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BEE verification/accreditation process back on track:

– Relevance and importance of the B-BBEE *Verification Manual*

The uncertainty that unfolded last year within the B-BBEE (Broad-Based Black Economic Empowerment) verification industry when the accreditation process for BEE verification agencies was temporarily suspended has been laid to rest. SANAS (South African National Accreditation System) has announced the re-instatement of the accreditation process and the lifting of the suspension following the reaching of agreement between itself (SANAS) and the Department of Trade and Industry (dti) on certain technical aspects. The suspension occurred in July 2008 after **the dti** had published the *Verification Manual* in the Government Gazette, highlighting discrepancies between the gazetted dti *Verification Manual* and the SANAS R47-02 verification document. Fortunately, the differences were resolved, putting an end to any uncertainty about the accreditation process and the applicable verification benchmarks.

Verification agencies listed with ABVA (Association of BEE Verification Agencies) are steadily progressing toward final accreditation by SANAS. As one would expect, ABVA members subscribe to the principles and methodology for accreditation and their processes will provide companies an assurance of the integrity of the information on which the BEE verification is based. Furthermore, by adopting the processes indicated in the manual, companies can expect to reduce their risk of misinterpreting the codes and elements of the BEE scorecards.

Whilst companies may face different challenges when tackling B-BBEE, their primary goal should result in B-BBEE compliance and naturally its verification. It is therefore imperative that companies make use of verification agencies that subscribe to the manual, thereby offering their clients the peace of mind pertaining to a consistent BEE verification approach and application, as well as high service standards.

The primary purpose of BEE verification is to confirm that the participating company has adhered to the BEE Codes of Good Practice and also to give buoyancy to those entities that depend on the final issued certificate.

Every company within South Africa has different challenges to tackle when considering B-BBEE compliance and its verification. Some companies have never obtained a BEE verification certificate before and are starting from scratch, while others are just looking to maintain or even improve on their previous BEE scorecard.



The *Verification Manual* is intended for purposes of accreditation and is used by verification agencies to ensure minimum norms, ethical conduct, consistency and transparency during the verification process.

In the preface to the *Verification Manual*, the minister of Trade and Industry prescribes the manual as part of the accreditation process, indicating that it should be used by all verification agencies when performing B-BBEE verifications. The manual incorporates the relevant provisions as set out in the SANAS R47-02 document as amended, directly or by reference.

“Companies are urged to support the attempts of verification agencies to uphold these minimum standards of evidence during the verification process – at least we now have certainty regarding the approach to B-BBEE and its scorecards as prescribed within the *Verification Manual*,” says Terry Booyesen, CEO of CGF Research Institute (Pty) Ltd, and a strategic partner of the Proudly South African Campaign.

For more information regarding the critical importance vis-à-vis the need to understand how BEE agencies must be rated and the use of the B-BBEE *Verification Manual*, please contact:

Terry Booyesen, CEO, CGF Research Institute (Pty) Ltd (A strategic partner of Proudly South African) on Tel: +27 11 476 8264/1; Cell: +27 82 373 2249 Fax: 086 623 1269; Email: tbooyesen@cgf.co.za, or visit www.cgf.co.za

For more information on the Proudly South African Campaign, call 011 327 7778, or visit www.proudlysa.co.za

For more information regarding ABVA, visit www.abva.co.za or call 086 111 ABVA.

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