



INTEGRATED TRANSPORT SECTOR ALIGNMENT PROCESS

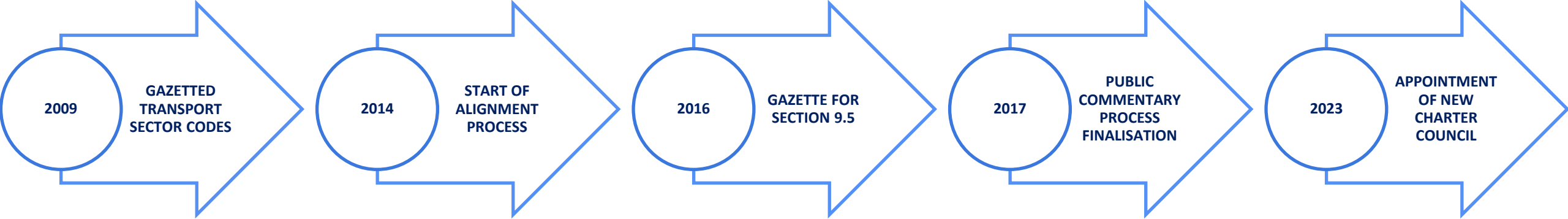
**DRAFT BUS AND COMMUTER
SECTOR B-BBEE SCORECARDS AND
AMENDMENTS**

6 SEPTEMBER 2023



BACKGROUND OF TECHNICAL PROCESS

INTEGRATED TRANSPORT SECTOR ALIGNMENT PROCESS TO DATE



Section 6 of Statement 003: Amended Guidelines for Developing and Gazetting Transformation Charters and Transformation Plans states that the main responsibilities of Sector Charter Councils are to develop the sector codes and to monitor their implementation thereof. Hence on November 2014, the Transport Sector B-BBEE Charter Council was established as an independent body with a mandate to oversee the implementation of the Transport Sector B-BBEE Charter Codes.

Although the Department of Transport (DoT) has already started the process of aligning The Integrated Transport Sector B-BBEE Charter Codes with The Broad Based Black Economic Empowerment Act (Act No. 53 of 2003): Issue of Codes of Good Practice (Gazette no. 42496), in July 2015, upon establishment, the Inaugural Integrated Transport Sector B-BBEE Charter Council needed to have full oversight over the process to Gazette the Amended Transport Sector B-BBEE Charter Codes.

The Transport Sector B-BBEE Charter Codes consist of 8 sub-sectors namely:

1. Aviation
2. Maritime Transport and Services Industry
3. Road Freight
4. Forwarding and Clearing
5. Bus Commuter and Coach Services
6. Rail Transport and Services Industry
7. Transport Public Sector
8. Taxi

In 2023, the Integrated Transport Sector B-BBEE Charter Council launched in May 2023 – **WILL TAKE THIS PROCESS OVER THE LINE**

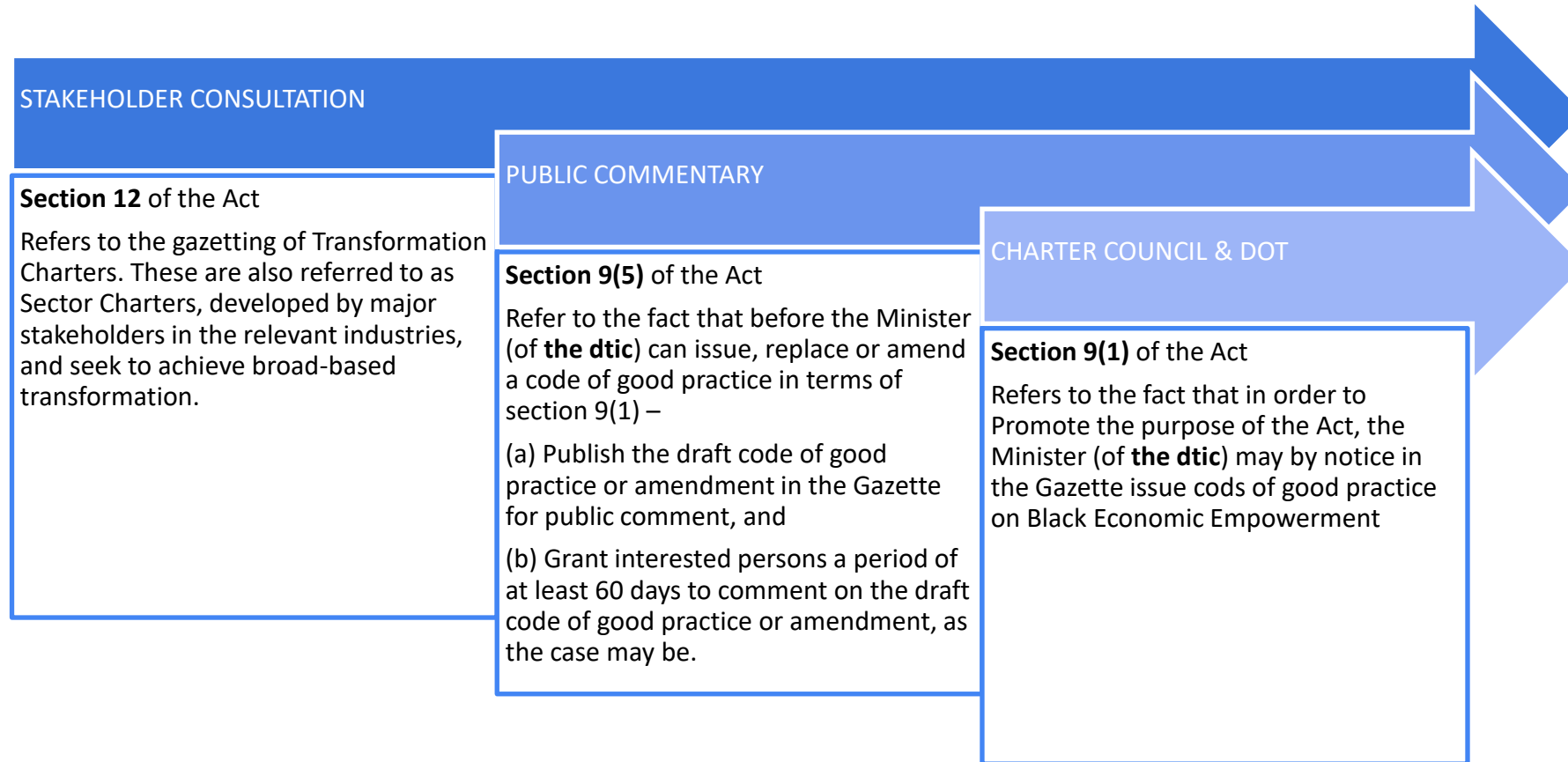
The Sector codes we drafted in line with The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended by Act No. 46 of 2013 (The Act).

