

# UNIDO SPX Programme

## Project Overview

10 September 2009



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION



## UNIDO Background and Purpose

- ▶ UNIDO Purpose is to improve the quality of life of the world's poor by helping countries achieve sustainable industrial development
- ▶ Organization chartered by United Nations in 1966, with 173 Member States and programmes in 42 countries
- ▶ UNIDO Subcontractor and Procurement Exchange Programme operating since 1981 with over 70 programmes in 45 countries.



## UNIDO Background and Purpose (Cont.)

- ▶ Consolidated a range of enterprise development experiences around the world and offer access to a global network of experts directly involved in the sector
- ▶ UNIDO entered South Africa - DTI invitation to help facilitate strategies for sustainable local supplier content (CSDP)
- ▶ CSDP Objectives – The purpose of the Competitive Supplier Development Programme is to encourage large-scale buyers to support localization through increasing purchase of local produced content



## Support for purchase of locally produced content

- In 2007 DTI and DPE established national policy to support import substitution and increasing purchase of locally manufactured products.
- In 2008 Transnet and Eskom implemented the Competitive Supplier Development Programme (CSDP) to leverage state spending on infrastructure projects to identify opportunities to link local suppliers to large capital expenditures
- In 2008 Unido was requested to implement a series of tools and initiatives to align local suppliers with buyer networks in support of CSDP
- In mid 2009 Key local industrial associations began collaborating with the initiative to offer their network of suppliers access to key tools and assistance in the matchmaking process



## Key Programme Tools

### Supplier support

- ❑ The SPX Supplier Profiling tool
- ❑ The Supplier Benchmarking and Assessment Tool
- ❑ Assist in linking suppliers to industrial development support

### Industrial Association support

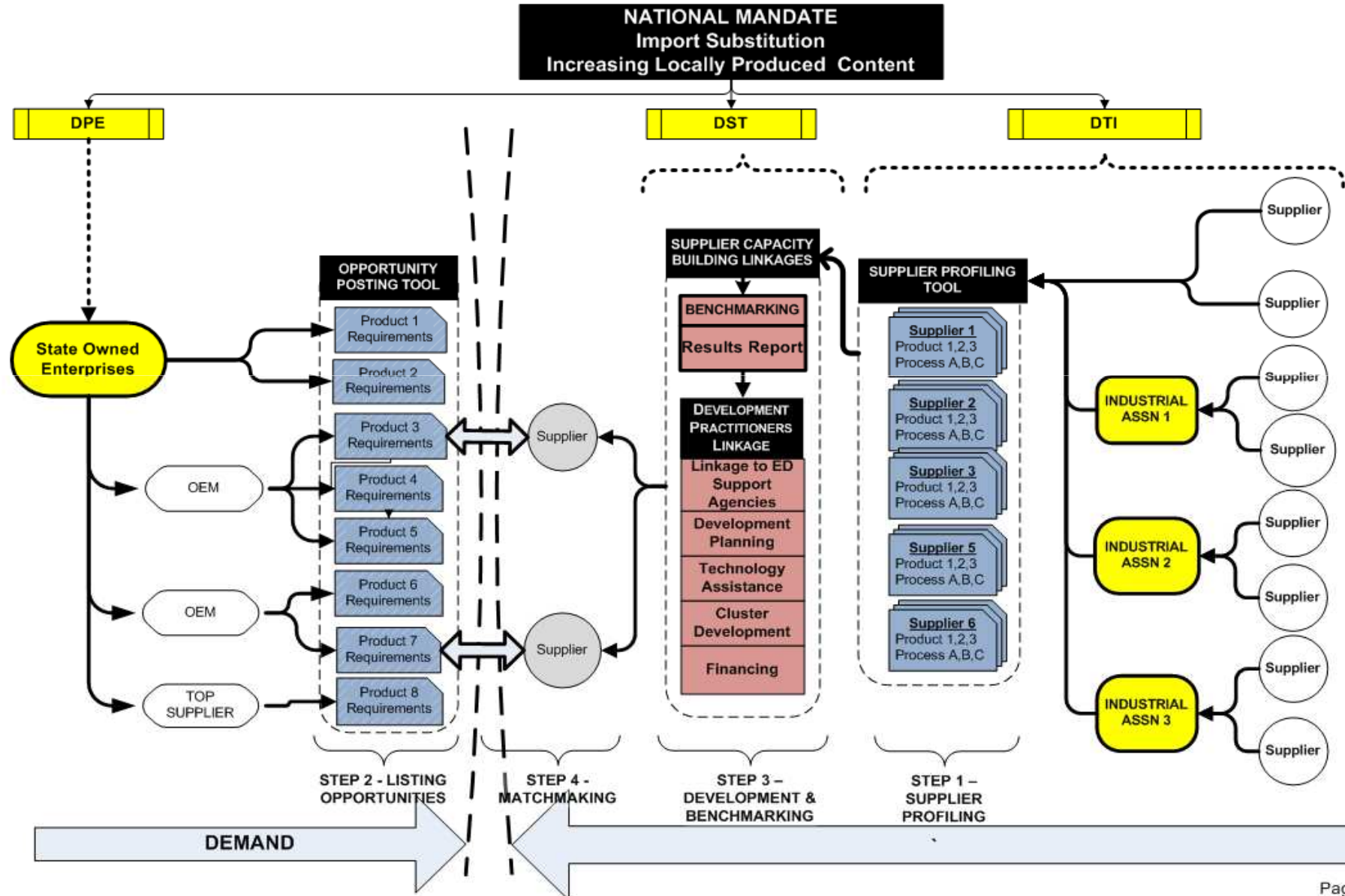
- ❑ Establishing SPX Support Centers to roll out Supplier support tools through collaborations with key industrial associations
- ❑ Training and tech support for rollout of programme tools

