



NIGERIAN BOTTLING COMPANY LIMITED

STANDARD OPERATING PROCEDURE



3PL TRANSPORTATION DEBT RECOVERY POLICY



Nigerian Bottling Company Ltd RC 902
(A member of Coca-Cola Hellenic Group)

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1.0 DOCUMENT CONTROL

Revision No	Issue date	Author/Codifiers	Note
1.0	August 2018	Olaitan Amusan	Creation
2.0	August 2023	Adeyemi Bada-Olicks	Revision

2.0 OBJECTIVE

NBC engages 3PL to carry out transportation services and allows for a reasonable breakages allowance after which excess debits are passed to the 3PL. NBC expects a proper and timely recovery of debts incurred by 3PL after reconciliation by both NBC and 3PL Representative. Thus, this document provides the guidelines for treating debt recoveries from 3PLs. It states the roles and responsibilities of the 3PL onsite personnel and the NBC staff as well as processes involved. This policy provides guidelines to ensure full debit recovery from 3PL vendors.

3.0 POLICY STATEMENT

3PLs are company Vendors who offer transportation services to the business to support operational activities. 3PL may incur debt in the cause of daily operations. Thus, debts due to 3PL must be reconciled by both NBC staff and 3PL staff before they are passed with required supporting source documents that have been prepared according to set guidelines and duly acknowledged within specific set timelines.

4.0 SCOPE AND APPLICATION

This process covers all activities required for 3PL transportation debt recoveries, roles and responsibilities of 3PL onsite supervisors as well as NBC staff. It also defines timelines for actions to resolve issues that may arise or stall the debit recovery process either by 3PL or NBC representative.

5.0 DEFINITION OF TERMS AND ACRONYMS

THIRD PARTY LOGISTICS (3PL): Vendors that NBC has agreement with to provide transportation services.

3PL ONSITE SUPERVISOR: Vendor representative that works with the Transportation team in NBC locations.

DEBIT NOTE: Document used to inform the vendor of debt obligations. It carries information such as Vendor's name and code, GL Account, cost center, description of debt, debt amount both in words and figures, issuers, and receiver's signature etc.

DEBIT TICKET: Document that carries information on the GL account and cost center of the location where corresponding credit is due with the amount. This document serves as an acknowledgement on behalf of the 3PL.

SUMMARY SHEET: Shows the summary of amount on the debit note to be recovered from 3PL.

ACRONYMS	MEANING
NBC	Nigerian Bottling Company Limited
3PL	Third Party Logistics
FG	Finished Goods
CLD	Country Logistics Director
BSO	Business Service Organization
RSM	Route Settlement Manager
RSO	Route Settlement Officer

6.0 ROLES AND RESPONSIBILITIES

SECURITY PERSONNEL

- Independently checks trucks as they arrive in location by counting cases of FGs or empties for any breakages in-transit or short deliveries in the presence of the driver.
- Signs-off shipment document after checking trucks.

WAREHOUSE CHECKER

- Checks trucks as they arrive in location by counting cases of FGs or empties for any breakages in-transit or short deliveries in the presence of the driver.
- Records quantity of breakages or short deliveries on the check-in form or register as applicable.
- Signs-off shipment document after confirming the breakages quantity.

3PL ONSITE SUPERVISOR

- Keeps a track of all debits due to the 3PL company.
- Reconciles debits with the Distribution Manager/Lead.
- Signs-off debit notes and debit tickets presented by the Transportation Officer/Manager after reconciliation of debits.

WAREHOUSE SPECIALIST/LEAD

- Checks-in shipments on the SAP system.
- Scans shipment documents and invoice to the Route Settlement Team.
- Reconciles and sign-off the register with the Distribution Lead
- Posts to appropriate G/L account on SAP after due reconciliation with Transportation Team

ROUTE SETTLEMENT OFFICER/MANAGER

- Settles all shipments.
- Shares driver differences report with the Distribution Manager/Lead for weekly/monthly reconciliation with the 3PL Onsite Supervisor.

INVOICE PROCESSING ASSOCIATE

- Scans all invoices and send to BSO.
- Attends to all issues relating to invoices.

DISTRIBUTION LEAD

- Reconciles with Warehouse Manager/Lead all debit notes prior to posting into SAP Collate debits and reconcile weekly with 3PL site supervisor.
- Prepares debit Note, Debit Ticket, and summary of debits due to 3PL for sign-off.
- Escalates debit not acknowledged by the 3PL to the 3PL Manager after 48 hours.
- Sends acknowledged or signed debit documents to Distribution Contracts Manager.
- Signs-off reconciled debits weekly before posting to Distribution account.

