



“Creating BUSINESS sense out of BEE”

The Department of Trade and Industry’s December 2006 scorecard

This document is still in draft format. It should be used as a guideline only.

Equity element – Generic Scorecard

Ownership. Total points - 23 (including bonus points)			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Voting rights			
Exercisable voting rights in the enterprise in the hands of black people.	3	25% + 1 Vote	
Exercisable voting rights in the enterprise in the hands of black women.	2	10%	
Economic interest			
Economic interest in the enterprise to which black people are entitled	4	25%	
Economic interest in the enterprise to which black women are entitled	2	10%	
Economic interest in the enterprise to which <ul style="list-style-type: none"> o black designated groups o black participants in Employee Ownership Schemes o black beneficiaries of Public or General Benefit Schemes o black Participants in Co-operatives are entitled	1	2.5%	
Realisation points			
Ownership fulfilment	1	No restrictions	
Net equity value	7	25%	
Bonus points			
Involvement in the ownership of the Enterprise of black new entrants	2	10%	
Involvement of <ul style="list-style-type: none"> o black participants in Employee Ownership Schemes o Black beneficiaries of Public or General Benefit Schemes o black Participants in Co-operatives in the ownership of the enterprise	1	105	

Equity element – QSE Scorecard

Ownership. Total points - 25 (including bonus points)			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Voting rights			
Exercisable voting rights in the enterprise in the hands of black people.	6	25% + 1 Vote	
Economic interest			
Economic interest in the enterprise to which black people are entitled	9	25%	
Realisation points			
Ownership fulfilment	1	Yes	
Net equity value	9	25%	
Bonus points			
Involvement in the ownership of the Enterprise of black new entrants	2	10%	
Involvement of <ul style="list-style-type: none"> o black participants in Employee Ownership Schemes o Black beneficiaries of Public or General Benefit Schemes o black Participants in Co-operatives in the ownership of the enterprise	1	105	

Management element – Generic Scorecard

Management Control. Total points –11 (including bonus points)			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Board participation			
Exercisable voting rights exercisable by black members of the board	3	50%	
Black executive directors	2	50%	
Top management participation			
Percentage of black senior top management	3	40%	
Percentage of black other top management	2	20%	
Bonus points			
Percentage of black people who are independent non-executive board members	1	40%	

Management element – QSE Scorecard

Management Control. Total points – 27 (including bonus points)			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Black representation at top management level	25	50.1%	
Bonus points			
Bonus points: Black women representation at owner/manager level	2	25%	

Employment Equity – Generic Scorecard

Employment Equity. Total points – 15			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Black employees who are disabled employees as a percentage of all employees adjusted using the Gender Recognition Factor	1	2%	1.5%
Black employees in Senior Management as a percentage of all employees in that category adjusted using the Gender Recognition Factor	5	60%	43%
Black employees in Middle Management as a percentage of all employees in that category adjusted using the Gender Recognition Factor	5	75%	63%
Black employees in Junior Management as a percentage of all employees in that category adjusted using the Gender Recognition Factor	4	80%	68%

Employment Equity – QSE Scorecard

Employment Equity. Total points – 25			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Black employees who are Management as a percentage of all Management adjusted using the Adjusted Recognition for Gender	15	60%	40%
Black employees as a percentage of all employees adjusted using the Adjusted Recognition for Gender	10	70%	60%

Skills Development – Generic Scorecard

Skills Development. Total points – 15			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Skills development spend on learning programmes			
Adjusted skills development spend on learning programmes for black employees as a percentage of leviabale amount	8	3%	
Adjusted skills development spend on learning programmes for black employees with disabilities as a percentage of leviabale Amount	1	0.3%	
In-service training programmes			
Adjusted number of black employees participating in In-service training programmes as a percentage of total employees	6	5%	

Skills Development – QSE Scorecard

Skills Development. Total points – 25			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Adjusted skills development spend on learning programmes for black employees as a percentage of leviabale amount	25	3%	

Preferential Procurement – Generic Scorecard

Preferential Procurement. Total points – 20			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
BEE procurement spend from all suppliers based on the BEE procurement recognition levels as a percentage of total measured procurement spend	12	70%	50%
BEE procurement spend from all Qualifying Small Enterprises (QSEs) or from Exempted Micro-Enterprises (EMEs) based on the applicable BEE procurement recognition levels as a percentage of total measured procurement spend	3	15%	10%
BEE procurement spend from any of the following suppliers as a percentage of total measured procurement spend: <ul style="list-style-type: none"> - suppliers that are more than 50% black owned regardless of their BEE procurement recognition level; - or suppliers that are more than 30 % black women owned regardless of their BEE procurement recognition level 	5	20%	20%

Preferential Procurement – QSE Scorecard

Preferential Procurement. Total points – 25			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
BEE procurement spend from all suppliers based on the BEE procurement recognition levels as a percentage of total measured procurement spend	25	50%	40%

Socio-Economic and Enterprise Development – Generic Scorecard

Socio-Economic and Enterprise Development. Total points – 20			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Average annual value of all qualifying contributions measured from the commencement of this statement or the inception date to the date of measurement as a percentage of the target	20	The higher of the following amounts: 4 % of Net Profit After Tax (preceding financial year) OR 0.2 of Total Revenue (preceding financial year)	

Socio-Economic and Enterprise Development – QSE Scorecard

Socio-Economic and Enterprise Development. Total points – 25			
Description	Weighting points	Compliance Target (Years 6-10)	Interim Target (Years 0-5)
Average annual value of all qualifying contributions measured from the commencement of this statement or the inception date to the date of measurement as a percentage of the target	25	The higher of the following amounts: 3 % of Net Profit After Tax (preceding financial year) OR 0.35 of Total Revenue (preceding financial year)	



“Creating BUSINESS sense out of BEE”

the Caird Group

To operate in today’s business environment requires a sharp eye. Business trends and legislation change so dramatically, that often companies may be left behind in coming to terms with these changes. The Caird Group is a consultancy that finds the positive benefits in all these trends and translates them into business opportunities for its clients.

Broad-based BEE (BBBEE) is one example. The Caird Group firmly believes in its responsibility to ensure that its clients have a firm understanding of the concept and that they are able to isolate and implement the business opportunities and efficiencies that reside within BBBEE.

Our BEE solutions combine well established methodologies with best practices that maximise the BBBEE implementation.

Contact the Caird Group

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