



R 47-03

ACCREDITATION OF B-BBEE RATING AGENCIES

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1. INTRODUCTION

- 1.1 Broad Based Black Economic Empowerment (B-BBEE) Rating Agencies can accelerate the achievements of the South African economy in its drive towards sustainable B-BBEE.

2. OBJECTIVES

- 2.1 This document aims to clarify the roles of B-BBEE Rating Agencies and to specify the criteria by which they shall be accredited by SANAS on behalf of the Department of Trade, Industry and Competition (**the dtic**).
 2.2 This document is to be used by SANAS to accredit B-BBEE Rating Agencies.

3. BACKGROUND

- 3.1 In order to obtain accreditation as a B-BBEE Rating Agency, a B-BBEE Rating Agency shall:
 3.1.1 apply in writing to SANAS
 3.1.2 provide evidence of compliance with the requirements of this document.
- 3.2 Upon receiving an application, SANAS shall:
 3.2.1 accredit the applicant as a B-BBEE Rating Agency if the applicant has complied with this document and also verify measured entities following the B-BBEE Codes of Good Practice
 3.2.2 otherwise refuse to accredit the applicant if the applicant has not complied with the requirements of this document and does not verify following the B-BBEE Codes of Good Practice.
- 3.3 If SANAS grants accreditation, SANAS shall:
 3.3.1 confirm that decision in writing as soon as possible, and
 3.3.2 provide the agency with an Accreditation Certificate after it has met the accreditation criteria.

4. REFERENCES

B-BBEE Codes of Good Practice as amended on the 11th October 2013 (gazette number 36928), B-BBEE Act number 46 of 2013, a Sector Code of Good Practice issued in terms of section 9 (1) of the B-BBEE Act as and when amended, a Practice Note or Regulations issued in terms of Section 14 of the B-BBEE Act, Standard ISO/IEC 17011:2017, PUB10039 and SANAS F147

5. DEFINITIONS

For the purpose of this document, the following terms have the following meanings assigned to them:

- 5.1 '**Accreditation Body**' means the South African National Accreditation System (SANAS), established and recognised by government in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act 19 of 2006, as the sole body in the Republic for carrying out accreditation in respect of conformity assessment; calibration and Good Laboratory Practice.
- 5.2 '**effective date**' means the date on which the codes or legislation and or accreditation documents were gazetted or published or amended and become ready for implementation.
- 5.3 '**evaluation**' means to assess, verify, and validate the B-BBEE status of measured entities.

5.4 **'consultancy'** means the provision of any service that assists a measured entity to implement a B-BBEE Strategy or any element of a B-BBEE Strategy. This includes implementation not limiting to Ownership, Management Control, Skills Development, Enterprise and Supplier Development and Socio-Economic development or any element prescribed in terms of a B-BBEE Sector Code of Good Practice. With reference to avoidance of conflicts of interest, any service of a consulting body / or consultancy performed by any personnel of the B-BBEE Rating Agency that were provided to the measured entity and the same measured entity is verified by the B-BBEE Rating Agency would be considered a contravention of the requirements of this document. Consultancy includes but is not limited to specific solutions and assisting the measured entity to implement the proposed solutions.

Examples of consultancy include, but are not limited to the following:

- (a) coaching or facilitating the B-BBEE process on behalf of the measured entity towards the development and implementation of activities leading to B-BBEE compliance.
- (b) preparing or producing manuals, handbooks, or procedures.
- (c) participating in the decision-making process regarding the management system.
- (d) giving specific advice or scenarios on the development and implementation of the management system for eventual verification; and
- (e) conducting a scenario planning / gap analysis plan for the Measured Entity

NOTE: The management system covers all aspects of such a system, including financial aspects.

B-BBEE Rating Agencies may carry out the following duties without them being considered as consultancies or necessarily creating a conflict of interest:

- (a) verification, including information meetings, planning meetings, examination of documents and follow-up of non-conformities
- (b) arranging training and participating as a trainer – this is not considered to be consultancy work provided that, where training relates to the B-BBEE process, it shall be confined to providing generic information and advice that is freely available in the public domain, i.e. the trainer should not provide specific solutions; giving guidelines to the measured entity as to what they need to comply with is not considered consultancy
- (c) making available or publishing on request information on the basis of the B-BBEE Rating Agency's interpretation of the requirements of the Verification Standard
- (d) activities prior to verification aimed solely at determining readiness for verification; however, such activities should not result in the provision of recommendations or advice that would contravene the above examples of consultancy and the B-BBEE Rating Agency should be able to confirm that such activities do not contravene these provisions and that they are not used to justify a reduction in the eventual duration of the verification process
- (e) adding value during verification visits, e.g. by identifying opportunities for improvement, as they become evident during the verification, without recommending specific solutions.

5.5 **'the Act'** means the Broad-Based Economic Empowerment Act of 2003, as and when amended thereof.

5.6 **'the codes'** means all Codes of Good Practice issued in terms of Section 9 of the Act.

5.7 **'the dtic'** – the Department of Trade, Industry and Competition.

5.8 **'BBEE Rating Agency'** means an organisation that rates the status of enterprises in terms of its broad-based black economic empowerment compliance

5.9 **'Verification Standard'** means the minimum standard required for B-BBEE Rating Agencies to be accredited to (R Documents)

5.10 **'related party'** means a party that is linked to the B-BBEE Rating Agency by common ownership or directors / management, contractual arrangement, common elements in the name, informal understanding or the means such that the related party has a vested interest, (Vested interest includes however, is not limited to the following; special interest,

concern, stake, investment, agenda, stakeholder, supporter, skills development partners, third party facilitators of Enterprise & Supplier Development, relationships / agreements in referral of clients etc.) in the outcome of an assessment or has a potential ability to influence the outcome of an assessment.

6. THE ROLE OF B-BBEE RATING AGENCIES

6.1 Assess, verify, and validate B-BBEE information for decision-making

B-BBEE Rating Agencies shall assess, verify, and validate both disclosed and undisclosed B-BBEE-related information on measured entities. The verification shall be based on the principles contained in the B-BBEE Codes of Good Practice, as well as the relevant Sector Codes of Good Practice issued in terms of Section 9 (1) of the B-BBEE Act and any other related legislation.

7. THE ACCREDITATION ROLE OF SANAS ON BEHALF OF the dtic

7.1 SANAS, as the national accreditation body, operates in compliance with the requirements for accreditation bodies as defined in the International Standard ISO/IEC 17011. B-BBEE Rating Agencies are required to apply to SANAS for accreditation. SANAS, on behalf of the dtic, shall accredit B-BBEE Rating Agencies in terms of the accreditation criteria set out in this document for B-BBEE Rating Agencies.

