

## **FRESH PRODUCE EXPORTERS' FORUM (FPEF)**

### **B-BBEE TOOLKIT: OVERVIEW, IMPACT OF PROPOSED AMENDMENTS, METHODOLOGIES AND APPROACH PER ELEMENT**

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#### **1. INTRODUCTION**

FPEF members consist of fruit exporters, producer-exporters, export and marketing agents, pack houses, logistics and other service providers. Many FPEF members will have a fair working understanding of Broad-Based Black Economic empowerment (B-BBEE or BEE). The gazetted amendments to the generic industry wide codes and the imminent amendments to the AgriBEE codes have however fundamentally changed the BEE landscape and made it substantially more difficult to become BEE compliant.

This article will provide an update on the status of the Codes; discuss the need for BEE compliance, the selection of the applicable scorecard and appropriate methodologies; highlight some implications of the proposed amendments to the AgriBEE codes and provide a high-level overview of each of the elements and highlight some associated strategies. This document can only provide a certain level of information. A list of key documents and resources is provided later in the document and FPEF members should obtain professional advice where required.

#### **2. THE BASICS**

The BEE Codes were originally implemented in February 2007. BEE is a government policy that encourages businesses to help transform the economy by assisting previously excluded groupings to enter the mainstream of the economy. The focus is on “black persons” as defined which essentially refers to Black, Coloured, Indian and Chinese persons who are South African citizens.

Depending on turnover, companies are classified as Exempt Micro Enterprises (EME's), Qualifying Small Enterprises (QSE's) or Generic (large scorecard). EME's are deemed to be BEE compliant at level 4 based on signing an affidavit or similar. The QSE scorecard is less onerous than the large one and has lower targets.

All entities will fall under the main Department of Trade and Industry (dti) Codes unless they fall under a specific gazette sector code. The amendments to the generic dti codes became effective from May 2016 and are discussed below. The AgriBEE Sector Codes

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were gazetted in December 2012 and are still valid but the amended version is expected to be gazetted during 2017. The scope of AgriBEE is very wide and includes any business which derives the majority of its turnover from:

- Primary production of agricultural products;
- Provision of inputs and services to businesses engaged in the production of agricultural products;
- Beneficiation of agricultural products whether of a primary or semi-beneficiated form;
- Storage, distribution and/or trading and allied activities relating to non-beneficiated agricultural products.

It is expected that most FPEF members will fall under the AgriBEE Codes. An exception could be where an entity is mainly involved in the storage and distribution of products that have already been beneficiated.

### **3. A PRACTICAL APPROACH TO COMPLETING A SCORECARD**

The typical approach for an entity that has not yet engaged with the BEE process would be to:

- Obtain a basic understanding of the objectives and mechanics of BEE
- Weigh up costs and benefits and decide whether to obtain a BEE scorecard or not
- Create internal capacity or engage a BEE advisor
- Decide on the appropriate entity or entities to measure
- Determine whether you fall under a specific sector code such as AgriBEE and the type of scorecard (Large, QSE or EME)
- Do internal planning and agree on BEE strategy
- Allocate necessary resources and implement action plans and corrective actions
- Prepare for verification
- Engage an accredited SANAS verification agency as per the list referred to under "Resources" below (note that Independent Regulatory Board for Auditors' (IRBA) may no longer do BEE verifications)
- Obtain a BEE verification certificate (to be renewed on an annual basis)

The detailed elements and indicators within the AgriBEE scorecard are set out in annexure 1 and 2 for Large and QSE entities respectively. An entity measures its compliance against the various elements and indicators by comparing its actual achievement to the target and then multiplying that by the appropriate points. As an example within Management Control (2.1.1 in annexure 1): If you have 4 board members of whom 1 is black then your actual achievement is 25%, divided by the target of 50% equals 50%, multiplied by the 2 available points equals 1 point. The entity is then awarded a BEE level (from 8 to 1) and recognition percentage (from 10% to 135%) depending on the overall score achieved. A typical scoring scenario based on the amended AgriBEE scorecard is set out in section 7.

