

BEE widens its horizons

The introduction of the new Codes of Good Practice (gazetted in February 2007) for Broad-Based Black Economic Empowerment (B-BBEE) was a move in the right direction; it encourages transformation to reach the wider black population. Previously, the focus was mainly on equity ownership. The codes now focus mainly on the full seven elements of the scorecard.

In addition, black women and black disabled people are now viewed as an important group for supportive action of any company. On a much broader level, small black-owned businesses are expected to take advantage of the codes regarding preferential procurement, enterprise development and skills development. This creates opportunities to broaden BEE.

The national leadership change that was triggered in 2007 should also result

in new beneficiaries of empowerment surfacing. In the past, BEE largely benefited a few. Hopefully, the new beneficiaries will give greater attention to the majority of black people.

The new beneficiaries of B-BBEE should also focus more on how they get their money rather than on how the money is spent. This should boost corporate governance, business confidence and ethics as well as reputation of doing business in South Africa.

To help employers deal with the complex issues around B-BBEE, Buyolo Business Advisory Services will be offering training workshops in Cape Town starting on Monday and running until November 30. For more information, visit www.buyolo.co.za

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