


# **National Status and Trends on B-BBEE Transformation Report 2021**



# **BROAD-BASED BLACK ECONOMIC EMPOWERMENT COMMISSION**

Findings Black Women  
**Business** Ownership  
Analysis Economy Certificates QSE's  
ratings Enterprise  
Entities sector  
REPORT

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## ACRONYMS

B-BBEE	Broad-Based Black Economic Empowerment
BO	Black Ownership
BWO	Black Women Ownership
EME	Exempted Micro-Enterprises
FY	Financial Year
ICT	Information Communication Technology
JSE	Johannesburg Stock Exchange
MAC	Marketing, Advertising and Communication
Q	Quarter
QSE	Qualifying Small Enterprises
<b>the dtic</b>	The Department of Trade, Industry and Competition
VA	Verification Agencies
SANAS	South African National Accreditation Agencies

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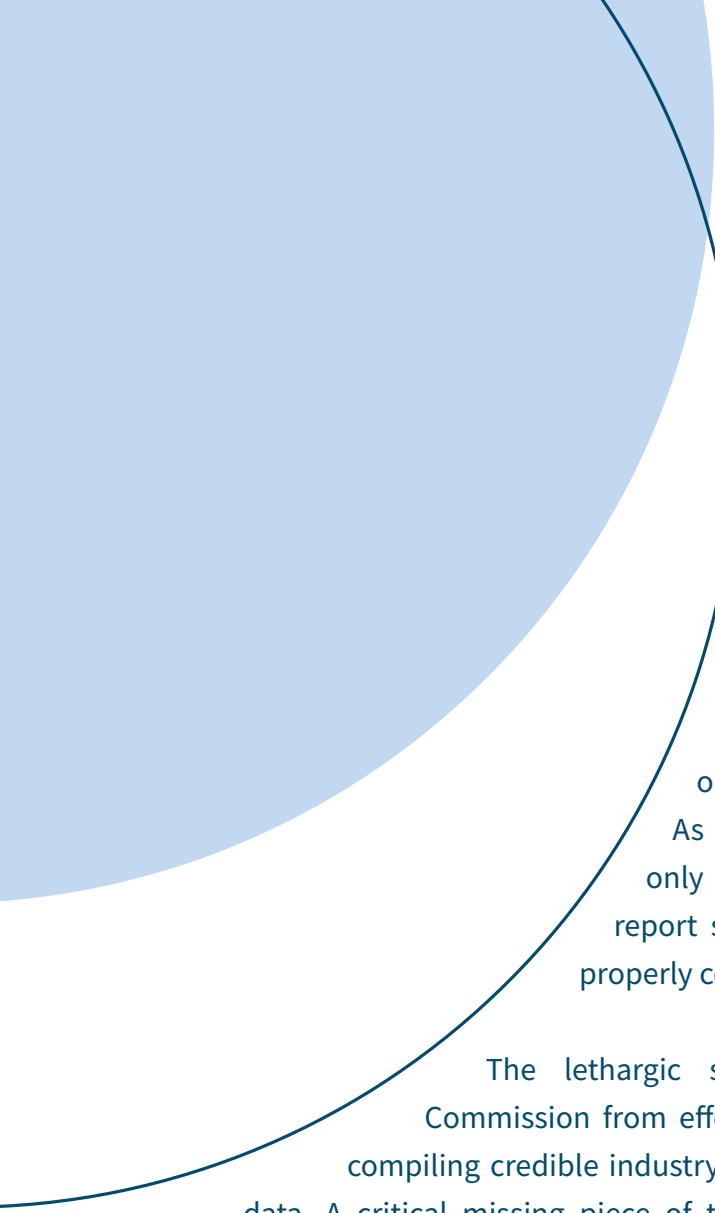
# 1. Overview

It is with mixed feelings that we present the 2021 National Status and Trends on Broad-Based Black Economic Empowerment report pursuant to our mandate in section 13F (1) (g) of the Broad-Based Black Economic Empowerment Act No.53 of 2003 as amended by Act 46 of 2013, hereafter referred to as “the Act.” The Minister of Trade, Industry and Competition (“the Minister”) issued the Codes of Good Practice to measure Broad-Based Black Economic Empowerment (B-BBEE) compliance of the measured entities at the time of measurement. To accommodate varying industries, some sectors have developed sector specific codes that the Minister has gazetted.

The data we used to produce this report is derived from prescribed annual compliance reports submitted by Johannesburg Stock Exchange (“JSE”) listed entities, organs of state, public entities and Sectoral Education and Training Authorities (“SETAs”). To complement such infrastructural strides for data collection, we developed a B-BBEE Certificate Portal to enable verification agencies to capture and upload B-BBEE Certificate data upon issuing such certificates to measured entities.







Embedded in the Act is the assumption that adequate data is submitted by identified stakeholders to the B-BBEE Commission. It is unfortunate that current data upload levels are underwhelming and have drastically decreased by 76% from 5,818 in 2019 to 1,373 in 2021. In addition, B-BBEE Certificate information uploaded on the B-BBEE Certificate Portal by verification agencies is perforated by alarming inconsistencies. A cursory review highlights about 326 organs of states, yet only 82 (25%) are analysed in this report. As of 31 December 2021, there were 324 JSE listed entities, only 130 (40%) are analysed. Therefore, data analysed in the report simply reflects on submitted data and is inadequate to properly conclude on industry performance.

The lethargic submission of required data impedes the B-BBEE Commission from effectively performing its duties, and it is obstructed from compiling credible industry analysis to inform apt interventions based on empirical data. A critical missing piece of the puzzle is that the Act does not compel verification agencies to submit the required information. Neither does it provide for punitive measures in cases of non-compliance with the reporting requirements in section 13G of the Act.

This year we identified 143 JSE listed entities who failed to submit their annual report and we issued notices for the breach of the Act. Response received highlighted a number of entities that have delisted in the year, and some immediately submitted their reports to remedy the breach. However, reports submitted following the enforcement action could not be included in this analysis.

To bolster the submission of this critical data required to execute the mandate, we recommend that the Minister amend the Act to ensure that consequences for non-compliance are included in the form of administrative penalties as well as criminal sanctions. Further, the Act must provide for the mandatory capturing and uploading of B-BBEE certificate data by verification agencies on the B-BBEE certificate portal.

This report continues to depict a bleak picture of the state of economic transformation in South Africa, crystallises the effects of severe limitations in the legislative framework, and lays bare the blatant disregard for B-BBEE by the majority of public and private sector entities. On the other hand, this report shows tangible evidence of opportunities in the Act to bolster SMME funding and support, stimulate economic recovery to mitigate against the Covid-19 pandemic impact, and directly create skills to match the industry demand.

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### **Impact of Covid-19 on data collection and reporting**

The current transformation quandary highlighted by the report underscores that there are a number of variables at play precipitating to inadequate data, and the COVID-19 impact is part of it. A major concern is the 76% decrease between 2019 and 2021 of submitted data that needs to be contextualised. There is a need to determine if the low submission is indicative of less B-BBEE initiatives within the reporting period, and to what extent some of the measured entities may have completely exited or fallen below the threshold for verification due to reduced revenue. To this end, the B-BBEE Commission will commission a study to determine the reasons behind the drop in data submissions and reporting from 2019. This will provide, amongst others, an understanding on whether there is a permanent loss to the industry due to the pandemic.



### **Lacklustre Black Ownership, black women ownership**

The 2021 average statistics gathered from the B-BBEE Certificate Portal indicate a decrease in Black ownership (-1.10%) and Black Female ownership (-2.17%). In general, the average growth of Black Women ownership is lower than Black ownership, indicating growing disparities. An analysis of large entities indicated that the Agri-BEE, Financial and MAC sectors did not reach their sector targets on Black ownership and Female ownership, albeit based on limited data. The Construction sector did not reach their Black Women ownership target, and neither did Property sector reach their Black ownership target. This strengthens the need for the 40% set aside of procurement spend for women owned businesses for growth and sustainability. Funding, especially women focused funding, is needed to increase black ownership stakes. The new ownership deals registered with the B-BBEE Commission have the potential to change the outlook going forward. As at 2021, there were 525 reported transactions valued of over R600 billion over the five-year period.

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### **Skills Development to match sectoral needs**

JSE listed entities reported R40,3 billion spent on skills development compared to R1,3 billion for organs of state. The average score achieved on data uploaded on the B-BBEE Certificate Portal decreased by 5.56% compared to the previous year. A serious challenge is that it is not possible to link the impact of reported figures with industry performance because the Act does not empower us to collect beneficiary data for skills development. A more coordinated approach will bolster skills development by matching skills initiatives to scarce skills in priority sectors. We will be engaging stakeholders with a view of collating all the skills development funds to a central repository for equitable, transparent and measurable distribution. The skills development contribution of about R41,6 billion available in one year, if properly coordinated, could go a long way to address the NSFAS shortfall and fund the development of scarce skills for black entrepreneurs, targeting the majority of unemployed young people.

### **Pooling of Enterprise and Supplier Development contributions**

JSE listed entities spent R14,99 billion in enterprise and supplier development compared to R11,4 billion from state organs. The average score achieved on uploaded data on the B-BBEE portal decreased by 14,78% compared to the previous year. Once again, it is difficult to link more than R26 billion enterprise and supplier development spend with economic state of exempted micro enterprises and at least 51% black owned qualifying enterprises. A significant part of these entities has suffered serious losses during the Covid-19 pandemic. Similar to skills development, a centralised repository more akin to the Covid-19 Solidarity Fund is necessary to facilitate the pooling of available but unallocated spend. Such funds could be directed to needy Black businesses in general, and Black Women owned businesses in particular. Better coordination between the private and the public sector will enhance the impact of enterprise and supplier development initiatives on an annual basis.

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### **Adherence to B-BBEE Act in economic activities**

It is the prerogative of an entity to be measured for B-BBEE compliance or not. However, it is mandatory for organs of state and public entities to consider B-BBEE compliance in all economic activities. This includes preferential procurement, public private partnerships and licensing. Therefore, any entity that engages in economic activity with the state must be required to be B-BBEE compliant. This report shows that 244 organs of state failed to submit compliance reports, and 37% of the 82 that submitted in 2021 have a non-compliant status. It is logical to conclude that there is no gate keeping by organs of state to drive entities to be B-BBEE compliant. As a consequence for non-reporting and failing to transform, the state must engage and contract only with B-BBEE compliant entities. This will also reduce the tick box approach to B-BBEE that is still prevalent in the private sector.



## Conclusion

With over a quarter of a century of independence, albeit with some gains, South Africa has not made serious inroads in addressing inequality, although there are some gains. While the PPPFA and the Act sought to address such an imbalance, it is apparent that these laws need to be amended to ensure that preferential procurement is effectively implemented. The recent confusion caused by incorrect reporting of the Constitutional Court ruling on PPPFA Regulations of 2017 demonstrates the urgency in bringing the long awaited alignment with the Act. It is also clear that a hands-off approach towards implementation of skills development and enterprise & supplier development is unlikely to result in a tangible benefit to black people; especially women, youth and the disabled.

Finally, to accelerate the transformation pace, it is necessary to strengthen the Act to effectively drive compliance and introduce real consequences for non-compliance and failure to submit annual reports. This could include the introduction of administrative penalties and provision for quicker resolution of B-BBEE violations through the establishment of a specialised tribunal. Coordination between government and the private sector should be encouraged to maximise the impact of B-BBEE on the economy.



**Ms Zodwa Ntuli**

**Commissioner: B-BBEE Commission**

# Snap Shot: National Status and Trends on B-BBEE Report

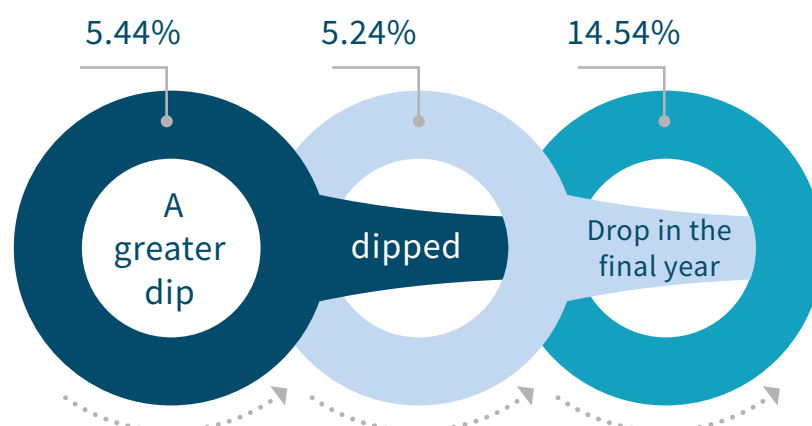
National Status and Trends on B-BBEE Report Summary		2017	2018	2019	2020	2021
Submitted Reports	JSE	51%	43%	42%	33%	40%
	Organs of State & SOEs	1%	10%	15%	9%	25%
	B-BBEE Certificate Portal	2861	1674	5818	1241	1373
Overall Ownership <i>(Overall include B-BBEE Certificate data information)</i>		27%	25%	29%	31%	29.5%
Overall Black Women Ownership <i>(Overall include B-BBEE Certificate data information)</i>		9%	10%	12%	15%	12.4%
JSE Listed Entities Average Black Ownership		29%	25%	31%	28%	39%
100% black owned entities on the JSE		1%	1%	3%	0%	0%
Management Control <i>(Overall include B-BBEE Certificate data information)</i>	JSE	38%	38%	44%	28%	53.6%
	Organs of State & SOEs	N/A	79%	68%	65.8%	83%
	Overall Management Control	43%	45%	39%	57%	51.56%
Skills Development <i>(Overall include B-BBEE Certificate data information)</i>	JSE	35%	63%	59%	64%	69.6%
	Organs of State & SOEs	N/A	64%	41%	32%	45%
	Overall Skills Development	37%	49%	49%	60%	54.76%
Enterprise and Supplier Development <i>(Overall include B-BBEE Certificate data information)</i>	JSE	47%	70%	59%	67%	73.5%
	Organs of State & SOEs	N/A	47%	59%	68%	60%
	Overall Enterprise and Supplier Development	44%	60%	51%	61%	46.46%
Socio-Economic Development <i>(Overall include B-BBEE Certificate data information)</i>	JSE	79%	92%	89%	93%	91%
	Organs of State & SOEs	N/A	65%	53%	33%	34%
	Overall Socio-Economic Development	88%	71%	68%	90%	84%
B-BBEE Rating Level 4 - Level 1	JSE	41%	51%	49%	55%	59%
	Organs of State & SOEs	N/A	45%	33%	33%	33%
B-BBEE Rating Level 5 - Non-Compliant	JSE	48% <i>(12% No data)</i>	45% <i>(5% No data)</i>	51%	45%	41%
	Organs of State & SOEs	N/A	55%	67%	67%	67%

Source: B-BBEE Commission, 2021



Table above summarizes a number of interventions with the five critical elements taking centre stage within the reported five years. It must be noted that these figures are based on submitted data and do not indicate industry performance. Average Black and Black Women ownership declined in 2021 after maintaining growth in the previous years. Average Black Ownership within the JSE listed companies increased by 11%. However, none of the submitted companies were fully black owned within the last two reporting periods.

Overall Management Control was not consistent during the last two years by dipping twice within the five year reporting period. A greater 5.44% dip was registered in 2021. Overall Skills Development maintained growth, but dipped by 5.24% in the final year. Enterprise and Supplier Development was inconsistent by dipping twice during the reporting period, with 14.54% drop in the final year. Mixed results were delivered by Socio- Economic Development that dipped twice during the five year reporting period, but increased by 4% during the last year against a declining norm. In general, most of the decline falls under 2019 and could be attributed to COVID-19 pandemic.



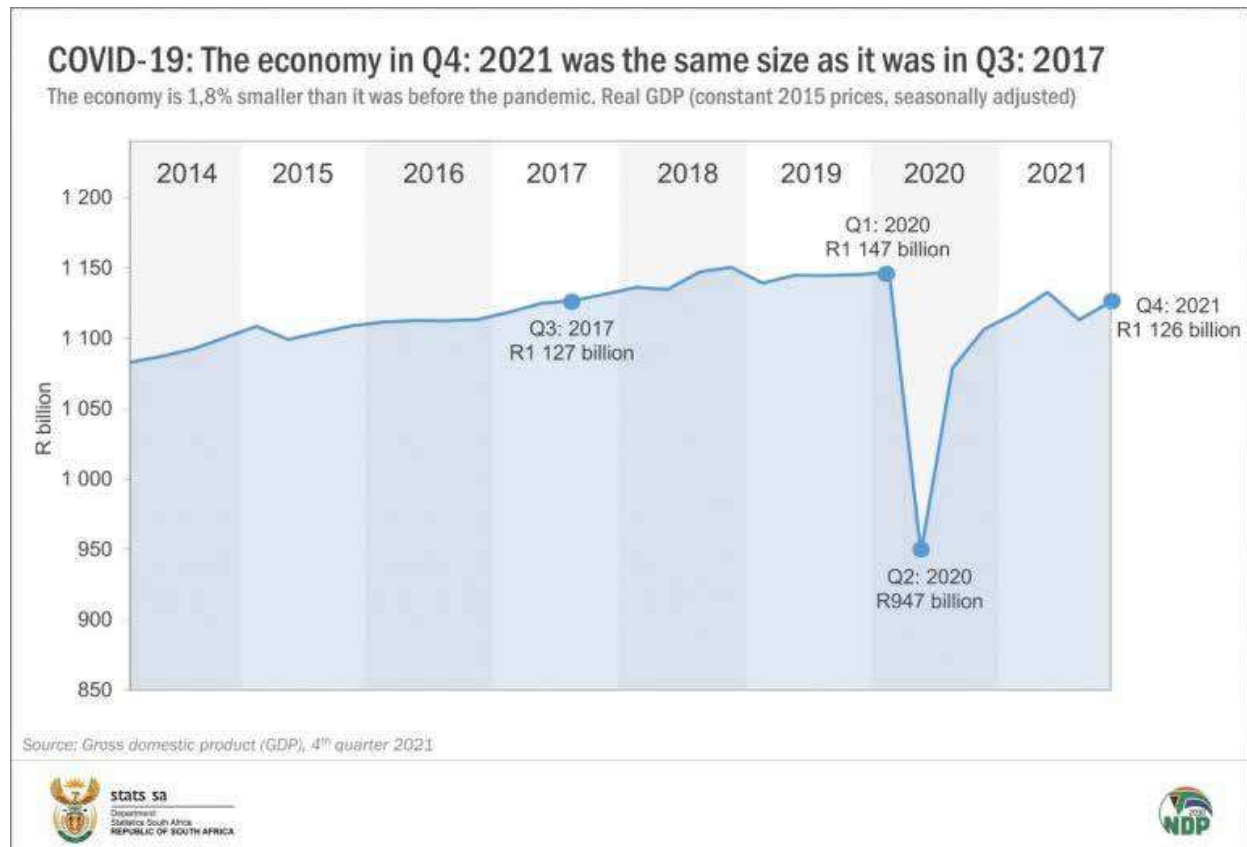


# Figures



## 1.1 Other Salient Matters

**Figure 1:** Annualised GDP Graph 2014 to 2021<sup>1</sup>

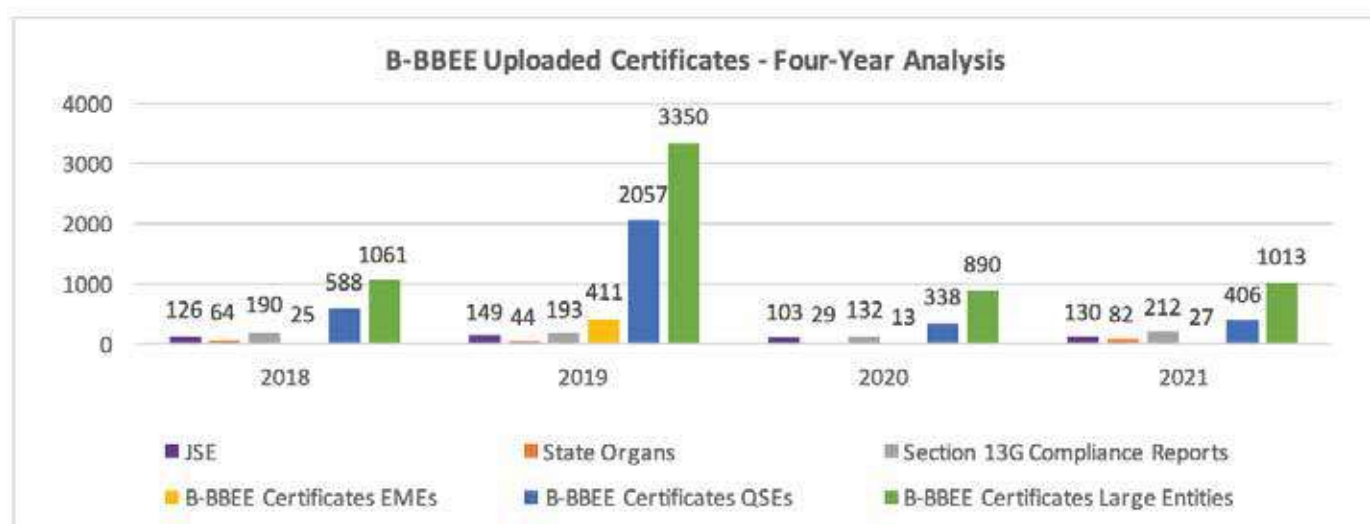


An analysis of the Broad-Based Black Economic Empowerment Commission (B-BBEE Commission) 2021 National Status and Trends on B-BBEE Report revealed a correlation between the national Gross Domestic Product (GDP) and transformation activity. **Figure 1** demonstrates a steady GDP growth from 2014 that plummeted in 2020 largely due to the COVID-19 pandemic. Since then, the economy has recovered and reached 2017 pre-pandemic levels. The graph indicates sluggish growth in the last two quarters, and this could suggest that it would take some time before the GDP performance reaches, and continues on the pre-COVID-19 gradient.

<sup>1</sup> <https://www.statssa.gov.za/?p=15214>



**Figure 2:** Uploaded certificates on B-BBEE Certificate Portal System– 4 Year Analysis



**Figure 2** delineates certificates uploaded within the B-BBEE Certificate Portal that demonstrate exponential growth from 2018 to 2019 and experienced a 77,2% dip in 2020 resulting in 1,373 (2021) certificates uploaded compared to 5,818 (2019). This dip is reciprocal to the GDP nosedive decline during the same period. It is not known how many of the entities that have not uploaded certificates have permanently stopped trading due to the COVID-19 impact. This may necessitate a study to better understand the industry and institute pinpointed interventions.

While there was a colossal decrease in certificates uploaded, a review of Level 1-4 and Level 5-8 categories in **Table 2** revealed no significant changes. Most indicators across Large, QSEs and JSE listed entities did not move the needle by more than 2% except for Level 1-4 JSE Listed entities that posted a 4% increase between 2020 and 2021.

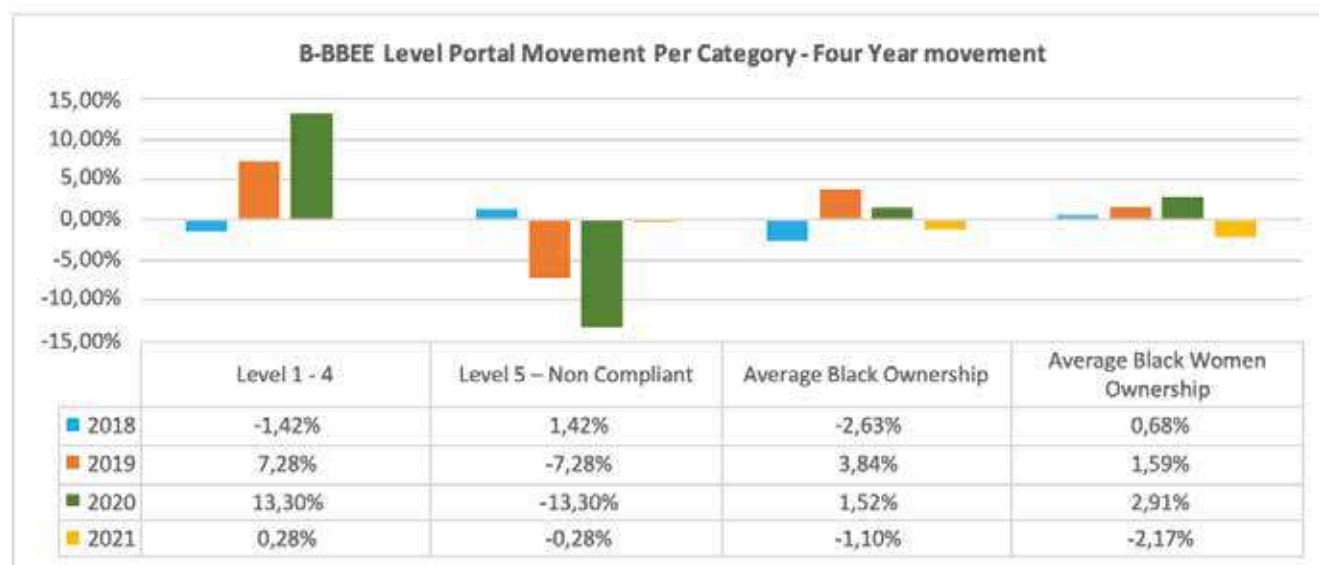
**Table 1:** B-BBEE Certification Level Groupings – 4 Year Analysis

B-BBEE Certification Levels 2021						
Large Entities				QSEs		
Level 1-4	Level 5-8	Non-Compliant	Year	Level 1-4	Level 5-8	Non-Compliant
47%	30%	24%	2018	37%	25%	39%
45%	29%	26%	2019	36%	26%	39%
59%	25%	16%	2020	57%	23%	21%
59%	26%	15%	2021	56%	22%	22%
JSE Listed Entities				Organs of State and Public Entities		
Level 1-4	Level 5-8	Non-Compliant	Year	Level 1-4	Level 5-8	Non-Compliant
51%	26%	6%	2018	45%	37%	17%
49%	34%	1%	2019	33%	28%	40%
55%	25%	0%	2020	33%	30%	37%
59%	27%	15%	2021	34%	30%	37%

An analysis of the change in performance on B-BBEE certificates uploaded as far as Level 1-4, Level 5- Non Compliant (**Figure 3**), Black ownership and Black Women ownership showed mixed results starting from 2017 as the base year. First, there is a positive shift from Level 5-8 to Level 1-4 from 2019 to 2021. Second, a rise in both Black ownership and Black Women ownership for 2019 and 2020, but culminating in negative growth in 2021. A further point of concern is that the Black Women ownership decrease is about double that of Black ownership. Throughout the tables, Black ownership growth is consistently higher than Black Women ownership. Unless there is a particular focus on women ownership from a growth perspective, this important indicator will always be overshadowed by Black ownership, and will worsen as the focus lies in Black ownership.