BEE advisors and verification agents have developed methodologies and "BEE calculators" to simplify this process as well as internet based scoring platforms that integrate BEE consulting, file and evidence preparation and verification. Most BEE advisors and verification agents will provide templates to capture key data and/or provide access to integrated platforms such as BEE Navigator or Mantis Networks. A reasonable understanding of the BEE codes is however required to input the correct information and

optimise your score. The verification process also requires detailed evidence and proof of your claims.

#### **4. THE NEED TO BECOME BEE COMPLIANT**

BEE compliance is currently not compulsory nor a legal requirement. However, under the amended sector codes every enterprise will be required to report on its BEE status annually to the Sector Council – even if it has not completed a BEE scorecard. An important first step is for companies to decide whether they require a BEE scorecard, the appropriate level of compliance and to then allocate the necessary resources to achieve this.

There are good reasons to obtain a BEE scorecard which include:

- The recognition that BEE is “the right thing to do” and a strategic imperative for transformation, growth and stability of the agricultural sector.
- Government will increasingly use all possible mechanisms to ensure BEE compliance. A BEE scorecard is essential to do business with any organ of state. Scorecards are also required to obtain various permits and licenses (water rights, export permits – including preferential EU exports, liquor license) as well as when applying for finance or grants from parastatal entities such as the Industrial Development Corporation (IDC), Land Bank or the Department of Trade and Industry (dti).
- Private companies that buy from you will request your BEE scorecard to improve their own preferential procurement score.

Some FPEF members may experience less pressure to become BEE compliant given that they are mainly dealing with international markets. In summary, if you require any assistance or preferential treatment from government, you will require a BEE certificate.

#### **5. AMENDMENTS TO THE CODES**

Far reaching amendments to the generic dti codes were gazetted and became effective on 1 May 2015. While similar amendments to the AgriBEE Codes were expected to be gazetted during 2016, this has not yet been done. While entities falling under the AgriBEE codes are still subject to measurement under the existing codes, they need to start planning for the amended AgriBEE codes as compliance will most likely be required from the date of gazetting. All the key changes as set out below will also be applicable to AgriBEE and the remainder of the document is based on the provisions of the draft amended AgriBEE Codes. Many of these changes are problematic and will require a fundamental re-think as to how companies approach BEE compliance. Some key changes are highlighted below.

##### **5.1. Decreasing the scorecard elements from 7 to 5 and introduction of priority elements**

Decreasing the number of elements as shown in the table below does not have any major implications. The concept of priority elements has also been introduced as shown in the table. A business must achieve a certain level of compliance within the priority elements, failing which its BEE status level will be decreased by one level. This includes BEE ownership of at least 10% and high targets for purchases from 51% black owned businesses. It is therefore likely that most agribusinesses will have to factor in a one level penalty for their final BEE status. The table below compares the elements and weighting

of old 2007 generic Codes, the amended generic codes and the expected amended AgriBEE codes (for both Large and QSE entities).

## Elements condensed from 7 to 5

2007 Codes		Amended Generic		Amended AgriBEE	
Element	Weight	Element	Weight	AgriBEE (Large)	AgriBEE (QSE)
Ownership	20	Ownership	25	<b>25</b>	25
Management Control	10	Management Control (& Employment Equity)	15	<b>19</b>	15
Employment Equity	15				
Skills Development	15	Skills Development	20	<b>20</b>	30
Preferential Procurement	20	Enterprise and Supplier Development (& Preferential Procurement)	40	<b>40</b>	25
Enterprise Development	15				
Socio-economic Development	5	Socio-economic development	5	<b>15</b>	15
<b>TOTAL</b>	<b>100</b>		<b>105</b>	<b>119</b>	<b>110</b>

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### 5.2. Recalibration of recognition levels

This change will have a huge impact on BEE compliance levels. It is apparent from the table below that an existing Level 4 business (65 to 75 points) could automatically drop three levels to Level 7 (55 to 70 points) based on the new scoring system. The minimum level to become compliant has also increased from 30 to 40 points.