DISTRIBUTION MANAGER

- Approves all debit notes due to 3PL.
- Resolves 3PL debit recovery issues escalated.

DISTRIBUTION CONTRACTS MANAGER

- Receives the debit documents from Distribution Manager/Lead and send to Head Office Procure to Pay (PTP) for treatment.
- Validates the correctness of all documents.
- Scans documents from the plant and send to the H/O Invoice Processing Officer for recovery.
- Reconciles with Invoice Processing Associate team debits sent versus debits recovered.
- Shares 3PL recovery report with the location Distribution Manager/Lead periodically.

LOGISTICS SUPPORT MANAGER

- Resolves 3PL's debt recovery issues escalated.
- Approves debits not acknowledged and more than ₦300k after communication with 3PL supervisor.

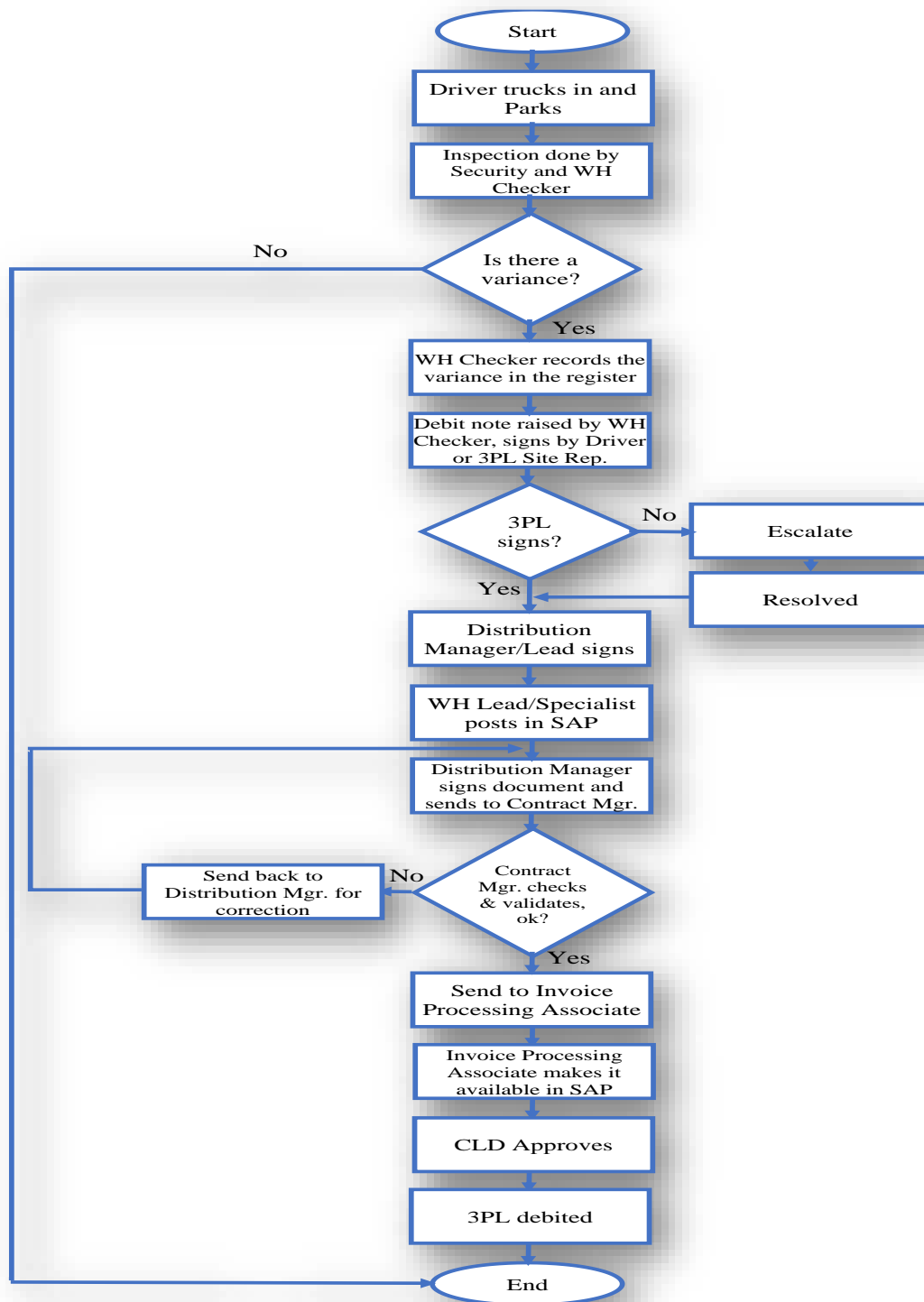
COUNTRY LOGISTICS DIRECTOR

- Resolves 3PL Debit recovery issues escalated.
- Approves 3PL debits on SAP for BSO to treat.
- Approves changes to debit recovery templates.

