We pick our partners with the greatest care. Business is more than just making a profit. We are proud of our local small businesses because they offer our customers the best products and great value.

It is always such a huge pleasure to see new start-ups grow. At Pick n Pay, we are uniquely placed to provide an opportunity for entrepreneurs to put their products in front of the consumer. We remain dedicated to support, scale and sustain them.

Richard Brasher

Big business has a responsibility and major role to play in building and developing the economy across all levels. Transforming the supply chain, from soil to shelf, is a fundamental part of growing this country. By creating opportunities for small-scale farmers and entrepreneurs, we help them get into a position where they can service the formal retail sector – or even go out on their own. In the process, they create jobs and develop skills.

Suzanne Ackerman-Berman

We pick our partners with the greatest care. Business is more than just making a profit. We are proud of our local small businesses because they offer our customers the best products and great value.

Paula Disberry
1. **Customer sovereignty**
Serve customers better than ever before – the customer is our queen.

2. **Business efficiency**
Simplicity is the soul of efficiency.

3. **Doing good is good business**
Do the right things for our customers and the communities in which we serve.

---

Our core values continue to be our guiding light.

They remain the strong foundation that guides us in everything we do. It is what defines us as a sustainable and trusted retailer.

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Building a business requires 90% guts and 10% capital. Our success rests on four guiding principles: strong administrative operations, high-quality merchandise, commitment to social responsibility and sustainability, and the inherent value and dignity of all people. Treat the customer like a queen and she will make you a king.

Raymond Ackerman

---

A core function in our ‘doing good is good business’ value is building capacity for small businesses. We are doing everything we can to play our part in building small businesses in this country.

Gareth Ackerman

PICK n PAY CHAIRMAN
CHECKLIST: DO YOU MEET THE FOLLOWING MINIMUM REQUIREMENTS?

Business plan checklist:

1. **Copy of company registration certificate**
   - You must have a registered company to do business with Pick n Pay.

2. **Business proposal (your product or service)**
   - Share a short introduction of the company and/or brand owners.
   - Explain your current distribution model and confirm whether you are able to deliver to stores nationally through our distribution centres.
   - Confirm your total production volume, i.e. production capacity amounts and volumes.
   - Provide your product catalogue with product images and pricing inclusive of VAT per unit.

3. **VAT registration number and copy of tax clearance certificate**
   - VAT registration number
   - Copy of valid tax clearance certificate (renewed annually)
   - Copy of SARS import and export licence (if applicable)

4. **Annual financial statements**
   - Provide your management accounts (requested annually).
ARE YOUR READY?

1. Do you have a registered business?
   You must be able to send a brief introduction of your company.
   www.cipc.co.za/za

2. Develop your product quality
   www.sabs.co.za

3. Corporate procurement
   If you are supplying a service, you will be considered a business-to-business service provider and fall into the corporate procurement (CP) category.

4. Bookkeeping and cash-flow management
   www.sage.com
   www.xero.com/za

5. Packaging and labelling legislation
   - Consumer Protection Act No 68 of 2008
   - Foodstuffs, Cosmetics and Disinfectants Act No 54 of 1972
   - Food-labelling regulations and regulations relating to foodstuffs for infants and young children
   - Agricultural Product Standards Act, No 119 of 1990

6. Traceability
   www.mygfsi.com
   www.intertek.com
   www.store.sabs.co.za

7. Food safety audit requirements
   A formal, independent audit allows an unbiased inspection to ensure that our customers are assured of safe food. An audit includes the evaluation and risk assessment of your facility and whether or not the facility and processes conform to required legislation. The following audits are acceptable to Pick n Pay:
   - Intertek Food Safety Audit
   - Global Food Safety Initiative (GFSI) benchmark standard
   - GLOBALG.A.P.
   - SAMIC
   - localg.a.p.
   www.intertek.com
   www.codexalimentarius.org
   www.samic.co.za

8. Registering on the Pick n Pay portal
   The technical team will be able to assist you in setting up your account.
   www.pnpportal.co.za

9. Supply chain (delivery, logistics and distribution)
   You will be required to deliver to our centralised distribution centres (DCs) located across the country.
   www.chep.com

10. Delivery to Pick n Pay distribution centres
    The supply chain team will be able to assist you in setting up your account to deliver to our DCs.
    For more information, go to www.pnp.co.za/doing-good.
The Broad-Based Black Economic Empowerment Act (B-BBEE Act) prescribes what constitutes small and medium enterprises.