### Buyer Support

- ❑ Assist top tier companies to identify opportunities to localize their supply chain
- ❑ Support matchmaking linkages between buyer and supplier networks
- ❑ Facilitate alignment between buyers and suppliers
- ❑ Matchmaking tracking and information sharing system



## UNIDO SPX SUPPLIER MATCHMAKING PROGRAMME FRAMEWORK





# Key Programme Partnerships

- ▶ **Government Support**
  - Department of Public Enterprise – Direct Project Sponsor
  - Department of Trade and Industry – National Counterpart
  - Department of Science and Technology – Technical
  - *Provincial government departments*
- ▶ **Key National Industry Companies**
  - Transnet Freight (SoE Rail and Harbour freight carriage)
  - Eskom (SoE Energy Supplier)
  - *Sasol (Petrol-based energy supplier)*
  - *Pebble-Based Modular Reactor (Nuclear energy suppliers)*
- ▶ **Key Manufacturing sector industrial Associations**
  - NFTN (National Foundry Technology Network)
  - NTIP (National Tooling Initiative Programme)
  - SAISC (SA Inst. For Steel Construction)
  - CEEC (Capital equipment export Cluster)
  - *CDA (Copper Development Association)*
  - *EEAIA (Electrical Engineering Assn)*
  - *SASSDA*
  - *AFSA*
  - *PlasFed*
  - *NAACAM*



## Collaborating with Industrial Associations to form local linkages

- ▶ What UNIDO offers to Industrial Associations
  - Supplier profiling tool to share local supplier details with relevant buyers
  - Access to supplier benchmarking tool to assess suppliers against global markets
  - Technical support
  - Potential matchmaking opportunities with relevant agencies

---

- ▶ What industrial associations offer
  - Industry and technical expertise
  - Knowledge of suppliers within their networks
  - Ability to short-list
  - Ability to handhold suppliers through the programme process



# SPX Supplier Profiling Tool

## Purpose

- System established in 2002 and is currently used in amongst others India, Turkey and China
- Web-based system to consolidate and present a detailed list of supplier products and production processes and make this list available to relevant buyers
- Stimulate Buyer interest in local suppliers

## Strategy

- Form affiliations through supplier associations in key sectors
- Establish licensed SPX representatives through the associations to conduct profiling on behalf of their network of suppliers
- Utilize these profiles to help buyers identify relevant opportunities
- Utilize SPX web-based supplier profiling system to capture suppliers
- Enable controlled access to authorized buyer networks

