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B-BBEE explained - The Mining Charter - part 3

The finalised Mining Charter was released for implementation on 27 September 2018. The Department of Mineral Resources (DMR) released a summary document highlighting the most significant changes and/or additions to the Charter. Previous articles dated 08 October and 02 November 2018 dealt with the ownership and Mine Community Development elements (2 of 7 elements in the Charter).

For this article, we will focus on **Employment Equity** and **Inclusive Procurement, Supplier and Enterprise Development** (elements 3 and 4).

Employment Equity

- Board level: 50% black of which 20% to be women.
- Executive/Top management: 50% black of which 20% to be women.
- Senior management: 60% black of which 25% to be women.
- Middle management: 60% black of which 25% to be women.
- Junior management: 70% black of which 30% to be women.
- Employees with disabilities: 1.5%.

Inclusive Procurement, Supplier and Enterprise Development

- 70% of all mining goods to be from BEE entities.
- 80% of all services to be from BEE entities.
- 100% of mineral samples to be analysed by SA-based firms.
- 30% of all procurement budget on mining goods may be offset against Supplier Development.
- Goods must be procured in line with a standardised product identification coding system being developed by the DTI.
- 10% of all procurement budget on services may be offset against Supplier and Enterprise Development.
- 70% of all R&D budget to be on South African based entities.

Contact BEE Ratings-SA at your earliest convenience for further detail and an appointment.