



siyakha.

Thank you all for your attendance and active participation in the B-BBEE event hosted on the 27th February 2026.

A very special thank you to our sponsors,



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A big thanks also to



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It is so important that we are engaged in open dialogue and discussion around changes in legislation and these proposed changes are in a commentary period with comments due on **30th March 2026**.

Should you wish to submit commentary, please email to **Statement400-2026@thedtic.gov.za**, for attention the B-BBEE Policy Unit

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In summary

- I. The Transformation Fund will provide the opportunity for South African businesses to make contributions to a centralised Fund. This Fund will invest on behalf of investors and allowed additional points for the ESD indicator.
- II. The changes effectively prioritises the shift in supply chain to include
 - a. Greater emphasis on businesses that are small
 - b. Greater emphasis on businesses that are 100% black owned with limited recognition for 51% black owned businesses

III. The questions that arose were

- a. If a multinational company has to measure their contributions as a percentage of Net Profit After Tax, and this is subject to final financial numbers, transfer pricing, taxation and audit, then how do you estimate the NPAT, responsibly, and make payment before the end of your financial year?

Answer: the value contributed to the Fund may be a blend of contributions to the fund and, traditional ESD spend as monetary or non-monetary support including 3rd party facilitators as has been done in the past.

- b. If a verification agency is to audit these amendments, then the Verification Manual, still in draft, needs to be finalised. Also conflicts in legislation exist. It is imperative that policies are aligned, are completed and moved out of draft format. What plans are there to finalise the outstanding legislation provide better clarity?

Answer: these comments are noted and will be tabled.

- c. The Mining industry is not and has not been presented with these changes. How do we create alignment so that mining houses do not have to consider, and report against two parallel policies?

Answer: The DMPR has not engaged with the dtic in this regard and the dtic welcomes all consultation and engagement from every sector. It was recommended that a session with the Minerals Council, DMPR and the dtic be convened to consult in a similar process. It was emphasised by the dtic that the mining houses themselves, seemed to resist aligning to the B-BBEE policy and therefore they needed to drive the process.

- d. If contributions are made to the Transformation Fund – does this not negate the impact of Supplier Development – how do these SMME's achieve access to market when they are not developed with the sponsor's supply chain requirements or quality in mind or involvement?

Answer: companies will be expected to provide access as they normally would, and, like the Black Industrialist Fund, programmes will be expected to be linked to longer-term strategies for localisation and industrial participation so that we see systemic change.

- e. Will the Sector Codes be expected to align?

Answer: the changes have already been presented to the Sector Councils who will be expected to align.

- f. Is there an implementation date anticipated?

Answer: Normally new legislation allows for a transitional period. This may not be the case; the Minister may gazette with immediate effect.

g. Is the Fund Manager of the Transformation Fund finalised and agreed?

Answer: A suitably qualified panel will be put together to ensure that these funds are spent with the right impact and the right result. No final structure is yet agreed.

h. Who will implement the Transformation Fund projects?

Answer: Qualified companies who can execute ESD will be appointed to execute programmes.

i. Will this slow down the rate of execution and access to funding and support for SMME's?

Not answered during the Q&A.

j. Will this shift not negate the positive impact made and the shift and progress in the number of black-owned businesses already? Therefore, unbundling the progress made so far? 100% black owned entities may create greater emphasis on unbundling companies to seem small and fronting through "black ownership". Should the emphasis not be on systemic changes to help grow the existing 100% black owned enterprises instead of penalising the 51% black owned companies that have made the effort?

Answer: the 100% black owned enterprises who need these opportunities do exist and current participants will need to change their ownership to meet these requirements.

k. Has dtic considered the cost of these changes on business and whether this supports economic growth?

Answer: these changes are very much aligned to the national strategy to enable access for more SMME's in the market.

l. For the solar industry and the mining industry and some projects, we have to develop an LED strategy that means 30km - 100km radius of the project. Will the Transformation Fund be able to achieve that and the traceability for reporting?

Answer: The Transformation Fund may not work for every scenario, if companies have to meet those requirements then they will need to engage their communities and use their current models for execution. If there is a strategic programme in these areas, then they can apply to the Fund.

***Please note that these Q&A are NOT verbatim and may be subject to interpretation of the facilitator.**

Should you have any queries please feel free to reach out to

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