7.2 SANAS undertakes to perform an initial assessment of an applicant within the agreed time period.

NOTE: It is normal for B-BBEE Rating Agencies to have a number of non-conformances highlighted during the initial on-site assessment. The B-BBEE Rating Agency must ensure that all these non-conformances have been cleared to the satisfaction of SANAS within 6 months of the initial assessment.

8. RESPONSIBILITIES OF B-BBEE RATING AGENCIES

8.1 The methodology followed by B-BBEE Rating Agencies in the performance of B-BBEE verifications shall demonstrate a clear understanding and knowledge of all gazetted B-BBEE Codes of Good Practice inclusive of B-BBEE Sector Codes of Good Practice and Practice Notes and the agency shall focus on all elements.

9. PRINCIPLES

9.1 General

9.1.1 The principles outlined in this document are fundamental and are not prescriptive requirements. This document does not give specific requirements for all the situations that can occur; however, these principles should be applied as guidance for ethical decisions that may need to be made for all situations.

9.1.2 The overall aim of verifying is to give confidence to all parties that rely upon the verification. The value of verifying is public trust achieved by gaining the confidence of all these parties, which include but are not limited to:

- (a) the Measured Entities that are the clients of the B-BBEE Rating Agencies
- (b) the customers of the B-BBEE Verified measured Entities
- (c) Government authorities
- (d) non-government authorities
- (e) consumers and members of the public; and

(f) public entities.

9.1.3 Principles for inspiring confidence include:

(a) Impartiality

Impartiality is the actual and perceived presence of objectivity. Objectivity means that conflicts of interest do not exist or are resolved so as not to influence the subsequent activities of the B-BBEE Rating Agency. Synonyms that are useful in conveying the element of impartiality are: objectivity, independence, and freedom from conflicts of interest, freedom from bias, lack of prejudice, neutrality, fairness, open-mindedness, even-handedness, detachment, and balance.

Being impartial, and being perceived to be impartial, is necessary for a B-BBEE Rating Agency to be able to deliver a verification that provides confidence. It is recognised that the source of revenue for a B-BBEE Rating Agency is the client paying for its service and that this is a potential threat to impartiality. In order to obtain and maintain confidence, a B-BBEE Rating Agency has to be able to demonstrate that its decisions are based on objective evidence and that its decisions have not been improperly influenced by other interests or by other parties.

Threats to impartiality include:

- Self-interest threats – threats that arise from a person or enterprise acting in their own interest, for example financial self-interest
- Self-review threats – threats that arise from a person or enterprise reviewing the work done by themselves, for example evaluating the B-BBEE compliance of a measured entity to whom the B-BBEE Rating Agency provided consultancy
- Familiarity (or trust) threats – threats that arise from a person or body being too familiar with or trusting towards another person instead of seeking evaluation evidence on which to base the verification conclusion
- Intimidation threats – threats that arise from a person or enterprise having a perception of being coerced openly or secretly, such as a threat to be replaced or reported to a supervisor.

(b) Competence

Competence is the demonstrated ability to apply knowledge and skills effectively. The competence of the personnel supported by the infrastructure of the Agency is necessary for the B-BBEE Rating Agency to deliver a verification that provides confidence.

(c) Responsibility

The measured entity, *not* the B-BBEE Rating Agency, is responsible for conforming to the requirements for B-BBEE Verification. The B-BBEE Rating Agency is responsible for carrying out a factual, thorough evaluation of a measured entity's B-BBEE status and, based on the result, for granting a B-BBEE score.

(d) Openness

Openness is access to or disclosure of information. A B-BBEE Rating Agency needs to provide public access to, or disclosure of, appropriate and timely information about the evaluation and verification process and about the verification status of any measured entity in order to gain confidence in the integrity and credibility of the B-BBEE verification process.

A B-BBEE Rating Agency needs to provide appropriate access to or disclosure of specific interested parties' non-confidential and non-proprietary information about the results of specific evaluations (e.g. evaluations in response to complaints) in order to gain and maintain confidence.

(e) Confidentiality

In order to gain access to the privileged information that is needed for the B-BBEE Rating Agency to assess adequately the requirements for B-BBEE Verification, a B-BBEE Rating Agency needs to keep any proprietary information about a measured entity confidential. However, a B-BBEE Rating Agency may disclose a measured entity's actual verification result, without compromising the confidentiality of the information supporting the verification outcome.

(f) Resolution of complaints and appeals

Parties that rely on the outcome of their verification status as assessed by accredited B-BBEE Rating Agencies expect to have their complaints / appeals investigated. If these complaints / appeals are found to be valid, they need to have confidence that the complaints/ appeals shall be appropriately addressed and that a reasonable effort shall be made to resolve them.

(g) Ethical and Professional Behaviour – to comply with relevant laws and regulations and avoid any conduct that the B-BBEE verification professional knows or should know that might discredit the profession. This would include the following but not limited to:

- Acting in good faith and with due care and diligence to B-BBEE Verifications.
- Avoiding collusive or anticompetitive behaviour.
- Promote a culture of fair and ethical behaviour, without prejudice against any party.
- Refrain from debate and discussion that is disrespectful, threatening (mental or physical), or otherwise unprofessional in tone or which is offensive to other participants and damaging to SANAS and the overall process of achieving consensus
- Treat all persons with respect and fairness and not offer or appear to offer preferential treatment to any person or group
- Refrain from disseminating false or misleading information or from withholding information necessary to a full, fair, and complete consideration of the issues
- Not harass, threaten, or coerce any participant in an effort to persuade or sway votes. This does not preclude professional, respectful debate and exchange of views that contain information and/or present perspectives intended to persuade other participants to lend their support or opposition to issues, proposals, etc. in order to ultimately achieve consensus (PUB100397)

An appropriate balance between the principles of openness and confidentiality, including resolution of complaints, is necessary in order to demonstrate integrity and credibility.

10. GENERAL REQUIREMENTS

10.1 General

10.1.1 B-BBEE Rating Agencies shall be seen as being both factually and perceptually independent from their measured entities, related parties and themselves and shall avoid any circumstances that give rise to or may potentially give rise to a conflict of interests between the various parties. Should such circumstances arise, the full nature thereof shall be disclosed immediately to all the parties involved and no verification shall be done. The measured entity should then approach another B-BBEE Rating Agency to perform the verification.

10.2 Legal and contractual matters

10.2.1 Legal responsibility

The B-BBEE Rating Agency shall be a legal enterprise, or a defined part of a legal enterprise, so that it can be held legally responsible for all its activities.

10.2.2 Ownership

B-BBEE Rating Agencies, their directors and shareholders may not hold an equity share in the measured entity to be rated or have any voting rights in the measured entity. When evaluating the type of financial interest, consideration shall be given to the fact that financial interests range from those where the individual has no control over the investment vehicle to those where the individual does indeed have some control over the financial interests or is able to influence investment decisions. The provisions of this statement do not exclude the holding of a minority interest or listed share/s where the total shareholding does not constitute a substantial shareholding when compared with the total number of shares issued by the measured entity. The impact of such a financial interest needs to be evaluated to ensure that the independence of the B-BBEE Rating Agency is not impaired.

