

BMA LOCAL BUYING PROGRAM

BUILDING OUR FUTURE TOGETHER

BMA Local Buying Program Quarterly Report July 2014 to September 2014

The BMA Local Buying Program continues to remain a targeted program providing opportunities for small businesses with less than 25 full-time employees to competitively supply goods and services to BMA / BMC and their many operations located throughout the Bowen Basin. The Program targets businesses registered or operating as their primary place of business in the communities of Blackwater, Capella, Dysart, Emerald, Moranbah and Nebo.

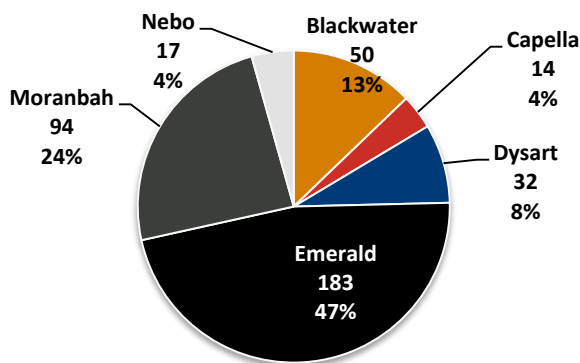
The Program has been transacting since July 1 2012 through the online portal www.localbuying.com.au. The progress of the Program since this date can be measured by the number of businesses registering to participate, the number of work opportunities made available to businesses, the category utilisation and the amount of approved spend going back into local communities.

The following information relates to the program since commencement on 1 July 2012 as well as the changes in the quarter from July 2014 – September 2014.

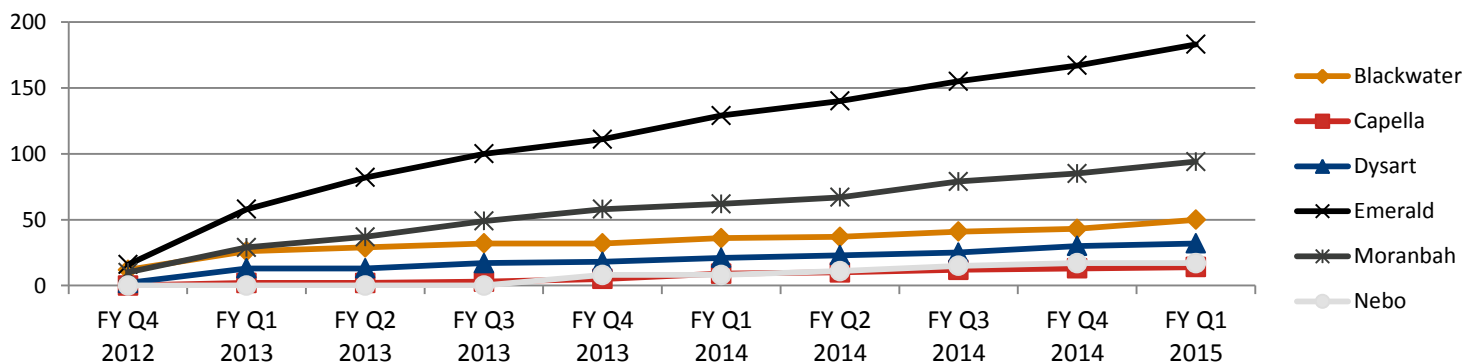
1. Business Registrations

At the end of September, **390 local businesses** were approved to participate in the Program (from a total of 626 applications). The number of approved businesses increased by 6% during this quarter

The graph represents the total number of approved suppliers per community and percentage of total approved registration.



Number of approved suppliers at end of each Quarter



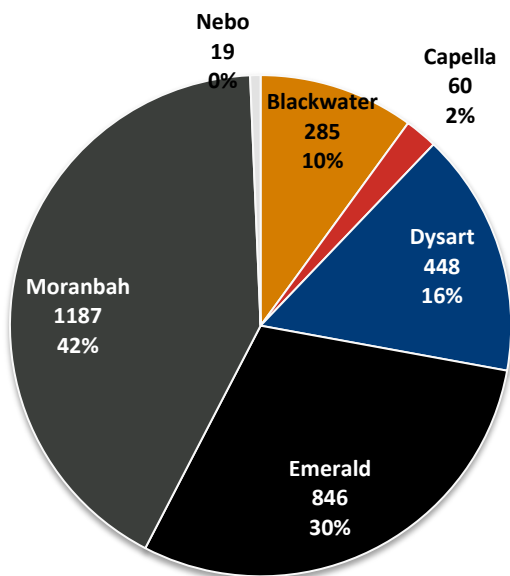
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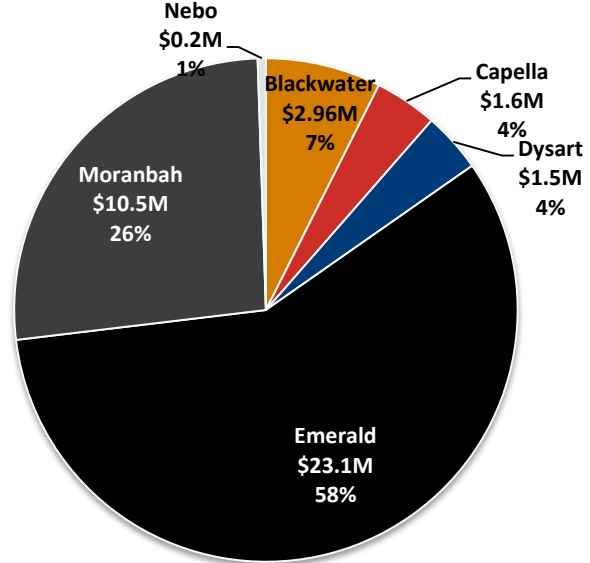
2. Work Instructions (WI) Per Community

