

THE DEPARTMENT OF TRADE AND INDUSTRY (the dti) WARNS THE PUBLIC OF FRAUDULENT B-BBEE CERTIFICATES

The Department of Trade and Industry (**the dti**) would like to warn the public, supply chain practitioners, investors, accounting officers/authorities, consultants, verification agencies, established and emerging business as well as business organisations that individuals are issuing bogus Broad-Based Black Economic Empowerment (B-BBEE) Certificates. Some of these individuals claim to be working for **the dti**, while others claim to be working for verifications agencies.

Members of the public should note that **the dti**, as the custodian of the B-BBEE policy, does not issue any B-BBEE Certificates.

Valid Certificates for entities with an annual turnover of more than R5 million (large enterprises and qualifying small enterprises) can only be issued by:

- (a) Verification agencies, accredited by the South African National Accreditation System (SANAS); or
- (b) Registered auditors, approved by the Independent Regulatory Board of Auditors (IRBA).

Valid Certificates for entities with an annual turnover of less than R5 million (exempted micro enterprises) can only be issued by:

- (a) Accounting officers, as contemplated in the CCA; or
- (b) Verification agencies, accredited by SANAS; or
- (c) Registered auditors (registered auditors do not need to meet the prerequisites for IRBA's approval for the purpose of conducting verification and issuing Exempted Micro Enterprises with B-BBEE Status Level Certificates).

The relevant Verification Agency or Approved Registered Auditor may be contacted to confirm whether such a certificate was issued.

Confirmation of the validity of a B-BBEE Status Level Verification Certificate can be obtained by tracing the name of the issuing B-BBEE Verification Agency or Approved Registered Auditor to the lists of all SANAS-accredited agencies and Approved Registered Auditors. The lists are available on http://www.thedti.gov.za/economic_empowerment/bee_veri.jsp

Confirmation of the validity of a B-BBEE Status Level Verification Certificate can be done by tracing the Practice Number of the issuing B-BBEE Accounting Officer to the Professional body they are registered with.

If an entity is found in possession of a Fraudulent B-BBEE Certificate, the entity's details will be dealt with in accordance with the provision of the law, which may include, but is not limited to, inclusion by the National Treasury on the central Database of Restricted Suppliers that are prohibited from conducting business with the public sector. Other legal remedies will be taken against that entity.

the dti would like to urge members of the public to check the validity of certificates by following the aforementioned channels. In case of doubt, kindly contact the B-BBEE unit of **the dti** via the Customer Contact Centre: **0861 843 384**.

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