## Amended status & recognition levels Result: automatically drop 2 to 3 levels

Contribution level	2007 Codes	Amended Codes	Recognition level
1	≥ 100 points	≥ 100 points	135%
2	≥ 85, < 100 points	≥ 95, < 100 points	125%
3	≥ 75, < 85 points	≥ 90, < 95 points	110%
4	≥ 65, < 75 points or EMEs	≥ 80, < 90 points or EMEs	100%
5	≥ 55, < 65 points	≥ 75, < 80 points	80%
6	≥ 45, < 55 points	≥ 70, < 75 points	60%
7	≥ 40, < 45 points	≥ 55, < 70 points	50%
8	≥ 30, < 40 points	≥ 40, < 55 points	10%
Non-compliant	<30 points	<40 points	0%

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### 5.3. Turnover thresholds and treatment of QSE's

These changes are generally advantageous to business as the turnover thresholds have been increased with EME's (under R10 million), QSE's (R10 million to R50 million) and

generic/large businesses (above R50 million). Note however that QSE's must comply with all the elements (including Ownership) which will substantially decrease their scores.

#### **5.4. Preferential treatment for black owned businesses**

The amended codes include substantial advantages for black owned (>51%) businesses. Black owned businesses with a turnover of under R50 million need only sign an affidavit to achieve Level 2 BEE compliance. In addition to this the preferential procurement element is now heavily weighted in favour of buying from black owned businesses. A possible strategy will be for businesses to enter into joint venture agreements to form black owned businesses. Businesses should however be careful not to inadvertently transgress the various and stringent fronting regulations which now carry substantial penalties.

There are additional issues in the amended codes that make it difficult for businesses to achieve an acceptable BEE level. These include substantially higher targets for many categories and a racial classification overlay on the Employment Equity and Skills Development elements. The amended codes have therefore substantially changed the BEE compliance landscape. Businesses can expect to drop at least 3 levels with many businesses that were contributing to BEE becoming non-compliant. At the same time the pressure for transformation and BEE compliance is increasing. Directors and top management will need to be more directly involved in strategic BEE decisions, in an environment where an acceptable level of compliance will place much greater demands on the business.

### **6. OVERVIEW AND APPROACH PER ELEMENT**

This section will provide a basic overview of each element and suggest some appropriate strategies and approaches. The detailed amended AgriBEE scorecard for both Large and QSE entities is set out in annexure A. The discussion will focus on the scorecard for large enterprise and highlight major differences for the QSE scorecard where appropriate. Please refer to the relevant elements when reading the explanations below.

This document can only provide a limited overview and many other aspects such as the nature of documentation and evidence required for verification, enhanced recognition and bonus points are not covered.

#### **6.1. Ownership**

The purpose of this element is to increase black ownership in businesses. This is primarily via the sale of shares. Two other mechanism namely the sale of assets and equity equivalents (for multinationals) can also be considered.

The target to maximize points on the scorecard is 25% black ownership. Other key levels are 10% (to avoid a penalty) and 51% (to access benefits of being a 51% black owned business). There is very little difference between the ownership scorecard for Large and QSE entities with ownership now also a priority element for QSE's.

Black ownership in your business is therefore almost a prerequisite to obtain a good BEE score. This is a complex element with indicators relating to voting rights, economic interest and "net value". Important aspects include the rationale and legal structure of the transaction, valuation and funding of the BEE grouping, composition of BEE grouping, BEE compliance of legal entities (especially Trusts) and the danger of inadvertent

fronting. It is therefore essential to obtain professional advice when considering strategies and planning and implementing an ownership transaction.

## **6.2. Management Control (including Employment Equity)**

The purpose of this element is to increase participation and levels of control of black people in the business. The amended Codes have combined the management control and employment equity elements.

Management control measures black representation at board level while employment equity focuses on senior, middle and junior management. An added (and unnecessary) complication is that the targets for employment equity are now based on demographic (national or regional) representation per race group. Note that this does not apply to the QSE scorecard.

It is difficult for most companies to score well on this element. While some changes can be made to the board of directors, it is not easy to change employment equity dynamics across management levels in the short term. Experience shows that this aspect should primarily be driven by the Employment Equity Act and requirements of the business.

## **6.3. Skills Development**

The purpose of this element is to facilitate the development of the skills of black people through education and training. It is a priority element with the minimum target being 8 points. Note the higher weighting for QSE's (30 points) and a minimum target of 12 points. Points are obtained by spending money on training (the target has been increased from 3% to 6% of payroll) and / or making use of learnerships, apprenticeships and internships. Note that racial demographics must be used for the Large scorecard but not for QSE's.