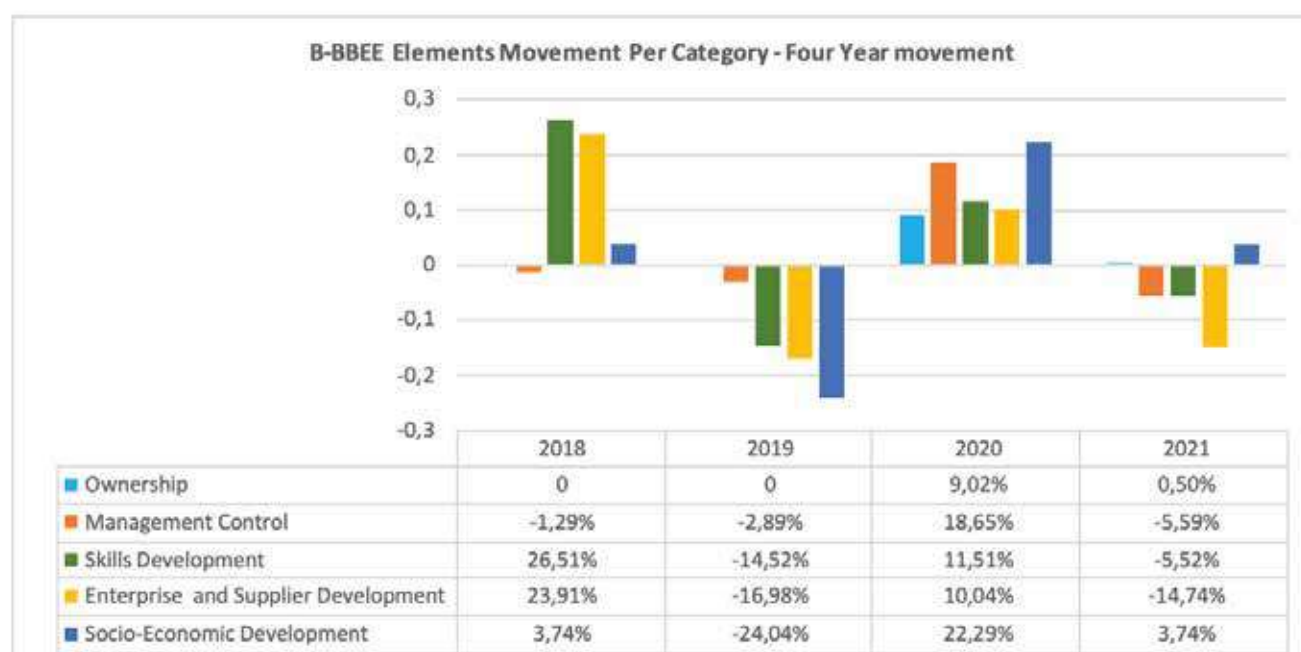
It is becoming clear that a hands-off approach in pursuit of adequate Black Women ownership trajectory is not going to work, particularly that businesses are focusing on a post COVID-19 recovery. Shocking the system by setting aside contracts for Black Women as is the case in construction, where the President of the Republic of South Africa during March 2022 announced an R802 million set aside for Black Women, is the way to go. Such efforts should be applied, as long the industries do not achieve sector targets. As such, government would “help” sectors that fail to help themselves.

**Figure 3:** Annual Movement on Selected B-BBEE Categories



**Figure 4** underscores performance against the five elements and indicate a general decrease in all except for Socio-Economic Development, suggesting that it is easy to achieve a high score within this element. Ironically, all the elements achieved positive growth in 2020 and these gains are seemingly reversed in 2021 with the exception of Socio-Economic Development. Overall, the graph growth declines in 2019, increases in 2020, and decreases in 2021 indicating a lack of sustained growth, a factor that could be difficult to contextualise within a COVID-19 recovery context.

**Figure 4:** Annualised Movement on Five Elements – Four Year Movement



**Table 2** highlights a five-year average based on the weighting of the different classification in proportion to submitted certificates. Figure 4 Movement is based on Table 3 scores that highlight targets achieved per element for a four-year period based on data loaded on the B-BBEE Certificate Portal. The table further reveals a lack of sustained growth with amounts in green indicating an annual increase and the amounts in orange a decrease. 3 out of 5 elements experienced a decrease based on the weighted average of certificates submitted on the B-BBEE Certificate Portal in 2021.

**Table 2: B-BBEE Elements Performance against sector targets - Four Year Analysis**

B-BBEE – Results from Certificates Uploaded on B-Commission Elements					
2017	2018	2019	B-BEE Element	2020	2021
0	0	48,88%	Black ownership	57,90%	58,42%
42,72%	41,43%	38,54%	Management Control	57,19%	51,56%
36,82%	63,33%	48,81%	Skills Development	60,32%	54,76%
44,27%	68,18%	51,20%	Enterprise and Supplier Development	61,24%	46,46%
88,37%	92,11%	68,07%	Socio-Economic Development	90,36%	94,10%

**Table 3** highlights Black ownership and Black Women ownership based on the 1013 large entities and demonstrate that the Agri-BEE, Financial, and MAC sectors experienced a decrease in both categories. The Large classification across sectors did not achieve targeted scores for 4 sectors, and the same applies to Black Women ownership. Of critical concern is the Construction sector for Black Women ownership that achieved 53% of its target. With the growing disparities between Black ownership and Black Women ownership, this is likely to continue unabated unless serious interventions are made. Further interventions in favour of Black Women must be instituted. Set asides may also advance this course.

**Table 3: Large Entities Ownership Trends - B-BBEE Certificate Portal**

Large Entities Ownership Trends - B-BBEE Certificate Portal				
Sector Targets	Average Black ownership	Sector	Average Black Women Ownership	Sector Targets
25%	20%	Agri-BEE	8%	10%
32,50%	50%	Construction	17%	30%
25%	19%	Financial	8%	10%
25%	46%	Forest	22%	10%
30%	39%	ICT	19%	10%
25%	26%	Transport	11%	10%
45%	40%	MAC	25%	30%
25%	32%	Generic	14%	10%
27%	20%	Property	11%	10%
30%	57%	Tourism	30%	15%





## 2. Introduction





## 2. INTRODUCTION

To ensure active participation of black South Africans into the mainstream economy, the B-BBEE Commission is legislated by the Broad-Based Black Economic Empowerment Act No.46 of 2013 enacted in 2003. Pursuant to this national objective, an apt implementation infrastructure was critical to ensure consistency and transparency, and this necessitated the establishment of the Codes of Good Practice in 2007.

Due to the varying nature of South African industries, sector specific dynamics had to be factored and precipitated in the development of unique sector codes. This allowed a transparent deviation to the Codes of Good Practice also known as generic codes. Industries that are part of established sector codes are verified by the same, and not according to the generic ones.

The B-BBEE Commission is legislated by the Broad-Based Black Economic Empowerment Act No.46 of 2013 that requires it to receive and analyse compliance reports as governed by section 13G. Government, general public and JSE listed entities are required to submit reports as mandated in this section. To this end, the B-BBEE commission analyses compliance reports on a bi-annual basis along with other pertinent information uploaded on the B-BBEE Certificate Portal System by Verification Agencies (VAs) accredited by the South African National Accreditation System (SANAS).

**B-BBEE  
Act**

**Section  
13G**

## 3. OBJECTIVE AND SCOPE OF THE ANALYSIS

### 3.1 The objective of the analysis

The National Status and Trends on B-BBEE Report serves to:

- Assess industry compliance against section 13G of the B-BBEE Act; and
- Assess transformational trends based on submitted reports for 2021 calendar year.

### 3.2 Data for the analysis

Data analysis is driven by primary data extracted from reports submitted in compliance with section 13G of the B-BBEE Act and certification information uploaded by SANAS accredited agencies on the B-BBEE Certificate Portal for the 2021 calendar year. The following sources from compliance reports were considered for analysis:

- FORM B-BBEE 1;
- B-BBEE Certificates;
- B-BBEE Compliance Matrix;
- Annual Financial Statement and
- Integrated/Annual Report

### 3.3 Report format

The report is divided into the following two major parts. First, as section that provides a global annualised view to the different sector performances. Second, a drill down on the inputs giving rise to the annualised data.

#### Part I

- Section A: Year on Year Comparison

#### Part II

- Section B: B-BBEE Certificate Portal Data Analysis
- Section C: Five Elements Achievement – Portal Data Analysis
- Section D: JSE Listed Entities
- Section E: Organs of State and Public Entities



## 4. Findings

## 4.1 Four Major findings

**Table 4** Tabulates detailed findings along with anticipated interventions

1. Inadequate Data to Manage B-BEE Transformation	
Details	Interventions
<p>The B-BBEE Act requires amongst others, that B- BBEE trends and national status be analysed and this requires adequate data. Verification Agents post inadequate data and most JSE listed entities failed to report with the tourism industry posting two entities in 2021. Inconsistency is a further challenge with 6,011 posted in 2019 and 1,658 posted in 2021. A drill down of the statistics reveals a high degree of non-responsiveness with 82 organs of state submitting the required information. A major concern is the non-responsive nature of entities and or verification agencies.</p>	<ul style="list-style-type: none"> <li> <b>Identifying the target population for all entities</b> <p>The B-BBEE Commission aims to embark on an exercise to determine the target population for the B-BBEE Certificate Portal and Section 13G submissions. The exercise should identify how many portal reports the B-BBEE Commission should receive from Large entities and QSEs, and clarify the basis for current deficiency. It is critical to determine the gap between submissions and ideal population. The information gathering exercise should disclose deficiencies to be corrected to at least obtain a reasonable sample to measure what is happening within various sectors.</p> </li> <li> <b>Electronic survey to understand the industry</b> <p>The electronic survey should target the industries that submitted in large numbers in 2019 and failed to submit in 2021. The COVID-19 potential impact on these entities needs to be understood, providing clarity on whether these entities are still operational, amongst others. The survey could be extended to the additional pool of entities identified in the untapped larger population discussed above.</p> </li> <li> <b>Consequence management</b> <p>To address blatant disregard of the B-BBEE Act by not submitting the required information, the implementation of consequence management will be pursued. The B-BBEE Commission aims to approach the Minister of Trade, Industry and Competition to revamp the Act and make it mandatory to for verification agencies, state organs, SETAs and JSE listed entities to submit the required data with consequences for non-compliance. Non reporting must attract monetary administrative penalties and criminal sanctions for repeat offenders.</p> </li> </ul>

## 2. Black Women Ownership growing at a dismal rate

Details	Interventions
<p>The Agri-BEE, Financial, and MAC sectors witnessed a drop in ownership for both Black ownership and Black Women ownership. A deeper concern is that the Black Women ownership is growing in a much slower pace in most sectors, demonstrating increasing disparities between the two classifications. A huge risk is that many entities could be focusing on the post COVID-19 recovery and the Black Women ownership excluded from the radar.</p>	<ul style="list-style-type: none"> <li> <b>Enforcing the principle of a measured entity</b> <p>Preferential procurement is riddled with limitations and has failed to fully achieve its objective to drive spend towards entities that are owned by Black people, and Black Women in particular. A failure to enforce B-BBEE compliance in doing business with the state, amongst others, is the key reason for the preferential procurement collapse. As a result, entities see no need to be measured. Black Women owned businesses, and those owned by youth and persons with a disability will remain marginalised, and their emergence and sustainability relies heavily on preferential procurement to enhance participation and market access. The B-BBEE Commission will continue to engage with National Treasury through the Minister of Trade, Industry and Competition to expedite the revamp the PPPFA to amongst others, make it mandatory for entities that do business with or engage in any economic activity with the state to be B-BBEE compliant. A special dispensation can be extended for foreign companies. However, these should demonstrate concreted plans and implementation in including the marginalised in the mainstream of the economy.</p> </li> <li> <b>Changing Black Women ownership scorecard</b> <p>The Black Women ownership scorecard targets are historically less than Black ownership targets and this should be the same over time to avoid current disparities. The B-BBEE Commission will engage relevant stakeholders with a view to propose revision to Black Women ownership targets.</p> </li> <li> <b>Black Women Set aside</b> <p>To further boost, Black Women owned entities, the B-BBEE Commission advocates for set-aside for Black Women owned entities on government contracts, which is in line with the 40% reservation of public procurement for women owned business as announced by the President in August 2021. Having realised the snail pace in women transformation, particularly in the construction industry, the President announced during the March 2022 SONA parliamentary deliberations that R802 million has been set aside for women owned businesses for 2022/23 financial year. This intervention could work if supported by policy interventions. Going forward, budget set aside for Black Women could be a way of shocking the system within the context of a COVID-19 era that is likely to focus on general business survival, and not Black ownership and Black Women Ownership to broaden participation. This should be directed to sectors that have not reached their targets.</p> </li> </ul>



### 3. Skills Development underperformance

Details	Interventions
Skills development is about 6% of the payroll and could address dire transformational needs if properly administered. At this point, some entities are reporting and others not, the whole approach is not optimally coordinated. Some costs are not verifiable, and the impact is not measurable due to the disjointed approach. There is currently no way of measuring that the stated beneficiaries are needy and aligned to economic and transformational needs. Coordination of these funds into a single repository is likely to enhance the impact that can be measured.	<p><b>Enterprise Supplier and Skills Development Funds to be Administered from a Single Repository</b></p> <p>The B-BBEE Commission will engage stakeholders to consider the best nature of a single repository to channel unallocated skills development expenditure from various entities and a recommendation would be made to incorporate this aspect in the legislative framework. This should not result in any new administrative structure, but rather streamlining or adding to existing structure. The funds can be directed to skills that match industry needs to enhance employability and business participation.</p>

### 4. Enterprise and Supplier Development

Details	Interventions
Similarly, to skills development Enterprise and Supplier Development statistics are not always reliable with some entities choosing not to submit any data. Also, it is difficult to link the contributions reported by entities to actual impact on the black entrepreneurs on the ground with most still battling to survive amid Covid-19.	<p><b>Enterprise &amp; Supplier and Development Funds to be Administered from a Single Repository</b></p> <p>The B-BBEE Commission will consider the best nature of a single repository to channel unallocated Enterprise and Supplier Development funds from various entities. It will be critical to avoid putting any additional administrative structures to manage these funds. Rather, they should be channeled to existing structures for additional funding, ideally financing the development of EME businesses. Once stakeholders are fully engaged, a recommendation would be made to incorporate in the legislative framework.</p>

## 4.2 Other Findings

Delineated below are other findings that require constant monitoring.

- The growth pattern of uploaded certificates mirrors South Africa's GDP movement
- ICT, Transport, and Property sectors experienced an increase in Black ownership and Black Women ownership
- The 77,2% dip in certificates uploaded from 6011 (2019) to 1373 (2020) did not affect the average certification Levels 1-4 and Level 5-8 levels indicated by changes largely within the 2% margin.
- 2021 B-BBEE certification levels between Level 1-4 and Level 5-8 in Portal Large and QSE, JSE and State entities movement between 2020 and 2021 was within a 2% tolerance except for JSE Level 1-4 that grew by 4% to 59%.
- 2021 overall B-BBEE elements registered the following Ownership 58%, Management Control 52%, Skills Development 54,8%, Enterprise and Supplier Development 46,5%, Socio-Economic 94%.
- In 2021, out of the five B-BBEE elements, only the Socio Economic Development registered growth
- 2021 Portal B-BBEE certification movement registered an increase in Level 1-4. A decrease was registered for Level 5- Non Compliant, and Average Black ownership, and average Black Women ownership.
- Out of the five B-BBEE elements, Socio and Economic Development has continued to achieve the highest results against targets from 2018 to 2021.
- The 2021 large sector holds 61,1% (1013) of the total 1658 uploads in the B-BBEE Commission Portal. 6 out of 10 sectors registered an increase in Black ownership. 6 out 10 sectors registered an increase in Black Women ownership
- The following four large sectors are problematic for Black Women listed along with their percentage of target achievement. Agri-BEE (8% out of 10%), Construction (17% out of 30%), Financial (8% out of 10%), and MAC (25% out of 30%).
- Large Black ownership – MAC and Tourism registered ownership above 51%. Agri-BEE (13%), Construction (46%), Financial (8%), Forest (50%), ICT (41%), Transport (23%), MAC (62%), Property (16%) Tourism (87%), Generic (28%).
- QSE Black ownership – None of the sectors registered ownership that is 50% and above. The following were percentages of entities with ownership below 50%. Agri-BEE (0%), Construction (46%), Financial (18%), Forest (0%), ICT (6%), Transport (36%), MAC (29%), Property (0%) Tourism (0%), Generic (11%).
- QSE Black Women Ownership – data was dismal with the following results. Agri-BEE (0%), Construction (10%), Financial (10%), Forest (0%), ICT (0%), Transport (8%), MAC (14%), Property (0%) Tourism (0%), Generic (2%).





## **Part 1 - Sectorial Annualised performance**

### **SECTION A**

## **5. YEAR-ON-YEAR COMPARATIVE ANALYSIS**

The year on year comparative analysis from 2017 to 2021 is based on the B-BBEE certificates uploaded by verification agencies onto the B-BBEE Commission certificate portal and section 13G submissions. Fluctuating changes on the population of certificates uploads are apparent due to various factors affecting submissions on the certificate portal.

These include adjustments to EME and QSE uploads and changing sworn affidavits requirements.

### **5.1 Year-On-Year Comparison for the B-BBEE Certificates Portal**

#### **5.1.1 Portal Data Analysis: Summary of Year-On-Year Movement**





**Table 5:** Average score achieved per year as per the B-BBEE Certificates Portal

Detail	Year					Year-on-Year movement			
	2017	2018	2019	2020	2021	2018	2019	2020	2021
	Percentage of Entities								
Level 1 - 4	39,84%	38,42%	45,70%	59,00%	59,28%	-1,42%	7,28%	13,30%	0,28%
Level 5 – Non Compliant	60,16%	61,58%	54,30%	41,00%	40,72%	1,42%	-7,28%	-13,30%	-0,28%
Average Black Ownership	27,83%	25,20%	29,04%	30,56%	29,46%	-2,63%	3,84%	1,52%	-1,10%
Average Black Women Ownership	9,42%	10,10%	11,69%	14,60%	12,43%	0,68%	1,59%	2,91%	-2,17%
Average score as percentage of total points									
Ownership	Not available	Not available	48,88%	57,90%	58,42%	Not available	Not available	9,02%	0,52%
Management Control	42,72%	41,43%	38,54%	57,19%	51,56%	-1,29%	-2,89%	18,65%	-5,63%
Skills Development	36,82%	63,33%	48,81%	60,32%	54,76%	26,51%	-14,52%	11,51%	-5,56%
Enterprise and Supplier Development	44,27%	68,18%	51,20%	61,24%	46,46%	23,91%	-16,98%	10,04%	-14,78%
Socio-Economic Development	88,37%	92,11%	68,07%	90,36%	94,10%	3,74%	-24,04%	22,29%	3,74%

**Table 5** tabulates annual changes to the five elements and underscore a general decrease except for a 3,74% increase the Socio-Economic Development element. Other material changes on average score as percentage of total points included the following:

- 0,52% increase in ownership in 2021 compared to an 9,02% increase in 2020.
- 5,56% drop in skills development in 2021 compared to a 11,51% in 2020.
- 5,63% decrease in Management Control.
- 14,78% drop in Enterprise and supplier development compared to 10,04%.
- Of a major concern is the 14,78% decrease in Enterprise and Supplier Development.

## 5.12 Year-On-Year Comparison for the B-BBEE Certificates Portal

**Figure 5:** Portal Data Sector Code Analysis: Average B-BBEE Recognition Level Per Sector



**Average B-BBEE Recognition Level Per Sector Data**

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
2017	55,47%	99,55%	98,17%	69,58%	80,87%	93,32%	84,76%	34,78%	34,78%	0,00%
2018	36,21%	83,82%	62,57%	61,67%	78,91%	88,41%	91,90%	60,52%	60,52%	0,00%
2019	51,59%	89,70%	75,75%	71,34%	75,93%	97,25%	92,73%	58,74%	58,74%	48,76%
2020	65,62%	89,70%	84,37%	95,00%	75,61%	94,36%	94,12%	46,15%	83,33%	80,54%
2021	70%	97%	83%	100%	89%	99%	89,29%	61,11%	93,75%	85,51%

**2021 Number of Uploads Per Sector Used In the Analysis**

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	0	17	-	-	-	10	-	-	-	-
QSE uploads	8	52	10	4	35	83	7	5	1	200
Large uploads	38	48	45	4	39	111	21	13	15	677
<b>Total</b>	<b>46</b>	<b>117</b>	<b>55</b>	<b>8</b>	<b>74</b>	<b>204</b>	<b>28</b>	<b>18</b>	<b>16</b>	<b>877</b>

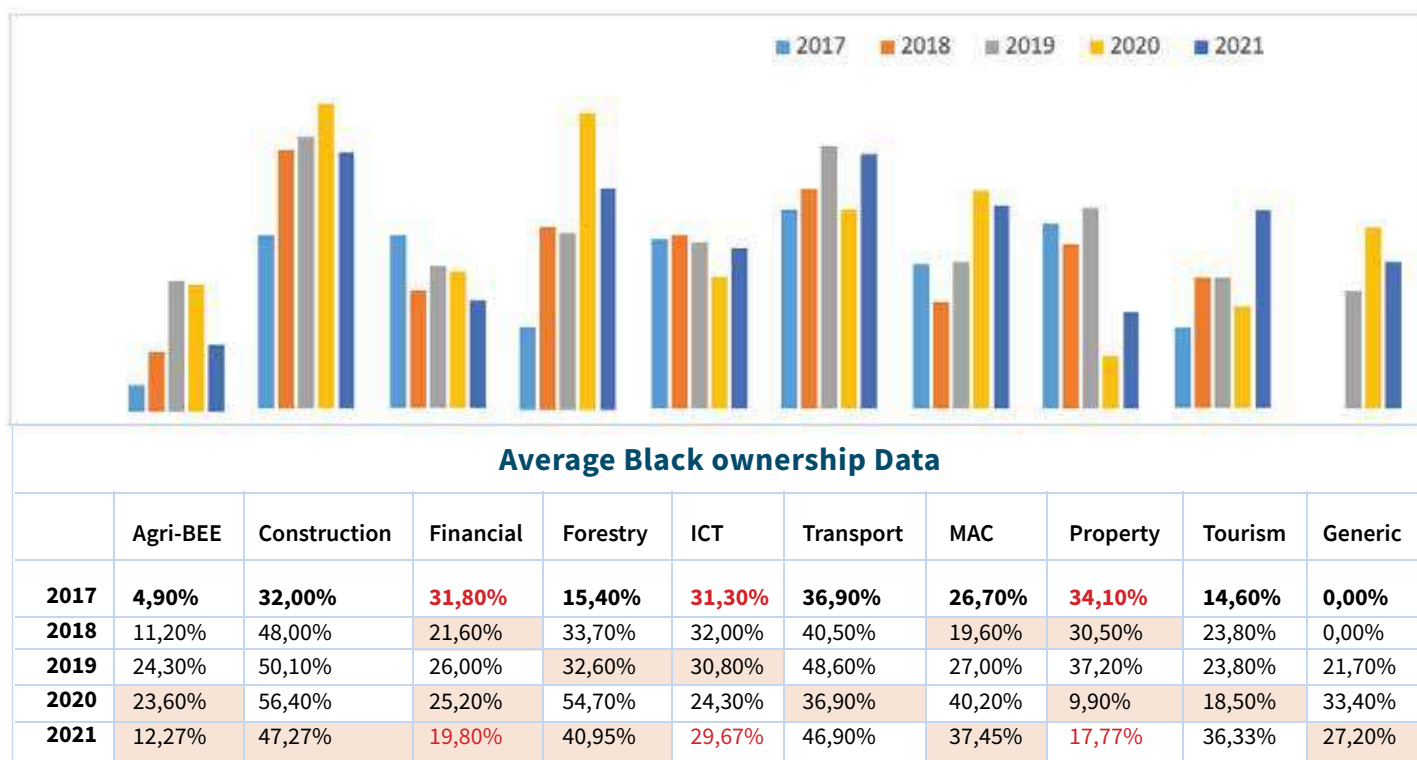
**Figure 5** depicts an annual analysis of sector recognition levels of B-BBEE certificates uploaded on the B-BBEE Certificate Portal for large and QSE entities. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in calculating the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

Certificates that are evaluated between Level 1 to 8 are included as part of the B-BBEE recognition levels and expressed as percentage of total certificates. The shading represents a decrease from the previous year and indicates a general upward progression from 2017 even though there was a general dip in 2018 in a majority of sectors. 8 out of 10 sectors registered an improvement in the percentage of B-BBEE recognition.

- From 2017 to 2021, there is a general increase. However, the Construction and Financial sectors registered a decrease from the initial base year.
- The Forestry sector registered the highest levels of compliance at 100%
- The Agri-BEE sector remained the lowest at 70%, though an improvement from 65,62% from the previous year.