Further to the Act, the Sector codes were drafted within the parameters of Section 3 of Statement 003: Amended Guidelines for Developing and Gazetting Transformation Charters and Transformation Plans, which weighed in on the procedure around the development of the sub-sector codes.

We ensured that the following principles applied throughout the development of our sub-sector codes:

1. There was a common commercial and other characteristics within the entities operating in the sector which would make it feasible to formulate a transformation charter subject to the proposed Sector Code;
2. That the proposed Sector Code must address all Elements in the Generic Scorecard;
3. That the proposed Sector Codes use the same definitions, principles, calculation methodologies to measure compliance and beneficiaries as those used in the Codes.
4. That although the proposed Sector Codes may deviate from targets and weighting used in the Codes only where deviations are justifiable based on sound economic principles, sectorial characteristics or empirical research;
5. That the sector code developed in terms of this statement, set targets which were over and above the minimum targets set out in the Generic Codes of Good Practice;
6. That although the proposed Sector Codes may deviate from thresholds set out in the Codes only where deviations are justifiable based on sound economic principles, sectorial characteristics or empirical research;
7. That the proposed Sector Code may introduce a new additional Element for the measurement where such addition is justifiable based on sound economic principle, sectorial characteristics or empirical research;
8. That the proposed Sector Code must clearly define its scope of application;
9. That there was support by our Charter Council, the Minister of Transport and the Minister of Trade and Industry responsible for the gazette of the Sector Code. We made sure there was a clear demonstration that the Minister and the Department of Transport were part of the drafting of the Sector Code as we ensured that a letter of support was sent to the Minister of Trade and Industry; and
10. There will be NO transitional period provided for the implementation of the Sector Codes.

From July 2014 until April 2016 when the Minister of Trade, Industry and Competition released The Broad Based Black Economic Empowerment Act (Act No. 53 of 2003): Amended Transport Sector Codes which has 8 sub-sectors (Gazette no. 39744 for Section 9(5) Public Commentary as per the Act, we have worked within the prescriptive stated above and figure below the process in line with the Act.



When as the Sector Body led by the Department of Transport (DoT) BEE Directorate, endorsed by the Charter Council end supported by the Minister of Transport we were seeking to gazette the Sector Code under Section 9 of the Act we had to:

1. Apply in writing to the Minister of Trade and Industry;
2. Indicate the process which the Sector Code had been developed; and
3. Provide evidence of compliance with section 12 of the Act.

We adhered to all these requirements and submitted evidence in the form of signed registers for each of the stakeholder engagements.

- On **26th February 2016**, the Transport Sector Broad Based Black Economic Empowerment (B-BBEE) Codes issued in terms of The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended by Act No. 46 of 2013 were published for 60 day public commentary (Gazette 39744), however this gazette was not fully compliant as the notice signed by the Minister of Trade, Industry and Competition stating that they were in terms of section 9 (5) of the Act issuing a draft of the Transport Sector Codes for 60 days public comments and inputs, before it is approved and gazetted as a final binding document was not included.
- Then on **8th April 2016** when the Erratum Notice (gazette 39910) pertaining to the Transport Sector Broad Based Black Economic Empowerment (B-BBEE) Codes issued in terms of The Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003), as amended by Act No. 46 of 2013.
- The Notice served as pronouncement of the Erratum published in the Government Notice No.2 of 2016 of Gazette 39744 on **26th February 2016**, within the Department of Transport inadvertently omitted addition of the Notice signed by the Minister of Trade, Industry and Competition in terms of section 9(5) of the Broad Based Black Economic Empowerment Act of 2003 as amended by Act No. 46 of 2013.
- Thus on the **8 April 2016** Notice was hereby given that the 60 days of public commentary would commence on the day of publication of the Notice in the gazette due to the erratum. This meant that 60 Days of Public commentary for all 8 sub-sectors would end on the **8th of June 2016**.

TECHNICAL COMMITTEE INCLUDED - DOT, INTERGRATED TRANSPORT SECTOR B-BBEE CHARTER COUNCIL AND DTIC

The final step in the process was for a technical committee that consist of the Transport Sector B-BBEE Charter Council, the DoT and the Department of Trade, Industry and Competition (**the dtic**) shall analyse and consider the incorporation of public comments and inputs from the members of the public.

In alignment with the Promotion of Administrative Justice Act (PAJA) **ALL comments submitted** were analysed to identify those that were taken into consideration, those that required further investigation and gathering of empirical sectorial evidence and those discarded as they were not of a progressive nature, nor in the spirit of BEE.