- An Exempted Micro Enterprise (EME) has a turnover of R0 – R10 million.
- A Qualifying Small Enterprise (QSE) has a turnover of between R1 0 million and R50 million.

Debra Muller  
PICK n PAY COMPANY SECRETARY, LEGAL & COMPLIANCE

Compliance is a vital part of business. Understanding the laws and regulations relating to consumer products and services is required.

How do I qualify for Pick n Pay’s Enterprise and Supplier Development (ESD) programme?

Suppliers are chosen based on product demand as well as identified product gaps by the buyers. Before any listing, products must be assessed by the category buyer. You would also need to have the following documentation:

- Company registration certificate
- Value-added tax clearance certificate (if applicable)
- Annual financial statements/Monthly management accounts (if applicable)

How do I qualify?

Subject to Pick n Pay’s preferential trading terms, qualifying small suppliers who meet Pick n Pay’s small supplier criteria are placed in one of three categories:

- **Category 1: Early-stage supplier – a supplier with a turnover of R0 – R3m**
- **Category 2: Growing supplier – a supplier with a turnover of R3m – R5m**
- **Category 3: Seasoned, mature supplier – a supplier with a turnover of R5m – R8m**

For a period of 12 months following a successful listing with Pick n Pay, a supplier may qualify to have preferential trading terms based on Pick n Pay’s Small Business Rate Card. Pick n Pay small suppliers may qualify for:

- A favourable rebate and trading terms
- Allocation of a one-to-one mentor based on a supplier’s needs
- Networking support through workshops (finance, marketing, cash flow)
- Access to corporate experts
- A letter of support
- Access to funders
  - The Department of Trade and Industry (DTI)
  - Industrial Development Corporation (IDC)
  - The Jobs Fund
  - The National Empowerment Fund (NEF)

A supplier’s preferential trading terms will fall away once they are a Category 3 supplier, to whom Pick n Pay’s standard supplier trading terms will apply.
FREQUENTLY ASKED QUESTIONS

What is an EME (Exempted Micro Enterprise)?
An EME has a legally prescribed annual turnover of less than R10 million. To qualify, an EME must produce a sworn affidavit on an annual basis confirming the percentage of black ownership. The affidavit is valid for 12 months from the date of issue. Please see www.thedti.gov.za/economic_empowerment/docs/Affidavit-EME-Gen.pdf.

What is a QSE (Qualifying Small Enterprise)?
A QSE has a legally prescribed annual turnover of between R10 million and R50 million. A QSE must obtain a B-BBEE certificate confirming the percentage of black ownership as well as confirmation of their annual turnover. The affidavit is valid for 12 months from the date of issue.

What is B-BBEE (Broad-Based Black Economic Empowerment)?
It is the economic empowerment of all black people, including women, workers, youth, people with disabilities and people living in rural areas, through diverse but integrated socio-economic strategies that include, but are not limited to:
- increasing the number of black people who manage, own and control enterprises and productive assets;
- facilitating ownership and management of enterprises and productive assets by communities, workers, cooperatives and other collective enterprises;
- human resource and skills development;
- achieving equitable representation in all occupational categories and levels in the workforce;
- preferential procurement, and
- investment in enterprises that are owned or managed by black people.

What does the Pick n Pay ESD division do?
The ESD (Enterprise and Supplier Development) division provides mentorship, guidance and business development support to entrepreneurs and small and emerging businesses who would like to supply Pick n Pay with products or services. A big focus is on providing skills development. We are prepared to provide letters of support to suppliers already in our supply chain. We are able to confirm volume and capacity based on your ability to deliver goods or services to our stores. We do not issue any offtake agreements or letters of support to start-ups because we are not able to confirm future volumes or whether the start-up will be able to fulfil future delivery of order commitments.

