

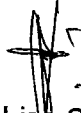
07 December 2016

## STATEMENT OF CLARIFICATION – EFFECTIVE DATE OF THE AMENDED ICT SECTOR CODES OF GOOD PRACTICE

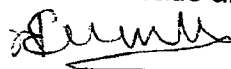
Following the gazette of the Amended ICT Sector Code on 7 November 2016, the Department of Trade and Industry (**the dti**) and the B-BBEE ICT Sector Council received several submissions from Measured Entities, Verification Professionals, and B-BBEE Consultants about the effective date of the Amended B-BBEE ICT Sector Code (Amended Sector Code). The purpose of this statement is for **the dti** and the B-BBEE ICT Sector Council to clarify the application of the effective date as in the sector code.

Statement 003 of the Amended Codes of Good Practice states that there will be no transitional period for the application of sector codes. This means that any certificate to be issued in terms of a gazetted sector code on or after the date of gazette must be in terms of the gazetted sector code. This is irrespective of the financial year end period of the measured entity. Sector Councils, Rating Agencies or any other interested party have no discretion in this regard. B-BBEE certificates issued in terms of a Sector Code before the date of gazette of the Amended Sector Code remain valid and applicable for 12 months from date of issue as per paragraph 7.2, Statement 005 of the Codes of Good Practice.

In affirming this legal principle, submissions were weighed against the critical need for genuine transformation in the ICT Sector and achieving the objectives of the BBEE Act as amended. Having taken all the relevant factors into consideration, **the dti** and the B-BBEE ICT Sector Council are therefore confirming that the effective date of application for the Amended B-BBEE ICT Sector Code is the 7th November 2016 as stated in the Gazette. This includes entities currently undergoing a B-BBEE verification and those that started the Verification process prior to the gazetting of the Amended B-BBEE ICT Sector Code.



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Acting Chief Director: B-BBEE Unit  
Department of Trade and Industry



Mrs Nokuzola Ehrens  
Chairperson: B-BBEE ICT Sector Council