7.0 POLICY PROCEDURES

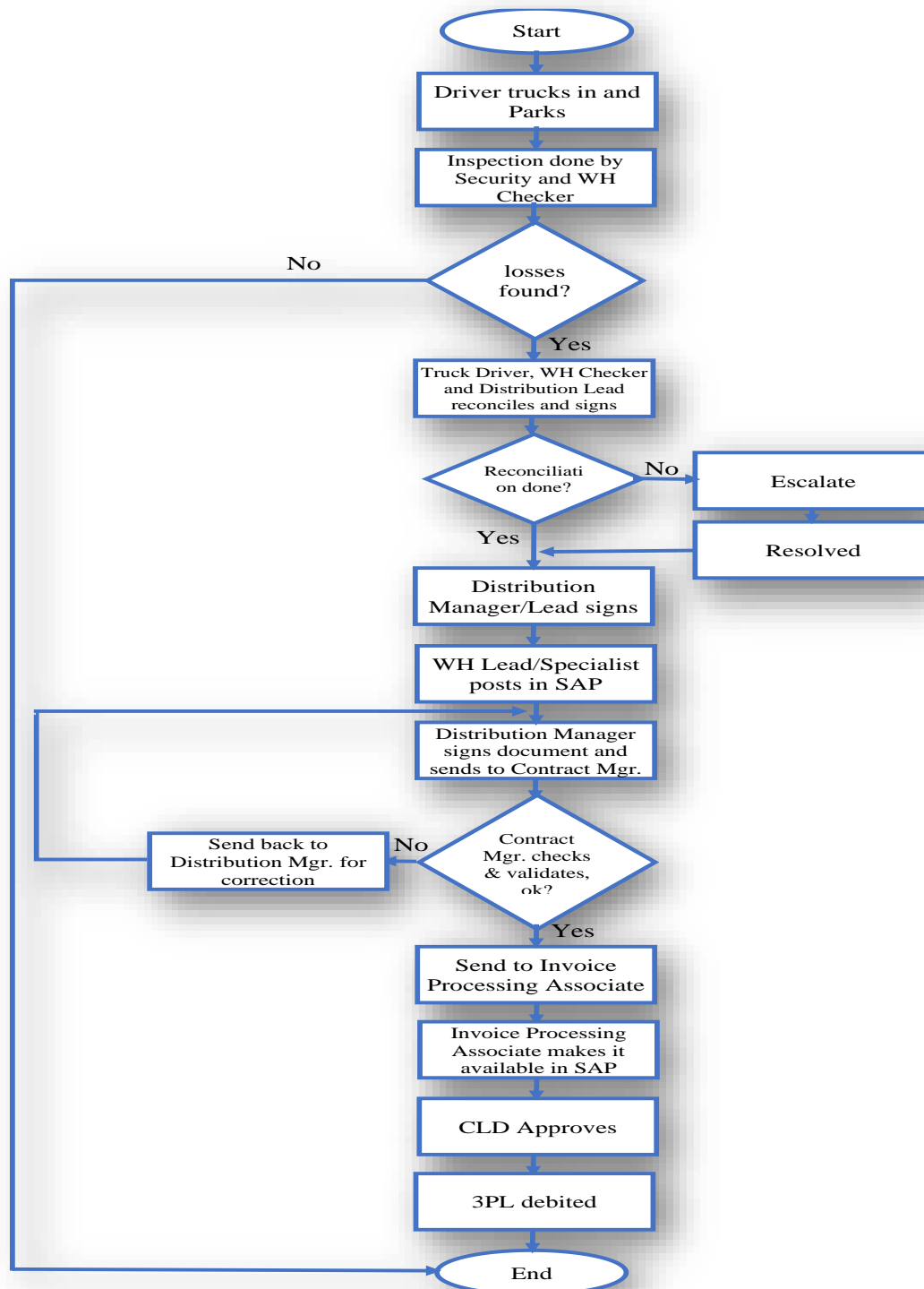
7.1 PROCEDURE FOR HAULAGE INSPECTION

- Driver trucks into the location and parks at check point.
- Inspection of products is done by Security Personnel and WH Checker in the presence of the driver or 3PL representative in line with Check-In Standard Operating Procedure
- Variances are categorized by the WH Checker in quantity into manufacturing defects, bursts, leakages, In-transit damages, missing full/short deliveries & breakages and any other categorization deems fit by the team
- Manufacturing defects are not to be debited to haulers and are sorted out from others.
- WH Checker records the difference in quantity in the register and signs-off
- Distribution lead sends updated tracking report to the Distribution Contracts Manager periodically.
- Debit note is raised and is signed by driver or 3PL site representative (see appendix 1)
- Warehouse Specialist/lead reconciles and sign-off with the Distribution Manager/Lead
- Warehouse Lead or Specialist posts on SAP and debit appropriate G/L account after due reconciliation with the Distribution Lead / Manager