INTEGRATED TRANSPORT SECTOR B-BBEE CODES AFTER COMMENTARY CONSOLIDATION

OVERARCHING AMENDMENTS

- Specialised QSE Scorecards for each Sub-Sector will be included;
- Each Sub-sector has to have specific empowering supplier criteria included;
- The scorecards weightings were reduced/shaving to be in line with those of the dtic and sector specific transformation agenda
- We will include assess the mandatory training lists as well as the inclusions and exclusions as agreed

COMPARATIVE ANALYSIS OF SCORECARD PER SUB-SECTOR

SECTOR CODE	DTIC TOTAL	DTIC TOTAL WITHOUT OWNERSHIP	CURRENT TOTAL	CURRENT TOTAL WITHOUT OWNERSHIP	NEW TOTAL	NEW TOTAL WITHOUT OWNERSHIP
AVIATION	118 POINTS	93 POINTS LEVEL 3	121 POINTS	96 LEVEL 2	118 POINTS	93 POINTS LEVEL 3
MARITIME	118 POINTS	93 POINTS LEVEL 3	119 POINTS	93 POINTS LEVEL 3	119 POINTS	93 POINTS LEVEL 3
ROAD FREIGHT	118 POINTS	93 POINTS LEVEL 3	114 POINTS	89 POINTS LEVEL 4	117 POINTS	92 POINTS LEVEL 3
FORWARDING AND CLEARING	118 POINTS	93 POINTS LEVEL 3	118 POINTS	93 POINTS LEVEL 3	118 POINTS	93 POINTS LEVEL 3
RAIL	118 POINTS	93 POINTS LEVEL 3	119 POINTS	93 POINTS LEVEL 3	122 POINTS	97 POINTS LEVEL 2
BUS COMMUTER	118 POINTS	93 POINTS LEVEL 3	123 POINTS	93 POINTS LEVEL 3	123 POINTS	93 POINTS LEVEL 3
COACH SERVICES	118 POINTS	93 POINTS LEVEL 3	123 POINTS	93 POINTS LEVEL 3	123 POINTS	93 POINTS LEVEL 3



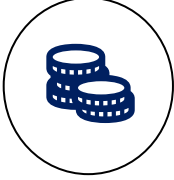
PROPOSED APPROACH TO THE ALIGNMENT PROCESS

PILLARS OF THE INTEGRATED TRANSPORT SECTOR **B-BBEE CODES**

The previous alignment strategy made way for the constantly evolving pillars of Integrated Transport Sector B-BBEE draft Codes which include:



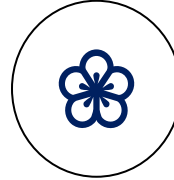
Ownership



Enterprise and Supplier Development



Management Control



Socio-Economic Development

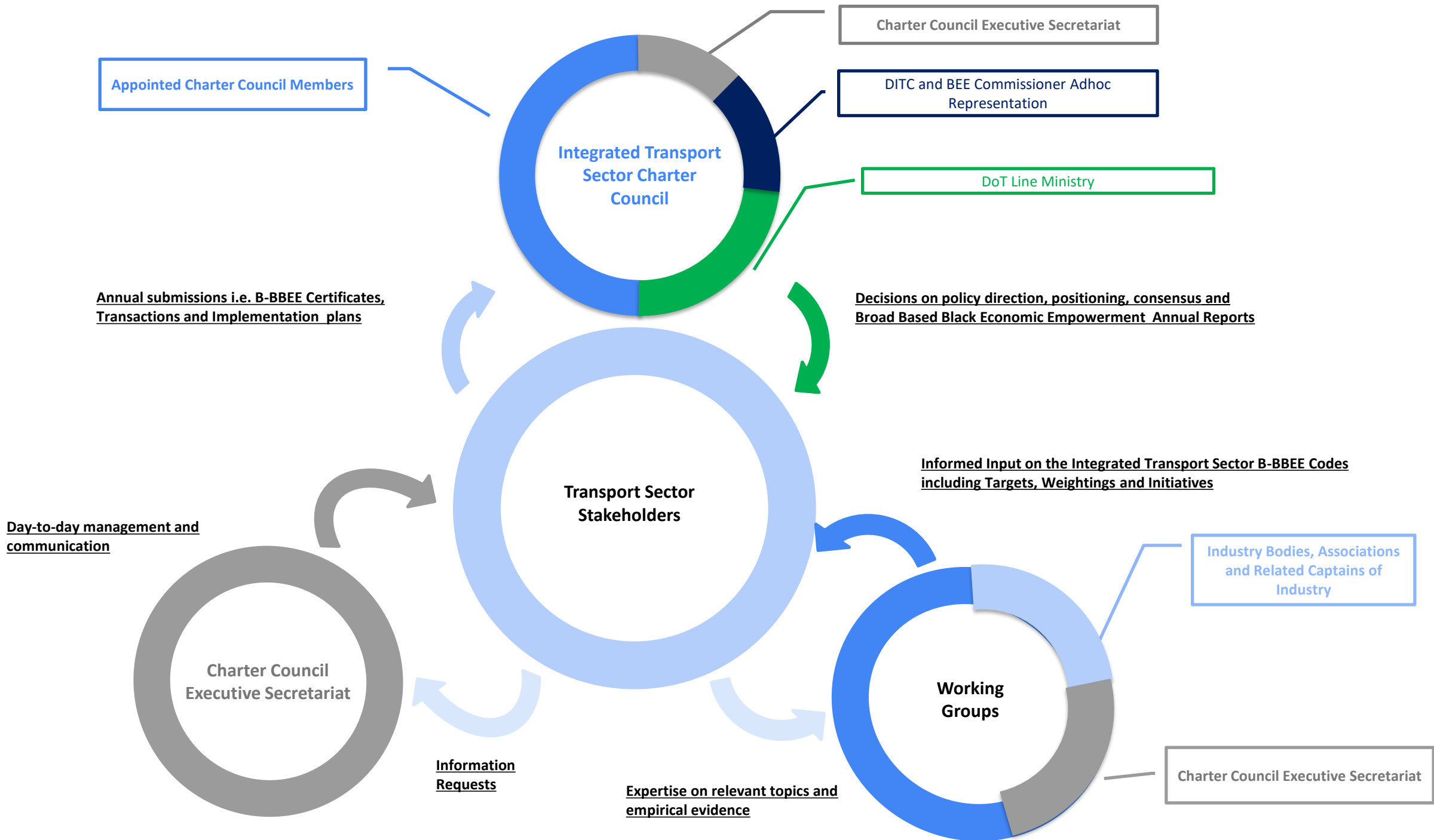


Skills Development



Sector Specific Elements

PROPOSED COLLABORATIVE STAKEHOLDER CONSULTATIVE PROCESS



WHO NEEDS TO COMPLY



Public Sector Procurement

Anyone who supplies government or the State-owned Enterprises (Eskom, Transnet etc.) or is in a direct line to any of their suppliers



Money from government

Anyone trying to become involved in Public-Private Partnerships

Anyone attempting to purchase state-owned assets

Further broadening of BEE net to include govt. grants etc.



Regulated Industries & Concessions

Anyone seeking a license or concession from government (Banks, mines, petrochemical companies, telecommunications companies, gambling institutions, import / export companies, etc.)



Public Perception (Social License)

National BEE Database – BEE score is public domain info.

National BEE Level for consumer products & services and retailers

Shareholder Activism

WHY DOES A COMPANY NEED A BEE RATING?

Obtaining licenses, consents, or concessions from organs of state. **Certain industries require an entity to have a particular percentage of Black ownership** or BEE level in order to receive and maintain a licence to operate. These empowerment requirements are **specific to the underlying legislation and relate to the licence to operate**. For example, in terms of the Mineral and Petroleum Resources Development Act, 2002 an entity must have 26 percent Black ownership in order to be issued with a mining right. In addition, entities in certain industries may be asked to indicate their transformation initiatives (which can be different to a BEE score in terms of the BEE Codes) in order to obtain concessions to, for example, export.

WHAT ARE OUR OBJECTIVES FOR ALIGNMENT?

1. To acknowledge and recognize the specific characteristics within the Bus and Commuter Sector which were brought about by apartheid policies and resulted in the industry being a highly racialized sector
2. Incorporate the unique features of the Bus and Commuter Sector without deviating from the broad principles of the generic codes of good practice, thereby addressing the sector specific peculiarities in each sub-sector.
3. To strengthen the **monitoring, evaluation, enforcement and reporting of compliance targets for B-BBEE** against which all entities conducting business in the Bus and Commuter Sector can be regulated.



BUS AND COMMUTER SECTOR DRAFT SCORECARD



GENERIC SCORECARD

OWNERSHIP

Measurement Category and Criteria	Weightings	Targets
2.1. Voting Rights		
2.1.1 Exercisable voting rights in the hands of Black people	5	30%
2.1.2 Exercisable voting rights in the hands of Black Women	2	12%
2.2. Economic Interest		
2.2.1. Economic interest in the hands of Black people	5	30%
2.2.2. Economic interest in the hands of Black Women	2	12%
2.2.3 Economic Interest of any of the following Black Natural People in the Measured Entity		
2.2.3.1. Black designated groups Black; 2.2.3.2. Black participation in Employee Ownership Schemes Ownership Programmes (ESOP); 2.2.3.3 Black beneficiaries of Broad based Ownership Schemes; 2.2.3.4. Black participants in Co-operatives	3	3%
2.2.4 Involvement in the ownership by Black New Entrants	3	7.5%
2.3. Realization Points		
2.3.1 Net Value/Net Economic Interest	8	Refer to Annexe C
TOTAL	28	

MANAGEMENT CONTROL

Measurement Category and Criteria	Weightings	Targets
2.1. Board Participation		
2.1.1 Exercisable voting rights of Black board members as a percentage of all board members	2	50%
2.2.2. Exercisable voting rights of Black women as a percentage of all board members	1	25%
2.2.3. Black Executive directors as a percentage of total number of executive directors	2	50%
2.2.4. Black Women Executive directors as a percentage of total number of executive directors	1	25%
2.2. Other Executive Management		
2.2.1. Black Executive Management as a percentage of all executives management	2	60%
2.2.2. Black Female Executive Management as a percentage of all executives management	1	30%
2.3. Senior Management		
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. Middle Management		
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. Junior Management		
2.5.1. Black employees in junior management as a percentage of all junior management	2	95%
2.5.2. Black female employees in junior management as a percentage of all junior management	2	47%
2.6. Semi Skilled and Unskilled positions		
2.6.1. Black Women in Semi Skilled and Unskilled positions as a percentage of all Semi Skilled and Unskilled employees	2	20%
2.7. Black Youth Employees		
2.7.1. Black youth in junior/middle/senior management positions as a percentage of junior/middle/senior management employees	2	20%
2.8. Employees with disabilities		
2.8.1. Black employees with disabilities as a percentage of all employees (Excluding Drivers)	2	2%
2.8.2. Black female employees with disabilities as a percentage of all employees (Excluding Drivers)	1	1%
TOTAL	26	

SKILLS DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
2.1 Skills Development Expenditure on any programme specified in the Learning Programmes Matrix for Black people as a percentage of the Leivable Amount.		
2.1.1 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black people as a percentage of the Leivable Amount	8	6%
2.1.2 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black People with disabilities as a percentage of the Leivable Amount (Excluding leivable amount of drivers)	4	0.5%
2.2. Advancement Programmes aligned to the Sector Specific Score and Critical Skills		
2.2.1 Senior Management		
2.2.1.1 Number of Black people in Senior Management Participating in Advancement Programmes as a percentage of all Senior Management.	1	5%
2.2.1.1 Number of Black Females in Senior Management Participating in Advancement Programmes as a percentage of all Senior Management.	1	2.5%