In terms of strategy a key beneficial change is that points can now also be earned for assisting non-employees. Given the very high spending targets it makes sense to maximise points on the "non-monetary" elements such as learnerships, before increasing spend on training. There are also cost effective options to "outsource" this function to service providers and to maximise the benefits of tax incentives and your skills development levy contributions.

## **6.4. Enterprise and Supplier Development**

The amended codes combine preferential procurement with enterprise and supplier development for a total of 40 points. The elements are however treated separately for all practical purposes and consist of: preferential procurement (25 points); supplier development (10 points) and enterprise development (5 points) with the 40% sub minimum targets to avoid a penalty being 10, 4 and 2 points respectively. While the weighting for QSE's at 25 points is substantially lower for this element, it remains a priority element with the minimum targets calculated on the same basis.

### **6.4.1. Preferential procurement**

Your score for preferential procurement is dependent on the BEE compliance levels of companies that you purchase from. This is heavily weighted towards buying from 51% black owned companies.

From strategy point of view it makes sense to initially focus on collecting scorecards from your biggest suppliers as well as encouraging your EME's suppliers to sign the required

affidavits to obtain a level 4. This element is closely linked to Enterprise Development in that it encourages one to assist and then purchase from 51% black owned suppliers and / or create joint ventures with these suppliers.

#### **6.4.2. Enterprise Development and Supplier Development**

The purpose of this element is for existing businesses to assist small black businesses to become sustainable and financially viable. A “qualifying entity” for Enterprise Development is a 51% black owned business (as defined in Codes) with a turnover of less than R50 million. To qualify for Supplier Development one also need to procure goods from the qualifying entity.

The target for supplier development is 3% of net profit after tax (NPAT) for initial 4 years (it then decreases to 2%) and for enterprise development 1.5% of NPAT. The targets for QSE's are lower at 1.5% and 1% respectively.

Enterprise and supplier development points can generally be achieved in a cost-effective manner via a range of monetary and non-monetary interventions including: Grants (direct costs, discounts, overheads); Loans (interest free; lower interest rate; standard loan; guarantees provided); Equity investments; Human resource capacity (professional services at no cost or discount; time of employees) and Other (shorter payment periods). The greater challenge is to identify appropriate qualifying entities to work with in a mutually beneficial manner. The amended AgriBEE Codes also proposes a ESD fund to which entities can contribute and thereby obtain their points.

#### **6.5. Socio Economic Development (SED)**

The purpose of SED is to make monetary or non-monetary contributions that benefit black people in a manner that gives them access to the economy and facilitates income generating opportunities. The target to maximise points is 1.5% of NPAT. The AgriBEE codes have assigned a large weighting to SED (15 points versus 5 in the generic codes).

### **7. AN EXAMPLE OF A TYPICAL SCORING SCENARIO**

Entities need to aim for a minimum of 55 points to reach Level 7, and provide for a probable penalty, which will take them back to Level 8. Considering the above elements, and the targets as set out in the annexures, this is no easy task – especially in the absence of black ownership. The scoring mechanism, and specifically the spread within the different recognition levels, is expected to result in most Large entities obtaining a score of level 7 or 8 (or being non-compliant).

As a rough guide a typical approach to becoming BEE compliant could be along the following lines:

- Maximise points for SED (15/15)
- Maximise points for Enterprise Development (5/5) and Supplier Development (10/10)
- Accept preferential procurement derived from supplier scorecard (8/25)
- Optimise Skills Development by implementing internal and external solutions (13/20)
- Improve Management Control and Employment Equity over time (4/19)
- Implement an Ownership solution (10/25).

The above results in 55 points before ownership and around 65 points including ownership.

## **8. RESOURCES**

Although the focus is on the AgriBEE sector code, it is essential to refer to the generic BEE documentation as its key principles and content will prevail where there is any uncertainty or ambiguity. The documents below and others are widely available and can also be downloaded from <https://www.agrifusion.co.za/bbbee>.