A total of **3,403 work opportunities** have been made available to local businesses (increase of 16% for quarter) with **2,431 approved work packages** (increase of 17% for quarter) shared across the four communities.

Approved WI allocation per Community



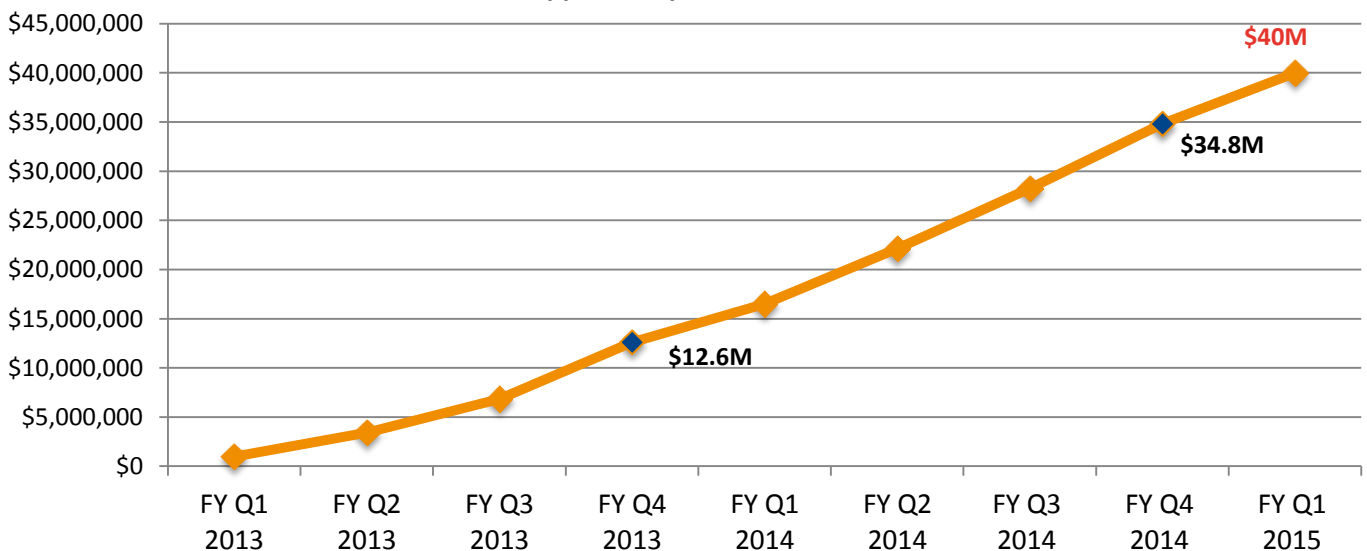
Total Approved Spend per Community



3. Payments and Total Approved Spend

A total of **4,907 full and partial payments** have been made to suppliers (an increase of 21% for this quarter). The *average* supplier payment days were **11 days from supplier claim to payment** (an increase of 0.2 days this quarter). The total approved spend (Work Instructions with a Purchase Order) was approximately **\$40.0M** (and 15% increase).

