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GENERAL NOTICE

NOTICE 1162 OF 2009

Issued in terms of Section 9 (1) of the BBBEE Act 53, 2003

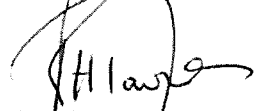
(DEPARTMENT OF TRADE AND INDUSTRY)

CODES OF GOOD PRACTICE ON BROAD BASED BLACK ECONOMIC EMPOWERMENT

Whereas, the Minister of Trade and Industry:

- (a) Has issued a **DRAFT TRANSPORT SECTOR CODE (THE DRAFT CODE)** provided for in Code 000 Statement 003 of the Codes of Good Practice under **Section 9 (5)** of the Broad-Based Black Economic Empowerment (Act No. 53 of 2003) on the **24th December 2008**
- (b) In terms of which the public and interested persons were invited to comment on the Draft Sector Charter within a period of **60 days** from the date on which the Draft Sector having been published,
- (c) The public having commented, I, **Dr Rob Davies**, now publish the **TRANSPORT SUB-SECTOR CODES** as a **SECTOR CODES** on black economic empowerment in terms of **Section 9 (1)** of the BBBEE Act, 53 of 2003.

This notice is effective from the date of publishing and means that the **TRANSPORT SUB-SECTOR CODES** are binding on all stakeholders operating in the **TRANSPORT** Sector within which the Sub-Sector Codes apply.



.....
DR ROB DAVIES

MINISTER OF TRADE AND INDUSTRY

DATE: 28/7/09

INTEGRATED TRANSPORT SECTOR CODES

**GAZETTED IN TERMS OF SECTION 9 (1) OF THE
BBBBEE ACT 53 OF 2003**

JULY 2009

PREAMBLE

The parties to this Charter, organized as Government, Organised Labour, Industry and Interest groups, commit themselves to actively promote a transformed, vibrant, and globally competitive transport sector that reflects the demographics of South Africa, and contributes to the establishment of an equitable society by effectively providing accessible transport services to all South Africans, particularly Black people, and their participation in the transport industry.

The parties to this Sector Codes attest that this Integrated Transport Sector Codes provides guidelines for transformation in the transport sector and represents a partnership of programmes as outlined in the Government's Strategy for Broad-based Black Economic Empowerment and is aligned with the Department of Trade and Industry's Code of Good Practice.

The parties to this Sector Codes concur that the Sector Codes constitutes a framework that establishes the principles upon which Broad-Based Black Economic Empowerment will be implemented in the transport sector and in terms of which each principle shall be underpinned by targets, responsibilities, implementation mechanism and monitoring tools for the transformation of the sector.

The parties to this Sector Codes confirm that all the processes of targets, responsibilities, reviews, implementation and monitoring, shall be carried out primarily by the Transport Sector Black Economic Empowerment Council that shall be established specifically for this purpose.

The parties to this Sector Codes, commit to use Black Economic Empowerment as a tool to unlock efficiencies throughout the transport sector, maximizing all the sub sectors to promote an integrated, intermodal and multifaceted transport logistics system that supports both public and freight for the benefit of our economy.

Lastly the parties to this Sector Codes agree on embarking on a deliberate strategy to increase access to skills, capital and economic opportunities and, therefore raise the economic value added (or productivity) of every employee and enterprise in the transportation industry, while creating opportunities for the unemployed and working poor to enter the formal economy.

DEFINITIONS

For purposes of clarification and for avoidance of ambiguity, the following terms apply to the all the gazetted Broad Based Economic Empowerment (B-BBEE) Sub-Sector Codes:

TERM	DEFINITION
Acceptable Valuation Standard	Means a valuation of an asset, an Economic Interest, an Enterprise or another instrument or right relevant to measurement under the ownership indicator undertaken in accordance with normal valuation methodologies which represent standard market practice in the context of the nature as well as the stage of development of the asset, Equity Interest or Enterprise being valued.
Aged Persons Act	Means the Aged Persons Act 81 of 1967, as amended.
Airline Service Providers	Are those service providers that give services to airlines companies e.g catering services, travel news magazines etc
Allowable Exclusions From Total Procurement	Refers to procurement by a measured entity as defined in Code 500 of the Generic Codes of Good Practice gazetted on February 2007 and subsequent amendments.
Associated Enterprise	Means any black Enterprise other than the Measured Enterprise with which the Measured Enterprise has concluded a Qualifying Transaction.
Black aged people	Black people who are also aged people as defined in the Aged Persons Act 81 of 1967, as amended or substituted.
Black designated groups	(a) means unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution. (b) Black people who are youth as defined in the National Youth Commission Act of 1996. (c) Black people who are persons with disabilities as defined in the Code of Good Practise on employment of people with disabilities issued under the Employment Equity Act. (d) Black people living in rural and under-developed areas.
Black Enterprise	Is one that is 50,1% owned by black persons and where there is substantial management control.
Black Empowered Enterprise	Is one that is at least 25.1% owned by black persons and where there is substantial management control.
Black New Entrants	Means a black Partnership(s) (which includes without limitation, black Participants in Broad-Based Ownership Schemes) holding in aggregate in excess of 5% of the total Voting Rights and Economic Interest in a Measured Enterprise who has not, prior to their acquisition of their Equity Interest in the Measured Enterprise, concluded similar transactions in respect of any other Enterprise, which in aggregate have a cumulative value of

TERM	DEFINITION
	R20,000,000.00 measured in accordance with an Acceptable Valuation.
Black People	has the meaning defined in the Act qualified as including only natural persons who are citizens of the Republic of South Africa by birth or descent; or are citizens of the republic of South Africa by naturalisation: (a) occurring before the commencement date of the constitution of the Republic of South Africa Act of 1993; or (b) occurring after the commencement date of the Constitution of the Republic of South Africa Act of 1993, but who, without the Apartheid policy would have qualified for naturalisation before then.
Black unemployed people	Black people who are unemployed, are not attending or are not required by law to attend an educational institution and who are not awaiting admission to an educational institution
Black Women-Owned Enterprise	is one with a minimum of 50,1% representation of black women in the ownership structure, which includes related economic interest and exercisable voting rights.
Black workers	Black Persons employed in market production activities are those (aged 15-64 years) who during the reference week, even if it was for only one hour, did any of the following: a) Worked for a wage, salary, commission or payment in kind (including paid domestic work). b) Ran any kind of business, big or small, on their own or with one or more partners. c) Helped without being paid in a business run by another household member. d) Were temporarily absent from their jobs or businesses to which they would definitely return.
Black youth	Black persons who are also youth as defined in the National Youth Commission Act 19 of 1996, as amended or substituted.
Broad Based Black Economic Empowerment (B-BBEE)	Government defines B-BBEE as an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the numbers of black people that manage, own and control the country's economy, as

TERM	DEFINITION
	well as significant decreases in income inequalities. Thus the B-BBEE process will include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of enterprises and economic assets.
Community or broad based enterprise	has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers.
Control	of a business entity can be achieved in a number of ways a) a majority shareholding position i.e. 50% + 1 share, b) an effective controlling shareholding; c) a majority of a board of directors; and/or d) a shareholders agreement.
Co-operative or Collective Enterprise	An autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly – owned enterprise and democratically controlled enterprise.
Development	Includes but not limited to Joint Ventures, sub-contracting, and supplier development initiatives. It also includes but not limited to the facilitation provided by established company to its B-BBEE partners e.g. discounts, access to cash flow, guarantees or put options deferred payments, and other vendor financing models.
Direct Empowerment	The process of BEE should/may result in an increase in the ownership and control of the economy by black persons. This means that a significant portion of a black persons ownership of assets and enterprises must be a controlling interest, reflecting genuine participation in decision making at board executive management and operational levels, and the assumption of real risk. In this Charter, direct empowerment focuses on ownership of enterprises and assets through shares and other instruments that provide the holder thereof with voting rights and economic benefits such as dividends or interest payments.
Disabled employees	For the purpose of this Charter, the definition of employees with disabilities as contained in the Employment Equity Act is used. It means employees who have a long-term or recurring physical or mental impairment, which substantially limits their prospects of entry into or advancement in employment. The total number of employees with disabilities (irrespective of race or gender) is expressed as a percentage of the total number of employees (irrespective of race or gender) in all levels of the organisation.
Enterprise Development ventures	Includes business ventures such as sub-contracting, joint ventures, driver owner schemes, twinning, etc, which involves the development or setting up of business