- Distribution Manager/Lead reconciles weekly with the on-site supervisor with the signed debit notes by driver or 3PL representative.
- Distribution Lead prepares debit documents and gets 3PL onsite supervisor to sign.
- Distribution Manager signs-off debit documents. Warehouse Manager signs-off debit documents in Depo locations where we do not have Distribution Manager.
- Distribution Lead sends debit documents via email to 3PL Representative for locations without onsite supervisor for acknowledgement.
- 3PL onsite supervisor signs-off debit documents.
- Distribution Lead checks for GL account, cost center, Vendor's Code, and name correctness on documents
- Distribution Lead sends the debit documents to the Distribution Contracts Manager weekly.
- Distribution Contracts team sends to Invoice Processing Associate team for treatment, Invoice Processing Associate team who will ensure that all necessary things are done in SAP and releases to CLD for approval.
- CLD approves debits on SAP.
- On CLD's approval Distribution's Cost Centre is Credited while Hauler's Account is Debited

7.1B HAULAGE INSPECTION FLOWCHART

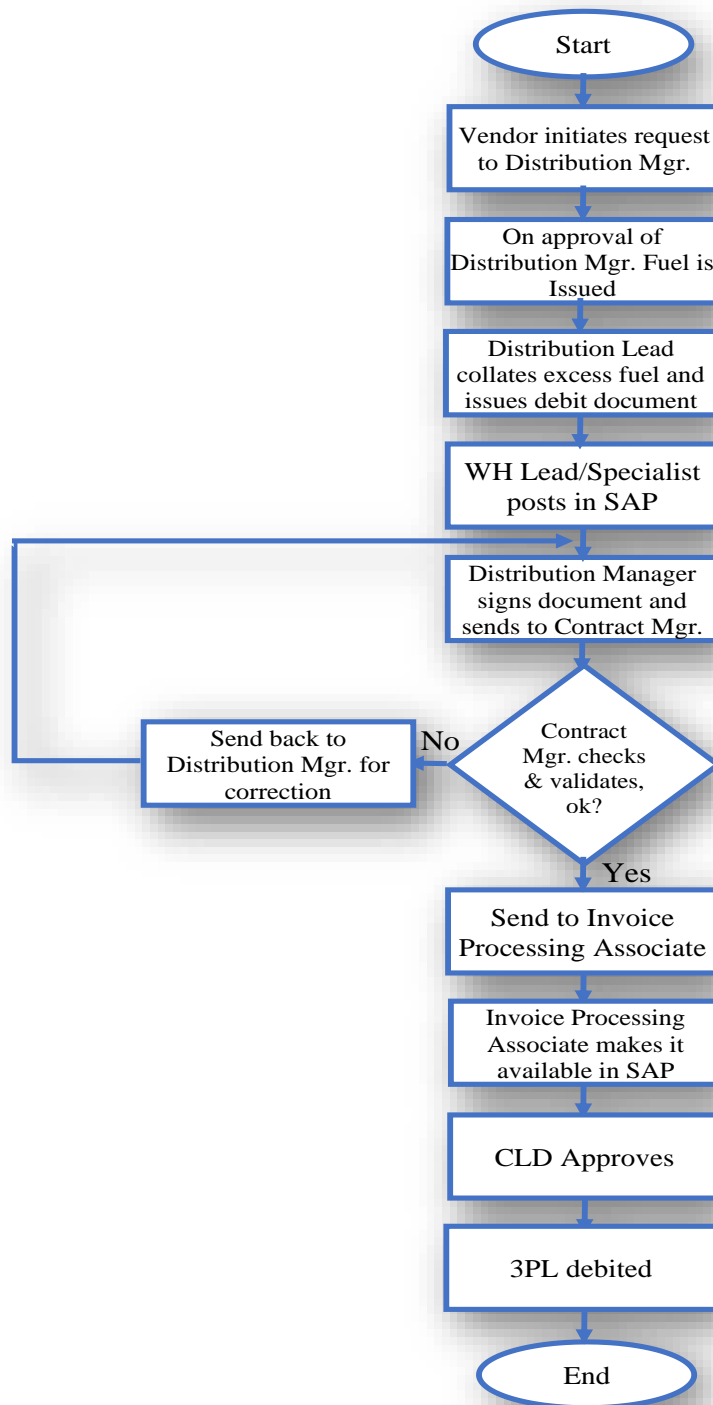
7.2 PROCEDURE FOR DISTRIBUTION MATERIAL LOSS (FINISHED GOODS)