For more information, go to www.pnp.co.za/doing-good.
# RESOURCE DIRECTORY

## Development agencies

<table>
<thead>
<tr>
<th>Agency</th>
<th>Tel</th>
<th>Email</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Enterprise Development Agency (SEDA)</td>
<td>0860 103 703</td>
<td><a href="mailto:info@seda.org.za">info@seda.org.za</a></td>
<td><a href="http://www.seda.org.za">www.seda.org.za</a></td>
</tr>
<tr>
<td>Small Enterprise Finance Agency (SEFA)</td>
<td>0860 007 332</td>
<td><a href="mailto:helppline@sefa.org.za">helppline@sefa.org.za</a></td>
<td><a href="http://www.sefa.org.za">www.sefa.org.za</a></td>
</tr>
<tr>
<td>National Empowerment Fund (NEF)</td>
<td>011 305 8000</td>
<td><a href="mailto:info@nefcorp.co.za">info@nefcorp.co.za</a></td>
<td><a href="http://www.nefcorp.co.za">www.nefcorp.co.za</a></td>
</tr>
<tr>
<td>Industrial Development Corporation (IDC)</td>
<td>011 269 3000</td>
<td><a href="mailto:ciccenctr@idc.co.za">ciccenctr@idc.co.za</a></td>
<td><a href="http://www.idc.co.za">www.idc.co.za</a></td>
</tr>
<tr>
<td>The Business Place (TBP)</td>
<td>011 833 0340</td>
<td><a href="mailto:network@tbp.co.za">network@tbp.co.za</a></td>
<td><a href="http://www.thebusinessplace.co.za">www.thebusinessplace.co.za</a></td>
</tr>
<tr>
<td>National Youth Development Agency (NYDA)</td>
<td>0800 525 252</td>
<td>nyda.gov.za</td>
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<tr>
<td>Limpopo Economic Development Agency (LEDA)</td>
<td>015 633 4700</td>
<td>lcedevelopment.co.za</td>
<td><a href="http://www.ldcedevelopment.co.za">www.ldcedevelopment.co.za</a></td>
</tr>
<tr>
<td>Mpumalanga Economic Growth Agency (MEGA)</td>
<td>013 752 2440</td>
<td>mge.gov.za</td>
<td><a href="http://www.mge.gov.za">www.mge.gov.za</a></td>
</tr>
<tr>
<td>North West Development Corporation (NWDC)</td>
<td>018 391 1365</td>
<td>nwdc.co.za</td>
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<tr>
<td>Free State Development Corporation (FDC)</td>
<td>016 483 5065</td>
<td>fdc.co.za</td>
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<tr>
<td>Department of Economic Development and Tourism</td>
<td>021 483 5065</td>
<td><a href="mailto:ecohead@westerncape.gov.za">ecohead@westerncape.gov.za</a></td>
<td><a href="http://www.westerncape.gov.za">www.westerncape.gov.za</a></td>
</tr>
<tr>
<td>Eastern Cape Department of Economic Development, Environmental Affairs and Tourism</td>
<td>046 605 7000</td>
<td>wesgro.co.za/home_wesgro</td>
<td><a href="http://www.wesgro.co.za/home_wesgro">www.wesgro.co.za/home_wesgro</a></td>
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## Private funding

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<th>Fund</th>
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<tbody>
<tr>
<td>Old Mutual Fund</td>
<td><a href="http://www.oldmutual.co.za">www.oldmutual.co.za</a></td>
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<tr>
<td>Business Partners Limited</td>
<td><a href="http://www.businesspartners.co.za">www.businesspartners.co.za</a></td>
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<tr>
<td>WDB Investment Holdings</td>
<td><a href="http://www.wdbinvestments.co.za">www.wdbinvestments.co.za</a></td>
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<tr>
<td>Absa Enterprise Development</td>
<td><a href="http://www.absa.co.za">www.absa.co.za</a></td>
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<tr>
<td>African Bank</td>
<td><a href="http://www.africanbank.co.za">www.africanbank.co.za</a></td>
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<td>Bank Zero</td>
<td><a href="http://www.bankzero.co.za">www.bankzero.co.za</a></td>
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<td>Discovery Bank</td>
<td><a href="http://www.discovery.co.za">www.discovery.co.za</a></td>
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<tr>
<td>First National Bank</td>
<td><a href="http://www.fnb.co.za">www.fnb.co.za</a></td>
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<tr>
<td>Nedbank Small Business Services</td>
<td><a href="http://www.simplybiz.co.za">www.simplybiz.co.za</a></td>
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<tr>
<td>Investec</td>
<td><a href="http://www.investec.co.za">www.investec.co.za</a></td>
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## Chambers of commerce