TERM	DEFINITION
	ventures which involves black operators, suppliers and especially or black SMME's (small, medium and micro enterprises).
Exclusions from Total Measured Procurement	Generally has the same meaning as that contained in the Codes of Goods Practice gazetted on the 9 February 2007 and as amended however the list of inclusions/exclusions as per Annexure A of this Charter takes precedence.
Executive Management	Means the most senior position in the organisation as well as the overall heads of major divisions or functions (e.g. finance, engineering, operations, human resources etc.) responsible for planning, policymaking and directing of such functions.
Exempted Micro Enterprises	These are enterprises with a turnover of R5 million or less for the purposes of this charter. They have an automatic recognition level of Level 4 in the B-BBEE Recognition Levels in the B-BBEE Codes of Good Practice. This affords companies procuring from these entities 100% B-BBEE recognition of spend.
Fronting	The deliberate misrepresentation of information in order to gain an advantage over another individual or entity. In addition, it includes the use of questionable ownership structures in order to unjustifiably gain points to get preference points in any business/ tender adjudication process.
Growth	Relates to the National Economic Growth, Industry Growth as well as Enterprise Development growth
Indicator	The indicator represent the key measurement yardstick included to determine the BEE contribution made by taxi enterprises within each broad-based BEE factor of Ownership, Strategic Representation (Management), Employment Equity, Skills Development, Preferential Procurement, Enterprise Development, Social Development and Industry Specific.
Indirect Empowerment	a core component of this BEE Strategy is the creation and nurturing of new enterprises established or owned by black people. Preferential procurement by the State, Parastatals and the private sector is an effective and efficient instrument to drive BEE. A second element of indirect empowerment is enterprise development. This can take two forms: • Investment in black owned and black empowered enterprises. • Joint Ventures with black owned and black empowered enterprises that result in substantive skills transfers.

TERM	DEFINITION
Indirect ownership	Occurs where a company or any other institution owns equity in a company on behalf of beneficiaries and there is no direct participation by the beneficiaries in the voting rights.
Job Creation	Refers to the creation of opportunities for sustainable permanent employment.
Job Creation Target	This is not a payroll tax but refers to a stakeholder commitment to create opportunities for unemployed learners for which there is a tax rebate from government. These employees must account for 5% of the workforce.
Learners	Refers to the people participating in learnerships or other learning interventions.
Leviable Amount	Bears the meaning as defined in the Skills Development Levies Act of 1999 as determined using the Fourth Schedule to the Income Tax Act.
Locally-owned Enterprise	A commercial undertaking or business where 50% or more of shareholding is held within the borders of the Republic of South Africa.
Management	Refers to the effective control of economic activities and resources. This involves the power to determine policies as well as the direction of economic activities and resources. Management control measures black representation at board of directors' level and executive management level.
Managerial or Supervisory Employees	Means employees who are working in supervisory or managerial positions i.e. those who have other employees reporting to them and who are responsible to oversee and supervise subordinates and/or processes.
Midibus	Minibus means a motor vehicle designed, or lawfully adapted by a registered manufacturer in compliance with Road Traffic Act, 1989 (Act No. 29 of 1989), to carry from nine to 18 seated persons, excluding the driver.
Net Asset Value	Within the context of this Sub-Sector Code this term refers to Total Asset less Liabilities.
Net Value	This is the portion of equity in the hands of black shareholders that is fully paid up. Essentially it is the value of the shareholding, less the outstanding amounts owed by that shareholder to third party funders or the principle entity in which the stake was acquired.
Net Economic Interest	Is the percentage of the shareholding by black shareholders that is unencumbered by any financial obligations to third parties or to the principle company in which the stake is held.
Non-Discretionary spend	Non-discretionary spending is spending that is required and by law.