- Truck Driver arrives from trade, parks truck at check point.
- WH Checker checks vehicle in line with Check-In Standard Operating Procedure
- Security Personnel checks truck independently as well in line with Check-In Standard Operating Procedure
- WH Checker records quantity identified during stripping and any missing full in relevant register.
- Truck Driver, WH Checker and Distribution Lead sign-off the breakages register.
- Warehouse Lead reconciles with the Distribution Lead & get sign - off from Distribution Manager
- Warehouse Lead posts on SAP and debit appropriate G/L account after due reconciliation with Distribution Manager
- Distribution Lead reconciles with 3PL Onsite Supervisor weekly.
- Warehouse Lead issues debit note, while Distribution Team gets sign-off from 3PL Onsite Supervisor
- Distribution Lead gives debit documents to 3PL Onsite Supervisor to sign-off.
- Distribution Manager signs off on Debit Documents.
- Distribution Lead checks for cost center, GL Account, 3PL's Code and Name correctness on debit documents
- Distribution Lead sends the Debit documents to Distribution Contracts Manager
- Distribution Contracts Manager checks for acknowledgment or signature of 3PL representative and Distribution Manager, 3PL's code and name correctness on documents and
- Distribution Contracts team sends to Invoice Processing Associate team for treatment, Invoice Processing Associate team who will ensure that all necessary things are done in SAP and releases to CLD for approval.
- CLD approves debits on SAP.
- On CLD's approval Distribution's Cost Centre is Credited while Hauler's Account is Debited