10.2.3 Investment through another equity and/or debt instrument

A B-BBEE Rating Agency shall not be a party to a debt-creating agreement between itself and the measured entity to be verified, where such an agreement factually encumbers or is perceived to encumber the Agency in the execution of its professional discretion and objectivity towards the B-BBEE assessment for the client. The provision of this statement does not necessarily preclude the B-BBEE Rating Agency from entering into such agreements where it is the normal business of the measured entity to provide such services and it is entered into under conditions not more favourable than those provided to the general public at large.

10.2.4 Verification Agreement

The B-BBEE Rating Agency shall have a legally enforceable agreement between the agency and the measured entity and ensure that all payments are made directly from the Measured Entity to the B-BBEE Rating Agency for the provision of verification services. The B-BBEE Rating Agency shall ensure that all dealings are directly with the Measured Entity and not a third party.

10.2.5 Responsibility for B-BBEE verification decisions

The B-BBEE Rating Agency shall retain authority and shall be responsible for its decisions relating to the B-BBEE verification that are ethically conducted.

10.3 Liability and financing

Within a month of being accredited, the B-BBEE Rating Agency shall have a detailed procedure on Risk Management, where it:

- 10.3.1 shall evaluate and document the significant risks arising from its verification activities and demonstrate that it has made arrangements to cover liabilities arising from its operations in each of the geographic areas in which it operates on an ongoing basis (e.g. insurance, or reserves, etc.,) and
- 10.3.2 shall evaluate its finances and sources of income and shall be able to demonstrate that commercial, financial, or other pressures do not compromise its impartiality.

Upon accreditation, the B-BBEE Rating agency shall ensure its indemnity cover is in place and maintained.

11. MANAGEMENT SYSTEM REQUIREMENTS FOR B-BBEE RATING AGENCIES

- 11.1 The B-BBEE Rating Agency shall establish, implement and maintain a management system appropriate to the scope of its activities. The B-BBEE Rating Agency shall document its policies, systems, programmes, procedures, and instructions to the extent necessary to assure accurate and reliable verification. The system's documentation shall be communicated to, understood by, available to and implemented by the appropriate personnel.
- 11.2 The B-BBEE Rating Agency 's overall objectives shall be established and shall be reviewed during a management review.

12. STRUCTURAL REQUIREMENTS

12.1 Structure and top management of B-BBEE Rating Agencies

- 12.1.1 The organisational structure of the B-BBEE Rating Agency shall safeguard impartiality of operations and be such as to give confidence in its activities.

- 12.1.2 The B-BBEE Rating Agency shall identify the top management (board or equivalent governing body of person(s) having overall authority and responsibility for each of the following, where relevant:
- (a) development of policies relating to the operation of the agency;
 - (b) supervision of the implementation of the policies and procedures;
 - (c) supervision of the finances of the body;
 - (d) performance of evaluations and verifications;
 - (e) decisions on B-BBEE verifications;
 - (f) delegation of authority to committees or individuals, as required, to undertake defined activities on its behalf;
 - (g) provision of adequate, qualified resources for its activities; and
 - (h) governance structure that is ultimately responsible for the ethical conduct of the activities of the B-BBEE Rating Agency, and assessing any gaps in the policies that may create ambiguity in application of the policies.

- 12.1.3 The B-BBEE Rating Agency shall document its organisational structure, showing the duties, responsibilities and authorities of management verification personnel, and any committees.

(When the B-BBEE Rating Agency is a defined part of a legal enterprise, the structure shall include the line of authority and the relationship to other parts within the same legal enterprise.)

- 12.1.4 The B-BBEE Rating Agency shall have formal rules for the appointment, terms of reference and operations of any committees that are involved in the verification activities.

12.2 Safeguarding of impartiality

The composition, terms of reference, duties, authorities and responsibilities of any committee involved in the verification process shall be formally documented and authorised by the top management of the B-BBEE Rating Agency to ensure:

- (a) representation of a balance of interests such that no single interest predominates, and
- (b) access to all the information necessary to enable it to fulfil its functions.

13. HUMAN RESOURCE REQUIREMENTS

13.1 Competence of management and personnel

- 13.1.1 The B-BBEE Rating Agency shall have processes to ensure that appropriate personnel have up-to-date knowledge relevant to B-BBEE criteria. It shall determine the competence required (including experience and the level of training). Where applicable, it shall determine any other qualification requirements for demonstrating competence prior to authorisation to carry out specific functions.

- 13.1.2 In determining the competence requirements for their personnel, who perform the different activities involved in B-BBEE verification, the B-BBEE Rating Agency shall address the functions undertaken by all personnel.

- 13.1.3 The B-BBEE Rating Agency shall have access to the necessary expertise for advice on matters relating directly to B-BBEE verification. Such advice may be provided externally or by B-BBEE Rating Agency personnel.

13.2 Personnel involved in the verification process

- 13.2.1 The B-BBEE Rating Agency shall, irrespective of the use made of external or temporary resources, have, as part of its own enterprise, personnel having competence to conduct the B-BBEE verification.

- 13.2.2 The B-BBEE Rating Agency shall employ or have access to sufficient number of verification analysts, including verification managers.
- 13.2.3 The B-BBEE Rating Agency shall make clear to each person concerning his or her duties, responsibilities and authority.
- 13.2.4 The B-BBEE Rating Agency shall have defined processes for selecting, training, formally authorising and monitoring verification analysts and experts used in the verification process. The initial competence evaluation of verification analysts shall include observing an on-site verification undertaken by the person being evaluated.
- 13.2.5 The B-BBEE Rating Agency shall have a process for ensuring that the verification analysts it uses (including team leaders) are competent to verify specific areas of the elements of the broad-based B-BBEE scorecard for the complexity of the entity being verified.
- 13.2.6 The B-BBEE Rating Agency shall ensure that its verification analysts understand the verification processes / systems of a B-BBEE Rating Agency, B-BBEE verification requirements, methodology and other relevant requirements. The B-BBEE Rating Agency shall give its verification analysts and experts access to an up-to-date set of documented procedures giving evaluation instructions and all relevant information on verification operations.
- 13.2.7 The B-BBEE Rating Agency shall use verification personnel only for those activities in which these personnel have demonstrated competence.
- 13.2.8 The B-BBEE Rating Agency shall ensure the satisfactory performance of the personnel involved in the evaluation and B-BBEE verification process. There shall be documented procedures and criteria for monitoring the performance of all the people involved, based on the frequency of their usage and the level of risk linked to their activities. In particular, the B-BBEE Rating Agency shall regularly review the competence of its personnel in the light of their performance in order to identify training needs.
- 13.2.9 The B-BBEE Rating Agency shall have appropriate documented requirements for monitoring the performance of its verification analysts and experts. These requirements shall include a combination of on-site observation, review of evaluation reports and feedback from verified entities or from the market.
- 13.2.10 The B-BBEE Rating Agency shall conduct periodic witnessing of each verification analyst and expert on site once every four years, including all accredited sector codes as amended. The frequency of on-site observations shall be based on the needs determined from all monitoring information available. Periodic evaluation of the other personnel at the agency to be conducted.
- 13.2.11 The B-BBEE Rating Agency shall offer or provide access to specific training in order to make its verification analysts and experts knowledgeable with regard to the B-BBEE verification requirements and processes.
- 13.2.12 The person / committee taking the decision on B-BBEE verification shall have the necessary competences to evaluate the B-BBEE verification processes and the related recommendations of the verification analyst and / expert.