TERM	DEFINITION
Ownership	refers to equity participation and the ability to exercise rights and obligations that accrue under such ownership. These rights and obligations include the right the economic interest flowing from the shareholding and the right to exercisable voting rights in proportion to that shareholding. It also refers to the net economic interest, in other words paid up capital. The parties to this Charter agree that the measurement of the extent of the achievement of this target of the aggregate value of the equity will be based on the asset values per the audited accounts of the entities concerned and that the net economic interest will be calculated according to the market value of the shareholding less the outstanding amounts owing to third parties or the principle company by the black shareholders.
People Living With Disabilities	Disabled employees. For the purpose of this Charter, the definition of employees with disabilities as contained in the Employment Equity Act is used. It means employees who have a long-term or recurring physical or mental impairment, which substantially limits their prospects of entry into or advancement in employment. The total number of employees with disabilities (irrespective of race or gender) is expressed as a percentage of the total number of employees (irrespective of race or gender) in all levels of the organisation. Types of disabilities include: Spinal injuries-quadriplegic, paraplegic; Physical disabilities and deformities-post polio, amputations, arthritis, cerebral palsy; Epilepsy; Traumatic brain injuries & neurological disorders, strokes; Visual impairments - blind, degrees of blindness, retinitis pigment, albinism; Hearing impairments- deaf, degrees of deafness; Psychiatric conditions- depression, bi-polar, personality disorders, mood disorders; Learning disabilities - dyslexia, downs syndrome; and Communication/speech problems
Preferential Procurement	Is a measure designed to widen market access for entities, in order to integrate them into mainstream of the economy. Preferential Procurement will create economic empowerment benefits indirectly but meaningfully as it multiplies the effects of private and public sector intervention to promote broad-based BEE.
Scorecard	means the standard B-BBEE scorecard used by the transport sector.
Skills Development	Refers to all expenditure on Black skills development; education and training (including the Skills Development

TERM	DEFINITION
	Levy). The actual expenditure on Black skills development, education and training that has been conducted during the last completed financial year to be used as a basis for the calculation. The total expenditure on Black skills development, education and training is expressed as a percentage of the total payroll costs. Total payroll costs include all remuneration related expenditure such as basic wages/salaries, overtime, and employment related company contributions.
Socio-economic Development	Specifically aimed at targeted socio-economic development projects or initiatives. Organisations are encouraged to support, develop and invest in targeted community projects – this includes e.g. poverty alleviation initiatives, HIV/ Aids programmes, study bursaries, programmes or projects for the disabled, occupational health programmes, youth camps, crime prevention programmes, alcohol and drug awareness, and internships.
Stakeholders	Refers to a range of interest groups who directly and indirectly participated in this process. These groups included Government, Private Industry, Parastatals, Agencies, Financial Institutions (Private and Public), Organised Labour, Civil Society Associations, B-BBEE operators, suppliers, SMME's as well as individuals.
Taxi Recapitalisation	The overall goal of the Taxi Recapitalisation (TRP) initiated by Government in 1999 is the replacement of the current ageing fleet that constitute the bulk of the taxi industry with new vehicles that are safe and reliable. The programme also sought to ensure the sustainability of the industry as a business, as well as ensure its formalisation and effective regulation.
Total Measured Procurement Spend	Generally has the same meaning as that contained in the Codes of Good Practice gazetted on 9 February 2007 and as amended however the list of exclusions as per Annexure A of this Charter takes precedence.

Definitions of terms and concepts not captured in this Charter are contained in the Codes of Good Practice gazetted on 9 February 2007.

TAXI INDUSTRY SUB-SECTOR CODE FOR BBBEE



**REPUBLIC OF SOUTH AFRICA
REPUBLIEK VAN SUID AFRIKA**

DEPARTMENT OF TRANSPORT

TAXI INDUSTRY SUB-SECTOR CODE FOR BBBEE

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ABBREVIATIONS

B-BBEE	Broad-Based Black Economic Empowerment
EE	Employment Equity
EMEs	Exempted Micro Enterprises
NPAT	Net Profit After Tax
PBO	Public Benefit Organisation
QSEs	The Qualifying Small Enterprises
SOEs	State Owned Enterprises
TRP	Taxi Recapitalisation Programme
TETA	Transport Education and Training Authority

1. **SCOPE OF APPLICATION**

- 1.1 The scope of this Sub-Sector Code extends to the entire taxi industry, which may influence the value chain, including and not limited to:
- 1.1.1 Commuter service providers (i.e. Minibus, Minibus Taxi-Type Service and Metered Taxi Service)
 - 1.1.2 Vehicle warehousing, distribution, sales and maintenance
 - 1.1.3 Manufacturers
 - 1.1.4 Electronic management systems players
 - 1.1.5 Scrapping Administration Agents
 - 1.1.6 Taxi Retail Installations

2. **DURATION OF THIS SUB-SECTOR CODE**

This Sub-Sector Code shall remain in effect until amended, substituted and repealed under Section 9 of the BBBEE Act, or with the parties to this Sub-Sector Code process agreeing to do so.