### AgriBEE documents

- AgriBEE Sector Code December 2012
- Draft amended AgriBEE Codes (20 November 2015)
- Updated draft amended AgriBEE (unpublished April 2016)

### Generic BEE documents

- Amended Codes of Good Practice (11 October 2013)
- Amendments to Codes of Good Practice (6 May 2015)
- Amended Codes of Good Practice including Specialised Enterprises, Sale of Assets, Equity Equivalents and the QSE scorecard (6 May 2015)
- List of SANAS accredited verification agents as at May 2017
- Affidavit for B-BBEE Exempted Micro Enterprise

## **9. CONCLUSION**

Entities falling under the AgriBEE codes will continue to be rated under the easier existing AgriBEE codes until the amended AgriBEE codes are gazetted. This is problematic as one must plan for the amended codes without knowing exactly when they will be implemented. Companies that have a scorecard should prepare for compliance of at least 3 levels lower than they are currently achieving. While the above may seem daunting, there are solutions available and a reasonable level of BEE compliance is achievable once the appropriate strategies have been implemented.

<b>Large Amended AgriBEE Scorecard</b>		
<b>INDICATOR</b>	<b>WEIGHT</b>	<b>TARGET(%)</b>
<b>Ownership</b>		
2.1.1 Exercisable Voting Rights in the Entity in the hands of Black people	4	25+1 vote
2.1.2 Exercisable Voting Rights in the Entity in the hands of Black women	2	10%
2.1.1 Economic Interest in the Entity to which Black people are entitled	4	25%
2.2.2 Economic Interest in the Entity to which Black women are entitled	2	10%
2.2.3 Economic Interest of any of the following Black natural people in the Measured Entity: [1] Black designated groups;[2] Black participants in Employee Share Ownership Programmes; [3] Black people in Broad-based Ownership Schemes; [4] Black participants in Co-operatives	3	4%
2.2.4 New Entrants	2	2%
2.3.1 Net Value	8	25.00%
<b>Ownership Element Score</b>	<b>25</b>	
<b>Management Control (and Employment Equity)</b>		
2.1.1 Exercisable voting rights of black board members as a percentage of all board members	2	50%
2.1.2 Exercisable voting rights of black female board members as a percentage of all board members	1	25%
2.1.3 Black Executive directors as a percentage of all executive directors	2	50%
2.1.4 Black female Executive directors as a percentage of all executive directors	1	25%
2.2.1 Black Other Executive Management as a percentage of all Other Executive Management	2	60%
2.2.2 Black female Other Executive Management as a percentage of all Other Executive Management	1	30%
<b>EMPLOYMENT EQUITY</b>		
2.3.1 Black employees in Senior Management as a percentage of all senior management	2	60%
2.3.2 Black female employees in Senior Management as a percentage of all senior management	1	30%
2.4.1 Black employees in Middle Management as a percentage of all middle management	2	75%
2.4.2 Black female employees in Middle Management as a percentage of all middle management	1	38%
2.5.1 Black employees in Junior Management as a percentage of all junior management	1	88%
2.5.2 Black female employees in Junior Management as a percentage of all junior management	1	44%
2.6.1 Black employees with disabilities as a percentage of all employees	2	2%
<b>Management Control Element Score</b>	<b>19</b>	
<b>Skills Development</b>		
2.1.1.1 Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black people as a percentage of Leviable Amount. (provided 85% is on core and critical skills)	8	6%
2.1.1.2 Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black employees with disabilities as a percentage of Leviable Amount. (provided 85% is on core and critical skills)	4	0.30%
2.1.2.1 Number of black people participating in Learnerships, Apprenticeships and internships as a percentage of total employees (provided 85% is on core and critical skills)	4	2.50%
2.1.2.2 Number of black unemployed people participating in training specified in the learning programme matrix as a percentage of number of employees (provided 85% is on core and critical skills)	4	2.50%
2.1.3 Bonus points: Number of black people absorbed by the Measured and Industry Entity at the end of the Learnerships programme	5	100%
<b>Skills Development Element Score</b>	<b>20</b>	
<b>Preferential Procurement</b>		
6.1.1 B-BBEE Procurement Empowering Suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	5	80%
6.1.2 B-BBEE Procurement Spend from all Empowering Suppliers that are Qualifying Small Enterprises based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	3	15%
6.1.3 B-BBEE Procurement Spend from all Exempted Micro-Enterprises based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	4	15%
6.1.4 B-BBEE Procurement Spend from Empowering Suppliers that are at least 51% black owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend. (Phase in: 10% for 1st Year, 20% for 2nd year, 25% for 3rd year, 30% for 4th year, 40% for 5th year, provided the measured entity achieves 3% NPAT under 6.2.1 below)	9	40%
6.1.5 B-BBEE Procurement Spend from Empowering Suppliers that are at least 30% black women owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend. (Phase in: Target 6% year 1 to year 4). Bonus Points B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% Black owned.	4	12%
<b>Preferential Procurement Element Score</b>	<b>25</b>	
<b>SUPPLIER AND ENTERPRISE DEVELOPMENT</b>		
6.2.1 Annual value of all Supplier Development Contributions made by the Measured Entity as a percentage of the target.	10	3% (yr 1 to 4) then 2%
6.3.1 Annual value of Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target.	5	1.50%
6.4.1 Bonus point for graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level.	1	1%
6.4.2 Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured Entity.	1	1%
<b>Supplier and Enterprise Development Element Score</b>	<b>15</b>	
<b>Socio-Economic Development</b>		
Annual value of all Socio-Economic Development Contributions by the Measured Entity as a percentage of the target.	15	1.50%
<b>Socio-Economic Development Element Score</b>	<b>15</b>	
<b>Total (excluding bonus points)</b>	<b>119</b>	
<b>Total (including bonus points)</b>	<b>128</b>	

