EMEs and QSEs beneficiaries to increase their operation or financial capacity
Once this requirement is met, QSEs are recognised as an Empowering Supplier for scorecard purposes.
- The value of the time spent mentoring is recognised as a qualifying Enterprise and Supplier Development contribution according to the Benefit Factor Matrix contained within Annexe 400(B) of the 2013 B-BBEE Codes as follows:

QUALIFYING CONTRIBUTION TYPE	CONTRIBUTION AMOUNT	BENEFIT FACTOR
CONTRIBUTIONS MADE IN THE FORM OF HUMAN RESOURCE CAPACITY		
Professional services rendered at no cost and supporting Enterprise Development and Supplier Development	Commercial hourly rate of professional	60%
Time of employees of Measured Entity productively deployed in assisting beneficiaries	Monthly salary divided by 160	60%

TO JOIN BLACK UMBRELLAS AS A MENTOR:

Call 0861 UMBRELLA or visit our website www.blackumbrellas.org

TO JOIN BLACKPAGES AS A MENTOR:

email info@blackumbrellas.org or
visit our website www.blackpages.africa
or call 0861 SBLACK

View our full contact details on the Contact Us page

HOW CAN YOU GET INVOLVED?

DONORS

COLLABORATING TO BUILD SA'S FUTURE BLACK BUSINESSES:

In order for the work of Black Umbrellas to have a lasting impact on South Africa's economic landscape, we require the support and collaboration of a range of partners; from the private sector to government and civil society. By working together we can make a meaningful difference in the lives of budding entrepreneurs and the communities in which they operate, lowering unemployment rates and stimulating the economy.

When you choose to support Black Umbrellas, you are contributing to a credible, proven programme of economic development and transformation. You are helping to create an environment where big businesses and 100% black-owned SMMEs can flourish together and all can benefit from a vibrant and diversified economy. When you become a donor, you are investing in South Africa's future.

By contributing towards ESD through Black Umbrellas, you can help create a new generation of successful black entrepreneurs and enhance your B-BBEE score in a meaningful, measured way.

HOW CAN YOU GET INVOLVED?

YOUR COMPANY CAN CONTRIBUTE TO ESD IN SEVERAL WAYS:

- Monetary donations;
- Donations of business services and goods;
- Donating your time via our voluntary mentorship programme.

“We’ve chosen Black Umbrellas to contribute to, they definitely create a positive impact. On black entrepreneurs and in the economy itself”

Praven Veera, Black Umbrellas Donor



HOW CAN YOU GET INVOLVED?

BENEFITS FOR OUR DONORS:

Empowerdex have certified that Enterprise and Supplier Development contributions made to Black Umbrellas meet the 2013 B-BBEE scorecard requirements as per the following extract from their certification report:

“Empowerdex hereby concludes that, via the achievements outlined in Section 1 of this report, Black Umbrellas is fully compliant with the requirements of the 2013 Codes and all relevant criteria therein for the recognition of Supplier Development Contributions. This occurs where the Measured Entity has concluded a procurement transaction with the Enterprise and Supplier Development beneficiary and made a Local Supplier Development support contribution to Black Umbrellas to accelerate the development and sustainability of the beneficiary.

Where the Measured Entity has not concluded a procurement transaction with the Enterprise and Supplier Development beneficiary, Empowerdex hereby concludes that, via the achievements outlined in Section 1 of this report, Black Umbrellas is fully compliant with the requirements of the 2013 Codes and all relevant criteria therein for the recognition of Enterprise Development Contributions.”

Verification agencies may rely on the certification by Empowerdex as proof of compliance with the B-BBEE Codes of Good Conduct. Per sections 5.1.2 and 5.1.4 (page 69) of the verification requirements per the Government Gazette of 18th July 2008, a Verification Agency is entitled to rely on appropriate and sufficient evidence provided by an independent and competent person. The annual certification provided to Black Umbrellas by Empowerdex complies with these requirements in that Empowerdex is an independent competent person and the report meets the requirement as appropriate and sufficient evidence.

HOW CAN YOU GET INVOLVED?

ARE DONATIONS TAX DEDUCTIBLE?

Black Umbrellas has been approved by SARS as a Public Benefit Organisation (PBO Number 930 017 719) in terms of Section 18 9(1) (b) of the Income Tax Act and donations made to Black Umbrellas are tax deductible in the hands of the donor in terms of and subject to the limitation prescribed by Section 18A and 56(1) (h) of the Income Tax Act and section 4(h) of the Estate Duty Act, 45 of 1955.

HOW DOES THE DONATION PROCESS WORK?

- Black Umbrellas has invested significant time and effort to ensure the ESD contribution process is seamless and effortless;
- Donor calculates the ESD contribution required in order to meet their scorecard objectives;
- Donor then contacts Black Umbrellas to obtain the bank account details for the incubator they wish to support;
- Donor deposits funds into the Black Umbrellas bank account and provides proof of the deposit to Black Umbrellas;
- Where required, an ESD agreement will be signed with Black Umbrellas;
- Black Umbrellas will then provide the donor with a thank you letter, Section 18A (where SARS requirements have been met) and its Empowerdex certification;
- Donor then submits the above documentation to its verification agents when conducting their B-BBEE verification in order to claim the necessary points available per the B-BBBEE scorecard;
- Over the last five years, Black Umbrellas has been supported by over 400 companies as part of their Enterprise and Supplier Development strategies.

HOW CAN YOU GET INVOLVED?

TO MAKE AN ENTERPRISE AND SUPPLIER DEVELOPMENT CONTRIBUTION TO BLACK UMBRELLAS:

Call 0861 UMBRELLA or visit our website www.blackumbrellas.org
Contact Kim English at kim@blackumbrellas.org or call 021 447 7156
View our full contact details on the Contact Us page

“What inspires me most at Black Umbrellas are the clients that we serve. Seeing them walk in on the first day and watching the transformation in their confidence as they start to see their business model become a real thing.”

Seapei Mafoyane, CEO , Black Umbrellas



CONTACT US:

CONTACT US:

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