The Transport Charter Council that will be established pursuant to this gazette will review this Sub-Sector Code following the end of the 5th year after its gazetting and despite the aforementioned, it shall be reviewed on an annual basis for monitoring purpose.

3. **VISION**

3.1 **Taxi Industry Support for the vision**

The taxi industry adopts and supports the overall transport sector Broad-Based Black Economic Empowerment (B-BBEE) vision, as our industry stands on the threshold of implementing an historic taxi recapitalisation programme. We also embrace the following guiding principles that take into account the unique nature of our industry.

3.2 **Guiding Principles**

- 3.2.1 Develop a world-class industry that will be sustainable, profitable and dynamic, grow in size, diversify into related industries and stimulate economic growth and development in South Africa.

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- 3.2.2 Implement taxi recapitalisation in a transparent and all-inclusive manner with effective communication between all stakeholders through all mediums to eliminate uncertainty during the adjustment period. This will require a deliberate strategy to co-ordinate efforts of all stakeholders.
- 3.2.3 Pursue a growth strategy that prioritises the retention and creation of quality jobs and fair labour practices throughout the industry. We will ensure that all workers in the taxi industry are afforded the same rights as other workers in South Africa.
- 3.2.4 Develop a national register of taxis to inform decision-making and co-ordinate planning.
- 3.2.5 Create an industry with an excellent public and safety image that is recognised as an integral part of the public transport system and operates in an equitably funded environment with regulations that are enforced.
- 3.2.6 Strive to make our industry part of the public transport system for all South Africans by providing commuters with reliable, safe, affordable, efficient and quality services.
- 3.3 Government Undertakings (to achieve this vision):**
 - 3.3.1 Make decisive and direct interventions to enhance the competitiveness of the taxi industry as a mode of transport for commuters.
 - 3.3.2 Set up structures that will ensure inter-governmental co-ordination between departments to align their programmes with the Transport and Taxi Industry B-BBEE processes. Examples of cross-cutting issues that require interventions across government departments and agencies include, and are not limited to:
 - 3.3.2.1 Increasing awareness within the transport sector of available government investment incentives and grants;
 - 3.3.2.2 Through Transport Charter Council, monitor stakeholder achievements in terms of the indicators in the Taxi Industry Balanced B-BBEE Scorecard;
 - 3.3.2.3 Convene an annual multi-stakeholder forum through the Transport Charter Council to investigate the scale of B-BBEE opportunities within the value chain;
 - 3.3.2.4 Ensure that the Public Sector/ State Owned Enterprises (SOE's) maximise employment opportunities in the taxi industry through the use of labour-intensive methods, in so far as it is economically viable, in the maintenance and expansion of infrastructure;

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- 3.3.2.5 Ensure that the restructuring and formalisation of the taxi industry to effect new institutional arrangements in a manner that results in an increase in black participation at all levels, particularly black women, black youth and black people living with disabilities—in employment and the procurement of services and goods;
- 3.3.2.6 Enforce and monitor compliance with existing legislation that may impact B-BBEE such as the Employment Equity, Skills Development, Competition Act, etc and :
- 3.3.2.7 Publish an annual report on B-BBEE and job creation within the taxi industry that consolidates reports and information from all stakeholders. Stakeholders will use this report to review progress at an annual Transport Industry B-BBEE Forum.
- 3.4 Labour Undertakings (to achieve this vision):**
- 3.4.1 Encourage employers to first look towards their own employees when considering options for achieving black equity participation through the creation of Employee Share Ownership Schemes.
- 3.4.2 Investigate opportunities to establish collective investment vehicles (including employee share ownership schemes) that will make investments in the sector. These investment vehicles must ensure the empowerment of workers to develop the skills required to own and manage organisations in the industry.
- 3.4.3 Ensure that workers are empowered through skills development and create opportunities to deploy them into management positions.
- 3.4.4 Mobilise members to ensure compliance with existing legislation e.g. the Employment Equity, Skills Development, Labour Relations and Basic Conditions of Employment Acts. Non-compliant taxi operators and/or associations must be reported to the Transport Sector B-BBEE Council and other reporting structures of Government so that further action may be taken after inspecting the causes for non-compliance and reviewing performance targets as necessary.
- 3.4.5 Mobilise members to monitor the performance of their employers in implementing the Growth and Development Summit agreement on promoting local content and/or procurement and supporting the Proudly South African campaign.
- 3.4.6 Monitor the impact of procurement/outsourcing on job creation and report findings to the Transport Sector B-BBEE Council.
- 3.5 TETA Undertakings (to achieve this vision):**
- 3.5.1 Play a more interventionist role in influencing training priorities in the Taxi Chamber.
- 3.5.2 Assist stakeholders with the analysis of people in particular skill sets (or job categories), which are broken down by race and gender.