2.2.2 Middle Management		
2.2.2.1 Number of Black People in Middle Management Participating in Advancement Programmes as a percentage of all Middle Management	1	10%
2.2.2.2 Number of Black Females in Middle Management Participating in Advancement Programmes as a percentage of all Middle Management	1	5%
2.2.3 Junior Management		
2.2.3.1 Number of Black People in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	1	15%
2.2.3.1 Number of Black Females in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	1	7.5%
2.2.4 Semi-Skilled and Unskilled		
2.2.4.1 Number of Black People in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	1	20%
2.2.4.1 Number of Black Females in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	1	10%
2.4. Promotion		
2.4.1 Number of black employees promoted by the measured entity at the end of their participation in Advancement Programmes	3	25%

2.5 Learnerships, Apprenticeships and Internships		
2.5.1. Number of Black employees participating in Learnerships, Apprenticeships and Internships as a percentage of total employees (18.1 Learnerships)	4	4%
2.5.2 Number of Black unemployed people participating in Learnerships, Apprenticeships and Internships as a percentage of total employees (18.2 Learnerships)	4	5%
2.6. Bonus Points		
2.6.1 Number of black people absorbed by the measured and Industry entity at the end of the Learnerships programme	5	100%
TOTAL	31	

ENTERPRISE AND SUPPLIER DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
2.1. Preferential Procurement		
2.1.1 B-BBEE Procurement Spend from Empowering Suppliers based on the B-BBEE Procurement Recognition Level as a percentage of Total Measurable Procurement Spend	4	80%
2.1.2 B-BBEE Procurement Spend from all Empowering Suppliers that are Level 4 and Above Qualifying Small Enterprises based on the applicable B-BBEE Procurement Recognition Level as a percentage of Total Measurable Procurement Spend	3	15%
2.1.3 B-BBEE Procurement Spend from Level 4 and Above Exempt Micro Enterprises based on the applicable B-BBEE Procurement Recognition Level as a percentage of Total Measurable Procurement Spend	4	15%
2.1.4. 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 the Total Measured Procurement Spend	9	40%
2.1.5. B-BBEE Procurement Spend from Empowering Suppliers that are at least 30.01% black women owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend	5	15%
2.1.6. Bonus Points		
2.1.6.1. B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% Black Owned	2	3%
2.2. Supplier Development		
2.2.1 Annual value of all Supplier Development Contributions made by the measured entity as a percentage of the target	10	2% of NPAT
2.3. Enterprise Development		
2.3.1 Annual value of Enterprise Development Contributions and/or Sector Specific Programmes made by the Measured Entity as a percentage of the target	5	1% of NPAT
2.4. Bonus Points		
2.4.1 Bonus point for the graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level	1	
2.4.2 Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured entity	1	
TOTAL	40	

SOCIO ECONOMIC DEVELOPMENT

SOCIO ECONOMIC DEVELOPMENT	Annual value of Socio Economic Development Contributions made by the Measured Entity as a percentage of the target	5	1% of NPAT
Total		5	



QSE SCORECARD

OWNERSHIP

Measurement Category and Criteria	Weightings	Targets
1.1. Voting Rights		
1.1.1. Exercisable voting rights in the hands of Black people	6	30%
1.1.2. Exercisable voting rights in the hands of Black Women	3	12%
1.2. Economic Interest		
1.2.1. Economic interest in the hands of Black people	6	30%
1.2.2. Economic interest in the hands of Black Women	3	12%
1.2.3. Black New Entrants or Black Designated Groups	4	5%
1.3. Realization Points		
1.3.1. Net Value/Net Economic Interest	8	Refer to Annex 100 (E)
TOTAL	30	

MANAGEMENT CONTROL

Measurement Category and Criteria	Weightings	Targets
1.1 Executive Management		
1.1.1 Black Executive Management as a percentage of all Executive Management	6	50%
1.1.2 Black Female Executive Management as a percentage of all Executive Management	3	25%
1.2 Non-Executive Management		
1.2.1 Black representation at non- executive management as a percentage of all non-executive management	6	60%
1.2.2 Black female representation at non- executive management as a percentage of all non-executive management	3	30%
1.3. Black Youth Employees		
1.3.1. Black youth in junior/middle/senior management positions as a percentage of junior/middle/senior management employees	2	20%
TOTAL	20	

SKILLS DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
1.1 Skills Development Expenditure on any programme specified in the Learning Programmes Matrix for Black people as a percentage of the Leivable Amount.		
1.1.1 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black people as a percentage of the Leivable Amount	10	4%
1.1.2 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black females as a percentage of the Leivable Amount	6	2%
1.1.3 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black people with disabilities as a percentage of the Leivable Amount (Excluding leivable amount of drivers)	3	0.30%
1.2 Advancement Programmes aligned to the Sector Specific Scare and Critical Skills		
1.2.1 Junior Management		
1.2.1.1 Number of Black People in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	2	10%
1.2.1.2 Number of Black Females in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	1	5%
1.2.2 Semi-Skilled and Unskilled		
1.2.2.1 Number of Black People in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	2	20%
1.2.2.2 Number of Black Females in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	1	10%
1.3. Bonus Points		
1.3.1 Number of black people absorbed by the measured and Industry entity at the end of the Learnerships programme or Number of black employees promoted by the measured entity at the end of their participation in Advancement Programmes	5	100%
TOTAL	25	

