

**Note:**

**PUBLICATION OF DRAFT AgriBEE CHARTER, INCLUDING SCORECARD FOR LARGE-SCALE ENTERPRISES**

The AgriBEE Steering Committee has concluded its consultations based on the launch of the AgriBEE Framework in July 2004. The Committee held seven meetings to agree on how to drive the consultation process, monitor progress, consolidate written comments, agree on high-level recommendations and draft its report to the Minister.

The Steering Committee held consultations with organised agriculture (primary and secondary) and related businesses; held workshops for cross-cutting stakeholders such as labour, youth, women and disabled groups with common interest in agriculture and participated in provincial launches and consultations. Eight provincial launches were held with two provinces (Eastern Cape and Western Cape) proceeding on their own. 55 written comments were received and considered by the Steering Committee.

Following this the Steering Committee undertook a process of consolidating the AgriBEE Framework, the comments received and the outcomes of its consultations and aligning this with the draft amended Codes of Good Practice on broad-based black economic empowerment. These Codes of Good Practice *inter alia* include guidelines for broad-based BEE and a generic BEE Scorecard containing seven indicators of empowerment, which are:

- **Ownership**, a measurement of the entitlement of black people to participate in the ownership of enterprises;
- **Management Control**, a measurement of the effective control by black people in enterprises;
- **Employment Equity**, a measurement of the achievement of equity in the workplace in line with the spirit and intent of the Employment Equity Act as considered in the context of the Broad-Based BEE Act;
- **Skills Development**, a measurement of the extent to which employers implement initiatives designed to promote the development of core competencies of black employees;
- **Preferential Procurement**, a measurement of the extent of implementation of initiatives intended to widen market access to black enterprises;
- **Enterprise Development**, a measurement of the extent of implementation of initiatives intended to assist and accelerate the development of enterprises; and a
- **Residual Factor**, a measurement of the extent to which social development and sector specific initiatives facilitate access for black people to the economy.

On 28 October the Steering Committee reported to the Minister and recommended a draft AgriBEE Charter, including scorecard for large-scale enterprises that is aligned to the draft Codes of Good Practice. The Minister approved the release by the Steering Committee of its proposed AgriBEE Charter and Scorecard and has mandated it to continue with consultations and to manage a negotiation process for arriving at a final AgriBEE Charter that will be presented to the Minister of Trade and Industry, Mr Mandisi Mphahlele, in accordance with the BBBEE Act for gazetting. The Minister has requested the Steering Committee to deal also with the integration of regulated industries, to address transformation by SMMEs and to ensure clarity on the Scorecard. The Steering Committee plans to have an AgriBEE Indaba for stakeholders on 6,7 December 2005.

The draft Charter and the proposed Scorecard are hereby published for comment and negotiation with stakeholders who are invited to send comments to the Steering Committee through the Secretariat at (012) 319 8460.

The draft Charter is available on the Department of Agriculture website [www.nda.agric.za](http://www.nda.agric.za)

PRETORIA  
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