### 5.1.3 Portal Data Sector Code Analysis: Black Ownership

**Figure 6:** Sector code analysis: Average Black Ownership



2021 Number of Uploads Per Sector Used In the Analysis										
	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	0	17	-	-	-	10	-	-	-	-
QSE uploads	8	52	10	4	35	83	7	5	1	200
Large uploads	38	48	45	4	39	111	21	13	15	677
<b>Total</b>	<b>46</b>	<b>117</b>	<b>55</b>	<b>8</b>	<b>74</b>	<b>204</b>	<b>28</b>	<b>18</b>	<b>16</b>	<b>877</b>

**Figure 6** depicts the average overall Black ownership sector trends over a period of five years. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in calculating the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

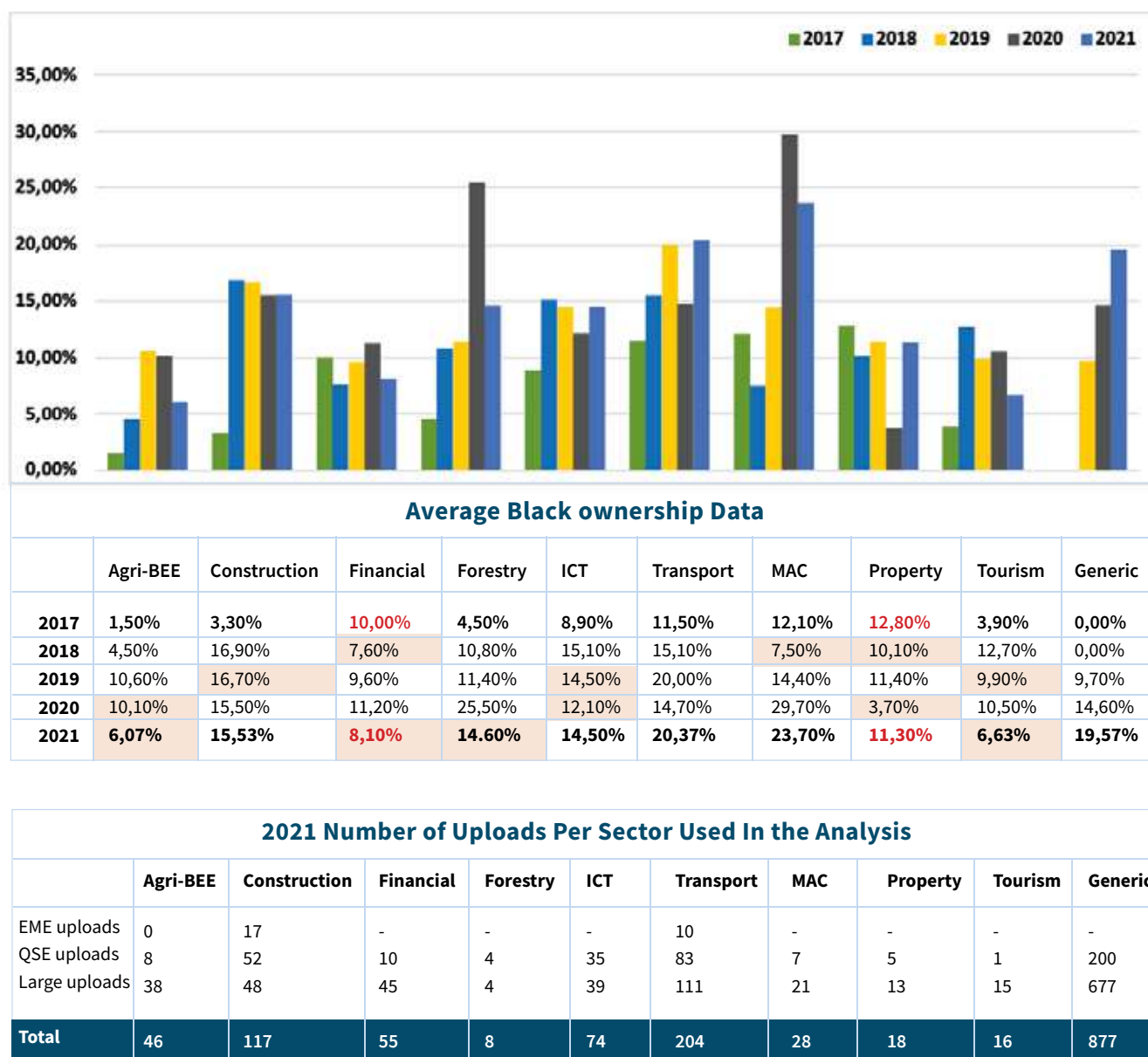
The shaded figures depict an annual decline compared with the previous period and underscore the erratic nature of average Black ownership. Construction, ICT, Transport, Tourism, and the Generic sectors are more stable with a single decline in five years that could be easily attributed to the COVID- 19 pandemic.

- From 2017 to 2021, there is a general increase. However, the ICT, Property and Financial sectors registered a decrease from the initial base year.
- The Construction sector was the highest performing with a 47,27% average, albeit a 9,13% drop from 2020.
- Transport sector with 46,90% second highest average is best performing because it is on an upward trajectory. Whereas, the highest performing Construction sector is on a downward trend.
- Agri-BEE is the least performing with a 12,27% average and unfortunately on a downward decline.



### 5.1.4 Portal Data Analysis: Black Women Ownership

**Figure 7:** Sector code analysis: Average Black Women Ownership



**Figure 7** depicts the average overall Black Women ownership sector trends over a period of five years. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in calculating the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

The shaded figures depict an annual decline compared with the previous period and underscore the erratic nature of average Black Women ownership in line with Black ownership. Construction, Forestry, Transport sectors are more stable with a single decline in five years. The Generic sector has performed the best by maintaining a growth trajectory in the past three years without a single decline, rising from a zero base in 2017 and 2018.

- From 2017 to 2021, there is a general increase. However, the Property and Financial sectors registered a decrease from the initial base year.
- The Generic sector was the highest performing with 19,57%% average, a 4,97% improvement compared to 14,6% (2020)
- Agri-BEE sector performed the worst at 6,07%, unfortunately is on a downward trend from 10,10% from the previous year.
- Tourism sector 6,63% is also a major concern, particularly that it maintains a downward trajectory from 10,50% (2020)
- ICT, Transport, and Property sectors experienced an increase in Black ownership and Black Women ownership

## 5.2 Section 13G Multi-Year Analysis

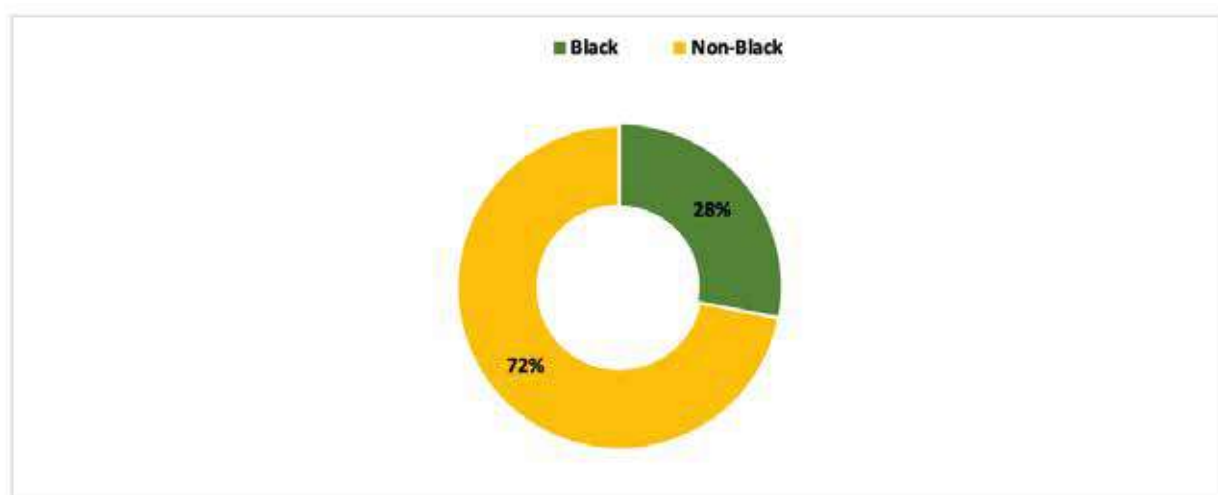
### 5.2.1 JSE-Listed Entities: Movement in Board Representation by Black People

**Table 6** depicts black representation on JSE-listed board of directors. An 11% increase from 28% (2020) to 39% (2021) is registered. While the gain is positive news, a 15% decline in the previous year indicates that these gains are not enough, though a step in the right direction.

**Table 6:** Movement in board representation on JSE-listed Entities

Description	Year					Movement			
	2017	2018	2019	2020	2021	2018	2019	2020	2021
Black	38%	38%	43%	28%	39%	0%	5%	-15%	11%
Non-Black	62%	62%	57%	72%	61%	0%	-5%	15%	-11%
Total	100%	100%	100%	100%	100%				

**Figure 8:** Black Representation on JSE- listed (13G)



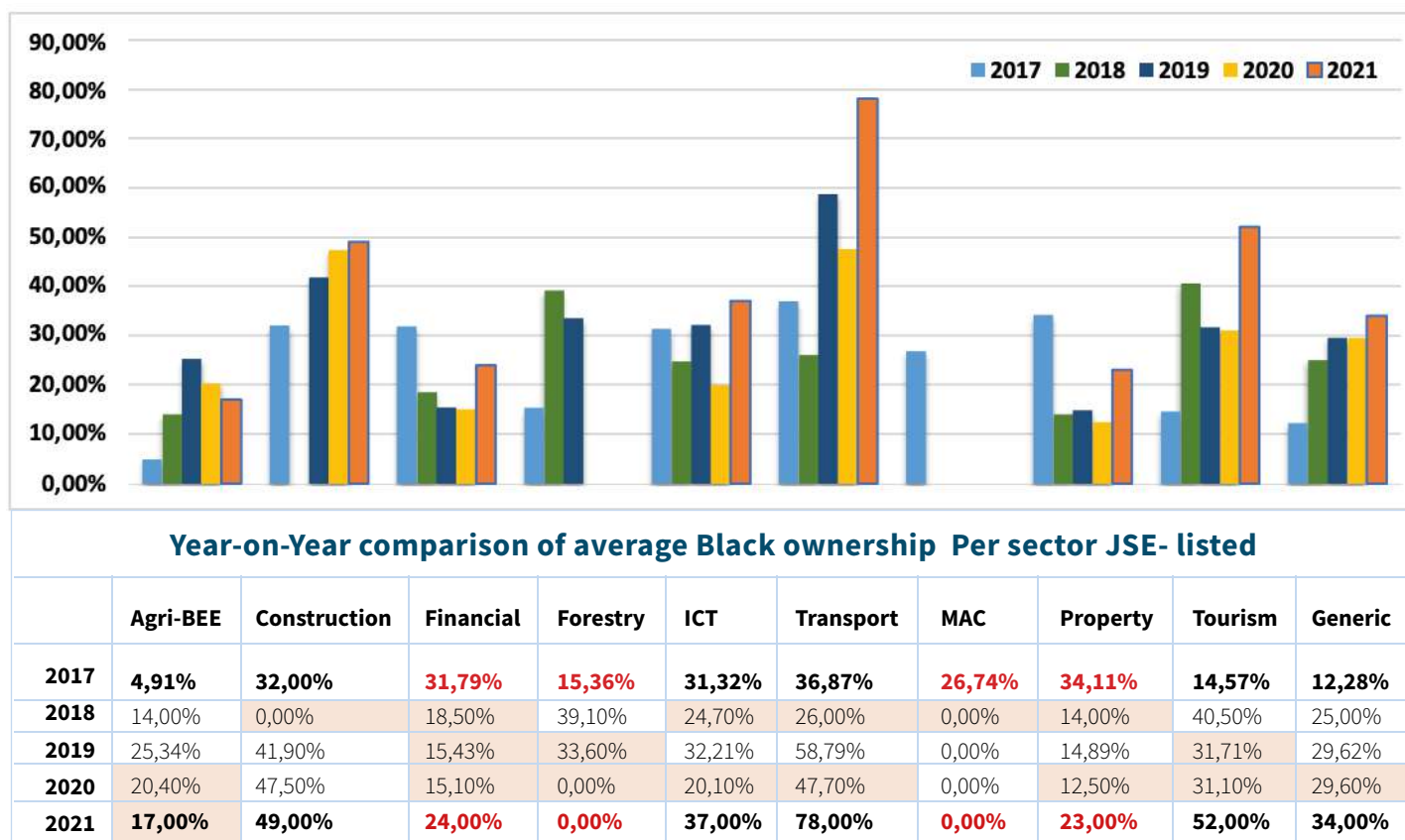
### 5.2.2 JSE-Listed Entities: Black Ownership Status per Sector 13G Report

**Table 7** below depicts Black ownership of JSE-listed entities from submitted compliance reports in line with section 13G reporting from 2017 to 2021. Black ownership improvement was across all sectors except for Agri-BEE. The Construction sector improvement was an insignificant 1,5% for Black ownership. However, it is the only sector that registered a Black Women increase percentage (2,9%) above the overall Black ownership (1,5%). The ICT, Transport, and Tourism sectors registered Black Women increase approximately 50% and above of the overall Black ownership. Black Women ownership growth in comparison with Black ownership is unfortunately widening. An ideal scenario is that Black Women growth should never be less than the average Black ownership growth, particularly factoring that actual Black Women ownership is miniscule compared to the Black ownership in general. Therefore, a concerted effort has to be applied to improve Black Women transformation.

**Table 7: Annualised Black ownership and Black Women Ownership per Sector**

Description	2017		2018		2019		2020		2021		Movement 2019		Movement 2020		Movement 2021	
	BO	BWO	BO	BWO	BO	BWO	BO	BWO	BO	BWO	BO	BO	BO	BWO	BO	BWO
Agri-BEE Sector	11,64%	4,30%	14,00%	6,00%	25,34%	10,90%	20,40%	9,50%	17%	10%	81,01%	81,72%	-19,49%	-12,84%	-3,40%	0,50%
Construction Sector	32,00%	3,34%	-	-	41,90%	15,93%	47,50%	14,10%	49%	17%	-	-	13,36%	-11,48%	1,50%	2,90%
Financial Sector	19,06%	6,62%	18,50%	7,80%	15,43%	8,77%	15,10%	7,00%	24%	10%	-16,59%	12,48%	-2,14%	-20,18%	8,90%	3,00%
Forestry Sector	43,03%	14,42%	39,10%	11,40%	33,60%	12,62%	-	-			18,48%	10,70%	-	-		
ICT Sector	23,31%	9,30%	24,70%	7,10%	32,21%	13,34%	20,10%	9,00%	37%	17%	30,40%	87,90%	-37,59%	-32,53%	16,90%	8,00%
Transport Sector	31,51%	13,56%	26,00%	11,00%	58,79%	28,31%	47,70%	18,30%	78%	38%	126,12%	157,36%	-18,86%	-35,36%	30,30%	19,70%
MAC Sector	26,74%	12,14%	-	-	-	-	-	-			-	-	-	-		
Property Sector	81,19%	36,39%	14,00%	8,00%	14,89%	3,70%	12,50%	5,70%	23%	9%	6,35%	-53,73%	-16,05%	54,05%	10,50%	3,30%
Tourism Sector	15,17%	4,71%	40,50%	18,60%	31,31%	13,51%	31,10%	14,50%	52%	29%	-21,70%	-27,37%	-0,67%	7,32%	20,90%	14,50%
Generic Codes	12,80%	5,16%	25,00%	11,00%	29,62%	13,44%	26,60%	12,30%	34%	13%	-14,06%	22,15%	-10,19%	-8,48%	7,40%	0,70%

The 2.9% increase in Black Women ownership compared to the 1.5% increase in Black ownership within the Construction sector is a positive move since all Black Women ownership growth indicators are less than Black ownership. The construction sector has shown greater improvement from the few inputs received in 2021.

**Figure 9: Year-on Year comparison of average Black Ownership Per sector JSE-listed**

2021 Number of Uploads Per Sector Used In the Analysis										
	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	-	-	1,00	-	-	-	-	-	1,00	2,00
QSE uploads	-	1,00	2,00	-	-	-	-	1,00	-	3,00
Large uploads	7,00	6,00	17,00	-	10,00	3,00	-	11,00	1,00	64,00
<b>Total</b>	<b>7,00</b>	<b>7,00</b>	<b>20,00</b>	<b>-</b>	<b>10,00</b>	<b>3,00</b>	<b>-</b>	<b>17,00</b>	<b>2,00</b>	<b>69,00</b>

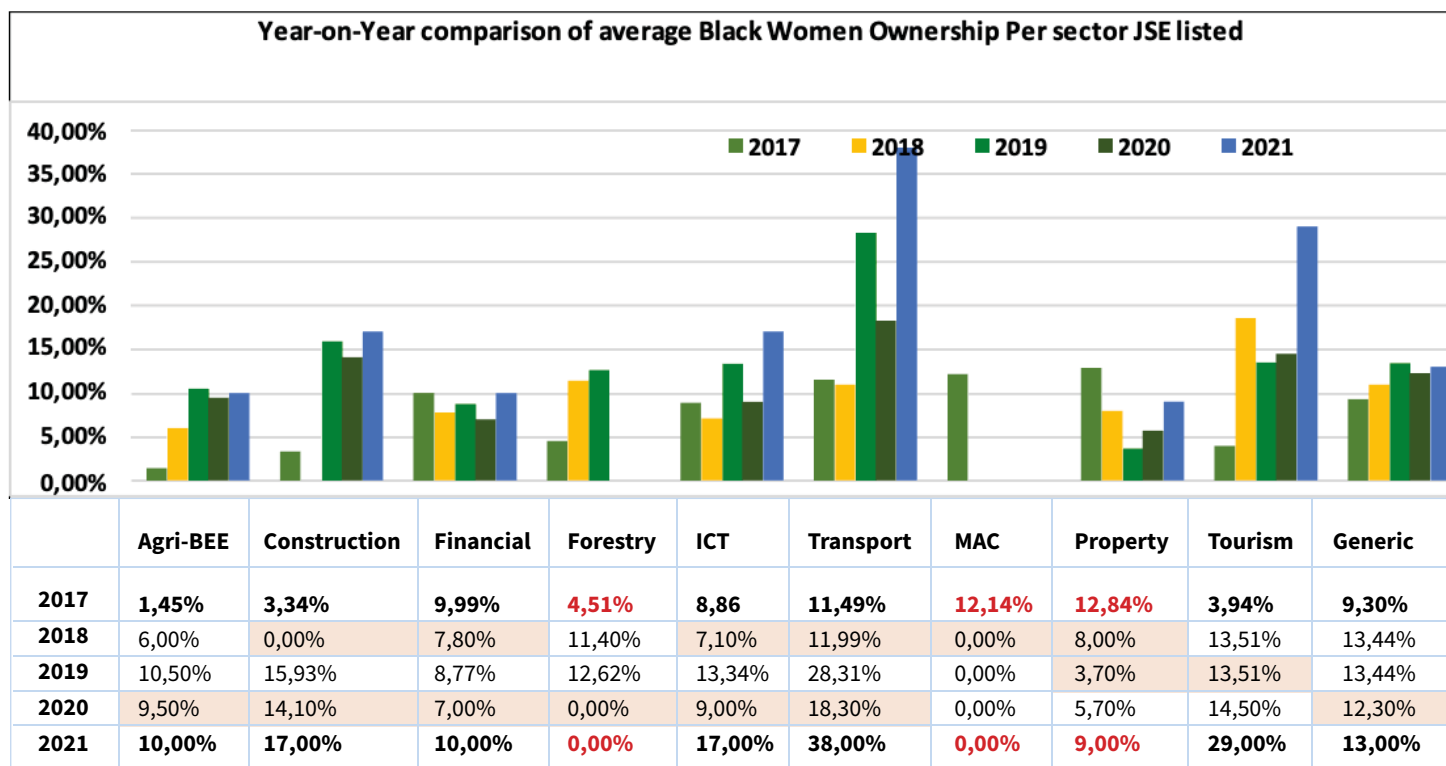
A five-year review indicates that Black ownership within JSE listed entities has not been stable except for the generic sector that constantly improved throughout the years. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in the calculation of the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

The shaded area indicates areas where there has been an annual decrease. Other salient points include the following;

- From 2017 to 2021, there is a general increase. However, the Property, Forestry, MAC and Financial sectors registered a decrease from the initial base year.
- The Tourism sector had the largest increase of 21% from 31.1% (2020) to 52% (2021)
- The Transport did exceptional well with a 30% increase from 47,7% (2020) to 78% (2021).
- The Agri-BEE sector registered the lowest 17% ownership and is on a decline for a consecutive year
- No entities reported under the MAC sector (2019, 2020, & 2021) and Forestry sector in (2020 & 2021).



**Figure 10: Year-on Year comparison of average Black Women Ownership Per sector JSE listed**



2021 Number of Uploads Per Sector Used In the Analysis										
	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	-	-	1,00	-	-	-	-	-	1,00	2,00
QSE uploads	-	1,00	2,00	-	-	-	-	1,00	-	3,00
Large uploads	7,00	6,00	17,00	-	10,00	3,00	-	11,00	1,00	64,00
<b>Total</b>	<b>7,00</b>	<b>7,00</b>	<b>20,00</b>	<b>-</b>	<b>10,00</b>	<b>3,00</b>	<b>-</b>	<b>12,00</b>	<b>2,00</b>	<b>69,00</b>

The shaded parts indicating an annual decline in Black Women ownership five-year analysis underscore erratic growth throughout except for the Agri-BEE, Tourism, and Generic sectors that have a single decline without factoring Forestry and MAC that have not reported. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in the calculation of the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

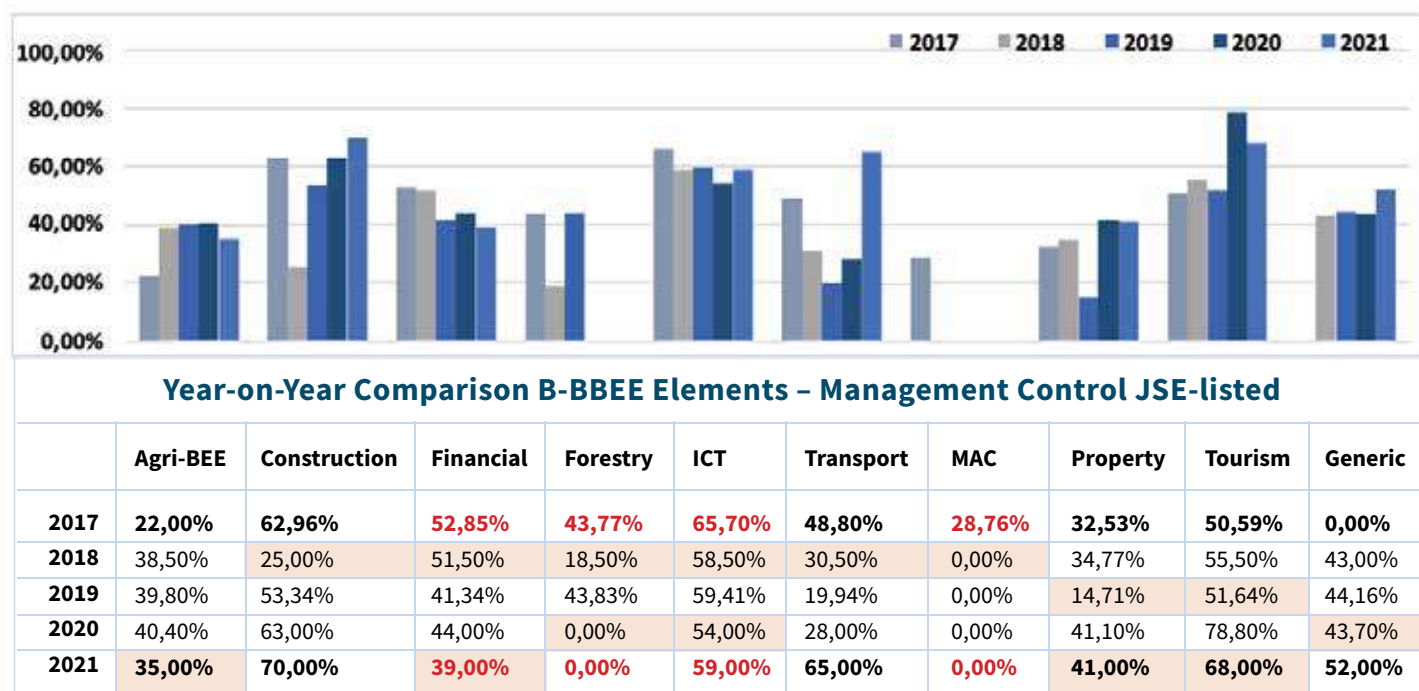
Statistics also indicate the following key points;

- From 2017 to 2021, there is a general increase. However, the Property, Forestry and MAC sectors registered a decrease from the initial base year.
- Unlike Black ownership, the Agri-BEE sector is on the rise as far as Black Women ownership is concerned.
- The Property sector registered the lowest Black Women ownership at 9%. However, it experienced a 57,9% increase from 5,7% (2020) to 9% (2021).
- The Transport sector registered the highest Black Women ownership at 38% (2021) after registering a 108% increase from (18,3% (2020).
- The 2021 positive results could be as a result of an improvement in COVID-19 conditions

### 5.2.3 Movement in other B-BBEE Elements per Sector JSE-Listed 13G Report

#### 5.2.3.1 Management Control

**Figure 11:** Year-on-Year Comparison B-BBEE Elements – Management Control JSE-listed



### 2021 Number of Uploads Per Sector Used In the Analysis

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	-	-	1,00	-	-	-	-	-	1,00	2,00
QSE uploads	-	1,00	2,00	-	-	-	-	1,00	-	3,00
Large uploads	7,00	6,00	17,00	-	10,00	3,00	-	11,00	1,00	64,00
<b>Total</b>	<b>7,00</b>	<b>7,00</b>	<b>20,00</b>	<b>-</b>	<b>10,00</b>	<b>3,00</b>	<b>-</b>	<b>12,00</b>	<b>2,00</b>	<b>69,00</b>

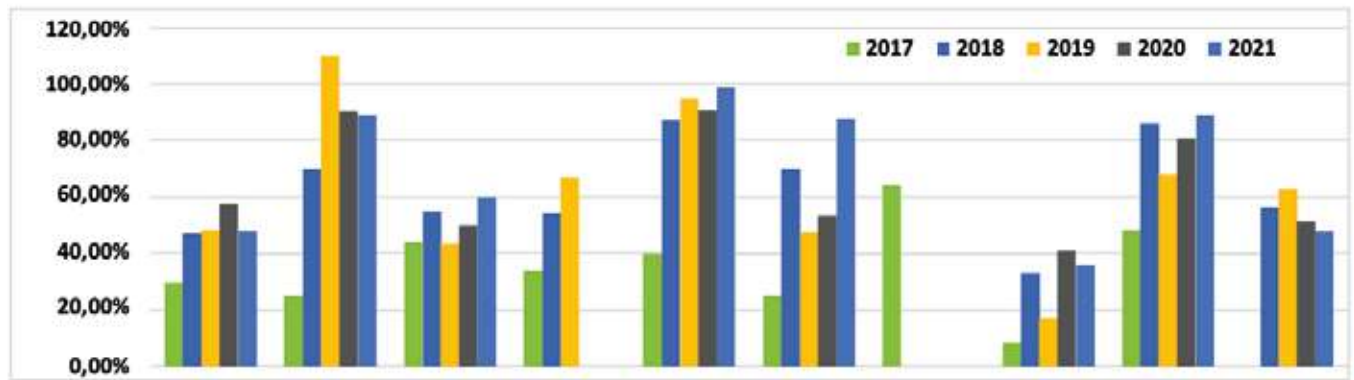
A five-year review of Management Control is underscored by shaded areas indicating an annual decrease reveals mixed results. The Agri-BEE, Construction, Transport, Generic sectors posted better results with a single decrease. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in the calculation of the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

Other important points indicate the following;

- From 2017 to 2021, there is a general increase. However, the Financial, Forestry, ICT and MAC sectors registered a decrease from the initial base year.
- The Tourism sector posted the highest 13,7% decline from 78,8% (2020) to 68,8% (2021)
- The Transport sector posted the highest increase of 132% from 28% (2020) to 65% (2021)
- The Construction sector remains the highest for a consecutive three years and is in a positive growth trajectory.
- The Agri-BEE sector posted the lowest 35% results in 2020 and is on a decline after achieving positive growth in all the previous years.
- There were no reports for the Forestry and MAC sectors once more in 2021

### 5.2.3.2 Skills Development

**Figure 12:** Year-on-Year Comparison B-BBEE Elements – Skills Development JSE-listed



**Year-on-Year Comparison B-BBEE Elements – Skills Development JSE-listed**

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
2017	29,57%	25,04%	43,83%	33,82%	39,60%	25,04%	63,96%	8,32%	48,11%	0,00%
2018	46,94%	70,00%	55,00%	54,00%	87,50%	70,00%	0,00%	33,00%	86,00%	56,50%
2019	48,45%	110,18%	43,41%	67,03%	95,02%	47,58%	0,00%	17,10%	68,01%	62,83%
2020	57,50%	90,40%	49,90%	0,00%	90,70%	53,30%	0,00%	41,00%	80,90%	51,50%
2021	48,00%	89,00%	60,00%	0,00%	99,00%	88,00%	0,00%	36,00%	89,00%	48,00%

**2021 Number of Uploads Per Sector Used In the Analysis**

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	-	-	1,00	-	-	-	-	-	1,00	2,00
QSE uploads	-	1,00	2,00	-	-	-	-	1,00	-	3,00
Large uploads	7,00	6,00	17,00	-	10,00	3,00	-	11,00	1,00	64,00
<b>Total</b>	<b>7,00</b>	<b>7,00</b>	<b>-</b>	<b>-</b>	<b>10,00</b>	<b>3,00</b>	<b>-</b>	<b>12,00</b>	<b>2,00</b>	<b>69,00</b>

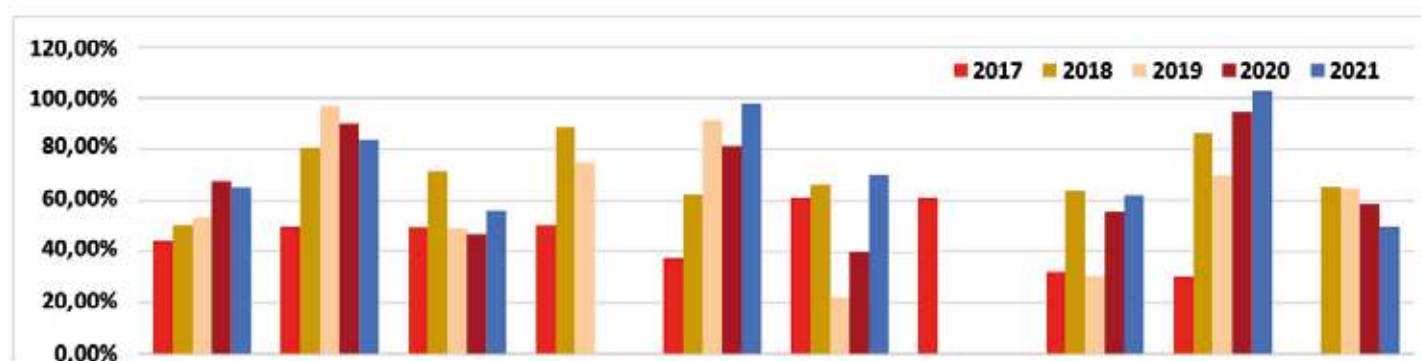
A five-year skills development review highlights better results compared to other elements with the Property and Generic indicating two annual declines as highlighted by the shaded areas. The rest of the sectors experienced a single decline within the period under review is aligned to the periods when COVID-19 was rife. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in the calculation of the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

Other salient points include the following;

- From 2017 to 2021, there is a general increase. However, the Forestry and MAC sectors registered a decrease from the initial base year.
- The Transport sector experienced a phenomenal 65.1% growth from 53,3% (2020) to 88% (2021).
- The Property sector was the lowest at 36% (2021) and is on downward trajectory after consistently achieving the least control in all the years under review.
- The ICT sector was the highest at 99% and is on an upward trajectory
- There were no reports received from the Forestry and MAC sectors once again in 2021.