ENTERPRISE AND SUPPLIER DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
1.1 Preferential Procurement		
1.1.1 B-BBEE Procurement Spend from Empowering Suppliers based on the B-BBEE Procurement Recognition Level as a percentage of Total Measurable Procurement Spend	8	60%
1.1.2 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 the Total Measured Procurement Spend	12	30%
1.1.3 B-BBEE Procurement Spend from Empowering Suppliers that are at least 30.01% black owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend	5	15%
1.2. Bonus Points		
1.2.1 B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% Black Owned	3	3%
1.3. Supplier Development		
1.3.1 Annual value of all Supplier Development Contributions made by the measured entity as a percentage of the target	10	1.5% of NPAT
1.4. Enterprise Development		
1.4.1 Annual value of Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target	5	1 % of NPAT
1.5. Bonus Points		
1.5.1. Bonus point for the graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level	1	
1.5.2. Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured entity	1	
TOTAL	40	

SOCIO ECONOMIC DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
2.1. Annual value of Socio Economic Development Contributions made by the Measured Entity as a percentage of the target	5	1% of NPAT
TOTAL	5	



SPECIALISED GENERIC SCORECARD

MANAGEMENT CONTROL

Measurement Category and Criteria	Weightings	Targets
2.1. Board Participation		
2.1.1. Exercisable voting rights of Black board members as a percentage of all board members	2	60%
2.1.2. Exercisable voting rights of Black women as a percentage of all board members	1	30%
2.1.3. Black Executive directors as a percentage of total number of executive directors	2	60%
2.1.4. Black Women Executive directors as a percentage of total number of executive directors	1	30%
2.2. Black Youth in Management		
2.2.1. Black Youth in Management as a percentage of senior management and above	3	20%
2.3. Other Executive Management		
2.3.1. Black Executive Management as a percentage of all executives management	2	60%
2.3.2. Black Female Executive Management as a percentage of all executives management	1	30%
2.4. Senior Management		
2.4.1. Black employees in senior management as a percentage of all senior management	2	70%
2.4.2. Black female employees in senior management as a percentage of all senior management	1	35%
2.5. Middle Management		
2.5.1. Black employees in middle management as a percentage of all middle management	2	80%
2.5.2. Black female employees in middle management as a percentage of all middle management	1	40%
2.6. Junior Management		
2.6.1. Black employees in junior management as a percentage of all junior management	2	88%
2.6.2. Black female employees in junior management as a percentage of all junior management	1	44%
2.7. Semi Skilled and Unskilled positions		
2.7.1. Black Women in Semi Skilled and Unskilled positions as a percentage of all Semi Skilled and Unskilled employees	3	46%
2.8. Black Youth Employees		
2.8.1. Black youth in technical positions as a percentage of employees	3	20%
2.9. Employees with disabilities		
2.9.1. Black employees with disabilities as a percentage of all employees (Excluding Drivers)	2	2%
2.9.2. Black women with disabilities as a percentage of all employees (Excluding Drivers)	1	1%
TOTAL	30	

SKILLS DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
2.1 Skills Development Expenditure on any programme specified in the Learning Programmes Matrix for Black people as a percentage of the Leviale Amount.		
2.1.1 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black people as a percentage of the Leviale Amount	8	6%
2.1.2 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black People with disabilities as a percentage of the Leviale Amount (Excluding leviale amount of drivers)	4	0.5%
2.2. Advancement Programmes aligned to the Sector Specific Scare and Critical Skills		
2.2.1 Senior Management		
2.2.1.1 Number of Black people in Senior Management Participating in Advancement Programmes as a percentage of all Senior Management.	2	5%
2.2.1.1 Number of Black Females in Senior Management Participating in Advancement Programmes as a percentage of all Senior Management.	1	2.5%

2.2.2 Middle Management		
2.2.2.1 Number of Black People in Middle Management Participating in Advancement Programmes as a percentage of all Middle Management	2	10%
2.2.2.2 Number of Black Females in Middle Management Participating in Advancement Programmes as a percentage of all Middle Management	1	5%
2.2.3 Junior Management		
2.2.3.1 Number of Black People in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	2	15%
2.2.3.1 Number of Black Females in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	1	7.5%
2.2.4 Semi-Skilled and Unskilled		
2.2.4.1 Number of Black People in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	2	20%
2.2.4.1 Number of Black Females in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	1	10%
2.4. Promotion		
2.4.1 Number of black employees promoted by the measured entity at the end of their participation in Advancement Programmes	3	25%

2.5 Learnerships, Apprenticeships and Internships		
2.5.1. Number of Black employees participating in Learnerships, Apprenticeships and Internships as a percentage of total employees (18.1 Learnerships)	4	4%
2.5.2 Number of Black unemployed people participating in Learnerships, Apprenticeships and Internships as a percentage of total employees (18.2 Learnerships)	4	5%
2.6. Bonus Points		
2.6.1 Number of black people absorbed by the measured and Industry entity at the end of the Learnerships programme	5	100%
TOTAL	35	

ENTERPRISE AND SUPPLIER DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
2.1. Preferential Procurement		
2.1.1. B-BBEE Procurement Spend from Empowering Suppliers based on the B-BBEE Procurement Recognition Level as a percentage of Total Measurable Procurement Spend	4	80%
2.1.2. B-BBEE Procurement Spend from all Empowering Suppliers that are Level 4 and above Qualifying Small Enterprises based on the applicable B-BBEE Procurement Recognition Level as a percentage of Total measurable Procurement Spend	3	15%
2.1.3. B-BBEE Procurement Spend from Level 4 and above Exempt Micro Enterprises based on the applicable B-BBEE Procurement Recognition Level as a percentage of Total measurable Procurement Spend	4	15%
2.1.4. 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 the Total Measured Procurement Spend	10	50%
2.1.5. 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 the Total Measured Procurement Spend	5	15%
2.1.6. B-BBEE Procurement Spend from Empowering Suppliers that are at least 51% black youth owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend	2	12%
2.1.7. B-BBEE Procurement Spend from Empowering Suppliers that are at least 51% owned by Black people with disabilities based on the applicable B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend	2	10%
2.1.8. Bonus Points		
2.1.8.1. B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% Black Owned	3	5%