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- 3.5.3 Continuously analyse and update statistics on the future demand and supply of critical skills sets.
- 3.5.4 Continuously analyse the quantity, quality and nature of training carried out by organisations and companies.
- 3.5.5 Commit to this B-BBEE Sub-Sector Code and strive to achieve the targets set for the various criteria across all seven elements contained in the balanced scorecard.
- 3.5.6 Align its mission and vision with the imperatives of B-BBEE and assist with the implementation and monitoring of the B-BBEE Charter.

4. CURRENT GOVERNMENT INITIATIVES IN THE TAXI INDUSTRY

- 4.1 Government through the Taxi Operations Directorate of the Department of Transport, also support and embrace the empowerment vision outlined in this charter. The following ongoing initiatives are part of the Directorate's programmes:
 - 4.1.1 Development of a Business Model for the taxi industry.
 - 4.1.2 In line with the National Land Transport Transitional Act, the Department is facilitating the registration of taxi operators with the South African Revenue Service, This is aimed at assisting taxi operators to formalise and access other passenger transport services such as bus contracts, etc.
 - 4.1.3 Training of taxi drivers with a view to obtaining appropriate driver's licences required for the prescribed vehicles.
 - 4.1.4 Training of taxi operators in various transport related legislation such as the National Land Transport Transitional Act and the Road Traffic Act in order to improve passenger safety and customer service.
 - 4.1.5 Communication campaign regarding the taxi recapitalisation project. This campaign will also promote the usage of taxis and disseminate information related to taxi operations.

5. INDICATORS OF EMPOWERMENT

- 5.1 The Taxi Industry should make significant strides in addressing the issue of Broad-Based Black Economic Empowerment through the Taxi Recapitalisation Project as well as by using the industry's Buying Power in the areas of maintenance, insurance, communication, fuel, spares, mining, etc. to benefit its stakeholders and members.
- 5.2 In light of the above statement all stakeholders are supportive of the indicators of empowerment as stated in the B-BBEE Generic Codes of Good Practice. Thus the industry decided to develop a balanced B-BBEE Scorecard (Annexure A) that exhibit BEE framework compliance by Taxi Owners and/or Operators (Section 5) as well as

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Taxi Associations (Section 6). These are two sub-sectors of this industry. That is, in this document sub-sector refers to either the Taxi Owners and Operators or the Taxi Associations.

- 5.3 However, since the industry is almost entirely black-owned, the indicators will have to be amended to be in line with the industry's unique circumstances.
- 5.4 This "Broad-Based BEE Charter" for the Taxi Industry has the following key components:
 - 5.4.1 The extent to which the industry is transformed in terms of representation by **gender, youth and black people living with disabilities**, needs to be addressed. This Sub-Sector Code therefore seeks to address the empowerment of black women, black youth and black people living with disabilities in terms of ownership, management control and employment equity in the sub-sector.
 - 5.4.2 B-BBEE may also be used to address the key challenges of skills development and training, preferential procurement, enterprise development and social development.
 - 5.4.3 Lastly, addressing the issue of subsidies and participation in other passenger transport services such as buses and tour operations, would go a long way in addressing the long-term sustainability of the industry.
- 5.5 This B-BBEE Sub-Sector Code for the Taxi Industry therefore seeks to address the above-mentioned challenges.

6. TAXI OWNERS AND/OR OPERATORS

6.1 EVALUATION OF TAXI OWNERS AND OPERATORS

Taxi operators and owners have an option of choosing 4 of the 7 elements of the Balanced B-BBEE Scorecard to be evaluated on. That is, they will be assessed out of the total of hundred points as each indicator has total weightings of 25 points.