### 5.2.3.3 Enterprise and Supplier Development

**Figure 13:** Year-on-Year Comparison B-BBEE Elements – Enterprise and Supplier Development JSE-listed



**Year-on-Year Comparison B-BBEE Elements – Enterprise and Supplier Development JSE-listed Data**

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
2017	44,04%	49,67%	49,36%	50,25%	37,05%	61,10%	61,42%	32,22%	30,36%	0,00%
2018	50,40%	81,00%	71,50%	88,50%	62,00%	66,00%	0,00%	63,50%	86,00%	65,00%
2019	53,55%	96,85%	48,95%	74,65%	91,15%	22,10%	0,00%	30,49%	69,44%	64,84%
2020	67,50%	90,20%	46,80%	0,00%	81,50%	40,00%	0,00%	55,60%	94,70%	58,50%
2021	65,00%	84,00%	56,00%	0,00%	98,00%	70,00%	0,00%	62,00%	103,00%	50,00%

**2021 Number of Uploads Per Sector Used In the Analysis**

	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	-	-	1,00	-	-	-	-	-	1,00	2,00
QSE uploads	-	1,00	2,00	-	-	-	-	1,00	-	3,00
Large uploads	7,00	6,00	17,00	-	10,00	3,00	-	11,00	1,00	64,00
<b>Total</b>	<b>7,00</b>	<b>7,00</b>	<b>20,00</b>	<b>-</b>	<b>10,00</b>	<b>3,00</b>	<b>-</b>	<b>12,00</b>	<b>2,00</b>	<b>69,00</b>



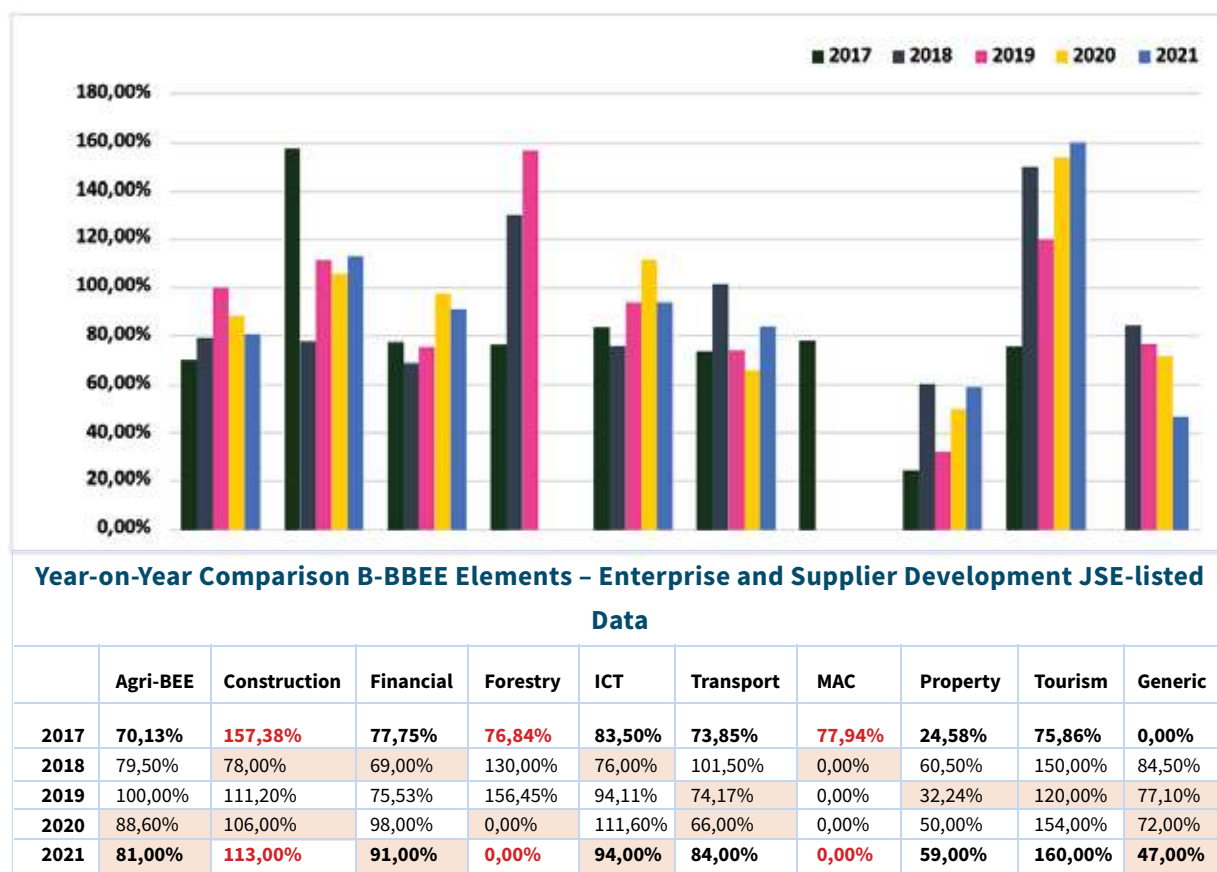
A five-year analysis of Enterprise and Supplier Development highlights shaded annual declines and indicate that the Construction, Financial, Forestry, and Generic sectors were the least stable from a growth perspective by experiencing two annual declines. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in the calculation of the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

### Other important indicators include the following:

- From 2017 to 2021, there is a general increase. However, the Forestry and MAC sectors registered a decrease from the initial base year.
- The Transport sector experienced the highest 75% growth from 40% (2020) to 70% (2021).
- Besides sectors that have not reported, the Generic sector reported the lowest 50%, and is on a decline trajectory.
- ICT registered the highest at 98% (2021), a 20,3% growth from the previous year 81,5% (2020)
- Tourism posted the highest at 103% (2021), an 8,8% growth from 94,7 (2020).
- There were no reports received from the Forestry and MAC sectors once again in 2021.

### 5.2.3.3 Socio-Economic Development

**Figure 14:** Year-on-Year Comparison B-BBEE Elements – Socio-Economic Development



2021 Number of Uploads Per Sector Used In the Analysis										
	Agri-BEE	Construction	Financial	Forestry	ICT	Transport	MAC	Property	Tourism	Generic
EME uploads	-	-	1,00	-	-	-	-	-	1,00	2,00
QSE uploads	-	1,00	2,00	-	-	-	-	1,00	-	3,00
Large uploads	7,00	6,00	17,00	-	10,00	3,00	-	11,00	1,00	64,00
<b>Total</b>	<b>7,00</b>	<b>7,00</b>	<b>2,00</b>	<b>-</b>	<b>10,00</b>	<b>3,00</b>	<b>-</b>	<b>12,00</b>	<b>2,00</b>	<b>69,00</b>

A five-year review of the JSE Socio-Economic Development underscored by shaded areas indicate that the Property and Tourism sectors performed better with a single decline. While the Generic sector was the worst performing with three-year consecutive decline leading up to 2021, the rest experienced two declines. For the 2021 calendar year, the number of uploads are indicated at the lower end of the table, and these were used in the calculation of the above percentages. Data used from the above is for comparing annual submissions and should not be used for calculating industry movement, as these figures are too little to be treated as a representative sample.

#### Other salient points include the following:







- From 2017 to 2021, there is a general increase. However, the Construction, Forestry and MAC sectors registered a decrease from the initial base year.
- The Tourism industry posted the highest percentage at 160%, and is on an upward trajectory.
- The Generic sector posted the lowest at 47% (2021), this being the highest 34,7% decline from 72% (2020)
- The Transport sector registered the highest 27,3% growth from 66% (2020) to 84% (2021)
- There were no reports received from the Forestry and MAC sectors once again in 2021

## 5.3 Year-On-Year Movement Per Sector for Black ownership in Portal Upload

### 5.3.1 Sector Specific Summary: Year-On-Year Movement












Sectors differ in size and trends drawn from information uploaded by Verification Agencies on the B- BBEE Certificate Portal. This section provides dashboards that summarise sector movements. The legends used to describe the yearly movements are explained in the table below.

**Table 8:** Explanation of the year-on-year movement legends

	Improved and requires the sustainability of the upward trend
	Remained unchanged
	The reduction in upload could be a result of the use of sworn affidavits or a change in entity revenue size
	Decline and intervention required
	Scorecard target met
	Scorecard target not met

#### 5.3.1.1 Agri-BEE sector summary: Year-On-Year Movement

**Table 9:** Agri-BEE year-on-year movement dashboard

AGRI-BEE Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement	Scorecard Target	Achievement against target per scorecard
Ownership (Average)								
Overall Black ownership % - Large	19,80%	29,14%	11,59%	16,92%	4,04%		25% + 1	
Overall Black Women Ownership % - Large	8,20%	12,70%	4,82%	6,70%	1,07%		10%	
Overall Black ownership % - QSE	0%	11,83%	4,30%	3,00%	5,90%		25% + 1	
Overall Black Women Ownership % - QSE	0%	4,73%	1,01%	1,16%	1,89%		10%	
Portal Upload								
EME uploads	0	-	63	1	374			
QSE uploads	8	8	104	23	55			
Large uploads	38	24	156	34	62			
<b>Total</b>	<b>46</b>	<b>32</b>	<b>323</b>	<b>58</b>	<b>491</b>			

A five-year analysis of the Agri-BEE sector reveals that Large and QSE components did not achieve the targeted scorecard in Black ownership and Black Women ownership. Large entities experienced a decrease in the 2021 calendar year; no reports were submitted for the QSE component. The declining trajectory within the large section is a cause of concern.

Overall, there was an improvement in uploads within the large component moving from 24 (2020) to 38 (2021), while the QSEs remained the same at 8. No EME uploads were registered as this section makes use of the affidavit instead of B-BBEE verifications by SANAS accredited agents.

### 5.3.1.2 Construction Sector Summary: Year-On-Year Movement

**Table 10:** Construction year-on-year movement dashboard

CONSTRUCTION - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on achievement status	Scorecard Target	Achievement against target per scorecard
Ownership (Average)								
Overall Black ownership % - Large	49,80%	51,25%	43,95%	44,32%	45,20%	↓	25% + 1	😊
Overall Black Women Ownership % - Large	16,60%	17,01%	16,16%	16,25%	4,75%	↓	10%	😊
Overall Black ownership % - QSE	43%	59,19%	47,51%	49,43%	21,00%	↓	25% + 1	😊
Overall Black Women Ownership % - QSE	13%	11,28%	13,95%	15,11%	2,17%	↑	10%	😊
Portal Upload								
EME uploads	17	12	44	3	16	↑		
QSE uploads	52	28	154	41	6	↑		
Large uploads	48	28	169	58	5	↑		
<b>Total</b>	<b>117</b>	<b>68</b>	<b>367</b>	<b>102</b>	<b>27</b>			

A five-year analysis of the construction sector on Black ownership and Black Women ownership highlighted positive results with all targets achieved within Large and QSE ownership. A comparison between 2020 and 2021 performance indicate that the Large (Black ownership and Black Women) and QSE Black ownership are on a decline. The QSE Black Women ownership had positive results by registering an increase compared to the previous year.

B-BBEE certificate uploads within the EME, QSE, and large sections were all on the increase most likely due to a recovering economy from the COVID-19 impact.

### 5.3.1.3 Financial Sector Summary: Year-On-Year Movement

**Table 11:** Financial year-on-year movement dashboard

FINANCIAL - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
Ownership (Average)								
Overall Black ownership % - Large	19,40%	23,43%	24,75%	22,81%	42,82%	↓	25% + 1	☹️
Overall Black Women Ownership % - Large	8,30%	11,02%	10,10%	8,30%	17,12%	↓	10%	☹️
Overall Black ownership % - QSE	16%	25,00%	14,48%	8,37%	19,18%	↓	25% + 1	☹️
Overall Black Women Ownership % - QSE	6%	8,24%	4,11%	0,00%	1,84%	↓	10%	☹️
Portal Upload								
EME uploads	-	-	15	-	16	↔️		
QSE uploads	10	4	24	3	14	↑		
Large uploads	45	28	185	34	16	↑		
<b>Total</b>	<b>55</b>	<b>32</b>	<b>224</b>	<b>37</b>	<b>46</b>			



A five-year analysis of the Finance sector within the Black ownership and Black Women ownership indicate that no targets were achieved with the targeted elements stipulated under Table 10. Of great concern is that a 2020 and 2021 comparison reveals a declining situation amongst the Black ownership and Black Women ownership in Large and QSE components.

B-BBEE certificates loaded on the B-BBEE Commission portal have increased by 71,9% from 32 to 55 most likely due to a recovering economy from the pandemic. The increase was realised within the QSE (150%) and Large (60,7%). No certificates were loaded within the EME due to sworn affidavits in use.

#### 5.3.1.4 Forestry Sector summary: Year-On-Year Movement

**Table 12:** Forestry year-on-year movement dashboard

#### FORESTRY - Sector

Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
<b>Ownership – (Average)</b>								
Overall Black ownership % - Large	45,90%	70,12%	26,15%	40,33%	15,48%	↓	25% + 1	😊
Overall Black Women Ownership % - Large	22,20%	35,43%	9,08%	12,81%	3,58%	↓	10%	😊
Overall Black ownership % - QSE	36%	25,50%	16,94%	23,67%	15,20%	↑	25% + 1	😊
Overall Black Women Ownership % - QSE	7%	17,05%	5,80%	7,83%	5,80%	↓	10%	😞
<b>Portal Upload</b>								
EME uploads	-	-	7	-	31	↔		
QSE uploads	4	7	17	6	5	↓		
Large uploads	4	13	32	9	7	↓		
<b>Total</b>	<b>8</b>	<b>20</b>	<b>56</b>	<b>15</b>	<b>43</b>			

A five-year Forest sector analysis indicates sector targets for Black ownership and Black Women ownership indicates that overall Black Women ownership within the QSE did not meet their target. Overall large ownership within the Black ownership and Black Women ownership was full met. The positive results extended to overall Black ownership within the QSE section.

An analysis of the B-BBEE certificates indicates a 60% decline to 8 (2021) from 20 (2020) and could be an indication that financial sector has not recovered from COVID-19. The number of certificates are nevertheless too few to conclude in any direction.

### 5.3.1.5 ICT Sector Summary: Year-On-Year Movement

**Table 13:** ICT year-on-year movement dashboard

ICT - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
Ownership – (Average)								
Overall Black ownership % - Large	39,00%	36,17%	36,20%	40,09%	29,60%	↑	30%	😊
Overall Black Women Ownership % - Large	18,50%	16,56%	17,15%	19,40%	9,97%	↑	10%	😊
Overall Black ownership % - QSE	13%	11,91%	13,38%	8,11%	32,99%	↑	30%	😞
Overall Black Women Ownership % - QSE	8%	7,45%	5,33%	3,20%	7,78%	↑	10%	😞
Portal Upload								
EME uploads	-	-	18	-	37	↔		
QSE uploads	35	20	82	23	32	↑		
Large uploads	39	21	148	64	31	↑		
<b>Total</b>	<b>74</b>	<b>41</b>	<b>248</b>	<b>87</b>	<b>100</b>			

A five-year analysis of the ICT sector within Black ownership and Black Women ownership underscore an increase across the four ownership indicators. While the Large section achieved its targeted scores, this was not the case within the QSE section.

Portal B-BBEE upload shot up by 80,5% and the increase was significant in Large and QSE sections. No EME uploads were received as these use sworn affidavits as proof of B-BBEE status.

### 5.3.1.6 Transport Sector Summary: Year-On-Year Movement

**Table 14:** Transport year-on-year movement dashboard

TRANSPORT - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
Ownership – (Average)								
Overall Black ownership % - Large	25,70%	32,06%	30,82%	28,82%	33,86%	↓	25% + 1	☹️
Overall Black Women Ownership % - Large	11,10%	14,78%	12,48%	9,47%	11,02%	↓	10%	😊
Overall Black ownership % - QSE	37%	27,43%	33,20%	37,58%	39,77%	↑	25% + 1	😊
Overall Black Women Ownership % - QSE	12%	9,46%	12,50%	14,59%		↑	10%	😊
Portal Upload								
EME uploads	10	1	250	21	626	↑		
QSE uploads	83	62	283	64	70	↑		
Large uploads	111	79	288	88	58	↑		
<b>Total</b>	<b>204</b>	<b>142</b>	<b>821</b>	<b>173</b>	<b>754</b>			

A five-year analysis of the transportation sector highlighted mixed results. The Large section within Black ownership and Black Women ownership experienced a decline from the previous year. QSE results indicated an increase compared to 2021. From the four Black ownership and Black Women indicators that compare sector targets, Black ownership did not meet its sector target.

B-BBEE certificate uploads soared by a 30,4% increase bolstered by a significant increase across the EME, QSE, and Large sectors.

### 5.3.1.7 MAC Sector Summary: Year-On-Year Movement

**Table 15:** MAC year-on-year movement dashboard

MAC - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
Ownership – (Average)								
Overall Black ownership % - Large	39,90%	39,05%	31,81%	23,68%	32,51%	↑	45%	☹️
Overall Black Women Ownership % - Large	25,40%	26,02%	16,94%	9,18%	17,82%	↓	30%	☹️
Overall Black ownership % - QSE	35%	57,76%	22,37%	18,47%	22,42%	↓	25% + 1	😊
Overall Black Women Ownership % - QSE	22%	54,09%	11,88%	5,28%	7,88%	↓	12%	😊
Portal Upload								
EME uploads	-	-	-	-	-	↔️		
QSE uploads	7	5	38	9	12	↑		
Large uploads	21	12	37	12	9	↑		
<b>Total</b>	<b>28</b>	<b>17</b>	<b>75</b>	<b>21</b>	<b>21</b>			

A five-year MAC sector analysis on Black ownership and Black Women ownership highlights underwhelming results. While the B-BBEE certificate uploads increased by 64,7% from 17 (2020) to 28 (2021), three of the four indicators underscored a decline of overall ownership achievement score compared to the previous year. From a sector target performance perspective, the large section within Black ownership and Black Women ownership failed to meet the targeted scorecard. QSEs had improved results by achieving the entire targeted scorecard within Black ownership and Black Women ownership.

### 5.3.1.8 Property Sector Summary: Year-On-Year Movement

PROPERTY - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scored card Target	Achievement against target per scorecard
Ownership – (Average)								
Overall Black ownership % - Large	20,30%	9,27%	41,66%	48,07%	34,82%	↑	27%	☹️
Overall Black Women Ownership % - Large	10,90%	5,23%	11,47%	14,84%	8,20%	↑	10%	😊
Overall Black ownership % - QSE	10%	10,72%	10,18%	2,50%	33,75%	↓	25% + 1	☹️
Overall Black Women Ownership % - QSE	0%	2,26%	4,18%	2,50%	15,15%	↓	10%	☹️
Portal Upload								
EME uploads	-	-	13	-	37			
QSE uploads	5	6	22	5	14	↓		
Large uploads	13	7	37	8	7	↑		
<b>Total</b>	<b>18</b>	<b>13</b>	<b>72</b>	<b>13</b>	<b>58</b>			



A Property sector five-year analysis on Black ownership and Black Women ownership indicated that three out of the four indicators were not met within Large and QSE sections. Black Women ownership scorecard target within the large section was the only one met. Nevertheless, large entities showed positive signs in both Black ownership and Black Women ownership as they are on the rise compared to the previous year. QSE statistics are a major concern, as they did not reach the scorecard target and are on a downward trajectory.

While there was 38,5% rise in the number of certificates uploaded, QSEs had a slight decrease. No EME uploads were registered in 2020 and 2021.

### 5.3.1.9 Tourism Sector Summary: Year-On-Year Movement

**Table 17:** Tourism year-on-year movement dashboard

TOURISM - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
Ownership – (Average)								
Overall Black ownership % - Large	57,00%	23,88%	31,54%	34,44%	41,35%	↑	30%	😊
Overall Black Women Ownership % - Large	29,70%	15,88%	13,75%	17,69%	7,63%	↑	15%	😊
Overall Black ownership % - QSE	0%	8,20%	10,23%	12,69%	7,13%	↓	30%	😞
Overall Black Women Ownership % - QSE	0%	2,70%	5,27%	6,55%	2,91%	↓	15%	😞
Portal Upload								
EME uploads	-	-	-	-	-	↔		
QSE uploads	1	5	53	13	18	↓		
Large uploads	15	7	62	16	5	↑		
<b>Total</b>	<b>16</b>	<b>12</b>	<b>115</b>	<b>29</b>	<b>23</b>			

A five-year analysis of the tourism industry within the Black ownership and Black Women element indicated that two out of the four indicators were reached. The Large section reached their scorecard target. However, the QSE performed dismally by failing to reach their targets on both indicators. A major could be that the single upload in the QSE section did not have Black ownership and Black Women ownership. The single upload is a huge decrease from five uploaded the previous year and is likely the reason that the statistics is skewed. No EME uploads were received within the five-year review period.

### 5.3.1.20 The Generic Sector Summary: Year-On-Year Movement

**Table 18:** Generic year-on-year movement dashboard

GENERIC - Sector								
Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Movement on status of achievement status	Scorecard Target	Achievement against target per scorecard
Ownership – (Average)								
Overall Black ownership % - Large	31,60%	36,61%	29,43%	30,08%	34,22%	↓	25% + 1	😊
Overall Black Women Ownership % - Large	13,90%	16,08%	12,10%	13,78%	12,45%	↓	10%	😊
Overall Black ownership % - QSE	16%	22,77%	13,32%	13,93%	23,70%	↓	25% + 1	😞
Overall Black Women Ownership % - QSE	7%	10,03%	5,20%	5,66%	7,62%	↓	10%	😞
Portal Upload								
EME uploads	-	-	-	-	-	↔		
QSE uploads	200	182	1186	377	624	↑		
Large uploads	677	661	2188	711	636	↔		
<b>Total</b>	<b>877</b>	<b>843</b>	<b>3374</b>	<b>1088</b>	<b>1260</b>			

The Generic sector five-year review is on the decline within all four Black ownership and Black Women indicators. Nevertheless, the large sector achieved its scorecard once again in 2021. QSEs are a major concern by not meeting sector targets and losing gains made in 2020 where all the four indicators were on an upward trajectory.

