

B-BBEE Scorecard Guide

How B-BBEE is scored, and how to improve your level

B-BBEE (Broad-Based Black Economic Empowerment) is a scorecard that shows how well a business contributes to transformation. A good rating helps you win tenders, keep corporate clients and qualify for supplier programmes. This guide explains how it works in plain language.

1. Which category is your business?

Your category depends on your annual turnover.

Category	Annual turnover	How you are rated
EME (Exempted Micro Enterprise)	Up to R10 million	Automatically Level 4. Level 2 if at least 51% black owned. Level 1 if 100% black owned. Usually proved with a sworn affidavit.
QSE (Qualifying Small Enterprise)	R10 million to R50 million	Scored on the scorecard. Level 2 if at least 51% black owned, Level 1 if 100% black owned, which can be proved by affidavit.
Generic (large) enterprise	Above R50 million	Full scorecard, verified by an accredited B-BBEE verification agency.

2. The five scorecard elements

Element	What it measures	Points
Ownership	Percentage of the business owned by black people, including black women	25
Management control	Black representation on the board and in executive, senior, middle and junior management	19
Skills development	Money spent on training black employees and learners	20
Enterprise and supplier development	Buying from black-owned suppliers and supporting small black-owned businesses	40
Socio-economic development	Contributions to community projects that benefit black people	5

Total is 109 points including bonus points. Ownership, skills development, and enterprise and supplier development are priority elements. Falling short of the minimum required on these can drop your level by one.

3. B-BBEE levels and what they are worth

Level	Points	Recognition when your clients buy from you
1	100 and above	135%
2	95 to under 100	125%
3	90 to under 95	110%
4	80 to under 90	100%
5	75 to under 80	80%
6	70 to under 75	60%
7	55 to under 70	50%
8	40 to under 55	10%
Non-compliant	Under 40	0%

4. Documents to gather

- ☐ CIPC registration documents and share register
- ☐ Certified ID copies of all owners and directors
- ☐ Annual financial statements, or turnover confirmation, for the last financial year
- ☐ Employee list with race, gender and occupational level
- ☐ Payroll and training records, with proof of skills spending
- ☐ Supplier list with the B-BBEE status of the suppliers you buy from
- ☐ Records of community or enterprise development contributions

5. Simple ways to improve your score

- ☐ Spend more with black-owned and women-owned suppliers
- ☐ Budget for accredited training of your black employees every year
- ☐ Look at ownership options, such as bringing in a black shareholder
- ☐ Keep clean records all year so verification is quick and accurate
- ☐ Renew your affidavit or certificate before it expires (valid for 12 months)

Need help getting this done? Olukuhle Consultants handles CIPC, SARS, COIDA, CIDB, CSD, B-BBEE, tenders, OHS safety files, business plans and company profiles. WhatsApp us on **+27 64 787 6994** or visit **olukuhle.co.za**.

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