2.2. Supplier Development		
2.2.1. Annual value of all Supplier Development Contributions made by the measured entity as a percentage of the target	15	2% of NPAT or 0.2% Annual Revenue/ Allocated budget/ Gross receipts / Discretionary spend
2.3. Enterprise Development		
2.3.1. Annual value of Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target	5	1% of NPAT or 0.1% Annual Revenue/ Allocated budget/ Gross receipts / Discretionary spend
2.4. Bonus Points		
2.4.1. Bonus point for the graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level	1	
2.4.2. Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured entity	1	
<u>TOTAL</u>	50	

SOCIO ECONOMIC DEVELOPMENT

Indicator	Indicators of Empowerment	Weightings	Targets
<u>Socio Economic Development</u>	Annual value of Socio Economic Development Contributions made by the Measured Entity as a percentage of the target	5	1% of NPAT or 0.1% Annual Revenue/ Allocated budget/ Gross receipts / Discretionary spend
<u>Total</u>		5	

COMPLIANCE WITH SECTION 10 OF THE ACT

Indicators of Empowerment	Weightings	Targets
<p>2.1. Annual number of Level 3 and above qualifying entities:</p> <p><i>(a) Issued with licences, permits, concessions or other authorisations in respect of economic activity in terms of any law</i></p> <p><i>(b) developing and implementing a preferential procurement policy;</i></p> <p><i>(c) determining qualification criteria for the sale of state owned enterprises;</i></p> <p><i>(d) developing criteria for entering into partnerships with the private sector; and</i></p> <p><i>(e) Awarded subsidies, incentives, grants and investment schemes in support of broad-based black economic empowerment.</i></p>	10	100%
<u>TOTAL</u>	10	



SPECIALISED QSE SCORECARD

MANAGEMENT CONTROL

Measurement Category and Criteria	Weightings	Targets
1.1. Executive Management		
1.1.1 Black Executive Management as a percentage of all Executive Management	9	50%
1.1.2 Black Female Executive Management as a percentage of all Executive Management	6	25%
1.2. Non-Executive Management		
1.2.1. Black representation at non- executive management as a percentage of all non-executive management	9	60%
1.2.2. Black female representation at non- executive management as a percentage of all non-executive management	6	30%
TOTAL	30	

SKILLS DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
1.1. Skills Development Expenditure on any programme specified in the Learning Programmes Matrix for Black people as a percentage of the Leviale Amount.		
1.1.1 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black people as a percentage of the Leviale Amount	16	4%
1.1.2 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black females as a percentage of the Leviale Amount	9	2%
1.1.3 Skills Development Expenditure on Learning Programmes specified in the Learning Programmes Matrix for Black people with disabilities as a percentage of the Leviale Amount (Excluding leviale amount of drivers)	4	0.30%
1.2. Advancement Programmes aligned to the Sector Specific Scare and Critical Skills		
1.2.1 Junior Management		
1.2.1.1 Number of Black People in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	2	20%
1.2.1.2 Number of Black Females in Junior Management Participating in Advancement Programmes as a percentage of all Junior Management	1	10%
1.2.2 Semi-Skilled and Unskilled		
1.2.2.1 Number of Black People in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	2	30%
1.2.2.2 Number of Black Females in Semi-Skilled and Unskilled Positions Participating in Advancement Programmes as a percentage of all Semi-Skilled and Unskilled Employees	1	10%
1.3. Bonus Points		
1.3.1 Number of black people absorbed by the measured and Industry entity at the end of the Learnerships programme	5	100%
TOTAL	35	

ENTERPRISE AND SUPPLIER DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
1.1 Preferential Procurement		
1.1.1 B-BBEE Procurement Spend from Empowering Suppliers based on the B-BBEE Procurement Recognition Level as a percentage of Total Measurable Procurement Spend	10	60%
1.1.2 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 the Total Measured Procurement Spend	15	15%
1.1.3 B-BBEE Procurement Spend from Empowering Suppliers that are at least 30.01% black owned based on the applicable B-BBEE Procurement Recognition Levels as a percentage of the Total Measured Procurement Spend	5	10%
1.1.4 Bonus Points		
1.1.4.1 B-BBEE Procurement Spend from Designated Group Suppliers that are at least 51% Black Owned	2	2%
1.2 Supplier Development		
1.2.1 Annual value of all Supplier Development Contributions made by the measured entity as a percentage of the target	10	1,5% of NPAT/ 0.15% Annual Revenue/ Allocated budget/ Gross receipts
1.3 Enterprise Development		
1.3.1 Annual value of Enterprise Development Contributions and Sector Specific Programmes made by the Measured Entity as a percentage of the target	10	1,5% of NPAT/ 0.15% Annual Revenue/ Allocated budget/ Gross receipts
1.4 Bonus Points		
1.4.1. Bonus point for the graduation of one or more Enterprise Development beneficiaries to graduate to the Supplier Development level	1	
1.4.2. Bonus point for creating one or more jobs directly as a result of Supplier Development and Enterprise Development initiatives by the Measured entity	1	
TOTAL	50	

SOCIO ECONOMIC DEVELOPMENT

Measurement Category and Criteria	Weightings	Targets
1.1 Annual value of Socio Economic Development Contributions made by the Measured Entity as a percentage of the target	5	1% of NPAT/ 0.1% Annual Revenue/ Allocated budget/ Gross receipts
TOTAL	5	