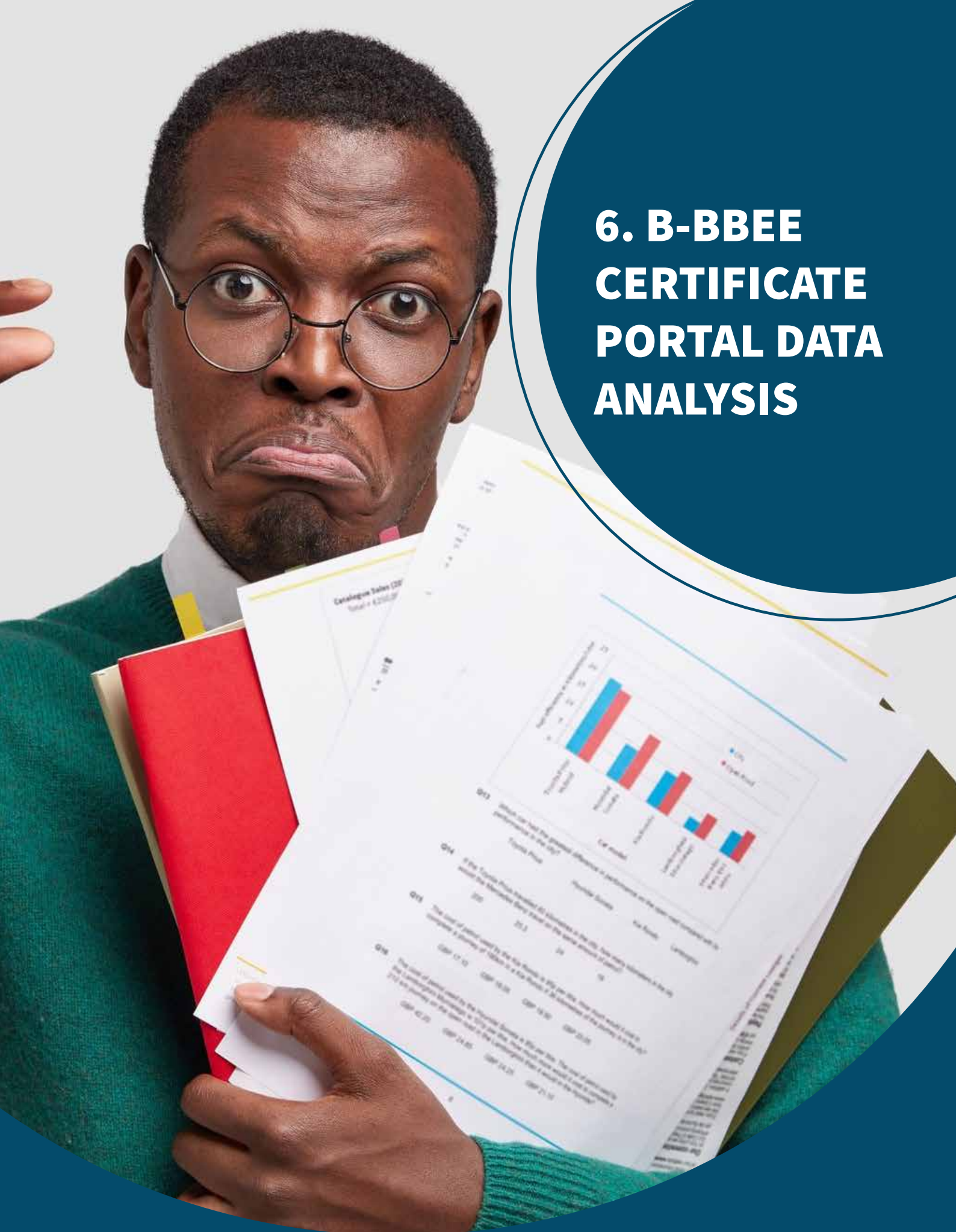
There were hardly any changes in the 2020 and 2021 uploads with no posts registered by EMEs largely due to the use of sworn affidavits. QSEs and Large uploads hardly reflected any changes and this finding is credible due to the high response rate. It must be noted that while the response rate is significantly high, it is yet to reach the 2019 pre-COVID-19 record.

The Sector deals with state entities, therefore ownership is not relevant. There were 33 portal uploads, a 57% increase from the previous year. However, the sector is yet to reach the 142 (2019) pre-COVID uploads. There was significant growth in Large and QSE uploads compared to the previous year, with no uploads registered for EMEs in the five-year period review.

#### Specialised

Criteria	Status 2021	Status 2020	Status 2019	Status 2018	Status 2017	Progress Status
Ownership		N/A	N/A	N/A	N/A	
Portal Upload						
EME uploads	0	-	-	-	-	↔
QSE uploads	17	11	94	24	21	↓
Large uploads	16	10	48	27	15	↓
<b>Total</b>	<b>33</b>	<b>21</b>	<b>142</b>	<b>51</b>	<b>36</b>	↓

## 6. B-BBEE CERTIFICATE PORTAL DATA ANALYSIS







## PART II – SECTORIAL DETAILED ANALYSIS

### SECTION B

#### 6. B-BBEE CERTIFICATE PORTAL DATA ANALYSIS

**Table 19** tabulates the B-BBEE data uploaded on the B-BBEE Certificate Portal System by SANAS accredited agencies and maintained by the B-BBEE Commission from 1 January to 31 December 2021.

##### 6.1 Number of B-BBEE Certificates Uploaded Per Sector

**Table 19:** 2021 Number of B-BBEE Certificates Captured per Sector and Size

Type of Sector	EME	LARGE	QSE	Grand Total
Agri-BEE Sector Code	0	38	8	46
Construction Sector Code	17	48	52	117
Financial Sector Code	0	45	10	55
Forest Sector Code	0	4	4	8
Generic	0	663	184	847
ICT Sector Code	0	39	35	74
Integrated Transport Sector Code	10	111	83	204
MAC Sector Code	0	21	7	28
Property Sector Code	0	13	5	18
Specialised	0	16	17	33
Tourism Sector Code	0	15	1	16
Grand Total	27	1013	406	1446

\*NB: The specialised scorecard includes the organs of state.



- From January 2021 to 31 December 2021, 1 446 certificates were uploaded onto the B-BBEE Portal (2020: 1,241). This is a 16.5% increase from the previous year.
- Large entities registered a significant 13.8% increase in 2021 with 1 013 certificates uploaded (2020: 890).
- For QSEs, 406 certificates were uploaded (2020: 338) registering a significant 20.1% increase. The increase has been constant in the past two years indicating a recovering economy within a COVID- 19 context.
- EMEs registered 27 certificates that were uploaded (2020:13). Reasons for positive changes are once again attributed to a recovering economy.
- While the trend in the past two years shows an improvement, these figures are much lower than posted in 2019.

**Table 20** highlights uploaded certificates from EMEs, QSEs and Large entities registering a 16.5% growth from 1 240 (2020) to 1 446 (2021). The descent increase is attributed to a recovering economy from the COVID-19 peak.

**Table 20:** Number of B-BBEE certificates uploaded per sector - year-on-year comparison

	Exempted Micro Enterprises					Qualifying Small Enterprise					Large Enterprises					Grand Total				
	2021	2020	2019	2018	2017	2021	2020	2019	2018	2017	2021	2020	2019	2018	2017	2021	2020	2019	2018	2017
Agri- BEE	0	0	63	1	374	8	8	104	23	55	38	24	156	34	62	46	32	323	58	491
Construction	17	12	44	3	16	52	28	154	41	6	48	28	169	58	5	117	68	367	102	27
Financial	0	0	15	0	16	10	4	24	3	14	45	28	185	34	16	55	32	224	37	46
Forestry	0	0	7	0	31	4	7	17	6	5	4	13	32	9	7	8	20	56	15	43
ICT	0	0	18	0	37	35	20	82	23	32	39	21	148	64	31	74	41	248	87	100
Integrated Transport	10	1	250	21	626	83	62	283	64	70	111	79	288	88	58	204	142	821	173	754
MAC	0	0	0	0	0	7	5	38	9	12	21	12	37	12	9	28	17	75	21	21
Property	0	0	13	0	37	5	6	22	5	14	13	7	37	8	7	18	13	72	13	58
Tourism	0	0	0	0	0	1	5	53	13	18	15	7	62	16	5	16	12	115	29	23
Generic	0	0	1	0	2	183	182	1186	377	624	661	661	2188	711	636	847	842	3375	1088	1262
Specialised Scorecard	0	0	0	0	0	17	11	94	24	21	16	10	48	27	15	33	21	142	51	36
	27	13	411	25	1139	405	338	2057	588	871	1011	890	3350	1061	851	1446	1240	5818	1674	2861

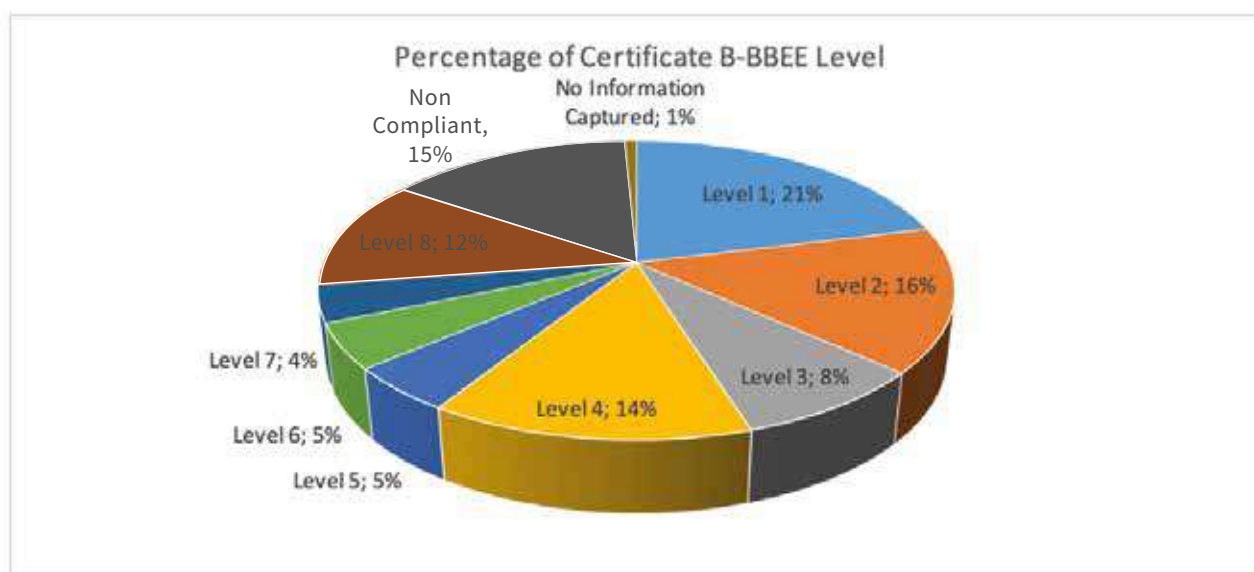
A comparison between the three types of entities indicate that the COVID-19 season has had a differing impact. Large entities have been resilient with certificates increasing in the 2021 (1011) compared to (851) in 2017. QSEs registered a 53.5% decrease and EME were dissipated from 1139 in 2017 to a mere 27 in 2021.

## 6.2 Overall Contribution Levels: Large Entities

**Table 21:** 2021 Overall Contribution Levels: Large Entities

B-BBEE STATUS	Percentage of Certificate B-BBEE Level
Level 1	21%
Level 2	16%
Level 3	8%
Level 4	14%
Level 5	5%
Level 6	5%
Level 7	4%
Level 8	12%
Non-Compliant	15%
No Information Captured	1%
<b>Grand Total</b>	<b>100%</b>

**Figure 15: 2021 Percentage of Certificate B-BBEE Level**



The overall B-BBEE Level contribution of large entities underscored the following;

- 15% of all uploaded B-BBEE certificates were rated non-complaint (2020: 16%). The 1% change compared to 2020 is considered insignificant.
- 59% of large entities were rated from levels 1 to 4, same as the previous year in 2020.
- 26% of large entities were rated from level 5 to level 8 (2020: 25%), a 1% regression compare to the previous year.
- **Conclusion:** Large entities did not register any significant changes in the past two years.

### 6.3 B-BBEE Rating Large Entities: Portal data

**Table 22: 2021 Number of Entities per B-BBEE Contribution Level – Large Entities**

Row Labels	Agri-BEE Sector Code				Construction Sector Code		Financial Sector Code		Forest Sector Code		ICT		Int Transport Sector Code		MAC Sector Code		NULL (State Owned Entities - Generic)		Property Sector Code		Tourism Sector Code		Total	
Level 1	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Level 2	3	8%	21	44%	18	40%	2	50%	11	28%	5	5%	12	57%	136	20%	3	23%	2	13%	1	50%	214	21%
Level 3	1	3%	9	19%	7	16%			8	21%	34	31%	2	10%	85	13%			12	80%			158	16%
Level 4	2	5%							5	13%	17	15%	1	5%	59	9%	1	8%					85	8%
Level 5	2	5%	5	10%	10	22%			6	15%	14	13%	1	5%	99	15%	2	15%			1	50%	140	14%
Level 6	3	8%	2	4%	1	2%			1	3%	9	8%			33	5%							49	5%
Level 7	1	3%			1	2%	1	25%	1	3%	12	11%			33	5%							49	5%
Level 8	2	5%	1	2%							7	6%	1	5%	30	4%							41	4%
No Information	7	18%	9	19%	2	4%	1	25%	4	10%	7	6%	2	10%	86	13%	2	15%					120	12%
Captured		0%												0%	7	1%							7	1%
Non-Compliant	17	45%	1	2%	6	13%			3	8%	6	5%	2	10%	109	16%	5	38%	1	7%			150	15%
Grand Total	38	100%	48	100%	45	100%	4	100%	39	100%	111	100%	21	100%	677	100%	13	100%	15	100%	2	100%	1013	100%

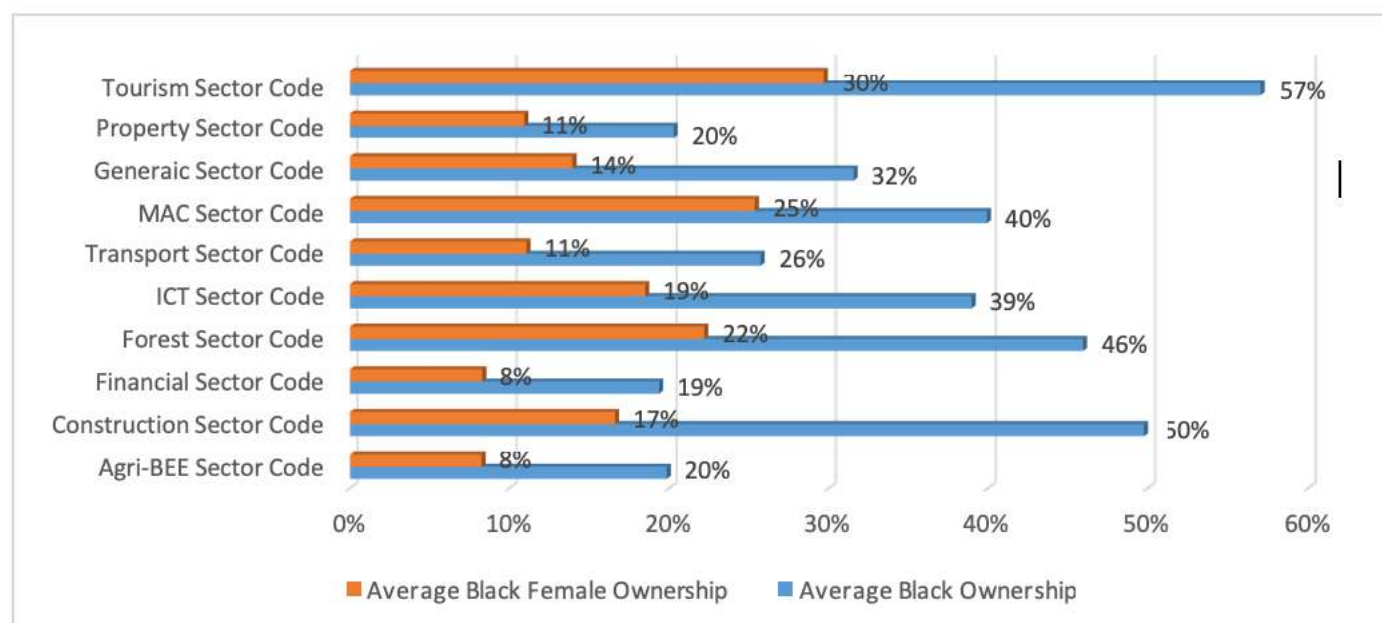
- The table above indicates that 1013 B-BBEE Certificates were uploaded onto the Portal during the 2021 calendar year; a significant increase is noted compared to the 890 in 2020. This is due to improved locked COVID-19 conditions enabling more entities to be verified.
- The highest number of B-BBEE certificates uploaded onto the Portal was under the Generic (677), transport (111), Construction (48) and financial sector (45).
- The lowest number of B-BBEE certificates uploaded onto the Portal is from the Property (13) and Forest sector (4).
- There were 115 (15%) B-BBEE certificates uploaded onto the Portal that were rated non-compliant. From a number perspective, this is a large decrease compared to 143 (16.1%) in 2020, 812 (24.24%) in 2019, and 248 (23.38%) in 2018. While the 2021 numbers increased slightly, there was an overall percentage decrease.
- 214 (21%) B-BBEE certificated were uploaded onto the Portal were rated level 1, which is an increase compared to 170 (19.1%) in 2020, 2019 (7.76%) and 2018 (5.47%) reports. The B-BBEE Commission attributes this improvement to increased economic activity post COVID-19 Lock down and continued educational campaigns .
- Of the number of Property sector entities that submitted, 38% (2020 57.1%) were non-compliant followed by entities measured under the Financial sector (13.0%) and MAC sector (10%).
- The lowest non-compliant entities as a percentage are from the Construction sector at 2%, Transport sector (5%) followed by Tourism sector (7%).
- 1% (7) of total entities did not provide the required data likely due to information not captured or completed in the data fields.

## 6.4 Average Black ownership Large Entities: Portal data

**Table 23:** Average Black ownership per Sector - Large Entities

Sector	Average Black ownership	Average Black Women Ownership
Agri-BEE Sector Code	19,8%	8,2%
Construction Sector Code	49,8%	16,6%
Financial Sector Code	19,4%	8,3%
Forest Sector Code	45,9%	22,2%
ICT Sector Code	39,0%	18,5%
Integrated Transport Sector Code	25,7%	11,1%
MAC Sector Code	39,9%	25,4%
Generic	31,6%	13,9%
Property Sector Code	20,3%	10,9%
Tourism Sector Code	57,0%	29,7%
<b>Grand Total</b>	<b>31,6%</b>	<b>13,9%</b>

**Figure 16:** Average Black ownership: Large Entities





An analysis of the average Black ownership and Black Women ownership revealed the following results.

- The Tourism sector is the only one that has progressed to Black ownership greater than 51%. For further insight on progress against sector specific targets, please see the section “Sector Specific Summary: Year-on-Year Movements”.
- Agri-BEE and Property sector has the lowest Black ownership percentage compared to any other sector.
- In terms of Black Women ownership, Tourism sector is leading with an average percentage of 30%, followed by MAC sector at 25% and Forest sector at 22%.
- Agri-BEE and Financial sectors recorded a low percentage of Black Women ownership of 8%.

## 6.5 Black Ownership Per Sector: Large Entities

The graph below shows Black ownership stratified into the following ownership thresholds:

0% > 10%, (sub-minimum not achieved)

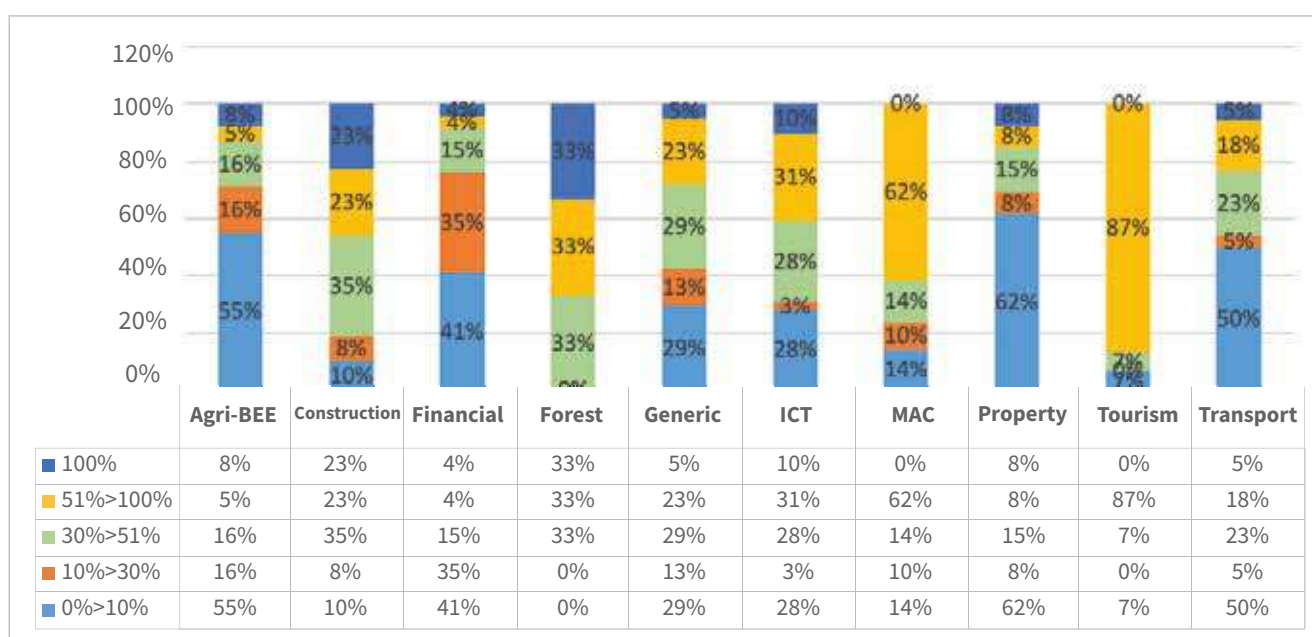
10% > 25% (sub-minimum achieved)

25% > 51% (generic scorecard achieved)

51% > 100% (51% target achieved)

100% (100% target achieved)

**Graph 17: 2021 Black ownership Per Sector: Large Entities**

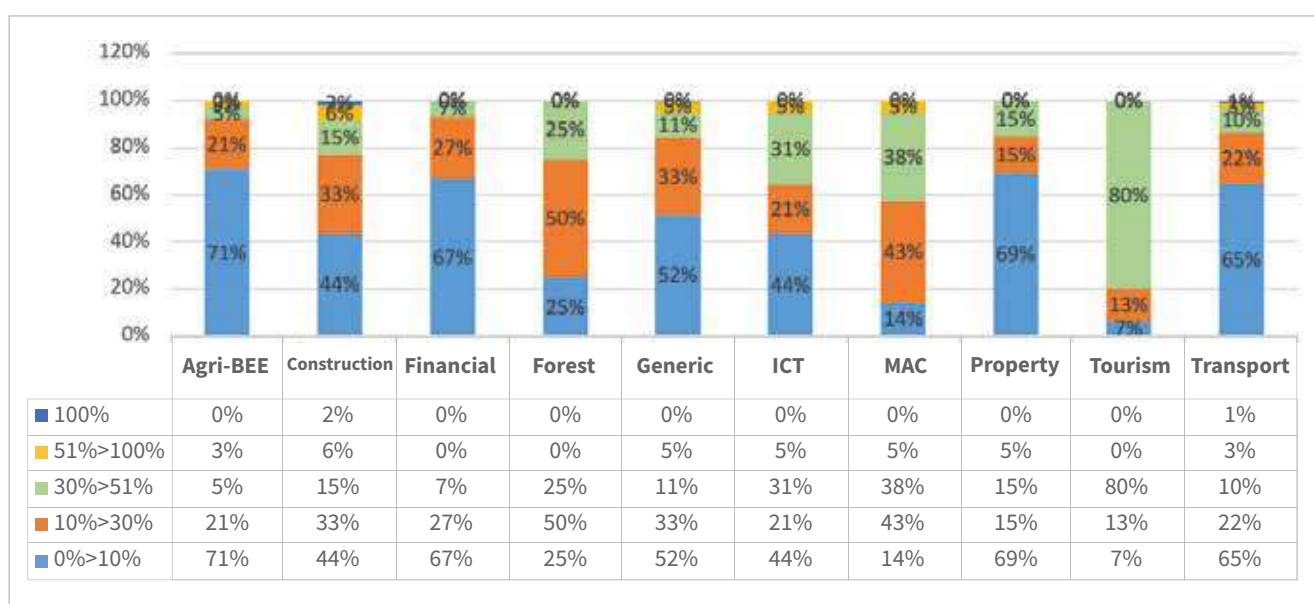


	Agri-BEE	Construction	Financial	Forestry	Generic	ICT	MAC	Property	Tourism	Transport
0% < 10%	21	5	19		199	11	3	8	1	55
10% < 30%	6	4	16		90	1	2	1		5
30% > 51%	6	17	7	1	200	11	3	2	1	25
51% > 100%	2	11	2	1	154	12	13	1	13	20
100%	3	11	2	1	36	4		1		6
<b>Total</b>	<b>38</b>	<b>48</b>	<b>45</b>	<b>4</b>	<b>679</b>	<b>39</b>	<b>21</b>	<b>13</b>	<b>15</b>	<b>111</b>

The Tourism and MAC sectors indicated higher levels in the 51%>100% thresholds from a Black ownership perspective. The Construction and Forest sectors registered 100% Black ownership at 23% or above of uploaded certificates. The Property, Transport, Financial and Agri-BEE were higher on the low end registering 40% or more on the 0%>10% category.

## 6.6 Black Women Ownership Per Sector: Large Entities

**Graph 18: 2021 Black Women Ownership Per Sector: Large Entities**



	Agri-BEE	Construction	Financial	Forestry	Generic	ICT	MAC	Property	Tourism	Transport
0% > 10%	27	21	30	1	350	17	3	9	1	72
10% > 30%	8	16	12	2	221	8	9	2	2	24
30% > 51%	2	7	3	1	74	12	8	2	12	11
51% > 100%	1	3	0	0	31	2	1	0	0	3
100%	0	1	0	0	3	0	0	0	0	1
<b>Total</b>	<b>38</b>	<b>48</b>	<b>45</b>	<b>4</b>	<b>679</b>	<b>39</b>	<b>21</b>	<b>13</b>	<b>15</b>	<b>111</b>

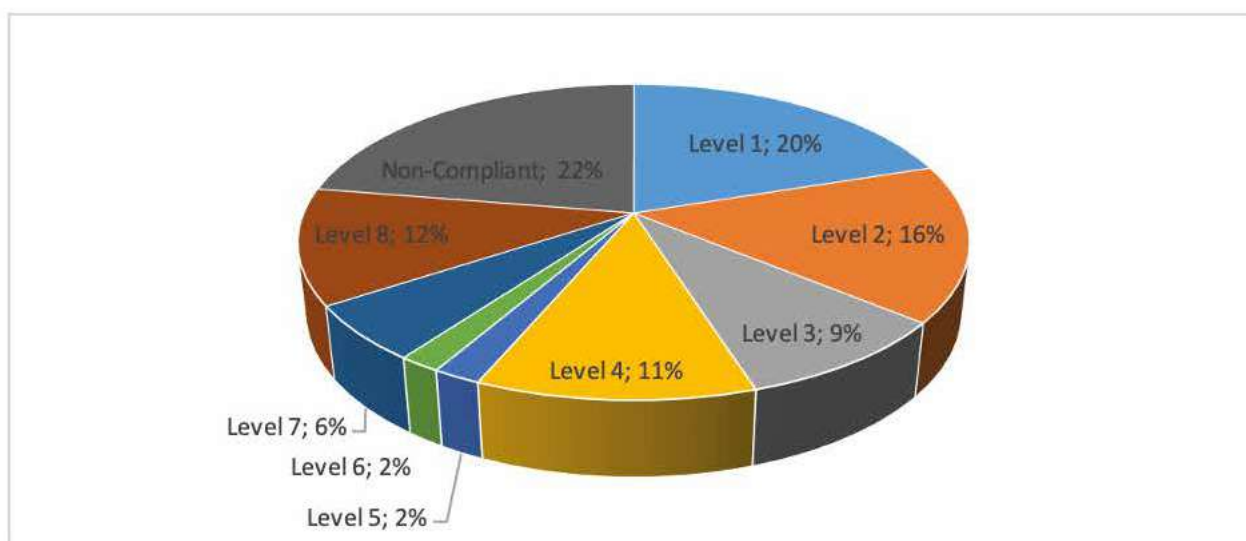
The Black Women representation was largely on the low end with 5 of the 10 sectors registering above 50% on ownership between 0%>10%. 1 of these sectors registered above 70% on the same ownership category. None of the ten sectors posted ownership more than 15% above the 51% threshold.

