

Important tips for B-BBEE verification



Most businesses often feel uncertain and overwhelmed because they do not know what to expect from the B-BBEE verification process.

Going for a medical procedure often involves much anxiety and uncertainty. Such anxiety and uncertainty can be avoided if the Medical Practitioner explains the procedure to patients in advance so that they know what to expect.

The same can be said for a B-BBEE verification. Measured Entities often feel uncertain and overwhelmed because they do not know what to expect from the process.

Knowing what will transpire and how they should prepare for it will most certainly make it easier to submit to and, more importantly, be prepared for the B-BBEE audit. This will ensure that the correct *B-BBEE initiatives are highlighted and points awarded.*

Although a B-BBEE Verification Audit will differ from one to the next depending on the Verification agency used, the size of the Entity and the number of sites, it is still somewhat generic in nature due to the documentation involved.

Guidelines on what to expect from a B-BBEE Verification Audit



Preparing for a B-BBEE Audit

Good planning is cardinal when it comes to B-BBEE. Besides keeping track of all the B-BBEE initiatives implemented during the year, it will serve a Measured Entity well to keep all the documentary proof on file, ready and available for the audit. One of the biggest hiccups during verification is often the treasure hunt that ensues for documentation – documentation that could and should have been kept on file from the start.

Next will be the completion of claim sheets. Completing claim sheets is very time-consuming, but it is worthwhile to ensure that all initiatives and spending reflects on the claim sheets. Verification Agencies will not allow claim sheets to be amended after an onsite visit.

The Verification process can take up to 3 months to complete. ***The Expiry date on the current BEE certificate should be factored in when considering when to proceed with a B-BBEE audit to allow for enough time to obtain a new certificate.***

Once a Measured Entity is ready to proceed with their Verification, an application or Request must be submitted to the relevant Verification Agency, which will then communicate their requirements to the Measured Entity.



Sampling of B-BBEE initiatives

Upon receiving the claim sheets from the Measured Entity, the Verification Agency will proceed to sample the initiatives claimed. The number of initiatives sampled will depend on the total number of initiatives on the claim sheet for each element. During the sampling, the people to be interviewed will also be identified.

A verification agency might wish to set up a pre-onsite meeting to identify and discuss their sampling, while another verification agency may choose to identify their sampling on the documentation provided without scheduling a separate meeting. Sampling is part of the preparation phase. If records are kept up to date, sampling will be easier and the file can be assembled more easily.



Onsite B-BBEE verification readiness

During the verification onsite, the analyst from the Verification Agency will peruse the prepared verification file to make sure that all the documents are on file. The format and contents of the documentation will also be assessed to ensure that all the requirements are met for the Verification Agency to award points for the elements and sub-elements. All interviews will be conducted on this day. Interviews are treated as confidential and will take place only between the analyst appointed and the person being interviewed. It is advisable to set aside at least 6 hours for an onsite verification to be completed.



Providing documentation after the onsite B-BBEE verification

Verification agencies will usually allow for documentation that was unavailable onsite or insufficient to prove a claim to be provided afterwards. The Verification Agency will communicate its requirements for this during the onsite visit.



Receiving the report and BEE certificate

After all documentation has been analysed and processed to award points, the B-BBEE report will be issued together with the certificate. The B-BBEE certificate can then be sent to clients of the Measured Entity. If, however, the Measured Entity is not happy with the certificate that was issued, provision is made for an appeal process or review as per the terms and conditions of the Verification Agency.

Giving attention to the above will certainly help the Measured Entity to optimise their B-BBEE level.

SERR Synergy assist businesses with the development of strategies and compiling of strategic reports to enhance B-BBEE levels. We assist clients in the verification process step-by-step and our services include the facilitation with the issuing of an accredited BEE verification certificate by an accredited verification agent.

About our author: Audrey Cloete obtained her LLB degree from the North-West University Potchefstroom. After 7 years in legal practise, she changed career paths by entering the corporate environment in 2009. Audrey joined SERR Synergy in 2015 where she currently works as the National Verification Manager.

©SERR Synergy, www.serr.co.za

