

20 years of democracy at Consumer Goods Council

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In this, the 20th year of democracy, as South Africa reflects on how much it has transformed politically, socially, environmentally and most pertinently, economically, I would like to focus on the consumer goods industry and the positive impact South Africa's young democracy has had on some of the notable achievements we attribute to a democratic society.



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While the world was watching and pondering whether to enter the South African market as an investment destination, we contributed to the democratic society through the European Article Numbering Association (EAN), which became part of the Consumer Goods Council and changed its name to GS1.

Global Standards Management Process launched

Soon thereafter, the Global Standards Management Process (GSMP), whose aim is to provide a global forum for GS1 members to discuss and establish new standards-based solutions for their businesses, was launched. The consumer goods industry also adopted GS1 listing standards, which allow transparency in supply chain processes, enhancing the movements of products from suppliers to retailers thereby reducing the time to market.

As the new constitution provided freedom of movement and the demographics of the country changed, so have we experienced the evolution of the consumer goods industry in trying to meet the growing demand of the consumer. Our role as the industry representative was clarified - we provide a platform where industry players meet and collaborate on non-competitive matters for the ultimate benefit of the consumer.

We have led the way in terms of food safety and nutrition, product labelling and notably in 2005, GS1 South Africa wrote the first Wine Traceability Guideline for GS1 Global. Through our Food Safety Initiative (FSI) we have ensured that we continue to conduct research, participate in international dialogues around food safety matters and as such provide expert advice on food safety regulations.

In 2009, the Single SA Food Safety Audit (SAFSA) system commenced with the aim of introducing uniformity in food safety audits. The system was enhanced and eventually reintroduced in 2012 as the Global Markets Capacity Building Programme, based on the international Global Food Safety Initiative (GFSI) model.

First GFSI South Africa Focus Day

The following year we were able to attract the world's food safety experts and September 2013 saw the first GFSI South Africa Focus Day, where food safety experts from across the world came together to share their learnings and impart knowledge. The Focus Day provided South African food industry stakeholders with thorough background information on the principles behind the GFSI and demonstrated real examples of the benefits that working within the GFSI framework provides.

The programme has gained a tremendous amount of interest from the food industry, as it will greatly decrease the number of food safety audits (and related costs), increase South African food safety capacity and ultimately protect consumer health.

Environmental Sustainability Initiative

Last year also saw the CGCSA receive an invitation to present feedback on the Environmental Sustainability Initiative (ESI) at the Gaborone Declaration for Sustainability in Africa. The Declaration resulted in the signatures of 10 Africa countries in May 2012 on a set of action statements encompassing these signatory countries' commitment to report on implementation efforts annually.

The Council gave feedback on phase one of the ESI, which is a partnership spearheaded by the local chapter of Conservation International; Conservation South Africa (CSA) under the first Action Statement; Corporate Planning. The project approach, lessons learnt and plans for the second phase of the project were presented and discussed. Interest was expressed by other member countries with various NGOs requesting feedback on the implementation of the pilot study in 2014. It is envisaged that the Council will provide support to countries wishing to implement the model. We will be returning to give feedback on the progress of the pilot at this year's Gaborone Declaration sitting.

The ESI is a priority programme and was approved by the board in 2012. It will investigate environmental sustainability and implement best practices and minimum compliance within the South African consumer goods sector.

ESI's offering is closely modelled on the initiative as outlined by the Consumer Goods Forum (CGF) Global Social Compliance Programme for Environmental Sustainability.

Phase one in South Africa was feasibility and conceptual framework study, which revealed a real appetite from industry to engage on sustainability matters. Phase two of the initiative kicked off in 2014 and will include a pilot study across three sectors in the supply chain. The aim is for the Council to ultimately provide a supporting role and promote operational efficiencies through promoting best practice guidance on Environmental Sustainability issues.

Merger with Furniture Traders Association

The Council concluded a merger with the Furniture Traders Association bringing the two organisations under one umbrella.

As part of the merger, there was a discussion around how the organisation endeavours to partner with all relevant stakeholders to realise its vision to "be a trusted and reliable voice for the consumer goods industry in South Africa."

The Council achieves this by promoting partnership amongst its stakeholders and resolving shared non-competitive matters in the most efficient manner to the ultimate benefit of the consumer.

Dealing with crime

The new democratic order brought about many changes and had a significant impact on both policing and crime, particularly violent crimes.

The CGCSA and the South African Police Service have developed a partnership, which has enabled effective policing and prevention of crime in our industry. The culmination of this relationship is continued provision of business crime statistics to the police for use in the national crime statistics released by the Minister of Police on an annual basis. In partnership with SBV and Business Against Crime (BAC), the Consumer Goods Risk Initiative's secure cash distribution system was implemented in shopping centres across Gauteng in 2013 with plans for national implementation.

The system involves the transporting of cash via air tubes to reduce the amount of cash kept on retail premises, that is then "recycled" into ATMs within shopping centres. This reduces the frequency of cash-in-transit pick-ups and drop-offs, and in turn reduces the risk of armed robberies and CIT robberies and potential related injuries from occurring.

The organisation also coordinated the compilation of CCTV industry guidelines, also in partnership with BAC. These provide recommendations on minimum standards and best practice with regard to the installation of CCTV systems in retail outlets. The CGRI also send their members alerts and monthly reports on crime trends, criminal syndicates and hotspot/geographic shifting of crime. We have achieved some great strides in several crime combatting initiatives and projects, particularly within the retail industry. We have been able to simplify and standardise tracking of products being sold in stores across South Africa, utilising standards in GS1.

Ombudsman established

Something that we are extremely proud of is the establishing of the office of the Consumer Goods and Service Ombudsman (CGSO) in June last year. Former Ombudsman for Banking Services, Advocate Neville Melville, has been appointed as the CGSO and has the full support of the CGCSA.

The CGSO provides guidelines for the consumer goods and services industry on the minimum conduct standards expected when engaging with consumers and to assist in resolving disputes.

The Ombudsman will deal with consumer complaints against suppliers within the consumer goods and services industry, including retail, manufacturing, and wholesale sectors.

There has long been a need for a body, which considers the needs and concerns of the consumers, and the establishment of this office speaks to the industry's commitment to providing the best possible service to the public. An indication of how the CGCSA has remained a relevant organisation in the new dispensation.

These are just some of the ways the CGCSA has represented the interests of its members and influenced the regulatory framework, which governs the packaged goods industry in the last 20 years.

Global Consumer Goods Forum Summit in 2016

Our efforts have culminated in our annual summit. This event's focus is to energise the consumer goods industry by looking at the real issues facing it every day and offering those in attendance clear responses and practical tools for success.

The CGCSA Summit advisory panel consists of top management from a number of major South African businesses, who put their heads together to bring delegates a rich and relevant agenda, reflecting the true expectations of retailers, suppliers and third-party service providers.

The world has also recognised the growth of the consumer goods industry in South Africa and as a result we will host the Global Consumer Goods Forum Summit in 2016, a first for the country and the continent. Over 400 business leaders representing an excess of €2.3 trillion in value annually and employs more than 10 million people directly and over 90 million across the value chain globally will be in Cape Town, South Africa for a week to attend the summit. This provides an

opportunity for South Africa to showcase its ability as a premier foreign direct investment in emerging market.

South Africa has enjoyed growth and experienced the expected growing pains in the first 20 years of its democracy. At the CGCSA, we have experienced a similar pattern of growth - one that we hope will continue for the next 20 years and more to come.

ABOUT THE AUTHOR

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