13.3 Use of individual external verification analysts and external verification experts

The B-BBEE Rating Agency shall require external verification analysts and external experts to have a written agreement by which they commit themselves to comply with the applicable policies and procedures as defined by the B-BBEE Rating Agency. The agreement shall address aspects relating to confidentiality and to independence from commercial and other interests. The external verification analysts and external experts are required to notify the B-BBEE Rating Agency of any existing or prior association with any measured entity they may be assigned to evaluate. Decision-making regarding B-BBEE verifications shall never be conducted by external verification analysts and / external experts.

13.4 Personnel records

The B-BBEE Rating Agency shall maintain records of the relevant qualifications, training experience, employment contracts, job descriptions and competence of each person involved in the verification process. In addition, the B-BBEE Rating Agency shall maintain up-to-date records of the affiliations and professional status of all external verification analysts and external experts.

13.5 Outsourcing

- 13.5.1 The B-BBEE Rating Agency shall have a process by which it describes the conditions under which outsourcing may take place. The B-BBEE Rating Agency shall have a legally enforceable agreement covering the arrangements, including confidentiality and conflict of interests, with each outsourced body.
- 13.5.2 Decision-making regarding B-BBEE verifications shall never be outsourced.
- 13.5.3 The B-BBEE Rating Agency shall:
 - (a) take full responsibility for all verifications outsourced to another body
 - (b) maintain its responsibility for granting a B-BBEE score
 - (c) ensure that the outsourced body uses individuals who conform to the applicable provisions of this document, including competence, impartiality and confidentiality, and B-BBEE status
 - (d) ensure that the outsourced body uses individuals who are not involved, either directly or through any other employer, with measured entity to be evaluated in such a way that impartiality could be compromised, and
 - (e) obtain the consent of the measured entity being evaluated to use a given outsourced body.
- 13.5.4 The B-BBEE Rating Agency shall have documented procedures for the qualifications, monitoring and records of all outsourced bodies used for verifications.

13.6 Management of impartiality

- 13.6.1 The B-BBEE Rating Agency shall be committed to, and shall demonstrate its commitment to, impartiality in its B-BBEE verification activities, especially through its top management structures. The B-BBEE Rating Agency shall have a publicly available statement that it understands the importance of impartiality when managing conflicts of interest and that it ensures objectivity when carrying out its activities.
- 13.6.2 The B-BBEE Rating Agency and any related party shall not offer or provide B-BBEE verification and B-BBEE consultancy or other services to the same measured entity.
- 13.6.3 The B-BBEE Rating Agency shall identify, analyse and document the possibilities for conflicts of interest arising from the provision of its services, including any conflicts arising from its relationships. A B-BBEE Rating Agency must document all its relationships in terms of their impact on the organisation. However, if any relationship poses a risk to impartiality, the B-BBEE Rating Agency shall document how it has (or intends to) eliminated or minimised such a risk to an acceptable level. If the B-BBEE Rating Agency cannot demonstrate that a relationship does not present a conflict of interest, or that it can manage the conflict satisfactorily, then it must end the relationship.
- 13.6.4 The B-BBEE Rating Agency shall take measures to prevent a consultancy body or related body from stating or implying that B-BBEE verification would be simpler, faster or less expensive if a specified B-BBEE Rating Agency is used. Similarly, a B-BBEE Rating Agency shall not state or imply that B-BBEE verification would be simpler, faster or less expensive if a specified consultancy or related body is used.
- 13.6.5 All B-BBEE Rating Agency personnel, either internal or external, or committees that could influence the verification activities, shall act impartially and shall not allow commercial, financial or other pressures to compromise their impartiality.

- 13.6.6 To ensure that there is no conflict of interests, personnel who have provided B-BBEE consultancy or other services, including those acting in a managerial capacity, shall not be able to verify or be involved with the measured entity unless four years have elapsed, for clarification of doubt, the B-BBEE Rating Agency shall not conduct verification of a measured entity where any of its personnel consulted or provided any other services.
- 13.6.7 B-BBEE Rating Agencies shall require personnel, both internal and external, to declare any situation known to them that may present them or the B-BBEE Rating Agency with a conflict of interest. B-BBEE Rating Agencies shall use this information as input to identify threats to impartiality raised by the activities of such personnel or by the organisations that employ them and shall not use such personnel, internal or external, unless they can demonstrate that there is no conflict of interests.
- The fact that the evaluator's employer is known to have provided the measured entity under evaluation with B-BBEE consultancy within the last four years is likely to be considered as a high threat to impartiality.
- 13.6.8 If a member of the verification team, or an immediate family member, has a direct financial interest, or a material indirect financial interest, in the measured entity, the self-interest threat created would be so significant the only safeguards available to eliminate the threat or reduce it to an acceptable level would be to:
- (a) dispose of the direct financial interest prior to the individual becoming a member of the verification team,
 - (b) dispose of the indirect financial interest in total, or dispose of a sufficient amount of it so that the remaining interest is no longer material, prior to the individual becoming a member of the verification team, or
 - (c) remove the member of the verification team from the verification engagement.
- 13.6.9 The B-BBEE Rating Agency or related party cannot be a beneficiary to the Measured Entity's B-BBEE scorecard as this creates a conflict of interest, such as beneficiaries of Enterprise Development, etc. However, this does not apply to Procurement Scorecard under Enterprise and Supplier Development, as that is only a direct commercial transaction for the cost of the rating.

14. INFORMATION REQUIREMENTS

14.1 Disclosable information

- 14.1.1 The B-BBEE Rating Agency shall maintain and provide, upon request, information about its activities to SANAS.
- 14.1.2 The information that the B-BBEE Rating Agency provides to any measured entity or to the marketplace, including advertising, shall be accurate and not misleading.
- 14.1.3 The B-BBEE Rating Agency shall make publicly accessible information about the B-BBEE status level and Report granted.
- 14.1.4 On request from SANAS, and/or the measured entity, the B-BBEE Rating Agency shall provide means to confirm the validity of a given B-BBEE score.

