

Entrepreneurship and Education

Manual Distribution Centres in East Africa

Creating business opportunities by establishing individually-operated distribution centres

* This project is an example of the Business Call to Action but was not a UNDP partnership

In an effort to generate more jobs and improve the incomes of small business owners and their employees in East Africa, The Coca-Cola Company, the International Finance Corporation (IFC) and the Harvard Kennedy School (HKS) partnered in 2008 to create Manual Distribution Centres (MDCs) in regional markets. This is one of many ongoing programmes being implemented by the Coca Cola Company partnerships.

East African citizens face a difficult job market due to high levels of unemployment, low levels of education and under-served local markets. By creating MDC's, the initiative directly supports the unemployed and those with little job security with stable employment opportunities. In addition, a key project component will involve improved training and education of MDC owners and their staff.

The project was designed with an approach that utilized a core business model and contributed to socio-economic development. Coca-cola would establish individual distribution centres on the local level to sell their products, with the eventual goal of expanding to other goods.

The goal by 2010 is to:

- Create between 1300 and 2000 new independent distribution businesses (MDCs)
- Create between 5300 and 8400 new jobs
- Generate new revenue of between \$320 million USD and \$520 million in local economies

The East Africa Manual Distribution Centre Initiative has impacted local economies in numerous ways. Since early 2008, the project has:

- Established over 500 new MDCs

- **Region:** East Africa
- **Launched:** 2005
- **Company:** The Coca-Cola Company
- **Program Highlights:** 2500 jobs created, 500 Distribution Centres constructed, 400 business models displaying similar methods in the region



The construction of Manual Distribution Centres is one of many ongoing development projects that The Coca-Cola Company is implementing around the world.

Photo by Banning Eyre for afropop.org

- Created over 2500 new jobs
- Identified as many as 400 additional businesses in our system in Africa that mirror the MDC model's engagement of local entrepreneurs to distribute their products
- Gathered data related to women's involvement in the MDC network

The focus for 2009 will be both on the continued establishment of new MDCs, as well as on testing ways to enhance the development impact of the model.