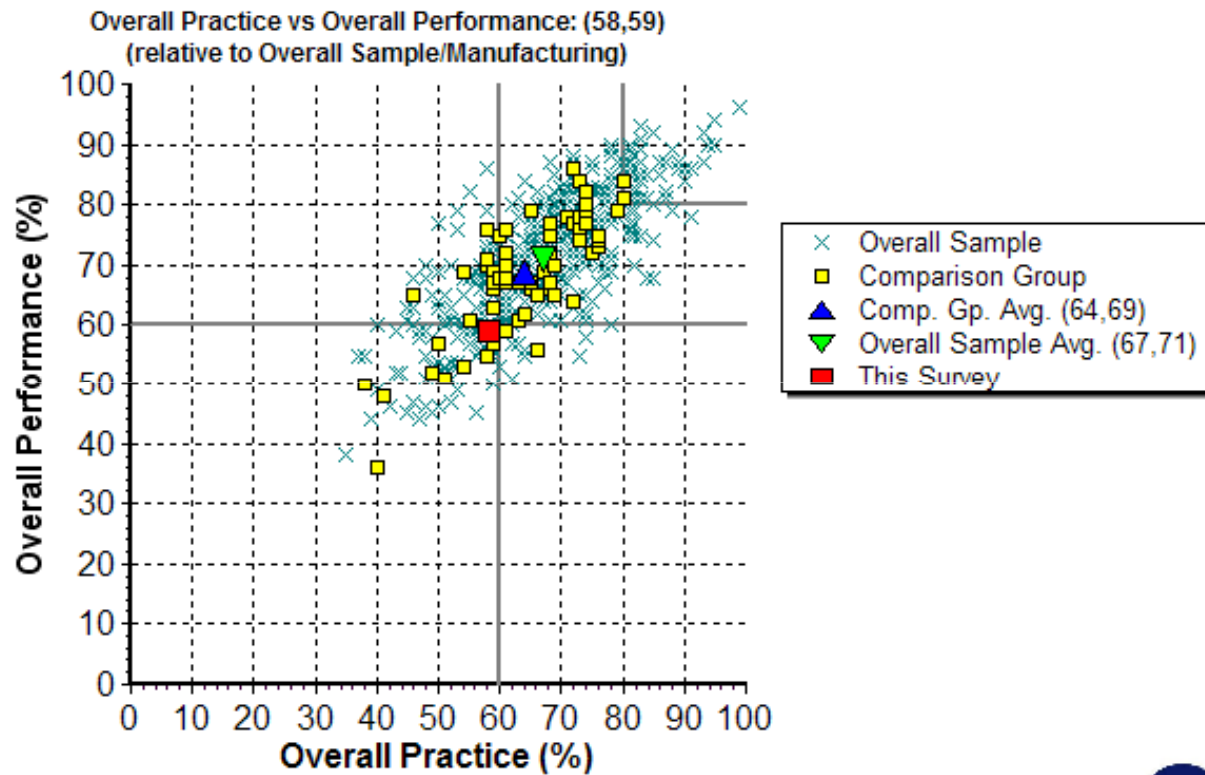


## Benchmarking Tool

- ▶ Comparison International Ltd and Winning Moves Ltd are leading providers of international business benchmarking tools.
- ▶ In last decade CIL and WML has provided business benchmarking tools to 40 countries, trained over 4500 business advisors to use the tools and gathered a sample of over 40,000 sets of international data
- ▶ Currently the tool is active across 18 countries including Australia, USA, UK, Ireland, Portugal, Germany, Brazil, Korea