15. DOCUMENT CONTROL

- 15.1 The B-BBEE Rating Agency shall establish and maintain procedures to control all documents (both of internal and external origin) that form part of its management system. This procedure shall ensure that authorised editions of appropriate documents are available at all locations where operations are performed, that the documents are periodically reviewed and, where necessary, that they are revised and that obsolete documents are promptly removed from all points of issue or use.

- 15.2 All documents that are part of the management shall be reviewed and approved for use by authorised personnel prior to issue. A master list or an equivalent document-control procedure identifying the current status of the revision and the distribution of documents in the management system shall be established and shall be readily available to preclude the use of invalid and/or obsolete documents.
- 15.3 If the B-BBEE Rating Agency's document-control system allows for the amendment of documents by hand, pending the re-issue of the documents, the procedure and authorities for such amendments shall be defined. Amendments shall be clearly marked, initialled and dated.
- 15.4 A procedure shall be established to describe how changes in documents maintained in computerised systems are made and controlled.
- 15.5 Management system documents generated by the B-BBEE Rating Agency shall be uniquely identified.

15.6 B-BBEE Verification Certificates

- 15.6.1 The B-BBEE Rating Agency shall provide to the measured entity, by any means it chooses, a B-BBEE Verification Certificate.
- 15.6.2 The effective date on a Verification Certificate shall be the date the final verification decision was made.
- 15.6.3 The Verification Certificate shall identify:
- (a) The name and identifiable physical location(s) of the measured entity
 - (b) The registration and VAT number of the measured entity
 - (c) The dates of granting of the B-BBEE score the period of validity (initial issue date and revision date if applicable)
 - (d) The expiry date of the Verification Certificate
 - (e) A unique identification number including revision number if applicable,
 - (f) The standard and/or normative document, including the issue and/or revision used to evaluate the client (amended codes / specialised or respective sector codes)
 - (g) The name and /or mark/logo of the B-BBEE Rating Agency
 - (h) The scorecard against which the measured entity has been verified (Generic / QSE)
 - (i) The Broad-Based BEE status level
 - (j) The SANAS Accreditation Symbol on the Verification Certificate
 - (k) The B-BBEE procurement recognition level.
 - (l) Score per element including total
 - (m) Black ownership percentage
 - (n) Black Female ownership percentage
 - (o) Black designated group percentage
 - (p) Black Youth percentage
 - (q) Black Disabled percentage
 - (r) Black Unemployed percentage
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 - (u) Modified flow has been applied yes or no
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 - (x) Discounting principle used yes / no
 - (y) Empowering Supplier yes / no
 - (z) Name and signature of technical signatory
 - (aa) Amendments to certificate to be clearly documented.
 - (bb) Consolidated certificate to state as such and refers to attachment of the Measured Entities that are consolidated with registration and vat numbers
 - (cc) In terms of the reflection of the level and points on the B-BBEE Verification certificate, the following is applicable.
 - Participated in Y.E.S Initiative yes / no
 - Achieve Y.E.S Target and 2.5% Absorption yes / no
 - Achieve 1.5 x Y.E.S Target and 5% Absorption yes / no
 - Achieve Double Y.E.S Target and 5% Absorption yes / no

15.7 Reference to verification and use of marks

- 15.7.1 A B-BBEE Rating Agency shall have a policy governing any mark that it authorises verified measured entities to use. This shall assure, among other things, traceability back to the B-BBEE Rating Agency.
- 15.7.2 The B-BBEE Rating Agency shall require that the measured entity:
- (a) conforms to the requirements of the B-BBEE Rating Agency when making reference to its verification status in communication media such as the internet, documents, brochures or advertising
 - (b) does not make or permit the use of any misleading statement regarding its BBB-BBEE score
 - (c) does not use or permit the use of a B-BBEE Verification Certificate or any part thereof in a misleading manner
 - (d) does not use its verification status in such a manner that would bring the B-BBEE Rating Agency into disrepute and lose public trust
 - (e) reproduces any verification report only in full.
- 15.7.3 The B-BBEE Rating Agency shall exercise proper control of ownership of the B-BBEE Certificate and take suitable action to identify and deal with incorrect references to measured entity's B-BBEE verified status. In instance of correction / withdrawal of certificate, they shall ensure that the measured entity conforms to the requirements of the agency's procedure of withdrawal and use of the correct certificate. This would include, but not limited to:
- Notifying the Measured Entity.
 - Notifying SANAS.
 - Uploading on the B-BBEE Rating Agency Website; and
 - Informing all relevant stakeholders.

16. CONFIDENTIALITY

- 16.1 The B-BBEE Rating Agency shall, through legally enforceable commitments, have a policy and arrangements to safeguard the confidentiality of the information obtained or created during the performance of verification activities at all levels of its structure, including committees and external bodies or individuals acting on its behalf.
- 16.2 The B-BBEE Rating Agency shall inform the verified measured entity, in advance, of the information it intends to place in the public domain. All other information, except for information that is made publicly available by the client, shall be considered proprietary information and regarded as confidential.
- 16.3 Except as required, information about a particular client or individual shall not be disclosed to a third party without the written consent of the client/individual concerned. Where the B-BBEE Rating Agency is required by law to release confidential information to a third party, the verified measured entity or individual concerned shall, unless prohibited by law, be notified in advance of the information provided.
- 16.4 Information about the verified enterprise from sources other than the verified enterprise itself (e.g. complainant, regulators) shall be treated as confidential, consistent with the B-BBEE Rating Agency's policy.
- 16.5 Personnel, including any committee members, contractors, personnel of external bodies or individuals acting on the B-BBEE Rating Agency's behalf, shall keep confidential all information obtained or created during the performance of the verification activities.
- 16.6 The B-BBEE Rating Agency shall have available and use equipment or facilities that ensure the secure handling of confidential information (e.g. documents, records).

- 16.7 When confidential information must be made available to other bodies (e.g. SANAS), prior to making this information available, the B-BBEE Rating Agency shall inform its verified measured entities of this action.

17. INFORMATION EXCHANGE BETWEEN A B-BBEE RATING AGENCY AND ITS CUSTOMERS

17.1 Information on the verification process and requirements

The B-BBEE Rating Agency shall provide and update the following information to customers:

- (a) A detailed description of the verification process, including a request to be verified
- (b) Information about the fees involved in a request for verification
- (c) The B-BBEE Rating Agency's requirements of the prospective client:
 - to conform with verification requirements
 - to make all necessary arrangements for the conduct of the verification evaluations, including provision for examining documentation and access to all areas, records and personnel for the purposes of verification and the resolution of complaints
- (d) Documents describing the rights and duties of customers, including requirements when referring to its verified status in communications of any kind
- (e) A summary of the process for granting B-BBEE-verified status
- (f) Information on the procedure for handling complaints and appeals.

