

B-BBEE and your business: How best to prepare for your current and future B-BBEE Verifications

Regardless of whether your company is a Start-up Enterprise, a Private Company, a Close Corporation, listed or unlisted, operating in South Africa has changed drastically in the past 10 years irrespective of the industry and/or sector you are trading in. Within this ever-changing environment, the regulatory requirements your company is required to adhere to as well as the terms and conditions of your company's suppliers and/or clients' which need to be met in order to maintain and/or procure new business, all ultimately result in tedious, labour-intensive administration and having to comply with B-BBEE is just the cherry on top.

Be that as it may, B-BBEE in itself is a controversial topic. With the gazetted Codes, Sector Codes and related legislation being overly complex, yet vague in terms of explaining key definitions, the respective interpretation and/or methodology thereof and without providing proper sound examples for practical application in the workplace, it is understandable to be confused and overwhelmed merely by the thought of preparing for your B-BBEE Verification.

To simplify and to assist with your action plan in preparing for your B-BBEE Verification (albeit current and/or for future reference), one must first focus on the following:

1. Your current B-BBEE Certificate:

It is essential to know exactly when your current B-BBEE Certificate will expire as this date has a direct impact on your business, profitability and future success. Operating or trading without having a valid B-

BBEE Certificate is difficult and for most companies, not even an option and therefore planning and preparing for your current as well as future B-BBEE Verification, should be an ongoing process, attended to on a regular basis. B-BBEE Verifications are all based on your companies' official 12-month financial period and as such, incorporating a timeline into your action plan with clearly defined tasks, objectives and milestones is strongly recommended.

2. The applicable Codes or Sector Codes and scorecard:

The importance of determining the applicable Codes or Sector Codes as well as the scorecard on which your company's B-BBEE Verification will be based, may seem obvious however the concept of B-BBEE is everchanging. New Sector Codes are gazetted frequently, changes to legislation often have a direct impact on B-BBEE and how the applicable Codes or Sector Codes should be interpreted and the methodology of your B-BBEE Verification Agency are all subject to change and as such keeping in contact with your selected B-BBEE Verification Agency on a regular basis is essential for your planning and preparation and crucial in maintaining and/or increasing your overall B-BBEE level.

3. Document Management:

It is standard business practise to keep records of anything and everything pertaining to your business, however the manner in which this is done is the most important.

The use of a computer system and software to store, manage and track electronic documents and electronic images of paper based information captured through the

use of a document scanner, is without a doubt the most invaluable tool to have.

Adopting and/or incorporating a system to assist with your company's recordkeeping will ensure that any and every supporting document is readily available without any hassle of retrieving hard copies from archives, whilst saving you precious time to focus on the more important matters at hand.

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