<b>QSE AMENDED AGRIBEE SCORECARD</b>		
<b>INDICATOR</b>	<b>WEIGHT</b>	<b>TARGET (%)</b>
<b>Ownership</b>		
1.1.1 Exercisable Voting Rights in the Enterprise in the hands of black people	5	25+1 vote
1.1.2 Exercisable Voting Rights in the Enterprise in the hands of black women	2	10%
1.2.1 Economic Interest of black people in the Enterprise	5	25%
1.2.2 Economic Interest of black women in the Enterprise	2	10%
1.2.3 New Entrants or Black Designated Groups	3	2%
1.3.2 Net Value	8	25.00%
<b>Ownership Element Score</b>	<b>25</b>	
<b>Management Control (&amp; Employment Equity)</b>		
3.1.1.1.1 Black representation at Executive Management	5	50%
3.1.1.1.2 Black female representation at Executive Management	2	25%
3.1.1.2.1 Black representation at Senior, Middle and Junior management	6	60%
3.1.1.2.2 Black female representation at Senior, Middle and Junior management	2	30%
<b>Management Control Element Score</b>	<b>15</b>	
<b>Skills Development</b>		
Skills development expenditure on learning programmes specified in the learning programme matrix for black people as a percentage of leivable amount. (provided 85% is on core and critical skills)	15	3%
Number of black unemployed people participating in training specified in the learning programme matrix as a percentage of number of employees (provided 85% is on core and critical skills)	5	1%
Skills development expenditure on learning programmes specified in the learning programme matrix for black women as a percentage of leivable amount.	10	1%
<i>Bonus: Number of black people absorbed by the measured entity and industry at the end of the learning programme.</i>	5	100%
<b>Skills Development Element Score</b>	<b>30</b>	
<b>Preferential Procurement</b>		
1.1 B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	10	60%
1.2 B-BBEE Procurement Spend from Empowering Suppliers that are at least 51% black owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend. (Phase in: 5% for year 1, 10% year 2, 15% year 3).	5	15%
<b>Preferential Procurement Element Score</b>	<b>15</b>	
<b>Supplier and Enterprise Development</b>		
2.1. Annual value of all Supplier Development Contribution made by the Measured Entity as a percentage of the target	5	1%
3.1 Annual value of Enterprise Development of NPAT Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target.	5	1.50%
<b>Supplier and Enterprise Development Element Score</b>	<b>10</b>	
<b>Socio-Economic Development</b>		
Annual value of all Socio-Economic Development Contributions and Qualifying Socio-Economic Development Contributions made of NPAT by the Measured Entity as a percentage of the target.	15	1.50%
<b>Socio-Economic Development Element Score</b>	<b>15</b>	
<b>Total (excluding bonus points)</b>	<b>110</b>	
<b>Total (including bonus points)</b>	<b>115</b>	