7.2B DISTRIBUTION MATERIAL LOSS (FINISHED GOODS) FLOW CHART

7.3 PROCEDURE FOR EXCESS FUEL (HAULAGE)

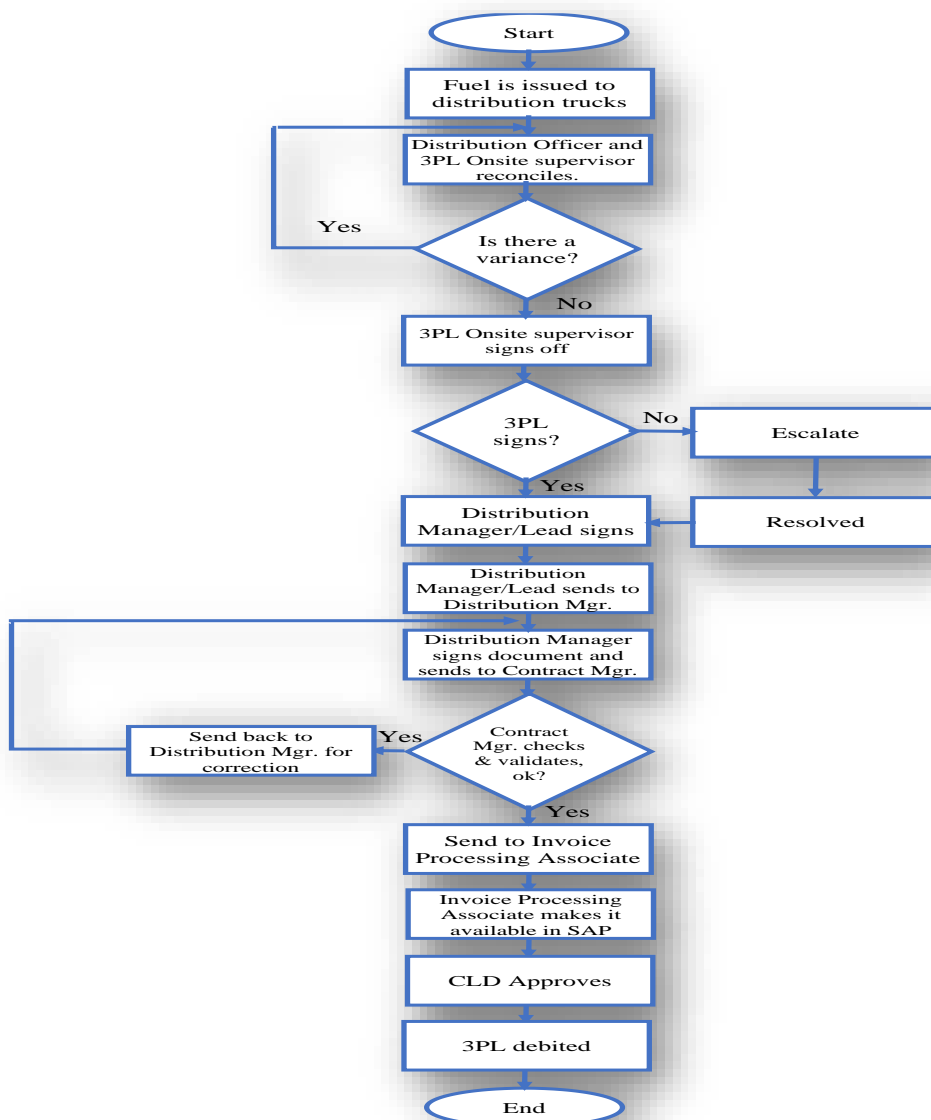
- Vendor initiates request to Distribution Manager.
- On approval of Distribution Manager fuel is issued.
- Distribution Lead collates the total excess fuel weekly and issues debit document.
- Warehouse Lead posts on SAP and debit appropriate G/L account after due reconciliation with Distribution Manager
- Distribution Lead reconciles with 3PL Onsite Supervisor weekly.
- Warehouse Lead issues debit note, while Distribution Team gets sign-off from 3PL Onsite Supervisor
- Distribution Lead gives debit documents to 3PL Onsite Supervisor to sign-off.
- Distribution Manager signs off on Debit Documents.
- Distribution Lead checks for cost center, GL Account, 3PL's Code and Name correctness on debit documents
- Distribution Lead sends the Debit documents to Distribution Contracts Manager
- Distribution Contracts Manager checks for acknowledgment or signature of 3PL representative and Distribution Manager, 3PL's code and name correctness on documents and
- Distribution Contracts team sends to Invoice Processing Associate team for treatment, Invoice Processing Associate team who will ensure that all necessary things are done in SAP and releases to CLD for approval.
- CLD approves debits on SAP.
- On CLD's approval Distribution's Cost Centre is Credited while Hauler's Account is Debited

7.3B EXCESS FUEL (HAULAGE) FLOW CHART

7.4 PROCEDURE FOR EXCESS FUEL (DISTRIBUTION)

- Fuel is issued to distribution trucks weekly.
- Daily tracking of quantity issued, and distance travelled on fuel template.
- Reconciliation at month end by Distribution Officer and 3PL Onsite supervisor
- 3PL Onsite supervisor signs off excess fuel on hard copy print out.
- Distribution Officer sends reconciled fuel template, hard copy signed off to Distribution Contracts Manager
- Distribution Contracts Manager consolidates in the Fuel Consumption Template
- Distribution Contracts Manager reconciles with 3PL Representative
- Debit documents are acknowledged by 3PL Representative
- Distribution Contracts team sends to Invoice Processing Associate team for treatment, Invoice Processing Associate team who will ensure that all necessary things are done in SAP and releases to CLD for approval.
- CLD approves debits on SAP.
- On CLD's approval Distribution's Cost Centre is Credited while Hauler's Account is Debited

7.4B EXCESS FUEL (DISTRIBUTION) FLOW CHART



8.0 SPECIAL CALL-OUT

- Debits to 3PL for FG and empties with exception Premium Spirit shall be by case only.
- Where Debit is less than a case, it should NOT be debited to 3PL but be carried over to the following period till it is up to a case (FG and empties).
- Warehouse should maintain a register for debits not up to a case.
- Debits Notes should not exceed a week before sending to Distribution Contracts Manager for recovery.
- All debits will be raised at prevailing selling price of products.
- Standard fuel as approved by CLD and indicated in the contract.