COMPLIANCE WITH SECTION 10 OF THE ACT

Indicators of Empowerment	Weightings	Targets
<p>2.1. Annual number of Level 3 and above qualifying entities:</p> <p>(a) Issued with licences, permits, concessions or other authorisations in respect of economic activity in terms of any law</p> <p>(b) developing and implementing a preferential procurement policy;</p> <p>(c) determining qualification criteria for the sale of state owned enterprises;</p> <p>(d) developing criteria for entering into partnerships with the private sector; and</p> <p>(e) Awarded subsidies, incentives, grants and investment schemes in support of broad-based black economic empowerment.</p>	10	100%
<u>TOTAL</u>	10	



KEY RESOLUTIONS BY THE CHARTER COUNCIL



OWNERSHIP

OWNERSHIP RESOLUTIONS

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Equity Equivalents

Equity Equivalent Programmes will be **facilitated and Approved by the Charter Council** prior to submission to the dtic



Black People target Increase

Ownership targets will **increase to 40%** across ALL Integrated Transport Sub-Sector Codes



Modified Flow Through

There will be **NO application of the Modified Flow Through methodology** in all the Integrated Transport Sub-Sector Codes



Black Women target Increase

Ownership targets will **increase to 20%** across ALL Integrated Transport Sub-Sector Codes

OWNERSHIP RESOLUTIONS

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Demographics

Where permissible we will **introduce EAP demographics into the Ownership element**



Owner Driver Schemes

It is **MANDATORY** that the Council will do a deep dive of all Owner Driver Schemes



Broad Based Schemes

Verification agencies that will be approved by the Charter Council, **MUST assess the actual beneficiaries of all Broad based schemes** during the verification of entities in the Integrated Transport Sector.



MANAGEMENT CONTROL

MANAGEMENT CONTROL RESOLUTIONS

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Board Voting Rights of Black People

Board Voting rights targets will be **increased to 65%**



Board Voting Rights of Black Women

Board Voting rights targets will be **increased to 40%**



Bonus Points

- ✓ **First time board appointments**
- ✓ **Women on the board**
- ✓ **Persons living with disabilities on the board**
- ✓ **Youth on the board**

MANAGEMENT CONTROL RESOLUTIONS

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Removal of the Junior Management Element



Youth in Management

Inclusion of Youth **as a percentage of ALL Management**



Technical Positions

Replacement of Technical positions with **specialized positions (category) – will define per sub sector**

MANAGEMENT CONTROL RESOLUTIONS

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Minimum Compliance

No Management Control points should the company not have 100% South African Drivers;

If the company has cross border operations this will be assessed in line with those requirements



ENTERPRISE AND SUPPLIER DEVELOPMENT

ENTERPRISE AND SUPPLIER DEVELOPMENT **RESOLUTIONS**

Key resolutions, but not limited, as taken in August 2023:

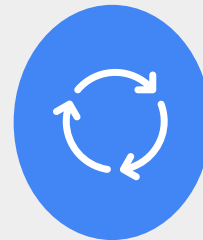
Requirements will be developed throughout the alignment process.

This includes:



Enterprise Development Initiatives

MANDATORY that Enterprise Development Initiatives are closely linked to the Entities **Value and Supply Chain**



Preferential Procurement and Supply Chain

MANDATORY to integrate **Enterprise Development Beneficiary** into entities Supply Chain

ENTERPRISE AND SUPPLIER DEVELOPMENT **RESOLUTIONS**

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Targeted Integrated Transport Sector Enterprise and Supplier Development Fund

MANDATORY that a percentage (to be prescribed), **MUST be contributed** to the above fund, for the development of Black Owned enterprises in the Transport sector.



Designated Sectors and Localization

We will investigate the Designated Sector Lists and what is currently being localized.



SOCIO-ECONOMIC DEVELOPMENT

SOCIO-ECONOMIC DEVELOPMENT RESOLUTIONS

Key resolutions, but not limited, as taken in August 2023:

Requirements will be developed throughout the alignment process.

This includes:



Socio- Economic development contributions
MUST attempt to include people in Rural Areas
and Townships and where possible sector specific



COMPLIANCE WITH SECTION 10 OF THE BEE ACT

MANDATORY COMPLIANCE FOR ALL ORGANS OF STATE AND PUBLIC ENTITIES

Key components of the Compliance with Section 10

Generally, all organs of state or public entities are bound by our Constitution, Bill of Rights and all legislation and associated regulations which are applicable to the State.

More specifically, [Section 10\(1\) of the B-BBEE Act](#) enjoins every organ of state or public entity to apply the generic codes or any specific sector code issued in terms of the B-BBEE Act when:

1. [determining qualification criteria for the issuing of licences, concessions or other authorisation in respect of economic activity in terms of any law;](#)
2. [developing and implementing a preferential procurement policy;](#)
3. [determining qualification criteria for the sale of state owned enterprises;](#)
4. [developing criteria for entering into partnerships with the private sector; and](#)
5. [determining criteria for the awarding of incentives, grants and investment schemes in support of B-BBEE.](#)

Indicators of Empowerment	Weightings	Targets
2.1. Annual number of Level 3 and above qualifying entities: <ul style="list-style-type: none"> (a) <i>Issued with licences, permits, concessions or other authorisations in respect of economic activity in terms of any law</i> (b) <i>developing and implementing a preferential procurement policy;</i> (c) <i>determining qualification criteria for the sale of state owned enterprises;</i> (d) <i>developing criteria for entering into partnerships with the private sector; and</i> (e) <i>Awarded subsidies, incentives, grants and investment schemes in support of broad-based black economic empowerment.</i> 	10	100%
<u>TOTAL</u>	10	

THANK YOU

ANY QUESTIONS?