

TRANSFORMATION

Tiger Brands takes lead on sustainable development

Last week, while the country convulsed apocalyptically, the World Business Council for Sustainable Development (WBCSD) and its local implementation partner, the National Business Initiative (NBI), quietly hosted a webinar introducing the WBCSD's "Vision 2050: Time to Transform" strategy document. The strategy is intended to provide the business community with detailed guidance on how it can support the transformations needed to realise a world in which 9-billion people are able to live well within planetary



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boundaries. The strategy identifies nine "transformation pathways" – in energy, transportation and mobility; connectivity; products and materials; water & sanitation; living spaces; financial products and services; health and wellbeing; and food – that must adopt new business models if a prosperous and inclusive future

is to be achieved. I will not attempt to build on the reams of comment and analysis stemming from the rioting and violence of the past week.

Suffice it to say that achieving this scale of destruction requires a potent primordial soup of grinding poverty, inequality, hopelessness and systemic dissatisfaction.

Whether through organs of the state or the engines of the private sector, more conclusive proof that our systems are not working for the majority of our people need not be sought.

As I made my feelings on the future of SA's government clear by leaving the public service at

the start of the year, my remaining hope for our salvation is that the private sector can achieve the transformation of society that Vision 2050 is calling for.

In practical terms, the document makes for sobering reading.

The strategy defines "living well within planetary boundaries" as achieving a human development index of more than 0.8 while living within Earth's biocapacity.

No economy in the world is achieving it, and with a growing global population placing increasing demands on a shrinking resource base we will have to box very smart if we

wish to avoid more scenes like that of last week.

BEE

I was therefore deeply engaged by Sitaan Wandrag of Tiger Brands who addressed the webinar on the group's adoption of a "societal value proposition" focusing on nutrition, environmental integrity of the agricultural supply chain and inclusive business.

By working with the NBI and the agriprocessing sector, Tiger Brands has identified sustainable development goals that speak to its value proposition and is now leveraging the enterprise and

supplier development requirements of BEE to invest in businesses delivering impact in these sectors across the supply chain. This is boxing smart.

In 2019, the Carbon Disclosure Project released a study that found the average company's supply chain carbon emissions are 5.5-times larger than its own direct operational emissions. Supply chain investments in emission reductions and resilient production are key to the food sector. A review of Tiger Brands' annual reports allowed me to calculate that a combination of its already dedicated small-scale farmer development support with the current carbon tax

offset allowance budget would yield just shy of R15m a year over the next five years to invest in climate-resilient agriculture without incurring any additional cost.

As a country, we desperately need to find more of these kinds of approaches, yet strategically aligned enterprise & supplier development (ESD) investments are the exception to the rule and most small businesses lack the scale to appeal to traditional sources of finance.

In impact investment guru Annie Patton Powers' new book, *Adventure Finance*, she unpacks the venture capital model that is now leaving so many SA small businesses out

in the cold. Powers makes a compelling case for strategically aligned ESD funding options such as revenue-based financing, recoverable grants, redeemable equity and distributed ownership.

It is high time that our financial services sector started making such investment vehicles available to help businesses deliver maximum bang for the ESD buck.

● *Maguire holds a master's degree in global change studies from Wits and has been developing green economy solutions for the private sector, NGOs and the state for more than a decade.*