## 6.7 Overall Contribution Levels: QSE Entities

**Table 24:** 2021 Overall Contribution – QSE Entities

B-BBEE STATUS	Percentage of Certificate B-BBEE Level
Level 1	20%
Level 2	16%
Level 3	9%
Level 4	11%
Level 5	2%
Level 6	2%
Level 7	6%
Level 8	12%
Non-Compliant	22%
<b>Grand Total</b>	<b>100%</b>

**Figure 19:** 2021 Overall Contribution Levels: QSE Entities



- The above graph indicates that 22% of QSEs have been rated non-compliant to B-BBEE compared to 21% in 2020. The non-compliant certificates have decreased by 17.54% compared to 2019.
- 56% of QSEs were rated from level 1 to level 4 (2020: 57%).
- 22.0% of QSEs were rated from level 5 to level 8 (2020: 23.0%).
- It should be factored that that QSEs performance excludes 51% to 100% black owned QSE information because they are exempted from verification. These are required to use affidavits. The analysis information is skewed because affidavits are not factored. Such entities would ordinarily be level 2 or level 1.

## 6.8 B-BBEE Rating Qualifying Small Enterprises (QSE's): Portal data

**Table 25:** 2021 Number of Entities per B-BBEE Contribution Level – QSE's

Row Labels	Agri-BEE Sector Code		Construction Sector Code		Financial Sector Code		Forest Sector Code		ICT Sector Code		Int.Transport Sector Code		MAC Sector Charter		Specialised Organs of State		Property Sector Code		Tourism Sector Code		No Information Captured		Grand Total	
	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Level 1			15	29%	2	20%	2	50%	4	11%	32	39%	3	43%	23	12%							81	20%
Level 2			14	27%			1	25%	1	3%	25	30%	3	43%	20	10%	1	20%					65	16%
Level 3			5	10%	1	10%			3	9%	13	16%			14	7%	1	20%					37	9%
Level 4			5	10%	1	10%	1	25%	2	6%	5	6%			31	16%					1	100%	46	11%
Level 5					1	10%			1	3%	3	4%			3	2%							8	2%
Level 6									2	6%	1	1%			4	2%							7	2%
Level 7	1	13%	3	6%					6	17%	1	1%			12	6%							23	6%
Level 8	3	38%	5	10%	1	10%			3	9%	3	4%			33	17%							48	12%
Non-Compliant	4	50%	5	10%	4	40%			13	37%			1	14%	60	30%	3	60%	1	100%			91	22%
Grand Total	8	100%	52	100%	10		4	100%	35	100%	83	100%	7	100%	203	100%	5	100%	1	100%	1	100%	406	100%

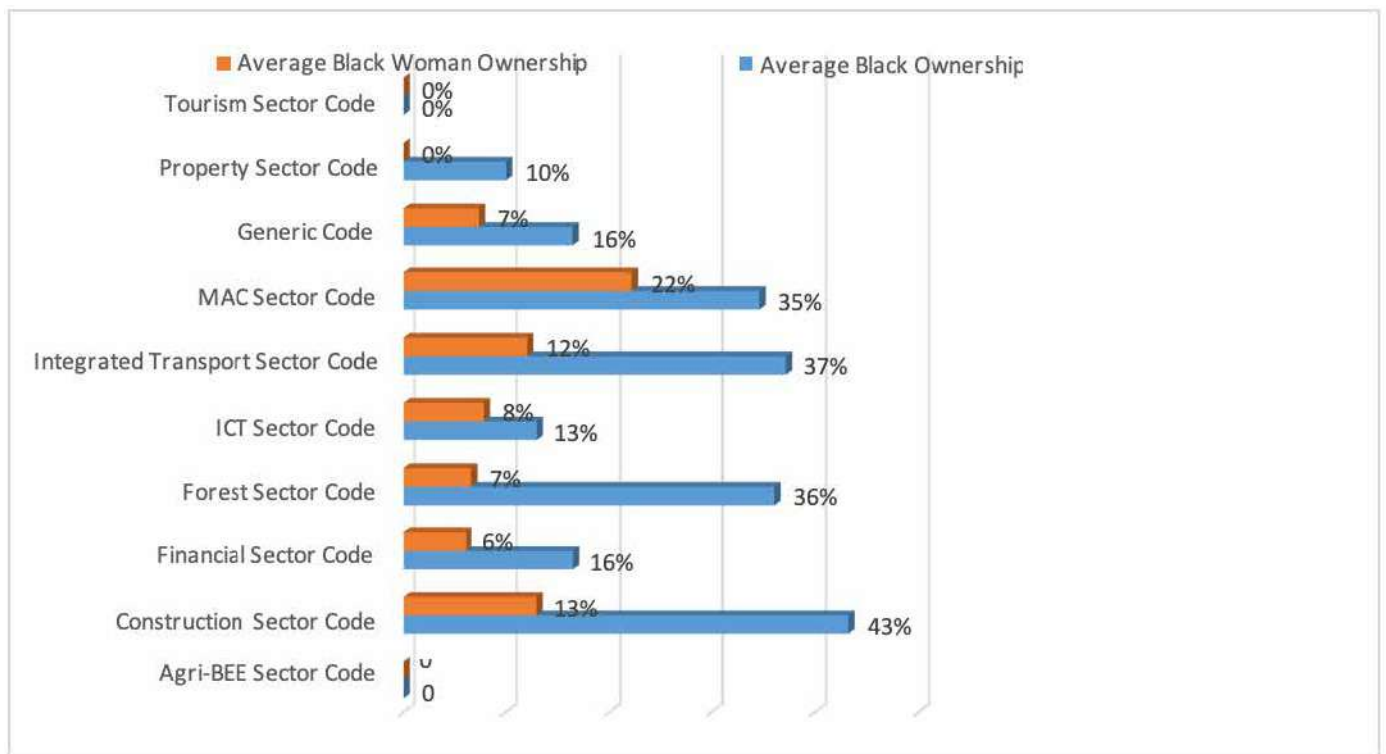
- Construction sector has the highest number of QSE certificates uploaded onto the Portal by sector other than generic codes (52).
- The Forest sector has the lowest number of QSE certificates uploaded onto the Portal by sector (4), followed by Property (5).
- From the table above, 91(22%) B-BBEE Certificates that were uploaded onto the Portal were rated non-compliant. This is a significant increase from 71 (2020). Within the Property sector, 60% entities that submitted certificates were non-compliant to B-BBEE, followed by Agri-BEE with 50%.

## 6.9 Average Black Ownership QSEs: Portal data

**Table 26:** 2021 Average Black Ownership per Sector – QSE Entities

Sector	Average of Black-Ownership	Average Black Women Ownership
Agri-BEE Sector Code	0	0
Construction Sector Code	43%	13%
Financial Sector Code	16%	6%
Forest Sector Code	36%	7%
ICT Sector Code	13%	8%
Integrated Transport Sector Code	37%	12%
MAC Sector Code	35%	22%
Generic Code	16%	7%
Property Sector Code	10%	0%
Tourism Sector Code	0%	0%
<b>Grand Total</b>	<b>24%</b>	<b>9%</b>

**Figure 20: 2021 Average Black ownership – QSE Entities**



- The Construction sector listed the highest average Black ownership at 43%, followed by Transport sector at 37% amongst the QSE entities. Property sector has the lowest Black ownership at 10%.
- The MAC sector registered the highest Black Women ownership at 22%, while Forest and Financial have lowest at 7% and 6% respectively.
- Out of the entities measured under the generic codes, Tourism sector, Property sector, ICT sector and Agri-BEE sector have not exceeded the 25% Black ownership target set by the B-BBEE Codes.
- QSEs that are at least 51% black owned or more are not entitled to go through a verification process skewing the analysis of Black ownership for QSEs as most of QSEs may be eligible for sworn affidavits. Such information is not available on the Portal, save for QSEs under the Construction Sector Code who are required to undergo a verification process to determine compliance with the skills development element.
- Black Male Ownership is still dominant across all sectors; this is an indication that black women are still under represented with regard to ownership transactions.

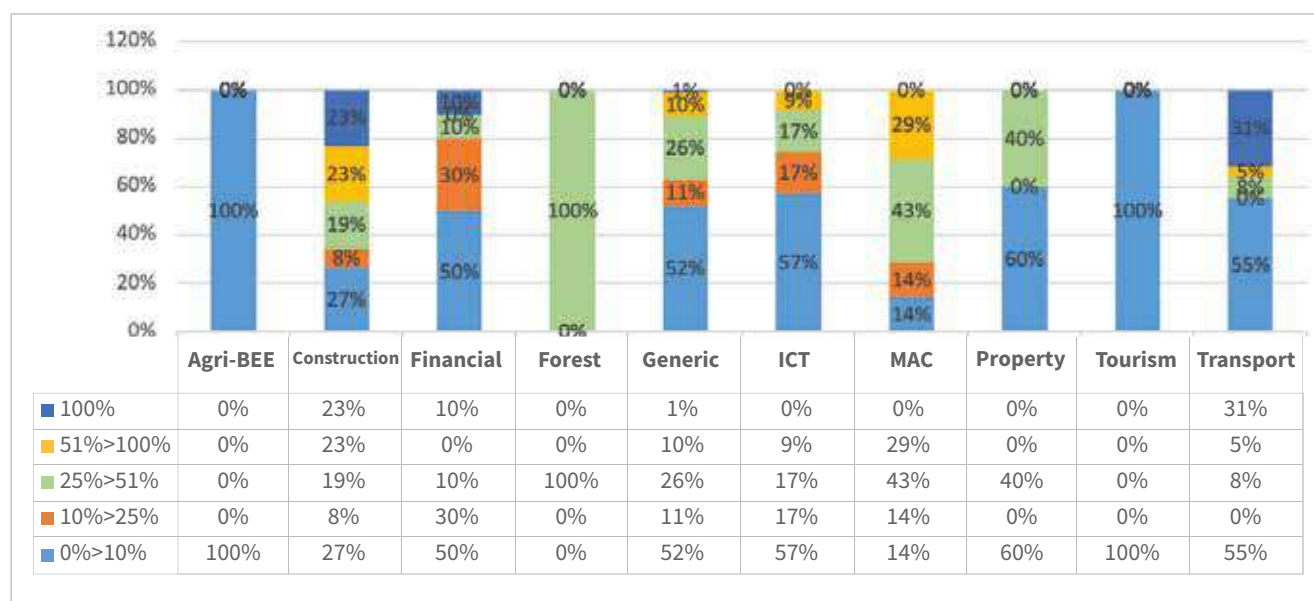


## 6.10 Black Ownership Per Sector: QSE Entities Portal data

The graph below shows Black ownership stratified into the following thresholds:

- 0% > 10%, (sub-minimum not achieved)
- 10% > 25% (sub-minimum achieved)
- 25% > 51% (generic scorecard achieved)
- 51% > 100% (51% target achieved)
- 100% (100% target achieved)

**Figure 21: 2021 Average Black Ownership – QSE Entities**



	Agri-BEE	Construction	Financial	Forestry	Generic	ICT	MAC	Property	Tourism	Transport
0% > 10%	8	14	5		105	20	1	3	1	46
10% > 25%	0	4	3		22	6	1			
25% > 51%	0	10	1	4	52	6	3	2		7
51% > 100%	0	12	0	0	20	3	2			4
100%	0	12	1		2					26
	8	52	10	4	201	35	7	5	1	83

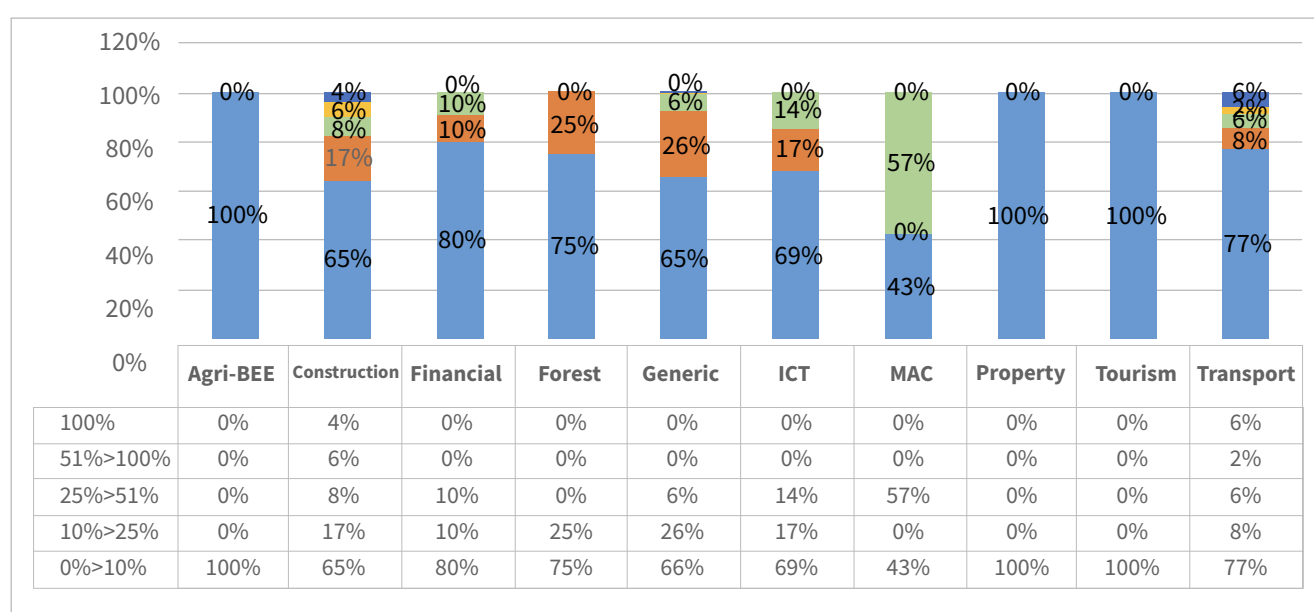
QSE Black ownership reflected poor Black ownership levels within the Agri-BEE and the Tourism sectors registered 100% uploaded certificates within the 0%>10% thresholds. The Property and the Forest sectors were the next worst performing sectors with 100% of certificates falling in less than 51% Black ownership. The highest Black ownership is within the Transport and Construction sectors at 31% and 23% respectively for 100% black ownership. Notable is the 46% ownership within the 51% to 100% range of the Construction sector. While the MAC did not have 100% Black ownership, it performed better than many with 29% of certificates within the 51%>100% threshold.

## 6.11 Black Women Ownership Per Sector: QSE Entities Portal data

The graph above shows Black Women ownership as per the following thresholds:

- 0% > 10%, (sub-minimum not achieved)
- 10% > 30% (sub-minimum achieved)
- 30% > 51% (generic scorecard achieved)
- 51% > 100% (51% target achieved)
- 100% (100% target achieved)

**Figure 22: 2021 Average Black Women Ownership – QSE Entities**



	Agri-BEE	Construction	Financial	Forestry	Generic	ICT	MAC	Property	Tourism	Transport
0% > 10%	8	34	8	3	133	24	3	5	1	64
10% > 25%	0	9	1	1	53	6				7
25% > 51%	0	4	1		13	5	4			5
51% > 100%	0	3			1					2
100%	0	2			1					5
	8	52	10	4	201	35	7	5	1	83

Agri-BEE and Tourism were the worst performers with 100% of uploaded certificates between the 0%>10% threshold within Black Women ownership. The Property sector with 100% results within the 10%>25% threshold was amongst the worst performers. The Financial sector's results were generally poor but posted a 10% Black Women ownership at 100%, higher than all the sectors. More needs to be done in terms of Black Women ownership.

## 6.12 B-BBEE Rating Exempted Micro Enterprises (EMEs): Portal data

Only thirteen certificates uploaded onto the Portal were for EMEs, 12 of them under the Construction sector and 1 under Transport sector.

**Table 27:** 2021 Overall Contribution Level – EME Entities

B-BBEE STATUS	Percentage of Certificate B-BBEE Level
Level 1	19%
Level 2	26%
Level 3	33%
Level 4	22%
<b>Grand Total</b>	<b>100%</b>

**Figure 23:** 2021 Overall Contribution Levels: EME Entities



- It is important to note that most of the codes do not have provision for EMEs to be verified and thus less EME certificates will be uploaded on the B-BBEE Portal System. All of the certificates were within Level 1 to Level 4.

**Table 28:** 2021 Number of Entities per B-BBEE Contribution Level – EME's

B-BBEE Level	Construction Sector Code		Integrated Transport Sector Code		Grand Total	
	No	%	No	%	No	%
Level 1	5	29%			5	19%
Level 2	7	41%			7	26%
Level 3	3	18%	6	60%	9	33%
Level 4	2	12%	4	40%	6	22%
<b>Grand Total</b>	<b>17</b>	<b>100%</b>	<b>10</b>	<b>100%</b>	<b>27</b>	<b>100%</b>

- The EME analysis is based on 17 entities in the Construction sector and 10 entities from the Transport sector. The transport sector posted a marked improvement from an increase of a single post in 2020.
- Analysis does not represent the entire EME universe.
- Of those that are rated B-BBEE compliant, 55% were within Level 3 and 4
- The 10 transport sector entities were within Level 3 and 4

## 7. B-BBEE ELEMENT ANALYSIS: PORTAL INFORMATION







## SECTION C

### 7. B-BBEE ELEMENT ANALYSIS: PORTAL INFORMATION

**Table 29** indicates the average percentage of B-BBEE points achieved as a percentage of the available B- BBEE points under the stated elements.

**Table 29:** 2021 Overall Average Element Analysis Portal Information

Elements	Large	QSE	Weighted Average of Large & QSE
Ownership* ( <b>element scores</b> )	61,6%	43,0%	58%
Management Control	47,7%	53,7%	52%
Skills Development*	56,3%	49,9%	54,8%
Enterprise and Supplier Development*	50,9%	36,9%	46,5%
Socio-Economic Development	92%	100%	94%

**NB:** \*Ownership, Skills Development, and Enterprise and Supplier Development are priority elements. In the amended Codes this entails that if a measured entity does not meet the 40% sub-minimum it risks being discounted by one level down.

- Under the Enterprise and Supplier Development element, points for the 3 sub-elements were combined into one score and could therefore not be assessed against meeting of priority elements set for each sub-element target. It must also be noted that the available data did not allow to analyse whether sub-minimums had been achieved since the bonus points could not be identified from the total scores awarded.
- Overall, both large entities and QSEs scored the highest in the Socio-Economic Development element, at 92 and 100% respectively.
- Large entities scored the lowest in Management Control, this indicate slow pace of transformation pace at executive and management levels. Significantly high ownership percentages have not translated to high management control. This, amongst others, could suggest limited influence shareholders.

## 7.1 Average score Achieved for Black ownership

**Table 30:** 2021 Weighted Average Black Ownership Score per Sector

Row Labels	Weighted Score
Agri-BEE Sector Code	32%
Construction Sector Code	76%
Financial Sector Code	53%
Forest Sector Code	87%
Generic	44%
ICT Sector Code	56%
Transport Sector Code	64%
MAC Sector Code	52%
Property Sector Code	34%
Tourism Sector Code	86%
<b>Grand Total</b>	<b>58%</b>

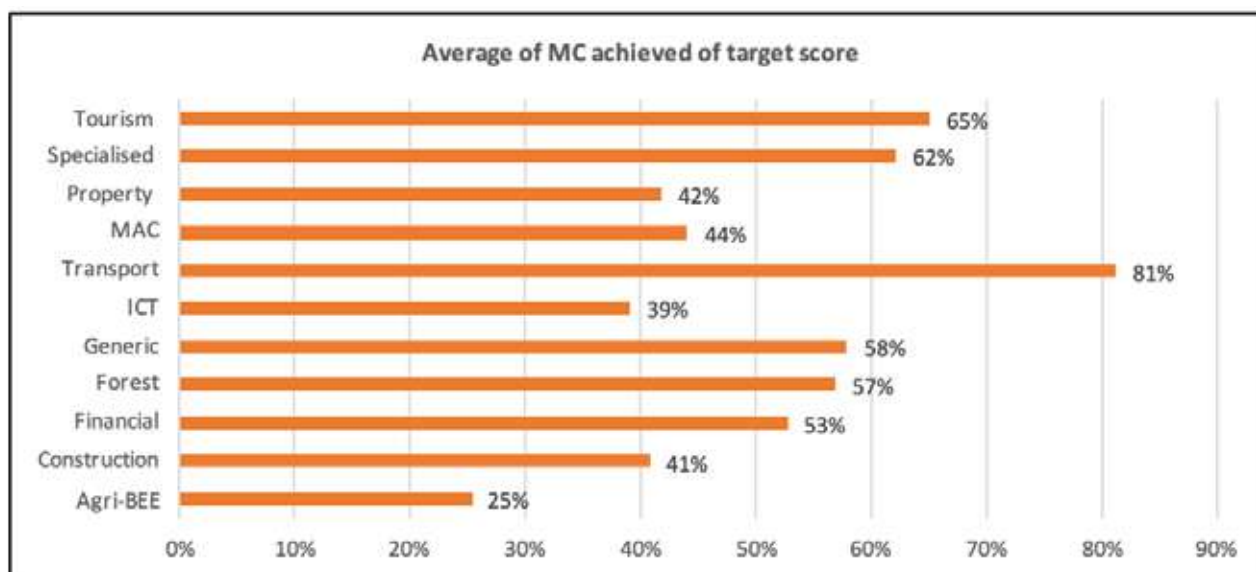
The weighted average score is based on Large and QSE uploads on the B-BBEE Commission Portal System. The weighting factors the number of entities contributing towards a particular percentage.

## 7.2 Average score Achieved for Management Control

**Table 31:** 2021 Average Score Achieved for Management Control (% of targeted points)

Sector	Average of MC achieved of target score
Agri-BEE	25%
Construction	41%
Financial	53%
Forest	57%
Generic	58%
ICT	39%
Transport	81%
MAC	44%
Property	42%
Specialised	62%
Tourism	65%
<b>Grand Total</b>	<b>52%</b>

**Figure 24:** 2021 Average Score Achieved for Management Control



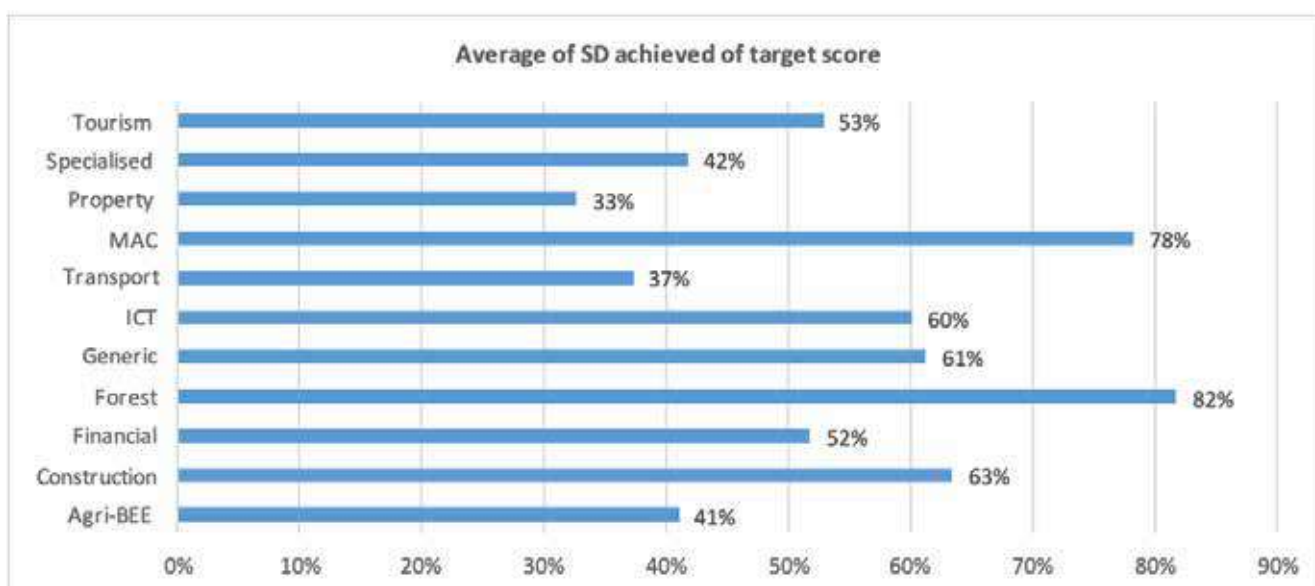
- The table and figure above refer to the average percentage of Management Control points achieved as a percentage of total points available on this element, per sector code. In most of the amended sector codes, the Management Control element comprises of both the Management Control (board and EXCO representation) and Employment Equity sub-elements.
- The highest average achieved was in the Transport sector scorecard with 81% followed by Tourism code with 65% and Specialised scorecard at 62% of the targeted points being achieved.
- The lowest scoring entities were in the Agri-BEE sector with average percentage of Management points at 25%

### 7.3 Average score Achieved for Skills Development

**Table 32:** 2021 Average Score Achieved for Skills Development (% achieved of targeted points)

Sector	Average of SD achieved of target score
Agri-BEE	41%
Construction	63%
Financial	52%
Forest	82%
Generic	61%
ICT	60%
Transport	37%
MAC	78%
Property	33%
Specialised	42%
Tourism	53%
<b>Grand Total</b>	<b>54,8%</b>

**Figure 25:** 2021 Average Score Achieved Skills Development



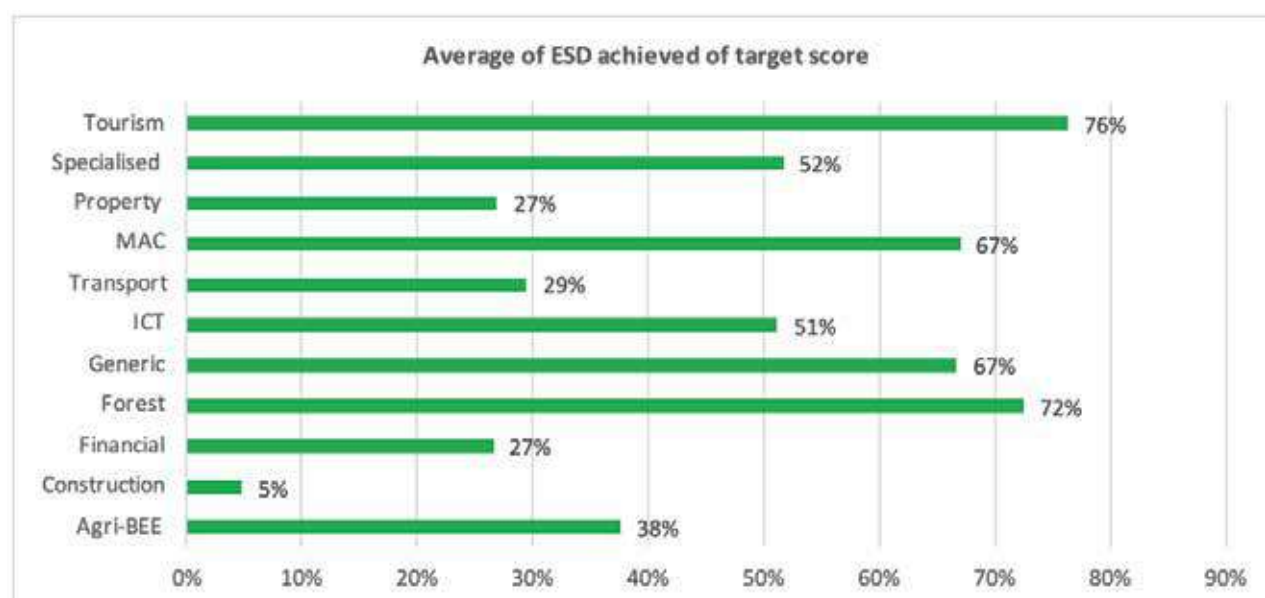
- The table and figure above refer to the average percentage of Skills Development points achieved as a percentage of the total available points in the Skills Development element per sector code.
- The highest average points were attained by entities measured under the Forest sector with 82% of the total weighting points achieved by entities in this sector.
- Almost all reported sectors achieved above 40% average on Skills Development except for Transport sector and Property sector with 37% and 33% respectively.
- The data does not indicate whether the subminimum has been achieved on average for skills development as the bonus points could not be identified from the total average.

