



BEE VERIFICATION AGENCY CC

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BEEVER NATIONWIDE

Optimising Broad Based Black Economic Empowerment (BBBEE) Procurement Points

THE CLIENT NEED

THE CLIENT wishes to optimise its BBBEE points in the Procurement line item of the BBBEE Scorecard.

OBJECTIVES

To ensure that the client achieves the highest possible score for the preferential procurement element given its current list of suppliers, by

1. Obtaining the BEE certificates of those suppliers that already have a verified BEE status.
2. Convincing suppliers that do not have a Verified BEE status to be verified by the client's preferred BEE verification agent, BEE Verification Agency CC.

METHODOLOGY

The following methodology is followed:

1. The client formulates its preferential procurement policy and communicates it in writing to all its suppliers and sub-contractors. (See attached examples of such a letter.)
2. The client completes the attached **procurement spread sheet** and forwards it to **Maruzaya Behardien** at zaya@bee-verification.com with the policy letter.
3. The client supplier details are imported into our database and all matching BEE certificates in the system are recorded against the client file and a BEE procurement score is calculated. This score is communicated to the client.
4. The call centre phones the suppliers, identifies the BEE contact person and ascertains if the contact person did receive the client policy letter. If not, the call centre e-mails the letter to the contact person.
5. The call centre requests the BEE certificate from the supplier.
6. If the supplier does not have a BEE certificate the call centre encourages the client to utilise the services of BEE Verification Agency CC to obtain a verified BEE certificate. If required by the supplier the call centre will instruct a regional staff member to visit the supplier and to explain the BEE Code to the supplier.
7. Once the BEE certificate has been received by the call centre the database is updated with the new BEE certificate
8. The client file is updated monthly with all the new BEE certificates, the procurement score is calculated and communicated to the client.

9. Feedback is given to the client on a monthly basis in terms of the following:
- How many suppliers have been contacted
 - To-date procurement score
 - Which suppliers need to be contacted by a senior person from the client organisation to convey the urgency of the request for a BEE certificate.

Note: Once trained in how to use our software the client can access the system to calculate its own BEE score and to do searches in terms of supplier BEE credentials.

FEES

Fees are as follows:

Less than 1000 suppliers	R50 plus VAT per supplier
Between 1000 and 1999 suppliers	R50 plus VAT per supplier or R70 000 plus VAT per year which ever is the lowest
Between 2000 and 2999 suppliers	R90 000 plus VAT per year
Between 3000 and 3999 suppliers	R120 000 plus VAT per year
Between 4000 and 4999 suppliers	R135 000 plus VAT per year
Between 5000 and 8000 suppliers	R150 000 plus VAT per year
More than 8000 suppliers	R200 000 plus VAT per year

This gives you access to our database for 12 months to obtain BEE certificates for your suppliers kept on our database.

PAYMENT TERMS

1. Supplier contact fees are paid up front.

Dr Willem Mostert
MD: BEE Verification Agency CC

EXAMPLE POLICY LETTER

On company letter head

Date

Supplier/Subcontractor name

RE: REQUESTING A COPY OF YOUR VERIFIED B-BBEE CERTIFICATE

The Broad-Based Black Economic Empowerment Act (52/2003): B-BBEE Codes of Good Practice were published in February 2007 in Government Gazette No. 29617 Vol. 500 and all businesses are now required to comply with the B-BBEE Codes.

(Name of company) supports Broad-Based Black Economic Empowerment and is implementing the following policy regarding preferential procurement progressively with respect to all our suppliers and subcontractors.

- a) Preferred suppliers and subcontractors will be required to submit to us, on an annual basis, a verified B-BBEE certificate.
- b) Preference will be given to approved suppliers and subcontractors that have the highest verified B-BBEE status.

Government institutions and our major clients require a copy of our verified B-BBEE Certificate. As contractors, a large component of our B-BBEE performance is based in turn on our preferential procurement. In this regard, it is imperative that we obtain information on the B-BBEE rating of our preferred suppliers and subcontractors, and hence this urgent request for your B-BBEE certificate.

(Name of company) recommends BEE Verification Agency CC who has offered to assist us with the collection of B-BBEE information from our subcontractors and suppliers. We have negotiated favourable preferential rates with BEE Verification Agency CC, a verification agency rendering B-BBEE verification services on a national basis.

A member of their staff will contact you to determine if you need any assistance with getting your B-BBEE status verified.

If you have a valid certified B-BBEE Certificate, please forward it to BEE Verification Agency CC for attention **Elsabe Wessels** on info@bee-verification.com or fax (021) 979 4096. You can also contact her at (021) 975 3689.

Your co-operation is appreciated

Yours faithfully

MD of company