

Collaboration brings prosperity for new transport venture

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A KwaZulu-Natal-based transport company received a tremendous boost thanks to an enterprise and supplier development partnership MOU signed in 2022 between Sappi Southern Africa and the Ithala Development Finance Corporation Limited (IDFC). Sanele Mkhize, managing director of Exodec 384 CC, took delivery of three brand-new Mercedes trucks valued at R11.6 million on Thursday, 26 October, thanks to a financing agreement from IDFC.



Sanele Mkhize, MD of Exodec (centre, white shirt) surrounded by the Sappi team and his employees.

Since the signing of this MOU between Sappi and IDFC, four transactions amounting to R45.9 million and resulting in a total of 157 direct jobs have been concluded. The MOU provides funding from IDFC to SMEs who are part of the Sappi Enterprise Supplier Development (ESD) programme, where Sappi provides the training and development and access to market through the provision of long-term contracts.

As a former employee in the Finance Department of Sappi Forests, Sanele is no stranger to the forestry industry. He has put this knowledge to good use in establishing his transport company, which will provide long-haul transport from Sappi Forests plantations in the KZN Midlands and its KZN South district to the Sappi Saiccor Mill. The Pietermaritzburg-based company – which employs 13 permanent staff members- was awarded a five-year contract, which commenced on 1 October.



Celebrations were held at the Sappi Saiccor woodyard in Umkomaas, where the trucks were handed over.

The company is currently busy with RTMS (Road Transport Management System) certification – a prerequisite for all companies providing transport services to Sappi. The certification process is 70% completed and preparation is already underway for the first audit, likely to take place in December. Sappi will continue to provide business support, mentorship and coaching to Sanele and his team, as part of the services its ESD department delivers to SMEs that are on the programme.

Lesiba Lamola, Sappi's regional ESD sourcing manager, commented at the event: "This partnership with IDFC supports our Enterprise Supplier Development (ESD) objectives, that are aimed at building thriving local economies within the communities where we operate. We have been encouraged by the progress that has been made since partnering with IDFC and the boost it has given our capacity building programmes for SMEs."



Smiles all around as the Sappi and IDFC teams congratulate Sanele on the acquisition of the new trucks.

As the province's development financier and provider of commercial and industrial property, Ithala Development Finance Corporation (IDFC) has embarked on a strategic partnership initiative with the private and public sector to drive economic participation of emerging black entrepreneurs operating in all sectors of the economy, particularly those operating in rural and township areas. Their commitment to socio-economic transformation is borne out by concrete action of putting money where its vision is.

"We want to thank Sappi for entrusting us with the task of being a strategic partner in transforming the lives of ordinary citizens in our province. and look forward to a fruitful and mutually beneficial relationship," said Mr Sihle Mkhize, IDFC chairman of the board of directors. "Remaining close to our customers and partnering with the private sector who share our values of driving socio-economic transformation in the province is a key ingredient in supporting the provincial government's economic recovery plan," he said.

"This partnership ensures that we also facilitate access to funding, in turn providing access to essential infrastructure and resources that are necessary to ensure business sustainability and growth. With this in place, we can focus on providing access to markets, providing the essential business and technical skills development required and assist in building up sustainable, thriving enterprises," said Lamola.



FLTR: Jaap van der Berg, logistics, fibre supply and resources manager, Sappi Forests; Mark Barnardo, GM Sappi Forests KZN; Sanele Mkhize, MD of Exodec 834 CC; Sihle Mkhize, IDFC chairman of the board of directors; and Danie Jacobs, transport manager, Sappi Saiccor

"With Sanele at the helm of this business we have no doubt that it is going to thrive," said Mark Barnardo, general manager of Sappi Forests in KZN. "We know him to be focused and diligent in everything he does, and we are extremely pleased that we are able to welcome him to our vast network of contractors, with whom we have excellent relationships. Sappi adheres to a very strict code of conduct and we expect our suppliers to uphold the same ethical standards in all their dealings – be it in governance, HR or safety matters," he said.

Sanele was effusive in his thanks to the IDFC and Sappi for granting him this opportunity. He takes a hands-on approach in all aspects of the business and has big plans for his fleet – where each of the new trucks is sporting one of his clan's names – and he hopes to expand in five years' time.

Through IDFC's business finance solutions, coupled with Sappi Southern Africa's ESD initiative, the partnership is committed to providing financial muscle and unlocking the full potential and entrepreneurial spirit of SMEs in KwaZulu-Natal.

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