

**REGULATIONS, POLICIES
AND FRAMEWORKS**

Provides explanations and definitions of bodies / structures referred to in the Acts, legislation and structures

SETA Grant Regulations

IPAD II

National Skills Development Strategy III

SETA LEARNING PROGRAMMES

7-Steps to Becoming an Artisan

Skills Programmes

Learnerships

Recognition of Prior Learning (RPL)

Skills Development Facilitator

Skills Development Committee

FRAMEWORKS

Occupational Qualifications Framework

National Qualifications Framework

The Broad-Based Black Economic Empowerment

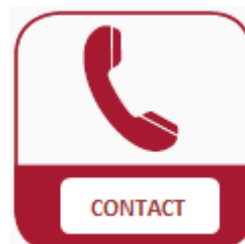
FRAMEWORKS

THE BROAD-BASED BLACK ECONOMIC EMPOWERMENT –

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NOTE

Refer to the CHIETA funding policy (Section 12 THE REVISED BROADBASED BLACK ECONOMIC EMPOWERMENT CODES OF GOOD PRACTICE) for more detail



INTRODUCTION

- **Broad-Based Black Economic Empowerment (B-BBEE) is a key part of the broad development objectives and is aimed at achieving Government’s outcome 4 on inclusive economy and job creation.**
- **The mandate : -**
- Section 9 (2) of the Constitution of the Republic of South Africa:
- **“Equality includes the full and equal enjoyment of all rights and freedoms. To promote the achievement of equality, legislative and other measures designed to protect or advance persons or categories of persons disadvantaged by unfair discrimination may be taken.”**

GENERAL PRINCIPLES

- Contribute to the achievement of the country’s economic growth and social development goals by developing skills that will enrich the creation of decent work and sustainable livelihoods
- Promote the development of industry skills base in critical sectors of production and value-added manufacturing , which are largely labour incentive industries;
- Support “Professional, Vocational, Technical, and Academic Learning Programmes”, achieved by means of professional placements, work integrated learning, apprenticeships, learnerships and internships that meet the critical needs for economic growth and social development.
- Strengthen the skills and human resource base by encouraging support of skills development initiatives within an emphasis on skills development and career pathing for all working people in order to support employment creation.

THE REVISED BROADBASED BLACK ECONOMIC EMPOWERMENT CODES OF GOOD PRACTICE

New Codes of Good Practice in relation to BBBEE were issued in October 2012 (Notice No. 800 Government Gazette No. 35754, 5 October 2012). In terms of the measurement of the skills development element of broadbased black economic empowerment , clause 2.1 specifies the skills development expenditure on learning programmes for black employees and black employees with disabilities as a percentage of the leviabale amount;

- Clause 2.1.1 refers to number of black people (employees) participating in learnerships, apprenticeships or internships as a percentage of employees;

- Clause 2.1.2 refers to number of black people (unemployed) participating in learnerships, apprenticeships or internships as a percentage of employees;
- Clause 2.1.3 are bonus points for number of black people absorbed by the measured and industry at the end of the learnership programme;

In terms of threshold requirements in clause 2.4.1 a measured entity must achieve a minimum of 40% of the target set out in the skills development scorecard and in clause 2.4.2 noncompliance with the threshold targets will result in the achieved BEE Status Level being discounted.

Clause 3 covers key measured principles and in subsection 3.1, it is specified that a measured entity will receive points on the skills development score card only if:

- They have developed the following SETA documents: the Workplace Skills Plans, Annual Training Report and PIVOTAL report; and
- They have implemented programmes targeted at developing priority skills generally and specifically for the black people.

SKILLS DEVELOPMENT

The principle of EAP is applicable in the Skills Development as per the Management Control Element;

KEY MEASUREMENT PRINCIPLES

- In order for the Measured Entity to receive points on the Skills Development Element
- Workplace Skills Plan, an Annual Training Report and Pivotal Report which are SETA approved; and
- Implementation of Priority Skills programme generally, and more specifically for black people.
- The 6 % compliance target includes external training expenditure for unemployed black people.
- A trainee tracking tool has to be developed in order for the Measured Entity to score for absorption category
- If less than 100% of the trainees are absorbed the percentage achieved or absorbed will be recognised.

SUBMINIMUM AND DISCOUNTING PRINCIPLE

- A Measured Entity must achieve a minimum of 40% of the overall points set in the Skills Development Element
- Non-compliance to the threshold targets will result in the overall achieved BBBEE status level being discounted

SKILLS DEVELOPMENT EXPENDITURE

- includes any legitimate expenses incurred for any Learning Programme offered by a Measured Entity to its employees evidenced by an invoice or appropriate internal accounting record.
- arising from Informal and workplace Learning Programmes or from Category F and G Learning Programmes under the Learning Programmes Matrix cannot represent more than 15% of the total value of Skills Development Expenditure.
- legitimate training costs such as accommodation and catering cannot exceed 15% of the total value of Skills Development Expenditure

Category	Skills Development Element	Weighting points	Compliance Target
2.1.1	Skills Development Expenditure on any programme specified in the Learning Programme Matrix for black people as a percentage of the Leviale Amount		
1.1.1.1	Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black people as a percentage of Leviale Amount.	8	6 %
1.1.1.2	Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black employees with disabilities as a percentage of Leviale Amount.	4	0.3%
1.1.2	Learnerships, Apprenticeships, and Internships		
1.1.2.1	Number of black people participating in Learnerships, Apprenticeships and internships as a percentage of total employees	4	2.5%
1.1.2.2	Number of black unemployed people participating in training specified in the learning programme matrix as a percentage of number of employees	4	2.5%
Bonus points:			
2.1.3	Number of black people absorbed by the Measured and Industry Entity at the end of the Learnerships programme	5	100%