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LET'S TALK ABOUT B-BBEE AND ITS CRITICAL OBJECTIVES



B-BBEE - a pragmatic growth strategy to achieve South Africa's full potential

Considering the history of the nation, South Africa's economy seems to be doing relatively well, but realistically speaking this prosperity hasn't been shared equally amongst all the people.

Had the South African workforce been more representative of the national demographic, the economy would be in a better position to grow, thereby transforming with the process of globalisation.

One of the initiatives that aim to target inequality and stimulate economic growth is *Broad-Based Black Economic Empowerment (B-BBEE or BEE)* whose key objective is to promote economic participation and equitable wealth distribution. Intrinsic to its technical name, BEE is a special policy that is instrumental in broadening the economic base of the nation.

By promoting the economic elevation of black people, the policy works to uplift the previously disadvantaged, which will ultimately lead to socio-economic transformation.

The main objective of B-BBEE is the inclusion of black people (*defined broadly as Africans, Indians and Coloureds*) in the economy, within a larger goal of national empowerment, targeting historically disadvantaged people such as black people, women, the youth, rural communities and disabled people.

B-BBEE creates dimensions within our economic landscape at multiple levels through:

- *employment equity*
- socio-economic development
- skills development
- preferential procurement
- enterprise development.

Some of the critical objectives of B-BBEE are as follows:

- Empower local and rural communities to have equal access to economic opportunities.
- Increase access to infrastructure, skills training programmes and economic activities for black people.
- Improve human resource development of black people through programmes such as learnerships.
- Empower black people to manage and/or own businesses by including black women, workers, communities, co-operatives, etc.
- Promote investment that leads to broad-based participation in the economy by black people.

It happens all too often that economic growth that is balanced on inequalities further marginalises people, resulting in an extremely unstable and volatile economy, which in turn erodes the possibility of a collective and sustainable South Africa of which we can be proud.

It is clear that B-BBEE is a vital element of the progressive socio-economic revolution of the country and that it is not about the empowerment of a single group of individuals at the expense of another. It is about increasing the economic involvement of previously disadvantaged groups to the benefit of all citizens.

The *best advice for clients who need to **become B-BBEE-compliant*** is to look at sustainable initiatives with substance instead of opting for a “tick-box” exercise. SERR Synergy operates throughout South Africa and focuses on *compliance with B-BBEE Codes of Good Practice*, amongst other legal compliance solutions.

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