Accumulative Approved Spend at end of each Quarter



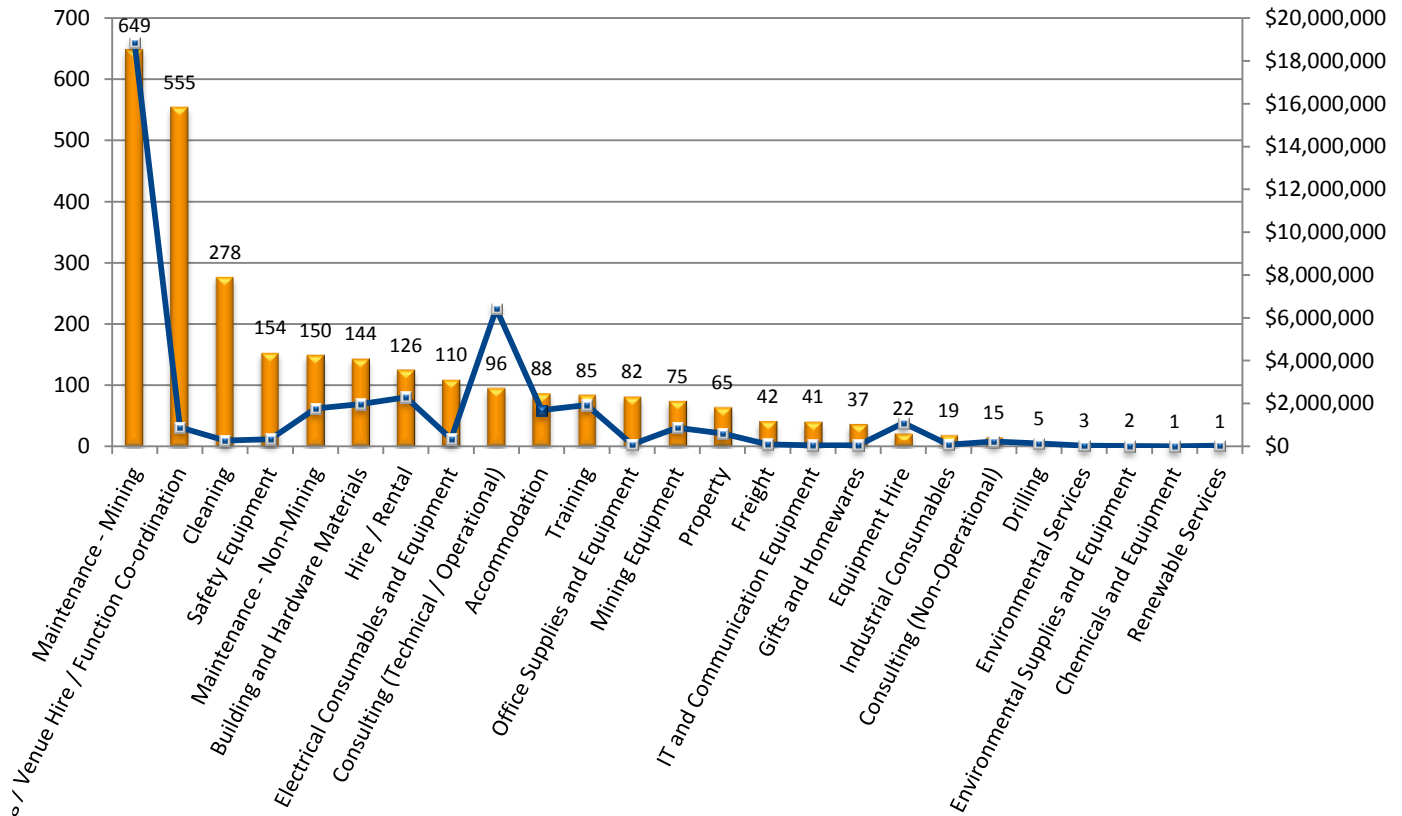
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4. Category Utilisation – Goods and Services

The following graph represents the number of approved Work Instructions per Goods and Services categories as at September 2014.

PTD September 2014- Good and Services Utilisation (Approved WI = 2,845)



Key Partnership

BMA acknowledges the success of the program is due to the key partnership developed with **C-Res**. C-Res is a subsidiary of REDC and has been established to ensure the successful and transparent delivery of BMA's Local Buying Program as a cost-neutral entity. C-Res is responsible for coordinating the day-to-day deliverables of the Program including liaising with local suppliers and BMA/BMC users.



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Local Buying Community Foundation

The **Local Buying Community Foundation** is a critical element of the **BMA Local Buying Program**. The Foundation aims to enhance the economic sustainability of communities within BMA's immediate operational footprint and the broader Bowen Basin region. Through programs and initiatives that target local business training and development needs, the Local Buying Community Foundation is assisting to build and develop local capacity and capability. For all approved transactions processed through the BMA Local Buying Program, BMA makes a financial contribution to the Local Buying Community Foundation.

The key areas of focus for the Foundation include:

1. **Building Sustainable Futures (BSF)** – focusing on wider business economic and community development. This includes (but not limited to) business grants (new, growth, innovation), employment, scholarships, regional promotion and awareness.
2. **Building Sustainable Business Communities (BSBC)** – focusing on local business training and development. This includes (but not limited to) industry training, regional economic analysis and education for businesses.

Governance over the Local Buying Community Foundation is provided by the **Community Foundation Advisory Committee (CFAC)**, a collaborative stakeholder committee consisting of representatives that have diverse skills, business expertise and economic development. Membership of the committee includes local, regional and industry stakeholder representation from across the Bowen Basin.

See [Local Buying Community Foundation Quarterly Report September 2014](#).

For more information on the BMA Local Buying Program or the Local Buying Community Foundation visit www.localbuying.com.au or phone 1800 536 663.