## 7.4 Average score Achieved for Enterprise and Supplier Development

**Table 33:** 2021 Average Score Achieved for Enterprise and Supplier Development (% achieved of targeted points)

Sector	Average of SD achieved of target score
Agri-BEE	38%
Construction	5%
Financial	27%
Forest	72%
Generic	67%
ICT	51%
Transport	29%
MAC	67%
Property	27%
Specialised	52%
Tourism	76%
<b>Grand Total</b>	<b>46,5%</b>

**Figure 26:** 2021 Average Score Achieved for Enterprise and Supplier Development (% achieved of targeted points)





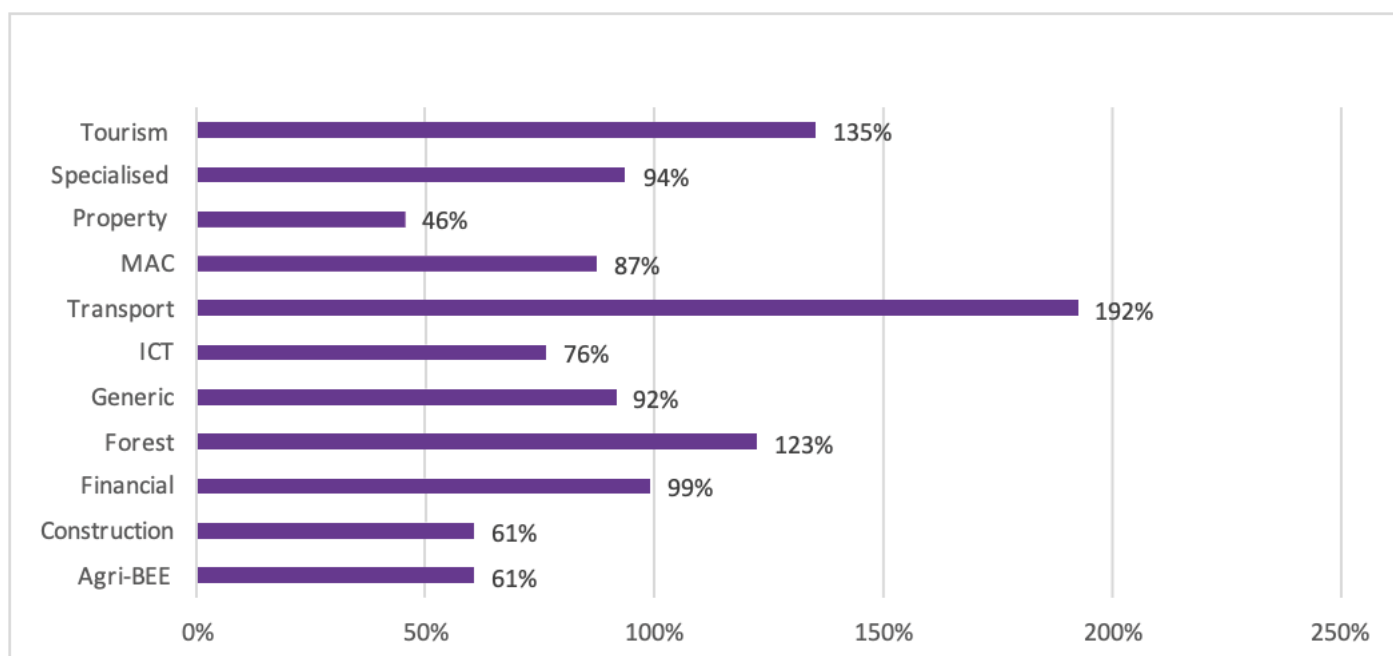
- Enterprise and Supplier Development measures points for the 3 sub-elements (i.e. Preferential Procurement, Enterprise Development and Supplier Development combined).
- The table and figure above indicate the aggregate average scores for Enterprise and Supplier Development, as a percentage of total targeted points, per sector for the 3 sub-elements.
- The average score across all sector codes is 46,5%. Six sectors scored above average, with the exception of Property sector, Financial sector, Construction sector, Transport sector and Agri-BEE sector.

## 7.5 Average score Achieved for Socio-Economic Development

**Table 34:** Average Score Achieved for Socio Economic Development (% achieved of targeted points)

Socio-Econ Dev	
Agri-BEE	61%
Construction	61%
Financial	99%
Forest	123%
Generic	92%
ICT	76%
Transport	192%
MAC	87%
Property	46%
Specialised	94%
Tourism	135%
<b>Grand Total</b>	<b>94%</b>

**Figure 27:** Average Score Achieved for Socio-Economic Development



- The **Figure 27** and figure above refer to the average percentage of Socio-Economic Development points achieved as a percentage of the total available points in the Socio-Economic Development element per sector.
- Most sectors performed relatively well under this element achieving an aggregated average of 96,9%% with the following sectors scoring above average; Tourism sector, Transport sector, Forest sector and Financial sector.
- Such performance outcome, signify that points within this element are easily obtainable with minimum investment being made.
- The Property sector performed poorly compared to any other sector achieving a lowest average of 46.0%.

## 8. JSE LISTED ENTITIES AS PER SECTION 13G REPORTING





## SECTION D

### 8. JSE LISTED ENTITIES AS PER SECTION 13G REPORTING

Data used in this section is based on the compliance reports submitted to the BBBEE Commission by Johannesburg Stock Exchange (JSE) listed entities for the 2021 calendar year.

**Table 35:** 2021 Number of JSE-listed entities reported per sector

Sector	QSE	Large	EME	Grand Total
Agri-BEE		7		7
Construction	1	6		7
Financial	2	17	1	20
Generic	3	64	2	69
ICT		10		10
Properties		6		6
Property	1	5		6
Tourism		1	1	2
Transport		3		3
<b>Grand Total</b>	<b>7</b>	<b>119</b>	<b>4</b>	<b>130</b>

The following are salient points JSE Listed Sector:

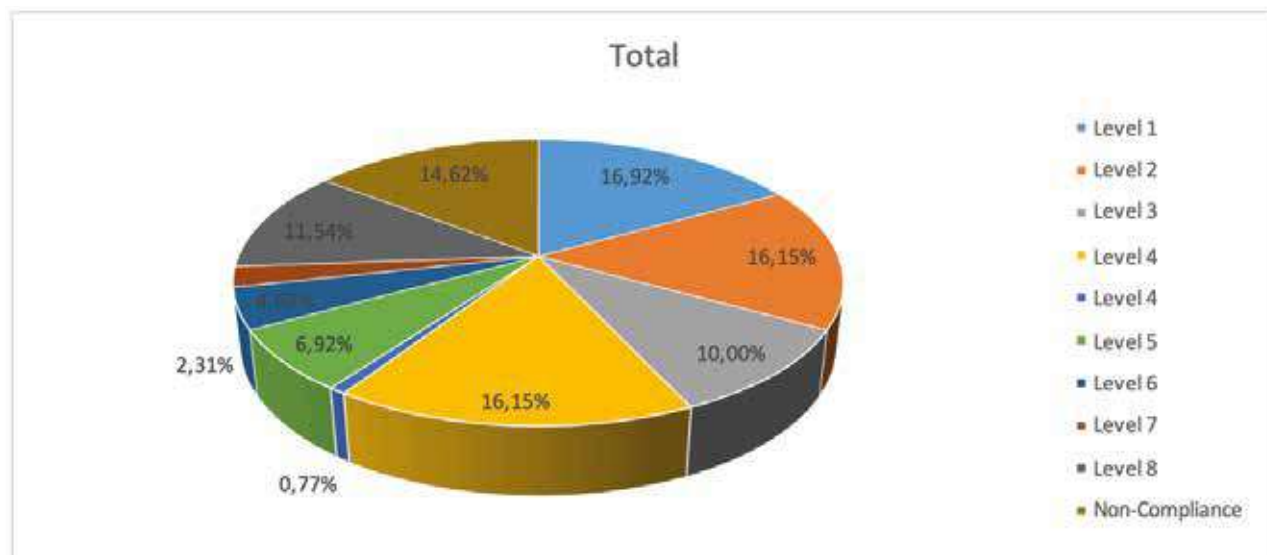
- As of 31 December 2021, 324 entities were listed on JSE, of those 50 were secondary listed and 274 were primary listed. Reports received by the B-BBEE Commission, however, indicated that only 130 JSE-listed entities submitted compliance reports in response to the mandatory reporting requirements. Some listed entities requested extension or made specific requests to the BBBEE Commission providing reasons why they were in breach of their mandatory reporting requirement. 13 of the JSE listed entities were suspended as at 31 December 2021.
- Similar to 2020, 2018 and 2019 reporting, it was found that the highest number of listed entities that submitted compliance reports were verified under the generic codes.
- Out of 130 submissions made to the B-BBEE Commission, 19 were not B-BBEE Compliant.
- Of the 130 entities that uploaded their certificates, 91,5% were classified under large entities

## 8.2 Overall Contribution Levels: JSE Entities (13G- B-BBEE Reporting)

**Table 36:** 2021 Overall Contribution Levels: JSE Entities (13G Repots Only)

Sector	Percentage of certificate B-BBEE Level
Agri-BEE	5%
Construction	5%
Financial	15%
Generic	53%
ICT	7%
Property	9%
Tourism	2%
Transport	2%
<b>Grand Total</b>	<b>100%</b>

**Figure 28:** Overall contribution levels: JSE Entities (13G Reporting)



- 14,62% (20%: 2020) of all certificates uploaded were rated as non-compliant to B-BBEE.
- 26.2% (24.0%: 2019) of the entities were rated from level 5 to level 8.
- 59.2% (49.33%: 2019) of the entities were rated from level 4 to level 1.



### 8.3 B-BBEE Levels Per Sector: JSE Entities (13G- B-BBEE Reporting)

**Table 37:** B-BBEE Levels Per Sector: JSE Entities (13G Reporting)

	Agri-BEE		Construction		Financial		Generic		ICT		Property		Tourism		Transport		Grand Total	
BBEE Level	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%	No	%
Level 1		0%	3	43%	7	35%	5	7%	3	30%	3	25%	1	50%		0%	22	17%
Level 2	1	14%	1	14%	4	20%	8	12%	1	10%	2	17%	1	50%	3	100%	21	16%
Level 3	1	14%		0%		0%	10	14%	2	20%		0%		0%		0%	13	10%
Level 4		0%	1	14%	2	10%	14	20%	3	30%	1	8%		0%		0%	21	16%
Level 4		0%		0%		0%	1	1%		0%		0%		0%		0%	1	1%
Level 5	1	14%		0%	2	10%	5	7%	1	10%		0%		0%		0%	9	7%
Level 6		0%	1	14%		0%	4	6%		0%	1	8%		0%		0%	6	5%
Level 7	1	14%	1	14%		0%	1	1%		0%		0%		0%		0%	3	2%
Level 8	2	29%		0%	2	10%	10	14%		0%	1	8%		0%		0%	15	12%
Non-Compliance	1	14%		0%	3	15%	11	16%		0%	4	33%		0%		0%	19	15%
Grand Total	7	100%	7	100%	20	100%	69	100%	10	100%	12	100%	2	100%	3	100%	130	100%

**\*NB:** No JSE listed entity reported under Forestry and MAC sectors

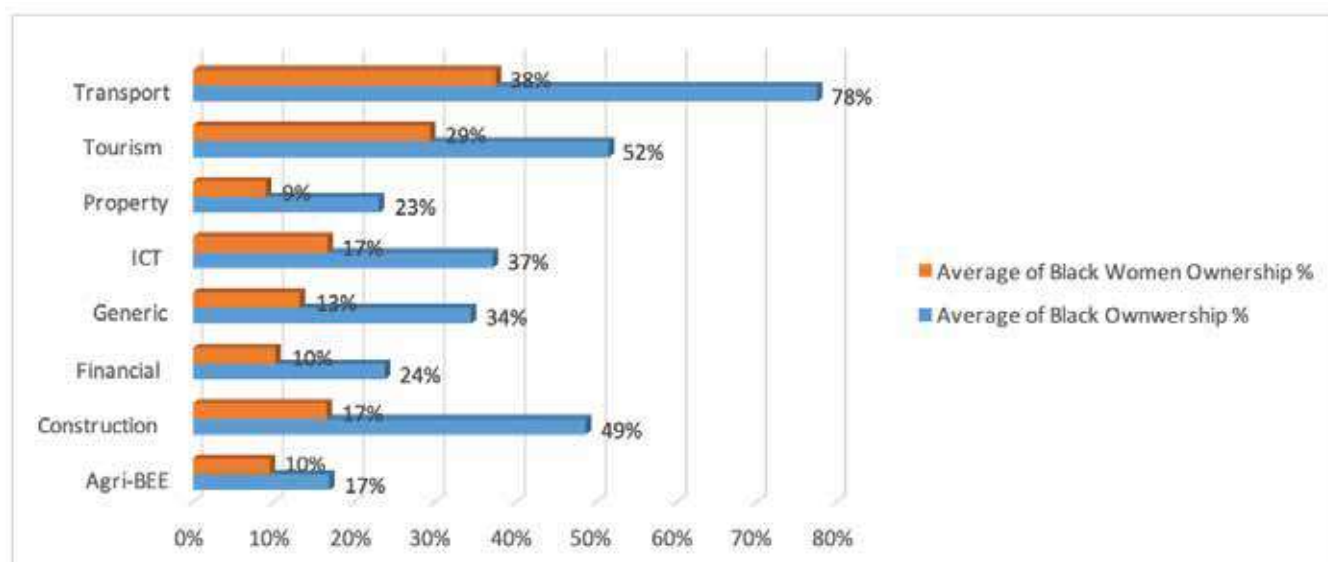
- Of the 130 listed entities that reported, the highest number reported were under the generic (69), followed by Financial sector (20).
- From the above-mentioned entities, 19 reported as non-compliant, with 53% under the generic, 15,4% under Financial sector, 9,2% under Property sector.
- Majority of entities that reported under the Construction sector (43%) and Tourism (50%) were rated level 1.
- It should also be noted that majority (20%) of entities that reported under generic codes were rated level 4.

### 8.4 Average Black Ownership: JSE Entities (13G - B-BBEE Reporting)

**Table 38:** 2021 Average Black ownership per Sector – JSE Entities (13G Reporting)

Sector	Average of Black ownership %	Average of Black Women Ownership %
Agri-BEE	17%	10%
Construction	49%	17%
Financial	24%	10%
Generic	34%	13%
ICT	37%	17%
Property	23%	9%
Tourism	52%	29%
Transport	78%	38%
<b>Grand Total</b>	<b>39%</b>	<b>18%</b>

**Figure 29: 2021 Average Black ownership: JSE Entities (13G Reporting)**



**\*NB:** No JSE listed entity reported under Forestry and MAC sectors

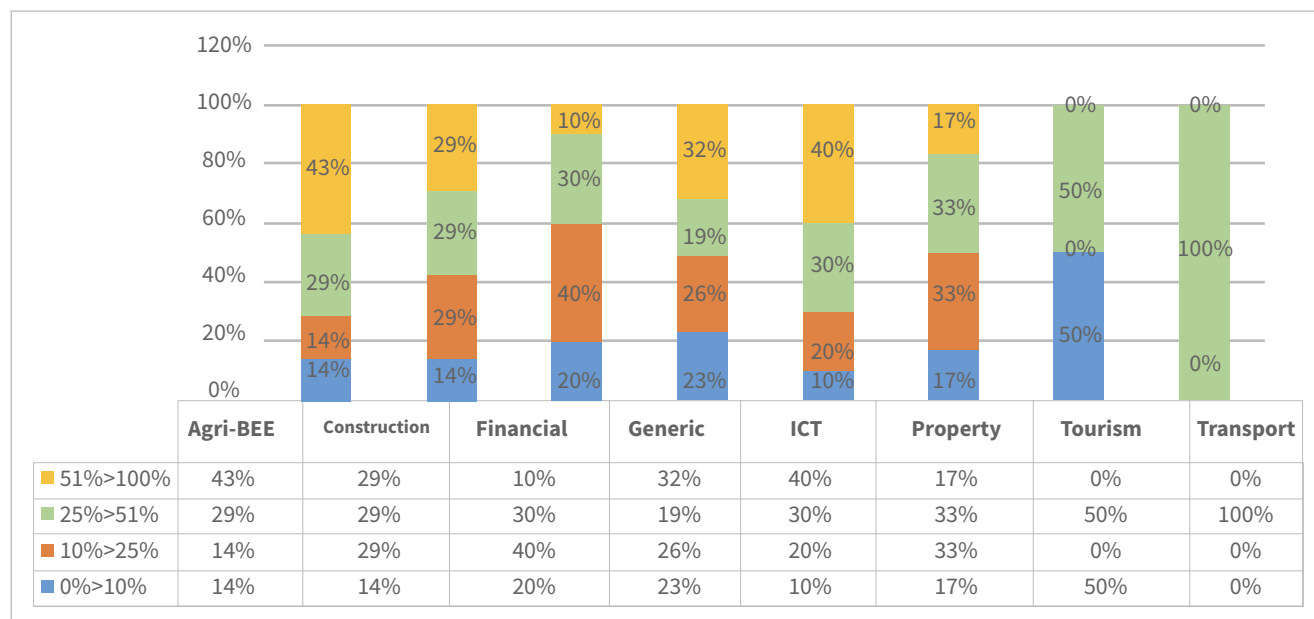
- The Transport sector and Tourism sector have the highest average Black ownership percentage of the JSE listed entities at 78% and 52% respectively, followed by Construction sector at 49%.
- The Agri-BEE sector has the lowest Black ownership, with the average of 17%, followed by Financial sector at 17.1%.

## 8.5 Black Ownership Per Sector: JSE Entities (13G - B-BBEE Reporting)

The graph below shows Black ownership for JSE listed entities per sector code, categorised into the following thresholds:

- 0% > 10%, (sub-minimum not achieved)
- 10% > 25% (sub-minimum achieved)
- 25% > 51% (generic scorecard achieved)
- 51% > 100% (51% target achieved)
- 100% (100% target achieved)

**Figure 30: 2021 Black Ownership Per Sector: JSE Entities**



	Agri-BEE	Construction	Financial	Generic	ICT	Property	Tourism	Transport
0% > 10%	1	1	4	16	1	2	1	0
10% > 25%	1	2	8	18	2	4	0	0
25% > 51%	2	2	6	13	3	4	1	3
51% > 100%	3	2	2	22	4	2	0	0
	7	7	20	69	10	12	2	3

**\*NB:** No JSE listed entity reported under Forestry and MAC sectors

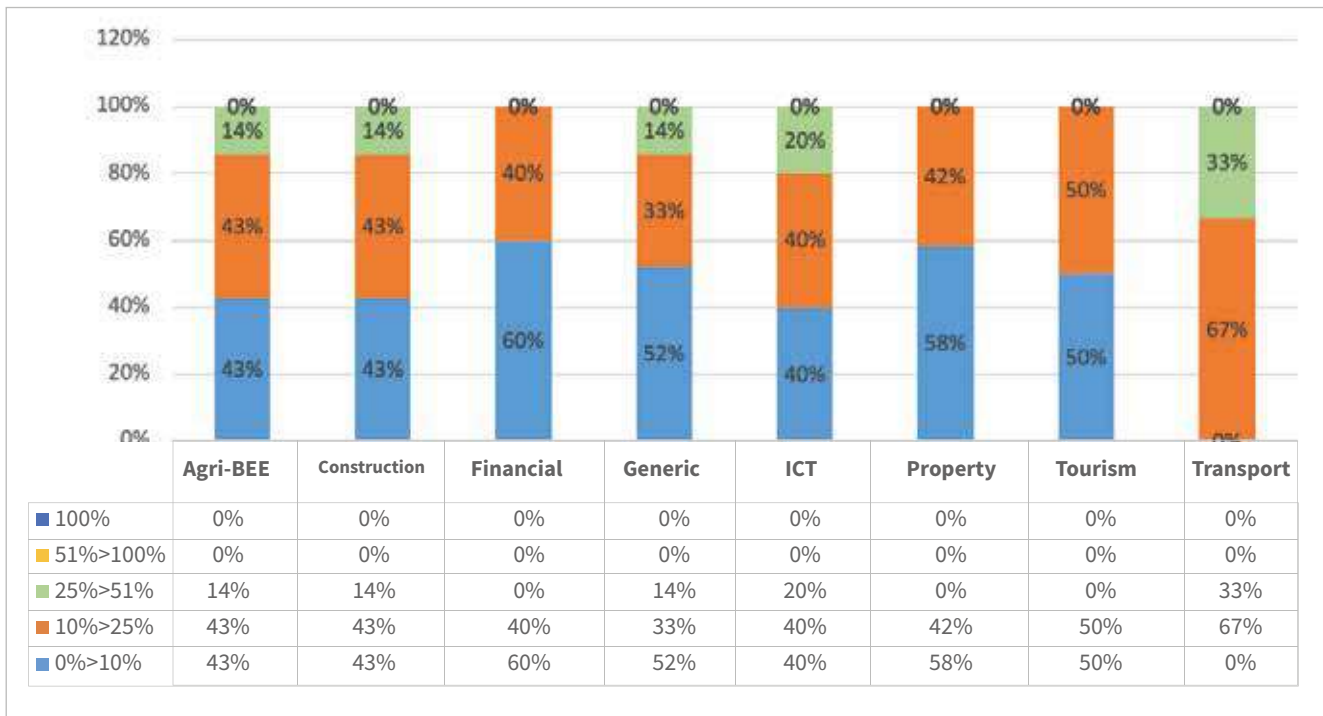
- All sectors except for tourism reported entities with 0% to 10% Black ownership.
- All sectors except for Tourism and Transport sectors reported within the 10% to 25% threshold, Finance was highest at 40%.
- Within 51% to 100% threshold, Agri-BEE and ICT sectors registered 40% and above.
- No sector registered at ownership at 100% threshold.

## 8.6 Black Women Ownership Per Sector: JSE Entities (13G - B-BBEE Reporting)

The graph below shows Black Women ownership for JSE listed entities per sector code, categorised into the following thresholds:

- 0% > 10%, (generic scorecard target not achieved)
- 10% > 30% (generic scorecard target achieved, but 30% BWO target not achieved)
- 30% > 51% (30% BWO target achieved, but 51% BO target not achieved)
- 51% > 100% (51% target achieved)
- 100% (100% target achieved)

**Figure 31: 2021 Black Women Ownership Per Sector: JSE Entities (13G Reporting)**



	Agri-BEE	Construction	Financial	Generic	ICT	Property	Tourism	Transport
0% > 10%	3	3	12	36	4	7	1	
10% > 25%	3	3	8	23	4	5	1	2
25% > 51%	1	1	0	10	2	0	0	1
51% > 100%	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	
	7	7	20	69	10	12	2	3

**\*NB:** No JSE listed entity reported under Forestry and MAC sectors

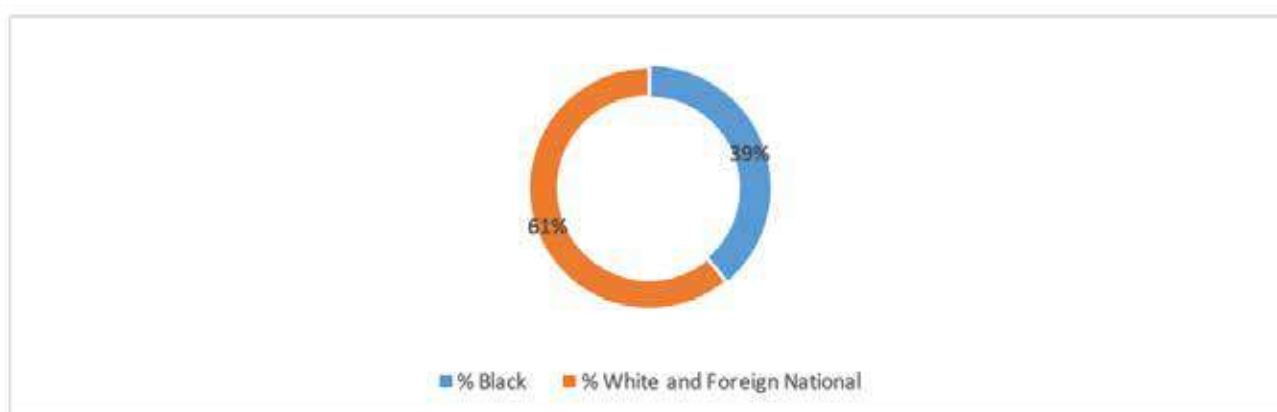
- All sectors reported in the 0% to 10% threshold except for Transport sector.
- Most sectors reported the majority of their entities within the 0 to 10% segment.
- An overwhelming majority of ownership lies below 30%, whereas Black Ownership has performed better

## 8.7 Overall Black Ownership: JSE Listed 13G Reporting Entities (105)

**Table 39: 2021 Overall Black ownership: JSE Listed**

Director	2021	2020	2019	2018
% Black	39%	28,00%	43,63%	38,00%
% White and Foreign National	61%	72,00%	56,37%	62,00%
<b>Grand Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Figure 32:** 2021 Overall Average Percentage of Black ownership vs Non-Black: JSE listed (13G)



- The above statistics represent 130 JSE entities that submitted their B-BBEE compliance reports to the B-BBEE Commission during the 2021 calendar year. The analysis was done based on directorships and not individuals that hold directorships in the 105 entities that reported on their B- BBEE Compliance to the B-BBEE Commission. The same individual(s) therefore may hold a number of directorships.
- **Figure 31** above shows that 39% of JSE listed entities' directorship positions are held by Black South Africans, whilst 61.0% is held by non-black people as represented by 130 JSE listed entities that reported to the B-BBEE Commission from 1 January 2021 to 31 December 2021. The non-black directors are made up of foreign nationals and white people.
- This shows an increase in percentage of black directorship when compared to 2020.

