



## Private Sector Development Impact Stories

### Private Sector Engagement



# DCED

The Donor Committee for Enterprise Development

*The [DCED's Impact Stories](#) webpage offers a collection of short stories about private sector development programmes that have created jobs and income for the poor at scale – according to self-reported results. These stories underline the great potential of the private sector to generate economic opportunities and improve the living conditions of the poor.*

#### **Impact Story: Scaling up inclusive distribution chains in East Africa – IFC and Coca Cola SABCO**

Cooperation between multinational enterprises and local businesses in developing countries can offer numerous benefits for both sides, but it is an often neglected business opportunity.

**What has been done?** Between 1999 and 2002, Coca-Cola SABCO has piloted an innovative delivery-scheme in East Africa. The scheme aimed to integrate low-income entrepreneurs into Coca-Cola SABCO's core business operations by employing them to bring Coca-Cola products to local vendors in small, hand-pushed carts. In 2002, IFC supported Coca-Cola SABCO in expanding its operations in Ethiopia and Tanzania with \$37 million in financing (comprising a \$15 million loan, a \$12 million guarantee, and \$10 million in equity).

**What has been achieved?** By 2008, Coca-Cola SABCO has created over 12,000 jobs and more than \$420 million in additional revenue in Ethiopia and Tanzania. Around 50,000 local people relied on income from Coca-Cola's distribution chain. [Source and more information: IFC, 2011](#)

[Click here](#) for more impact stories of Private Sector Engagement initiatives.