



**Media release  
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### **Benjamin Mkapa launches Business *for* Development (B4D) Pathfinder in South Africa**

His Excellency, Mr Benjamin W. Mkapa, former President of the United Republic of Tanzania will launch the *B4D Pathfinder* initiative spearheaded by the Southern African Development Community (SADC) Employers' Group and the Southern Africa Trust.

The launch will take place on 28 October 2009, at the Radisson Blu Hotel, corner of Rivonia Road and Daisy Street, Sandton, from 12h30 to 14h30.

The *B4D Pathfinder* is anchored on inclusive business, whereby the private sector actively involves poor communities in the company's core business value chain and its market development strategies. Inclusive business plays to the strengths of good business through tapping into the great pool of skills, technology, experience and knowledge that resides within the corporate sector. Although, essentially a management model and tool for the corporate sector, inclusive business provides a focus for all sectors in our shared responsibility for poverty reduction.

It is not just companies that can practice inclusive business. It is a concept that can be applied to any organisation that has a supply chain, by procuring goods and services locally and from low-income communities.

"This innovative project is designed to help and encourage companies to contribute to poverty eradication in a way that plays to the strengths of business and provides a guiding strategic development framework," says Themba Mhlongo, Head of Programmes at the Southern Africa Trust.

"The *B4D Pathfinder* offers a set of tools to enable businesses in southern Africa to navigate an uncharted path to sustain their own growth and profitability, while at the same time directly contributing to sustainable development in southern Africa by including the poor in their growth path. That is why it is called a pathfinder," he says.

These tools include a simple charter to express commitment and aspiration, a barometer with associated public reporting to measure progress and promote public accountability, and a toolkit to help companies along the journey of including the poor in their business strategies.

The combination of the charter, barometer and a supporting toolkit will build a framework for governing the relationship between a business entity or sector and its various constituencies. It will enable businesses to define their limits of responsibility in contributing to pro-poor development. It will also help businesses to identify and capture opportunities for support and marketing.

Beyond cutting costs, the benefits of doing inclusive business are enhanced profitability through increased sales as a result of expanded innovation and quality, and fair pricing schemes attributed to building stronger brands and market access. Inclusive business, by requiring a higher level of creativity, also spurs an innovative spirit that can lead to new business frontiers.

Some of the benefits of the *B4D Pathfinder* include:

- **Profitability:** It generates income for the poor and creates profits for business by including the poor both on the supply side (e.g. improving production capacity, access to high quality inputs, developing transferable innovation, image equity) and on the demand side (e.g. finding new customers, creating longer-term customer loyalty, expanding markets, expanding customer reach).
- **Participation of the poor:** Poor people benefit from participating in markets through access to affordable goods and services, access to income generating opportunities as suppliers, employees, distributors and entrepreneurs, and increased choice and empowerment.
- **Human development impact:** Livelihoods, human dignity and social conditions are improved.
- **Sustainability:** An inclusive business model contributes to social and environmental sustainability through, for example, sound, labour relations, governance and human rights practices, and environmental management (the principles of corporate social responsibility).

The *B4D Pathfinder* is the product of a partnership between the SADC Employers' Group which is hosted by Business Unity South Africa (BUSA) and the Southern Africa Trust, an independent non-profit agency that works closely with development agencies, southern African governments, civil society groups, and business associations to overcome poverty in southern Africa.

The *B4D Pathfinder* will provide a platform to promote the take-up of inclusive business in the southern Africa region.

Journalists are invited to attend the launch.

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