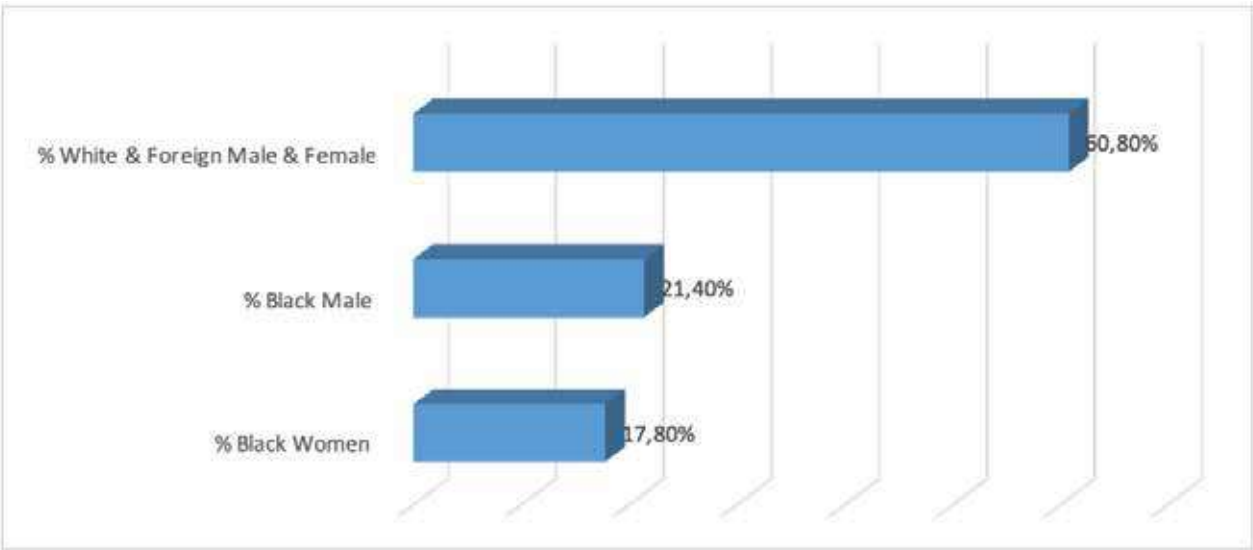
## 8.8 Management Control Race and Gender Breakdown on JSE 13G Reporting Entities

**Table 40:** 2021 Comparative race and gender breakdown on listed entities

Race and Gender	2021 13 G Reporting	2020 13G Reporting	2019 13G Reporting	2018 13G Reporting	2017 13GReporting	2016 13G Reporting
% Black Women	17,8%	11,30%	20,55%	21,63%	18,00%	12,00%
% Black Male	21,4%	16,70%	23,08%	16,76%	20,00%	18,00%
% White & Foreign Male & Female	60,8%	72,00%	56,37%	60,61%	62,00%	70,00%
Grade Total	100%	100,00%	100,00%	100,00%	100,00%	100,00%
Sources	2021 13G Reporting	2020 13G Reporting	2019 13G Reporting	2018 13G Reporting	2017 13G Reporting	WOW Database



**Figure 33:** 2021 Race and gender breakdown on 2020 JSE listed entities (13G Reporting) (13G)



From the listed entities that reported to the B-BBEE Commission, white directorships continue to dominate the JSE listed entities (72.0%), followed by black male (16.7%) and black female (11.3%) directorships. Black directorship as a whole make up 28.0% of all directorships.

**8.9 Achievement of priority elements by JSE listed entities**

As illustrated in the graph below, on average, 57.0% of the JSE listed entities that reported have met the priority elements per the sector code, whilst 43.0% of the reports analysed have not attained the minimum score for priority elements. Three of the 105 reporting entities are measured under Transport sector code, which is yet not aligned to the amended generic codes.

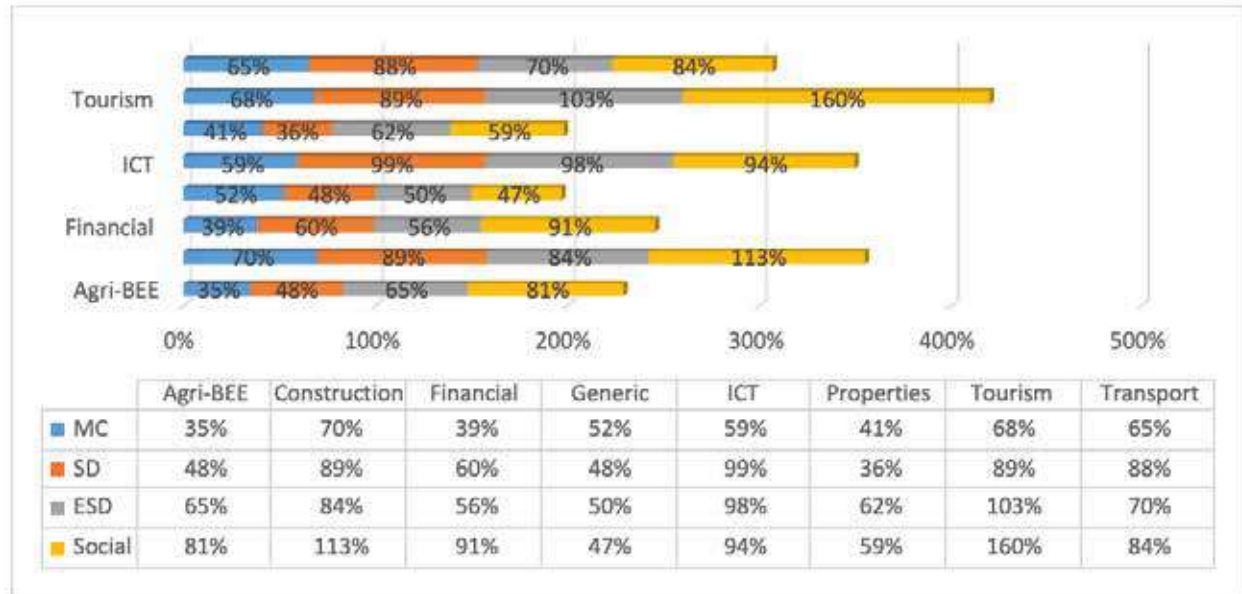
**Figure 34:** 2021 Priority elements achievement by JSE listed entities



All the reported organisations reported a 51% achievement of priority elements

## 8.10 Average score for other B-BBEE certificate elements for JSE listed entities

**Figure 35:** 2021 Average B-BBEE Element Points Per Sector as Percentage of targeted score

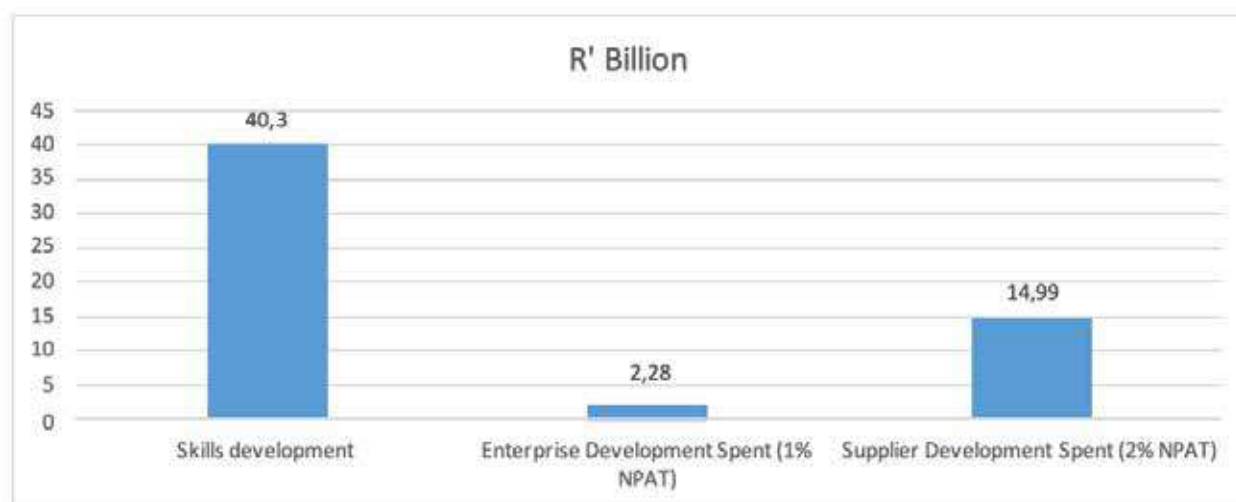


- The graph above represents the average score for other B-BBEE elements, namely Management Control, Skills Development, Enterprise and Supplier Development and Socio-Economic Development.
- Tourism sector, ICT sector and Construction sector earned maximum points for Socio-Economic Development. The average score also includes bonus points. The least points under Socio-Economic Development were recorded from the Property sector with 50.0%.

## 8.11 Compliance Data

Data compiled from the compliance documents for JSE entities indicate that the total revenue is R1,8 trillion with the following spend on skills and supplier development. 94% of the codes were aligned.

**Figure 36:** Skills Development and Enterprise and Supplier Development



R40,3 billion was spent on Skills Development. R2,28 billion was spent Enterprise Development (1% NPAT). R14,99 billion was spent on Supplier Development (2% NPAT).





## 9. ORGANS OF STATE AND PUBLIC ENTITIES



## SECTION E

### 9. ORGANS OF STATE AND PUBLIC ENTITIES

Public Entities and Organs of the State are mandated by the B-BBEE Regulation to report annually to the B-BBEE Commission within 30 days after the approval of their audited annual financial statements and annual reports. 82 Organs of State out of 326 submitted their annual Compliance Reports to the B-BBEE Commission. The combined revenue of the entities that reported was approximately R2,4 trillion. Tabulated below is a B-BBEE level overview of the reported 82.

#### 9.1 Overall Contribution Levels: Public Entities and Organs of State (13G- B-BBEE Reporting)

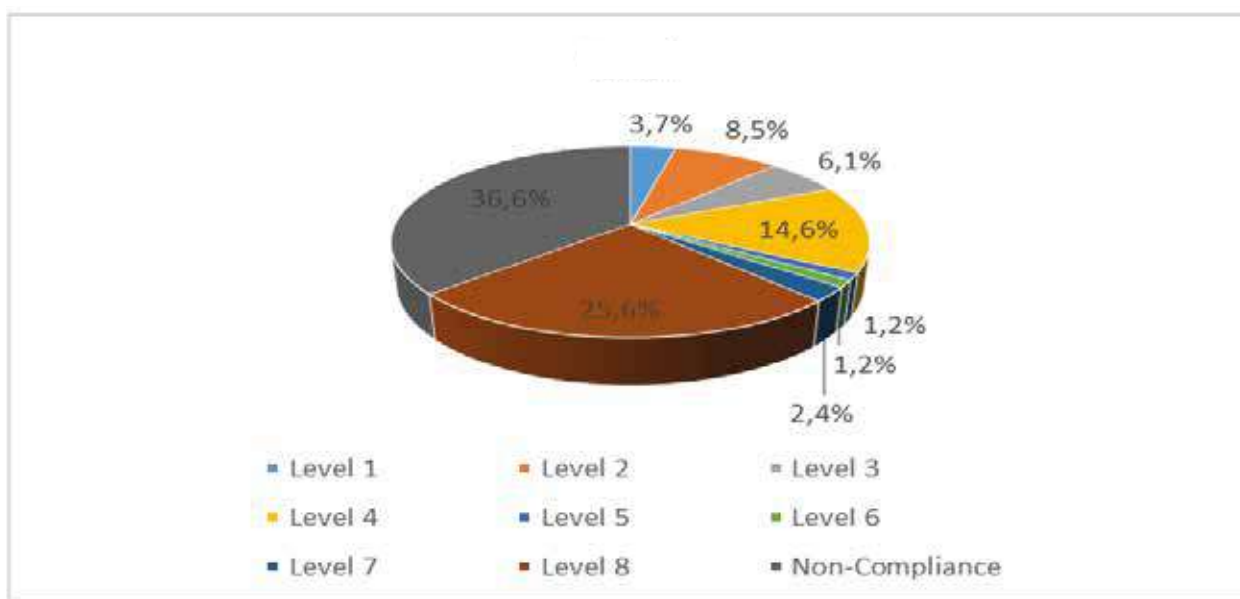
**Table 39:** 2021 Overall Contribution Levels: Public Entities and Organs of State (13G Repots Only)

B-BBEE Status	Percentage of Certificate B-BBEE Level
Level 1	4%
Level 2	9%
Level 3	6%
Level 4	15%
Level 5	1%
Level 6	1%
Level 7	2%
Level 8	26%
Non-Complia	37%
<b>Grand Total</b>	<b>100%</b>

The 37% non-compliant SOEs and organs of state is unacceptable and could be an indication of a deeper transformational compliance. State Owned entities should be an example to private entities.



**Figure 37:** 2021 Organs of state and public entities B-BBEE levels



- According to the submitted information, 37.0% (37%: 2020) of the organs of state rated non-compliant to B-BBEE.
- 30,5% (27.91%: 2020) of the entities were rated from level 5 to level 8.
- 32,9% (33.3%: 2020) of the entities were rated from level 4 to level 1.

## 9.2 Overall Average score of B-BBEE Elements Organs of State Against Targeted Points

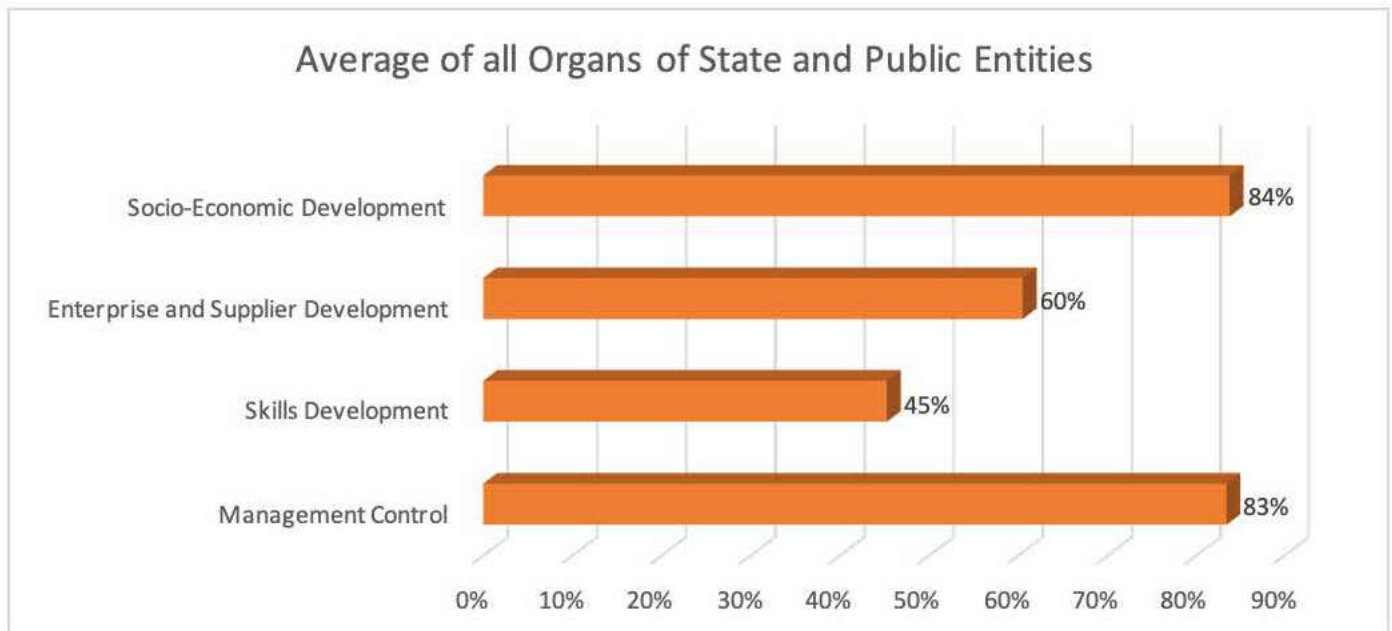
The table below indicates the average percentage of B-BBEE points achieved under the stated elements

**Table 40:** 2021 Overall Organs of State and Public Entities B-BBEE element analysis (13G Repots Only)

Elements	Average of all Organs of State and Public Entities
Management Control	83%
Skills Development	45%
Enterprise and Supplier Development	60%
Socio-Economic Development	84%



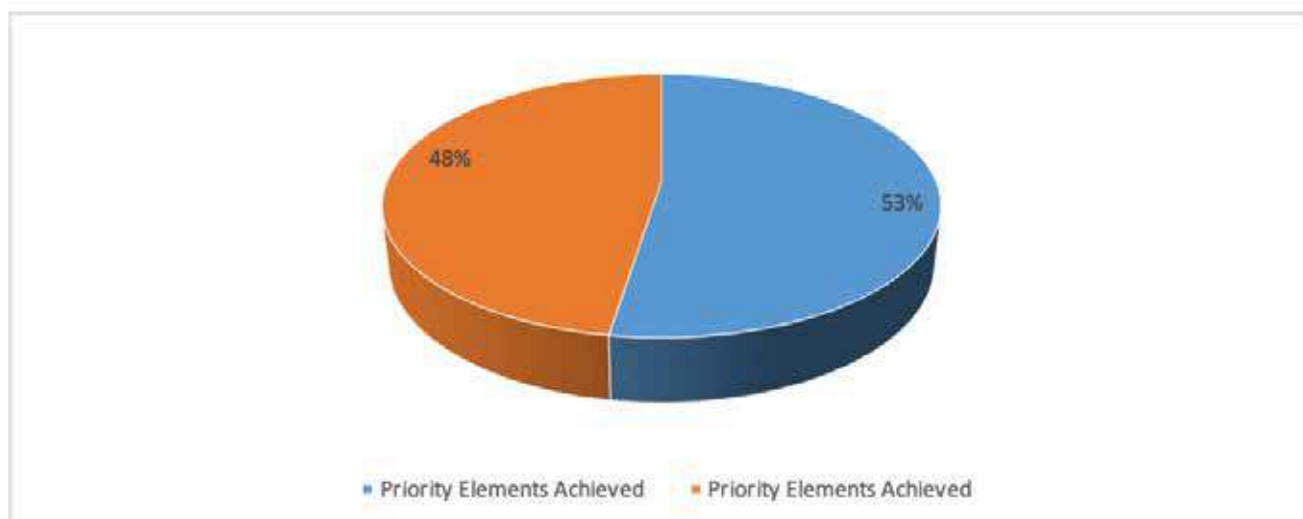
**Figure 38:** 2021 Achievement of B-BBEE elements for organs of state against targeted score as Percentage (%)



- **Figure 38** depicts the overall average score for other B-BBEE elements as a percentage of the targeted points, namely Management Control, Skills Development, Enterprise and Supplier Development and Socio-Economic Development by organs of state and public entities. Skills Development and Enterprise and Supplier Development are the priority elements as per legislation.
- Organs of State and public entities performed well in three areas. Socio-Economic Development 84% (2021) compared to 32,5% (2020).
- Enterprise and Supplier Development registered 60% (2021) compared to 68,3% (2020). Though this was a decrease from the previous year, the compliance level is acceptable.
- Skills Development registered 45% an improvement from 31,6% the previous year Nevertheless, this area requires great improvement.
- Management Control registered 85%, an improvement from 65,8% from the previous year.

### 9.3 Achievement of priority elements by organs of state

**Figure 39:** 2021 Achievement of priority elements by Organs of State

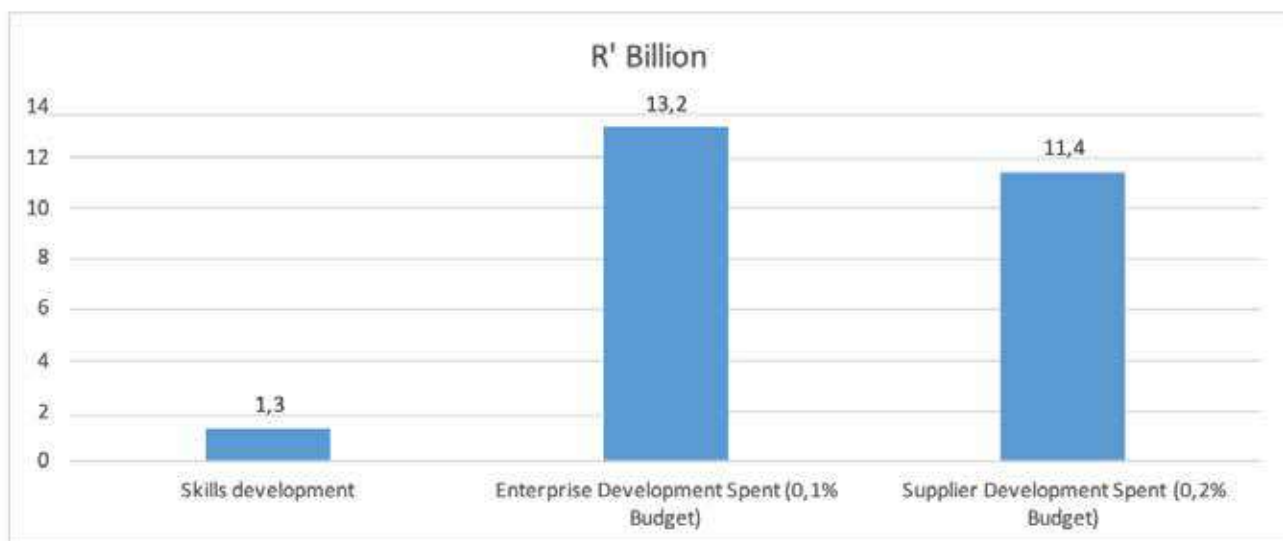


**Figure 39** indicates the average level achievement for Skills Development (SD) and Enterprise Supplier Development (ESD).

- Organs of State and public entities are still lagging in terms of implementing priority elements, and this necessitates serious intervention in order to bolster performance to acceptable levels.
- The JSE listed entities posted better results than the Organs of State and public entities, achieving 51% on priority elements.
- It is key for Organs of state to set the pace on Enterprise and Supplier Development and Skills Development in order for public entities to follow.

### 9.4 Compliance Data

Data compiled from the compliance documents for Organs of State indicate that the total revenue is R534 billion with the following spend on skills development, and enterprise supplier development. 93% of the codes were aligned compared to 94% for JSE listed entities.



R1,3 billion was spent on Skills Development. R13,2 billion was spent Enterprise Development (0,1% Budget). R11,4 billion was spent on Supplier Development (0,2% Budget).



## Conclusion

The Broad-Based Black Economic Empowerment Amendment Act 46 of 2013 aims to amongst others, establish the B-BBEE Commission to deal with broad-based black economic empowerment compliance without fear, favour or prejudice. The Act seeks to empower the B-BBEE Commission with B-BBEE data obtained from organs of state, public entities, and Sectorial Education and Training Authorities (SETAs) in order to monitor compliance with B-BBEE and make a consolidated report on state of B-BBEE transformation and publish such report on its website as a way to increase knowledge of the nature and dynamics and promote public awareness of matters relating to broad-based black economic empowerment. The 2021 National Status and Trends B-BBEE Report highlights a serious deficiency in the system due to a lack of reporting from targeted entities with a debilitating impact on targeted interventions. 40% of JSE listed companies submitted their compliance reports, 25% from Organs State & SOEs, and 1,446 compliance reports were received from the B-BBEE portal. While this excludes organisations that use affidavits, this number is far too low to determine trends as embedded in the Act.

It is clear that the B-BBEE system is premised on the Organs of State and SOEs being the first point of gate keeping by ensuring that entities that do business with the state are measured. A 37% non-compliance within this category indicates a lack of will to implement such changes, and draws attention on Employment Equity status at management level. In the absence of the state as a gate keeper, there will be no incentive to be measured and leads to the collapse of the entire system. At this point, it is free for all for companies that do business with the state, further perpetrating inequality.

The B-BBEE legislative arm has underperformed from various fronts. While the B-BBEE Commission implemented technological interventions to bolster industry data, poor reporting on the B-BBEE Portal by measured entities is problematic. The B-BBEE Commission will approach the Minister to influence mandatory submissions for verified entities. Such an effort must be coupled with the amendment of other prescripts, the PPPFA in particular, has not achieved its preferential mandate. The recent confusion caused by incorrect reporting of the Constitutional Court ruling on PPPFA Regulations of 2017 demonstrates the urgency in bringing the long awaited alignment.

The report indicates R41,6 billion spent on Skills Development and R26 billion on Enterprise & Supplier Development priority elements. Not being able to link industry performance to the reported amounts is a limiting factor in achieving broader transformation goals. This could be resolved by amending the codes for these amounts to be placed in a central transformation repository to be disbursed in an equitable and transformational way.

True transformational inroads will be made when industry data analysed by the B-BBEE Commission has reached critical mass, the state performs its function as a gate keeper, supportive legislation is enacted with effective consequence management for non-compliance, and transformational spend is collated centrally and efficiently disbursed to address poverty, inequality, and unemployment.

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