

NEW B-BBEE CODES - SUMMARY OF BEE WEBINAR 31.10.2013

THRESHOLDS:	OLD CODES	NEW CODES
EXEMPTED MICRO ENTERPRISE (EME)	0 – 5 m	0 – 10 m
QUALIFYING SMALL ENTERPRISE (QSE)	5 – 35 m	35 – 50 m
GENERIC	35+	50+

ELEMENT:	WEIGHTING OLD	WEIGHTING NEW
OWNERSHIP	20	25
MANAGEMENT CONTROL	10	15
EMPLOYMENT EQUITY	15	-
SKILLS DEVELOPMENT	15	20
PREFERENTIAL PROCUREMENT	20	-
ENTERPRISE AND SUPPLIER DEVELOPMENT	-	40
ENTERPRISE DEVELOPMENT	15	-
SOCIO-ECONOMIC DEVELOPMENT	5	5
TOTAL	100	105

B-BBEE STATUS	QUALIFICATION POINTS (OLD)	QUALIFICATION POINTS (NEW)	B-BBEE PROCUREMENT RECOGNITION LEVEL
LEVEL 1	≥100	≥100	135%
LEVEL 2	≥85 <100	≥95 <100	125%
LEVEL 3	≥75 <85	≥90 <95	110%
LEVEL 4	≥65 <75	≥80 <90	100%
LEVEL 5	≥55 <65	≥75 <80	80%
LEVEL 6	≥45 <55	≥70 <75	60%
LEVEL 7	≥40 <45	≥55 <70	50%
LEVEL 8	≥30 <40	≥40 <55	10%
NON-COMPLIANT	<30	<40	0%

NOTES:

EME IS AUTOMATIC LEVEL 4

EME & QSE WHERE BLACK OWNERSHIP 50% OR MORE, NO VERIFICATION REQUIRED, AUTOMATIC LEVEL 1 (100 %), OR LEVEL 2 (51%+)

ONE SCORECARD FOR QSE AND GENERIC

EFFECTIVE 11.10.2013 – YOU CAN ELECT TO USE OLD CODES UP TO 11.10.2014

OWNERSHIP – SUBMINIMUM OF 40 %

SKILLS DEVELOPMENT – SUBMINIMUM OF 40 %

SKILLS DEVELOPMENT – DESIGNATED EMPLOYER MUST SUBMIT EMPLOYMENT EQUITY REPORTS, OR THIS ELEMENT WILL NOT QUALIFY

BEE NAVIGATOR – USED BY ACS – CLIENTS CAN USE THIS THEMSELVES TO UPLOAD INFORMATION

ACCOUNTANT CAN ISSUE EME CERTIFICATE

SKILLS DEVELOPMENT INCREASED FROM 2/3% TO 6% OF LEVIABLE AMOUNT (ANNUAL PAYROLL)

SKILLS – UNCERTIFIED AND IN-HOUSE TRAINING BOTH CAPPED AT 15% OF TOTAL SKILLS SPEND

SKILLS – LEGITIMATE TRAINING EXPENSES (ACCOMMODATION, CATERING, TRAVEL) ALSO CAPPED AT 15 % OF TOTALL SKILLS SPEND

EMPOWERING SUPPLIERS – 21 OF 25 ONLY ALLOCATED TO SPEND WITH EMPOWERING SUPPLIERS (THIS IS IMPORTANT)

EMPOWERING SUPPLIERS – EME'S AND START-UPS ARE AUTOMATICALLY EMPOWERING SUPPLIERS

Disclaimer:

This is a brief summary of the changes to the B-BBEE codes of good practice. These notes do not replace the detailed legislation. ACS cannot be held responsible for any loss incurred by any party as a result of reliance placed on the above.