18. PROCESS REQUIREMENTS

The B-BBEE Rating Agency shall have a documented process for conducting verification of all the relevant elements of the applicable B-BBEE scorecard, including sector scorecard. The B-BBEE Rating Agency shall demonstrate adequate expertise in the field of both B-BBEE verification and the reporting thereof.

18.1 Verification methodology

- 18.1.1 The B-BBEE Rating Agency shall verify, evaluate and validate measured entities based on the principles encapsulated in the B-BBEE Codes of Good Practice, this document and any other requirement. All verifications are to be based on information that has been verified by an on-site visit to the measured entity. No score can be given without an on-site assessment of the measured entity unless special provision has been granted by SANAS.
- 18.1.2 The B-BBEE Rating Agency shall verify the information provided in order to reach its opinion on the B-BBEE status of a measured entity.
- 18.1.3 When using computers for calculating scores, the B-BBEE Rating Agency shall ensure that:
 - (a) the computer software developed is documented in sufficient detail and is suitably validated as being adequate
 - (b) procedures are established and implemented for protecting the data; such procedures shall include, but not be limited to, integrity and confidentiality of data entry or collection, data storage, data transmission and data processing
 - (c) computers are maintained to ensure proper functioning.

18.2 General requirements applicable to verification evaluations

18.2.1 Request for a B-BBEE verification

The B-BBEE Rating Agency shall require an authorised representative of the measured entity requesting verification to provide the necessary information to enable it to establish:

- (a) the general features of the measured entity, including its name and the address(es) of its physical location(s)

- (b) general information such as its activities, human and other resources, and its functions and relationships within a larger corporation, if any, and
- (c) information concerning the measured entity's use of consultancy relating to B-BBEE.

18.2.2 Review of request for a B-BBEE verification

18.2.2.1 Before proceeding with the verification, the B-BBEE Rating Agency shall conduct a review of the request for verification to ensure that:

- (a) the information is sufficient for the conduct of the review
- (b) the requirements for verification are clearly defined, documented and have been provided to the measured entity
- (c) any known difference in understanding between the B-BBEE Rating Agency and the measured entity has been resolved
- (d) the B-BBEE Rating Agency has the competence and ability to perform the service. The location and number of the applicant's operations, the time required to complete verifications, and any other points influencing activities, or the verification process shall be considered (language, safety conditions, threats to impartiality, etc.). Based on this review, the Agency shall determine the competences it needs to include in its verification team.
- (e) records of the justification for the decision will be maintained.

18.2.2.2 Where a B-BBEE Rating Agency will be taking account of verification or other evaluations already granted to the measured entity, it shall collect sufficient evidence to justify and record any adjustments to the verification programme.

18.2.2.3 After having reviewed the request for verification, the B-BBEE Rating Agency shall notify the measured entity whether or not it is accepting the request for verification. The reasons for non-acceptance shall be conveyed to the applicant (e.g. resource constraints).

18.2.2.4 Before commencement of the verification, an Agreement shall be established between the B-BBEE Rating Agency and the measured entity which:

- (a) requires the measured entity to supply any information needed for its intended verification, and
- (b) requires the measured entity to conform to the requirements for B-BBEE verification.

18.2.2.5 The onsite verification team shall be appointed and composed of verification analysts (and any other experts as necessary) who, between them, have the totality of the competences identified by the B-BBEE Rating Agency as being needed for the verification of the enterprise. The selection of the verification personnel shall be performed with reference to the designations of competence of verification analysts and experts and may include the use of both internal and external human resources.

18.2.2.6 The B-BBEE Rating Agency shall have formal rules and/or contractual conditions to ensure that each team member acts in an impartial manner. Each team member shall inform the B-BBEE Rating Agency, prior to accepting assignment of the verification, about any known existing, former or envisaged link to the measured entity to be verified.

18.2.2.7 The B-BBEE Rating Agency shall ensure that a verification plan is established, communicated and agreed with the measured entity prior to the onsite verification. The basis for agreement of the verification plan, regarding the conduct and scheduling of the verification activities, to be provided to the agency.

18.2.2.8 The B-BBEE Rating Agency shall determine, in accordance with documented procedures, the time needed to accomplish a complete and effective verification of the enterprise. The time determined by the B-BBEE Rating Agency, and the justification for the determination, including time taken shall be recorded.

18.2.2.9 In the determination of the verification programme and any subsequent adjustments, the size of the measured entity, and the scope and complexity of its structure, products and processes shall be considered, as well as its demonstrated level of commitment to B-BBEE and the results of any previous verification.

18.2.2.10 The B-BBEE Rating Agency shall develop a sampling procedure to ensure proper verification of the whole enterprise. The rationale for the sampling plan shall be documented for each element of the measured entity. The sampling plan shall, wherever reasonable, be based on appropriate statistical method. Where there are multi-sites of the measured entity, a sampling procedure shall be utilised.

18.2.2.11 The tasks given to the verification team shall be clearly defined and made known to the measured entity, and shall require the verification team:

- (a) to examine the structure, policies, processes, procedures and related documents (records) of the client enterprise which are relevant to the B-BBEE requirements, and
- (b) to determine that these contain sufficient evidence to support the B-BBEE verification.

18.2.2.12 The B-BBEE Rating Agency shall provide the name of all persons involved in the verification, and make available background information on, each member of the verification personnel involved in the verification. The process shall give sufficient time for the measured entity to object to the appointment of any particular analyst, Verification manager or expert and for the B-BBEE Rating Agency to reconstitute the team in response to any valid objection.

18.3 Verification

18.3.1.3 Verification

- (a) Verifications shall be done according to a Verification Plan.
- (b) The verifications shall take place at the site(s) of the measured entity. The purpose of the evaluation is to measure the B-BBEE progress or status.
- (c) The verification team shall conduct the evaluation to gather evidence to verify the measured entity's in terms of B-BBEE.
- (d) The verification team shall rate a sufficient number of examples of the activities of the measured entity in relation to the B-BBEE criteria to arrive at a sound appraisal of the measured entity's B-BBEE status.
- (e) As part of the verification process, the verification personnel shall interview a sufficient number of the black persons at all levels of the measured entity, to provide assurance that the information gathered is sound, for the avoidance of doubt, interview shall be conducted for the Skills Development element. This does not exclude the sampling of white persons or others who do not meet the definition of black.
- (f) The verification personnel team shall analyse all the information and verification evidence gathered to determine the B-BBEE status of the measured entity.
- (g) The B-BBEE Rating Agency shall ensure that a detailed, written Verification Report is promptly provided to the verified measured entity.
- (h) Ownership of the Verification Report shall be retained by the B-BBEE Rating Agency.