# Supplier development



Confidential

Facilitator: Phil Hanson/CIL

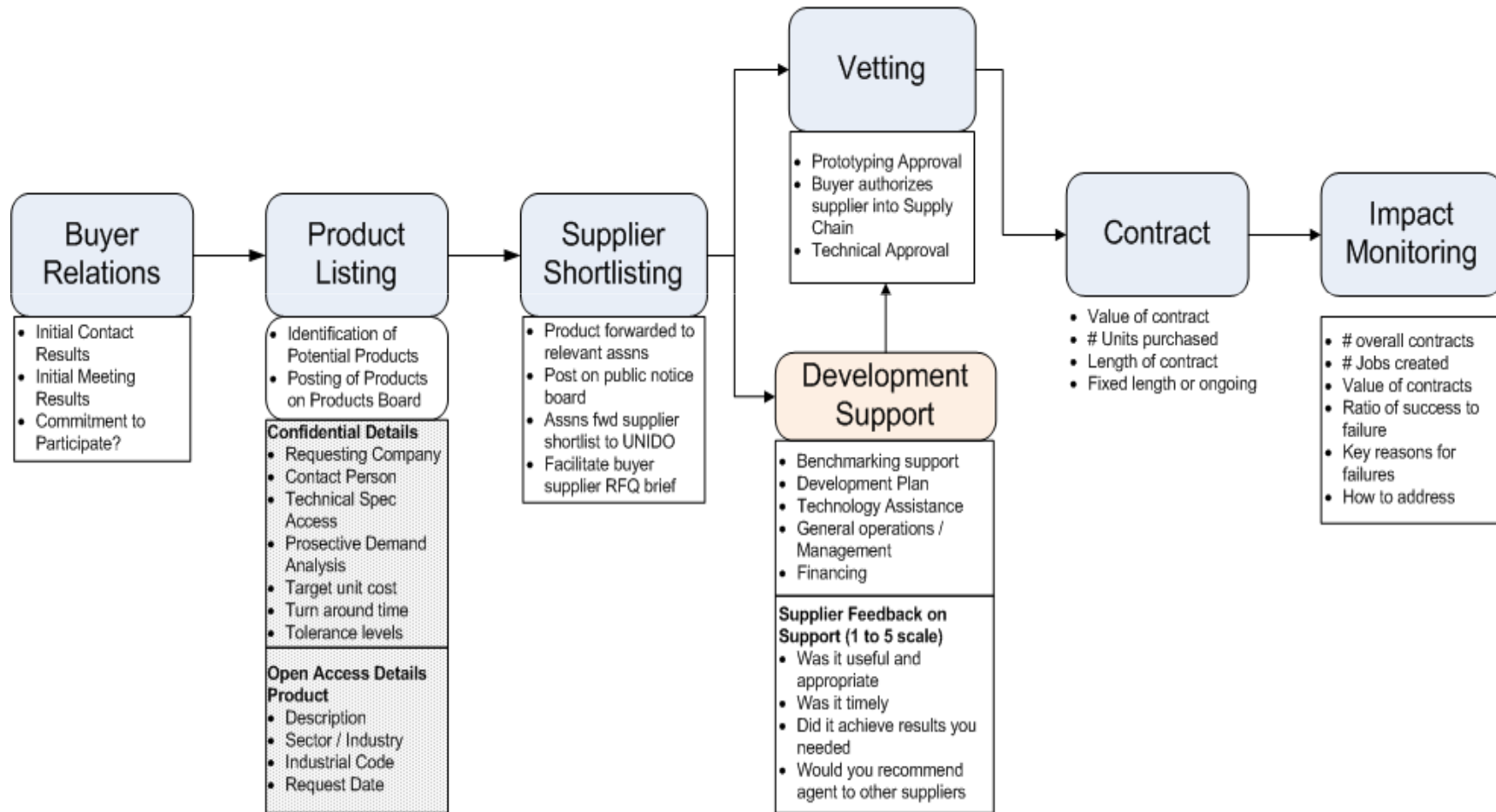
Printed: 12/09/2008

Copyright Comparison International Limited



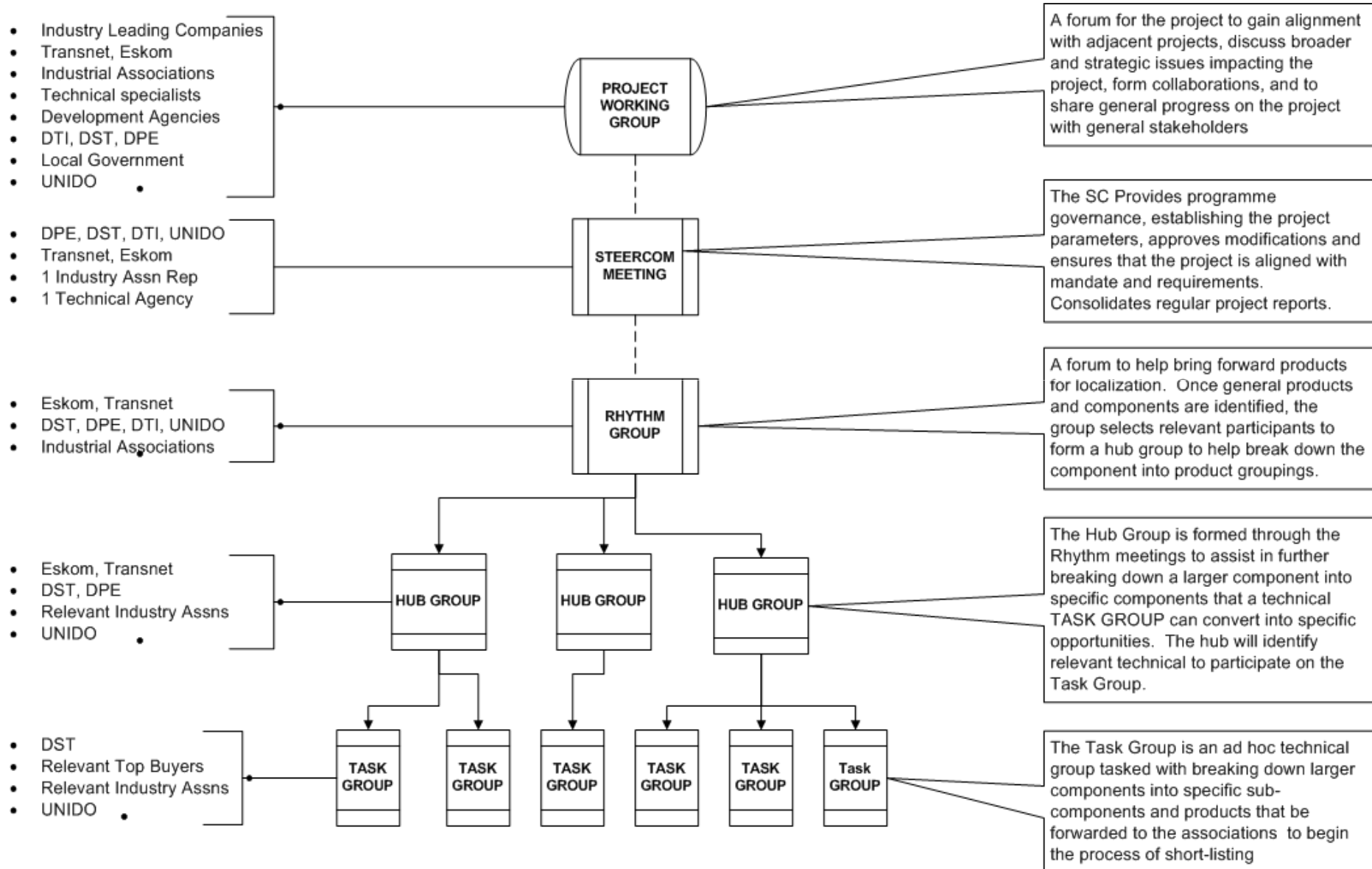


# BUYER SUPPLIER MATCHMAKING TRACKING TOOL





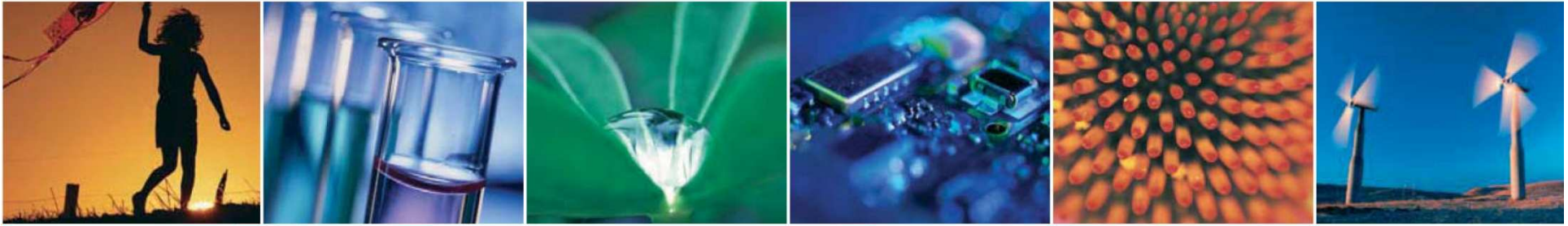
# Governance structure





## 18 Month Key Project Objective (- Dec 10)

Key Project Goals	Current Status
Over 10 collaborating industrial associations to establish SPX Support Centres	(5 currently participating)
Over 125 listed opportunities – 8 hubs established	5 active opportunities listed – 1 hub established
300 Suppliers benchmarked (training scheduled mid Sep)	Training of 12 local benchmarkers and 1 technical specialist
50 suppliers linked to technical development support (establishing a web-based database of supplier development agencies)	
30 Matchmaking linkages	2 at final stages – awaiting contract
Sustainable transfer of project locally	
Africa region linkages to project	



# Thank You

For Enquiries Contact:

Richard Beän  
Regional UNIDO SPX Technical Advisor  
Mobile: 072 094 3121  
Email: [r.bean@unido.org](mailto:r.bean@unido.org)



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION