



BEE Services That Work For Your Business

Empowering Supplier

On 11 October 2013, the Minister of Trade and Industry, Dr Rob Davies signed into law the Codes of Good Practice under S9 (1) of the Broad-Based Economic Empowerment Act 53 of 2003.

These Codes came into effect immediately and with a transitional period ending on 30 April 2015.

In terms of these Codes, Companies operating in South Africa will need to show evidence of being *Empowering Suppliers*. This refers to B-BBEE compliant entities that comply with all the regulatory requirement of the country and meet the following criteria:

1. At least 25% of Cost of Sales, excluding labour cost and depreciation, must be procured from local producers or local suppliers in South Africa, and for service industry enterprises labour is included but capped at 15%.
2. Job creation – 50% of jobs created are for Black people provided that the number of Black employees since the immediate prior verified B-BBEE Measured is maintained.
3. At least 25% transformation of raw material/beneficiation which include local manufacturing, production and/or assembly or packaging.
4. Skills transfer – at least spend 12 days per annum of productivity deployed in assisting Black EME and QSE beneficiaries to increase their operation or financial capacity.

The above criteria will be applicable to entities as follows:

- EME 's and Start-ups are automatically recognized as Empowering Suppliers
- QSE's are required to meet at least 1 of the criteria
- Generic Enterprises are required to meet at least 3 out of the 4 criteria.

BEE Analyst & Associates is able to assist with the following:

1. Analyse your current status, to determine if you meet the requirement.
2. Getting your company geared to meet the requirement for Empowering Suppliers
3. Analysing the gaps in your processes to be able to meet the Empowering Supplier requirement.
4. Devising and implementing strategies to meet the requirements for Empowering Supplier.

Contact us on: Pretoria – (012) 997 0037 | Potchefstroom – 076 766 2916

Email: gerhard@beeanalyst.co.za | **website:** beeanalyst.co.za