18.3.2. B-BBEE verification decision

18.3.2.1 The information provided by the verification personnel to the B-BBEE Rating Agency for the decision shall include as a minimum:

- (a) the information and verification evidence gathered onsite, and
- (b) the verification recommendation from the verification team, to determine the B-BBEE status of the measured entity.

18.3.2.2 The person or committee that makes the decision shall include a level of competence to evaluate the verification processes, results and recommendations of the verification personnel.

18.3.2.3 The B-BBEE Rating Agency shall make the decision on the basis of an evaluation of the verification results and any other relevant information. The B-BBEE Rating Agency shall not allow undue influence to affect its decision making.

18.3.2.4 The B-BBEE Rating Agency shall ensure that the person or committee that participate in the decisions are independent from those team members who were part of the verification process.

18.3.2.5 The B-BBEE Rating Agency shall confirm, prior to making a decision, that the information provided by the verification team is sufficient with respect to the B-BBEE verification requirements.

18.4.1 Special evaluations

It may be necessary for the B-BBEE Rating Agency to conduct evaluations of measured entities at short notice in order to investigate complaints / appeals or in response internal audit findings. In such cases:

- (a) the B-BBEE Rating Agency shall describe and make known in advance to the measured entity the conditions under which these short-notice visits are to be conducted, and
- (b) the B-BBEE Rating Agency shall exercise additional care in the assignment of the verification team because of the lack of opportunity for the measured entity to object to the verification team members.

18.4.2 Re-evaluation

- Where the agency has issued a score and subsequently requires revision, the B-BBEE Rating Agency shall document procedures for re-evaluation in the event of significant changes affecting the score or changes in all elements and areas of the Verification Certificate.
- If there is no impact on the Overall B-BBEE Status Level, but an impact on the points and targeted percentage, the B-BBEE Rating Agency would need to re-tract the previous version and issue a new Verification Certificate.
- The issue date of the Verification Certificate will be amended whereas the expiry date will remain the same.

19. APPEALS

19.1 The B-BBEE Rating Agency shall have a documented process for receiving, evaluating and making decisions on appeals.

19.2 A description of the process for handling appeals shall be made publicly available.

19.3 The B-BBEE Rating Agency shall be responsible for all decisions at all levels of the appeals-handling process.

19.4 Investigation of and decisions on appeals shall not result in any discriminatory actions against the appellant.

19.5 The appeals-handling process shall include at least the following elements and methods:
(a) an outline of the process for receiving, validating and investigating the appeal, and for deciding what actions are to be taken in response to it, and
(b) a procedure for tracking and recording appeals, including the actions undertaken to resolve them.

19.6 The B-BBEE Rating Agency shall acknowledge receipt of the appeal and provide the appellant with progress reports and the outcome.

19.7 The decisions to be communicated to the appellant shall be made by, or reviewed by, individual(s) not involved in the matter that is the subject of the appeal.

- 19.8 The B-BBEE Rating Agency shall give the appellant formal notice of the end of the appeals-handling process.
- 19.9 All appeals shall be resolved in a timely manner by the B-BBEE Rating Agency. As a guide, an appeal shall be resolved within a maximum of 30 days of the initial lodging of the appeal.

20. COMPLAINTS

- 20.1 A user of the results of the verification of a B-BBEE-verified measured entity can expect to have any complaints investigated and, if these are determined to be valid, have confidence that the complaints shall be appropriately addressed and that a reasonable effort shall be made to resolve the complaint in a timely manner.
- The effective resolution of complaints is an important means of protection for the B-BBEE Rating Agency, its verified measured entities and other users against errors, omissions or unreasonable behaviour. Confidence in verification activities is safeguarded when complaints are processed appropriately.
- 20.2 A description of the process for handling complaints shall be made publicly available.
- 20.3 Upon receipt of a complaint, the B-BBEE Rating Agency shall confirm whether or not the complaint relates to B-BBEE verification activities for which it is responsible, and if so, shall deal with it.
- 20.4 Any complaint about a verified measured entity shall also be referred by the B-BBEE Rating Agency to the verified measured entity in question.
- 20.5 The B-BBEE Rating Agency shall have documented procedures for receiving, evaluating and making decisions on complaints. This process shall be subject to the requirements for confidentiality and impartiality as they relate to the complainant and to the subject of the complaint.
- 20.6 The complaints-handling process shall include at least the following elements and methods:
- (a) an outline of the process for receiving, validating and investigating the complaint, and deciding what actions are to be taken in response to it
 - (b) a procedure for tracking and recording complaints, including the actions undertaken to resolve them, and
 - (c) a procedure for ensuring that any appropriate corrections and corrective actions are taken.
- 20.7 The B-BBEE Rating Agency receiving the complaint shall be responsible for gathering and verifying all the necessary information to validate the complaint.
- 20.8 Whenever possible, the B-BBEE Rating Agency shall acknowledge receipt of the complaint and provide the complainant with progress reports and the outcome.
- 20.9 The decisions to be communicated to the complainant shall be made by, or reviewed by, individual(s) not involved in the matter that is the subject of the complaint.
- 20.10 The B-BBEE Rating Agency shall give the complainant formal notice of the end of the complaints-handling process.

21. RECORDS ON B-BBEE-VERIFIED CLIENTS

- 21.1 The B-BBEE Rating Agency shall have documented policy and procedures on the retention of records.

- 21.2 The B-BBEE Rating Agency shall implement the controls needed for the identification, storage, protection, back-up, archive, retrieval, retention time and disposal of its records.
- 21.3 The B-BBEE Rating Agency shall maintain records on the audit and verification process for all verified measured entities.
- 21.4 Records on verified measured entities shall include:
 - (a) request for verification information and initial and on-going verifications
 - (b) justification for the time determined for verification
 - (c) records of complaints and appeals, and any subsequent corrections or corrective actions
 - (d) adequate deliberations and decisions
 - (e) documentation of the decisions, and
 - (f) record of B-BBEE Verification Certificates issued.
- 21.5 The B-BBEE Rating Agency shall keep the records on verified measured entities in such a way as to ensure that the information is kept confidential. When records are transported, transmitted or transferred, secured handling shall ensure that confidentiality is maintained.
- 21.6 The B-BBEE Rating Agency shall keep all Records as required by the relevant Accreditation Standard and in any event at least for the duration of the current Accreditation Cycle plus the previous full accreditation cycle, or as required by law.