9.0 POLICY ADMINISTRATION

The Logistics Support Manager is responsible for the administration of this policy.

10.0 EXCEPTIONS

There are no defined exceptions to this policy.

11.0 EFFECTIVE DATE

This procedure is effective upon the approval of the Country General Manager.

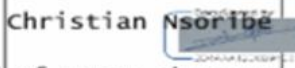
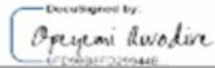


12.0 ACKNOWLEDGEMENT AND APPROVALS

By signing off, I confirm that I am aware of the process and main requirements of this Procedure and that the statements of the Procedure are acceptable. Furthermore, I agree to use the given authority according to the requirements, determined by this Procedure.



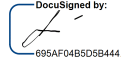
POLICY & PROCEDURES CODIFIED BY:

Name	Position	Signature	Date
Adeyemi Bada-Olicks	Distribution Contracts Manager		17-08-23

POLICY & PROCEDURE REVIEWED BY:

Name	Position	Signature	Date
Henry Okunzuwa	Logistics Support Manager on behalf of Henry Okunzuwa		17-08-23
Opeyemi Awodire	SC Finance Business Partner		17-08-23
Ismaila Yusuf	Country Logistics Director		17-08-23
Niyi Giwa	BSO Alliance Manager		

APPROVED BY:

Name	Position	Signature	Date
Neil Spickett	Supply Chain Director		
Adrian Lupu	Chief Financial Officer		
Goran Sladic	Country General Manager		

13.0 APPENDIX**13.1 DEBIT NOTE**

NIGERIAN BOTTLING CO. LTD. (RC 902)
DEBIT NOTE N^o 9501061

Issuing Station..... Accounting Month

To:

DETAILS	AMOUNT
TOTAL (in words:)

Prepared by.....Date.....Accountant.....

NO CARBON BELOW THIS POINT

For recipient Station; Approved by: Folio:	DR / CR	A / C No.	Account Name

13.2 TRANSPORTATION TRACKING SHEET

[illegible]

13.3 DEBIT TICKET

NIGERIAN BOTTLING COMPANY LTD						
PLANT -						
DEBIT TICKET						
This serves as acknowledgement of debit on behalf of our company						
(vendor name) - (vendor code) - 3XXXXXXXXXXXX						
as per detail of items collected or items to be debited for below						
S/No	Description of Item	GL Account	Cost Center	Quantity	Unit Cost	Amount
Vendor Representative		NBC Representative				
Name:		Name:				
Position:		Position:				
Signature:		Signature:				
Date:		Date:				
Name of Company:						

13.4 MARKET CHIPNECK STRIPPING FORM

MARKET CHIPNECK STRIPPING FORM														W NBC RLD CLASS			
Plant: _____																	
Date: _____																	
Name of Salesman: _____	Number of strips this month <input type="text"/>																
Truck No. _____	Nº 0077127																
	Ultra	Regular	Ultra	Regular	Ultra	Regular	Ultra	Regular	Ultra	Regular	Ultra	Regular					
	CC35	CC35	CC50	CC50	FO35	FO35	FO50	FO50	SP35	SP35	SP50	SP50	SBL	TONIC SODA LIMCA			
RGB Loaded Out (Physical Cases):	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>			
Total RGB Loaded Out (Physical Cases):	<input type="text"/>																
Total RGB Cases Stripped	<input type="text"/>																
Chipnecks Found (Bottles)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>			
Missing Fulls	<input type="text"/>																
Missing Empties	<input type="text"/>																
Sales Breakages	<input type="text"/>																
Total Chipnecks Found (Bottles)	<input type="text"/>																
Chipneck as % of Total RGB sales return	<input type="text"/>																
	TARGET <input type="checkbox"/> ABOVE TARGET? <input type="checkbox"/> YES/NO																
Signature of Deliveryman _____				Name & Signature of DO/Security _____					Name & Signature of Checker _____								