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<thead>
<tr>
<th>Chamber</th>
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<tbody>
<tr>
<td>South African Chamber of Commerce and Industry (SACCI)</td>
<td><a href="http://www.saccio.org.za">www.saccio.org.za</a></td>
</tr>
<tr>
<td>National Small Business Chamber (NSBC)</td>
<td><a href="http://www.nsbc.org.za">www.nsbc.org.za</a></td>
</tr>
<tr>
<td>Cape Chamber of Commerce &amp; Industry</td>
<td><a href="http://www.capechamber.co.za">www.capechamber.co.za</a></td>
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## Training and development resources

<table>
<thead>
<tr>
<th>Organization</th>
<th>Website</th>
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<tbody>
<tr>
<td>Shanduka Black Umbrellas</td>
<td><a href="http://www.blackumbrellas.org">www.blackumbrellas.org</a></td>
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</tbody>
</table>
The first step in joining the Pick n Pay ESD programme is to ensure that you have a registered business that is in operation.

You will need to:
- comply with all the relevant legal and industry-related regulations;
- obtain all required licences and permits, and register Companies and Intellectual Property Commission (CIPC) annual returns, health and safety, food safety, ethical employment (skills development levy) and labour practices (UF and PARE) annually.

If your turnover exceeds the legally prescribed threshold, currently R1 million, you will be obliged to register with SARS.

You will need to:
- comply with all specific product-related standards and regulations in terms of South African law;
- Consumer Protection Act No 68 of 2008;
- Foodstuffs, Cosmetics and Disinfectants Act No 54 of 1997;
- Food-labeling regulations and regulations relating to foodstuffs for infants and young children;

Ensure that all ingredients and raw materials used in manufacturing your products have full traceability with regard to source, quantity, and shelf life, and are included in the ingredients statement.

You will need to have the following ready:
- Global location number (GLN);
- Value-added tax (VAT) number;
- Global trade item number (GTIN) or product barcode.

The Pick n Pay portal is a free and efficient service for all Pick n Pay suppliers. The portal manages suppliers trading documents, article information and cost prices. The Pick n Pay portal is a web-based interface between Pick n Pay and small suppliers (called “vendors”).

You will need to have the following ready:
- Value-added tax (VAT) number;
- Global location number (GLN);
- Global trade item number (GTIN) or product barcode.

Before giving the green light for a supplier’s product to be made available on Pick n Pay shelves, the supplier must adhere to strict product, legal and labelling requirements, which differ from one product category to another.

To ensure that you have a registered business that is in operation, you will need to:

1. Do I have a registered business?
2. Have a registered business
3. Develop your product
4. Bookkeeping and cash-flow management
5. Packaging and labelling legislation
6. Traceability
7. Food safety audit requirements
8. Registering on the Pick n Pay portal
9. Supply chain (delivery, logistics and distribution)
10. Delivery to Pick n Pay distribution centres
Pick n Pay Small Business

Email: smallbusiness@pnp.co.za
Tel: 021 658 1000
Website: www.pnp.co.za/doing-good

Disclaimer: Pick n Pay Retailers (Pty) Ltd
Pick n Pay has made every effort to maintain the accuracy of the information in this document. The information contained herein is for general guidance only, is intended for use by small suppliers and is not an exhaustive legal reference. Pick n Pay makes its documentation available without warranty of any kind and accepts no responsibility for its accuracy or for any consequences of its use. Every effort has been made to offer the most current, correct and clearly expressed information possible; nonetheless, inadvertent errors can occur, and applicable laws and regulations may change.

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