22. INTERNAL VERIFICATION PROCESS AUDIT

- 22.1 The B-BBEE Rating Agency shall periodically, and in accordance with a predetermined schedule and procedure, conduct internal audits of its activities to verify that its operations continue to comply with the requirements of the management system. The internal audit programme shall address all elements of the verification process/system, including verification activities. Such audits shall be carried out by competent personnel who are, wherever resources permit, independent of the activity to be audited.
- 22.2 When audit findings cast doubt on the effectiveness of the operations, the B-BBEE Rating Agency shall take timely corrective action on all the verifications that showed the deviation, and shall notify customers in writing if investigation shows that verification has been affected.
- 22.3 The area of activity audited, the audit findings and the corrective actions that arise from them shall be recorded.
- 22.4 Follow-up audit activities shall verify and record the implementation and effectiveness of the corrective action taken.

23. CORRECTIVE ACTION

- 23.1 The B-BBEE Rating Agency shall establish a policy and a procedure and shall designate appropriate authorities for implementing corrective action when departures from policies and procedures in the management system or verification processes have been identified.
- 23.2 The procedure for corrective action shall start with an investigation to determine the root cause(s) of the problem.
- 23.3 Where corrective action is needed, the B-BBEE Rating Agency shall identify potential corrective actions. It shall select and implement the actions that are most likely to eliminate the problem and to prevent recurrence.
- 23.4 The B-BBEE Rating Agency shall monitor the results to ensure that the corrective actions taken have been effective.

23.5 Where the identification of non-conformities or departures casts doubt on the B-BBEE Rating Agency's compliance with its own policies and procedures or the competence of its personnel, the B-BBEE Rating Agency shall ensure that the appropriate areas are audited as soon as possible.

24. MANAGEMENT REVIEW

24.1 In accordance with the predetermined schedule and procedure, the B-BBEE Rating Agency's top management shall conduct a review of the management system, to ensure their continuing suitability and effectiveness, and to introduce necessary changes or improvements. The review shall take account of:

- ❖ the suitability of policies and procedures
- ❖ the trends of recent internal audits
- ❖ the trends of complaints and appeals
- ❖ Corrective and preventive actions
- ❖ Assessments by external bodies
- ❖ Customer feedback
- ❖ Recommendation for improvements
- ❖ Other relevant factors, such as quality control activities, resource, and staff training
- ❖ Risk Management
- ❖ Review of objectives

24.2 Findings from management reviews and the actions arising from them shall be recorded. The management shall ensure that those actions are carried out within an appropriate and agreed period of time.

APPENDIX 1: AMENDMENT RECORD

Proposed by	Section	Change
AM/LA	Whole Document	Replaced: “B-BBEE Verification Agency/ies” with “B-BBEE Rating Agency/ies”
	Whole Document	Replaced: “Department of Trade & Industry (the dti)” with “Department of Trade, Industry and Competition (the dtic)”.
	4	Inserted: “a” Sector Code of Good Practice.... And “a Practice Note or Regulations issued in terms of Section 14 of the B-BBEE Act” Inserted: “PUB10039”
	5.4	Inserted: “(e) conducting a scenario planning / gap analysis plan for the Measured Entity”
	5.8	Replaced “Verification Agency” with ‘B-BBEE Rating Agency’
	5.9	Inserted: “R Documents”
	5.10	Inserted: “(Vested interest includes however, is not limited to the following; special interest, concern, stake, investment, agenda, stakeholder, supporter, skills development partners, third party facilitators of Enterprise & Supplier Development, relationships / agreements in referral of clients etc.)”
	6.1	Inserted: “and any other related legislation.”
	8.1	Inserted: “The methodology followed by B-BBEE Rating Agencies in the performance of B-BBEE verifications shall demonstrate a clear understanding and knowledge of all gazetted B-BBEE Codes of Good Practice inclusive of B-BBEE Sector Codes of Good Practice and Practice Notes and the agency shall focus on all elements.”
	9.1.2 (e)	Inserted “and”
		<p>Replaced:</p> <p>“g) Professional Behaviour – to comply with relevant laws and regulations and avoid any conduct that the verification professional knows or should know that might discredit the profession</p> <p>With</p> <p>“Ethical and Professional Behaviour – to comply with relevant laws and regulations and avoid any conduct that the B-BBEE verification professional knows or should know that might discredit the profession. This would include the following but not limited to:</p> <ul style="list-style-type: none"> • Acting in good faith and with due care and diligence to B-BBEE Verifications; • Avoiding collusive or anticompetitive behaviour; • Promote a culture of fair and ethical behaviour, without prejudice against any; • Refrain from debate and discussion that is disrespectful, threatening (mental or physical), or otherwise unprofessional in tone or which is offensive to other participants and damaging to ISO and the overall process of achieving consensus • Treat all persons with respect and fairness and not offer or appear to offer preferential treatment to any person or group • Refrain from disseminating false or misleading information or from withholding information necessary to a full, fair, and complete consideration of the issues

	9.1.3 (g)	<ul style="list-style-type: none"> Not harass, threaten or coerce any participant in an effort to persuade or sway votes. This does not preclude professional, respectful debate and exchange of views that contain information and/or present perspectives intended to persuade other participants to lend their support or opposition to issues, proposals, etc. in order to ultimately achieve consensus” 																																																
	10.1.1	Inserted: “related parties and themselves”																																																
	10.2.4	Inserted: “The B-BBEE Rating Agency shall ensure that all dealings are directly with the Measured Entity and not a third party”																																																
	10.3	Inserted: “The B-BBEE Rating Agency shall have a detailed procedure on Risk Management” and “Within a Month, Indemnity cover needs to be in place”																																																
	12.1.1	Inserted: “safeguard impartiality of operations and”																																																
	13.4	Inserted: “employment contracts, job descriptions”																																																
	13.5.3 (b)	Deleted: “BB”																																																
	13.5.3 (c)	Deleted: “BB”																																																
	13.6.9	Inserted: “transaction for the cost of the rating.”																																																
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	18.2.1 (c)	Inserted: "measured entity's"
	18.2.2.7	Inserted: "to be provided to the agency"
	18.2.2.8	Inserted: "including time taken shall be recorded."
	18.2.2.12	Inserted: "all persons involved in the verification"
	18.3.1.3 (f)	Inserted "personnel"
	18.3.2.1	Inserted: "to determine the B-BBEE status of the measured entity."
	18.3.2.4	Replaced: "are different from those who carried out the verification." With "are independent from those team members who were part of the verification process"
	18.4.2	Inserted: "affecting the score or changes in all elements and areas of the Verification Certificate <ul style="list-style-type: none"> • If there is no impact on the Overall B-BBEE Status Level, but an impact on the points and targeted percentage, the B-BBEE Rating Agency would need to re-tract the previous version and issue a new Verification Certificate."
	20.1	Deleted: "BB"
	21.3	Deleted: "including all measured entities that submitted requests for verification, and all measured entities verified."
	21.4 (d)	Inserted: "adequate" and deleted "if applicable"
	22.2	Inserted: "that showed the deviation. and shall notify customers in writing if investigation shows that verification has been affected."
	23.5	Inserted: "departures casts doubt."