

March 19, 2021

Guidelines from SANAS on remote BEE verification assessments



Being faced with a global pandemic such as Covid 19 meant that all spheres of business had to make various changes to their operations to ensure the continuation of business during times of lockdown and to address the accompanying uncertainties.

These changes included going paperless and the electronification of systems, processes, and storage of information.

The BEE verification fraternity also had to make changes to adapt. Fortunately, *SANAS saw the need to consider requests received related to the COVID 19 pandemic* and circulated communications setting out the procedure to be followed to allow for remote as opposed to on-site assessment, as described below.

Remote assessments and Covid 19

The R47-03 is the formal document regulating the accreditation of Verification Agencies by the South African National Accreditation System (SANAS). The implementation date of the R47-03 was 7 October 2020. Prior to this, the R47-02 was the authority on this. The first concession regarding the rules in the R47-02 document was made in March 2020.

In terms of the R47-03, a Verification Agency shall-

Verify, evaluate, and validate to verify measured entities based on the principles encapsulated in the B-BBEE Codes of Good practise and this document and shall include all relevant elements of the Broad-Based BEE scorecard. 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 entity.

The emphasis in the above is on the on-site assessment to be conducted. An on-site assessment means that an analyst from the Verification Agency needs to visit the premises of the Entity being verified to conduct, amongst others, the interviews scheduled at the registered premises. In the past, the verification file prepared with all the documentation was presented on site.

According to the last concession, the implementation of remote assessments was extended to end of April 2021.

What are the guidelines from SANAS on remote assessments?

SANAS provided the following guidelines on remote assessments:

- The engagement process between the Verification Agency and the Measured Entity remains unchanged.
- An on-site assessment may be conducted via a suitable video recording.

(Typically, Teams, Google Meet, Skype and Zoom are now being used as video platforms to host these assessments).

- All supporting documents are to be obtained during the accreditation process.
- Where documents cannot be obtained, the documents may be viewed via a suitable video communication channel to be recorded properly.
- All interviews are to be done via suitable video/teleconferencing communication channels, recorded, and saved internally.
- A Director of the Measured Entity must provide a sworn affidavit confirming the physical location and also confirm that all information provided for verification purposes is true and correct.
- Measured Entities to provide proof of physical address that is not older than 3 months.
- The onus is on the Verification Agency to ensure that the risks of a remote assessment have been identified and mitigated.

The advantages of remote assessment

Remote assessments have certainly become a preferred method of verification for various reasons. These reasons include:

- Providing information electronically and conducting the on-site assessment remotely offer a more accurate footprint in that it ensures a detailed record of what was done and what still needs to be addressed.
- These remote assessments are less time-consuming as travel is eliminated.
- One might even go further and say that the general state of mind when conducting these remote assessments is better as the stress of sitting in traffic and rushing to a measured entity is removed.
- Measured Entities appreciate that interviews can be done electronically. This would mean that the interview to be conducted may be scheduled at an opportune time so that it does not influence the day-to-day activities of the interviewee.
- At a physical on-site assessment, supplementary evidence would usually be requested and provided on the spot. It was sometimes difficult to keep track of these supplementations. With a remote assessment, the files presented are reviewed differently and supplementary documentation may be provided electronically. This means there is a clearer trail of what was supplemented and the reason for it. It also creates certainty in preparing for future verifications when you know what was asked and why.

In conclusion

Although there may still be measured entities or agencies that prefer to work with an actual file, most have now grown accustomed to the electronic version of a file. This would mean a substantial saving in terms of time and costs in preparing a printed file. The electronification of files is in line with a modernised approach that not only saves time and costs but also the environment as less paper is used and less CO2 gasses are emitted due to the diminished travelling.

It seems that although SANAS has indicated that remote assessments are not a permanent solution, it would certainly be an option worth considering to modernise the industry and make it more relevant to the changing business scene we now find ourselves in. One would certainly hope that at some stage public comment will be allowed to test the viability of permanently conducting assessment remotely without sacrificing the credibility and effectiveness of the process.

As South Africa's leader in Legal Compliance and Transformation Solutions, *SERR Synergy assists businesses with the development of strategies and compilation of strategic reports to enhance B-BBEE levels. We facilitate and manage the BEE verification process* on behalf of clients to ensure successful outcomes.

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