6.2 OWNERSHIP

- 6.2.1 The narrow definition of equity ownership refers to the percentage share of economic interest accruing to black shareholders within a company. Our challenge is to increase the percentage share of economic interest accruing to black women, black youth and black people living with disabilities. In addition, the aim is to increase their economic benefits and participation in the taxi industry as well as in related industries. This indicator is linked to the long-term sustainability of the taxi industry.
- 6.2.2 **Industry commits to:**

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- 6.2.2.1 Increase the participation of black women, black youth and black people living with disabilities across the entire spectrum of the Taxi Industry's value chain in ownership and management control and as far as possible in the operational involvement of the industry. At some point, Taxi Owners and/or Operators should graduate to become Bus Owners and Operators.
- 6.2.2.2 The Qualifying Small Enterprises (QSEs) scorecard will apply when measuring the ownership contributions of taxi owners and operators. In instances where the taxi owner and/or operator has sold equity to black women and youth, they will receive enhanced recognition by being elevated to a recognition level higher than the one they have.
- 6.2.2.3 The ownership of Taxi owners and/or operators will be evaluated using the following criteria:
 - 6.2.2.3.1 Voting Rights**
 - 6.2.2.3.1.1 Black Women: 25%+1 of voting rights in Measured Entities in the hands of black women.
 - 6.2.2.3.2 Economic Interest**
 - 6.2.2.3.2.1 Black Women: 25% of economic interest in Measured Entities in the hands of black women.
 - 6.2.2.3.3 Measuring Principles and the Application of the Charter**
 - 6.2.2.3.3.1 Measurement principles associated with the ownership element, is contained in Statement 801 of Code 800 of the Generic Code of Good Practice.
 - 6.3 MANAGEMENT CONTROL**
 - 6.3.1 Industry commits to:**
 - 6.3.1.1 The QSEs scorecard will apply when evaluating the management control element. The key indicators for this element will be:
 - 6.3.1.1.1 Representation of black women at top management, the minimum compliance levels being 50% of all people at top management level; and
 - 6.3.1.1.2 Representation of black youth at top management, the minimum compliance level being 40% of all people at top management level.
 - 6.3.2 Measurement Principles and the Application of the Charter**
 - 6.3.2.1 Measurement principles required in evaluating the management control contributions made by QSEs within this sector are contained in Statement 802 of Code 800 of the Generic Codes of Good Practice.
 - 6.4 EMPLOYMENT EQUITY**

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6.4.1 Industry commits to:

6.4.1 The following criteria will be used in evaluating taxi owners and operators compliance to employment equity:

6.4.1.1 Total number of black women employees as a percentage of total staff, with the minimum compliance level set at 50% of all employees;

6.4.1.2 Total number of black youth as a percentage of total staff, with the minimum compliance level set at 40% of all employees; and

6.4.1.3 Total number of black people with disability as a percentage of total staff, with the minimum compliance level set at 1% of all employees.

6.4.2 Measurement Principles and the Application of the Charter

6.4.2.1 The measurement principles required in the determination of the employment equity score for QSEs are contained in Statement 803 of Code 800 of the Generic Code of Good Practice.

6.5 SKILLS DEVELOPMENT

6.5.1 Industry commits to:

6.5.1.1 The following criteria will be used in evaluating skills development:

6.5.1.1.1 Skills development expenditure on black employees as a percentage of the leviable amount/total payroll (whichever amount is applicable), with the target set at 1% of the leviable amount/total payroll.

6.5.1.1.2 Skills development expenditure on black women employees as a percentage of the leviable amount/total payroll (whichever amount is applicable), with the target set at 1% of the leviable amount/total payroll.

6.5.1.1.3 Skills development expenditure on black youth as a percentage of the leviable amount/total payroll (whichever amount is applicable), with the target set at 1% of the leviable amount/total payroll.

6.5.2 Measurement Principles and the Application of the Charter

6.5.2.1 The measurement principles required in the determination of the skills development score for QSEs are contained in Statement 804 of Code 800 of the Generic Code of Good Practice.

6.6 PREFERENTIAL PROCUREMENT

6.6.1 Industry commits to:

6.6.1.1 The following criteria will be used in the evaluation of preferential procurement:

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- 6.6.1.1.1 Percentage of Total Measured Procurement Spend from all suppliers based on the B-BBEE Procurement Recognition Levels; with the target set at 50% of Total Measured Procurement Spend.

6.6.2 Measurement Principles and Application of the Charter

- 6.6.2.1 Measurement principles required in evaluating the preferential procurement contributions made by QSEs within this sector are contained in Statement 805 of Code 800 of the Generic Codes of Good Practice.

6.7 ENTERPRISE DEVELOPMENT

6.7.1 Industry commits to:

- 6.7.1.1 The following criteria will be used in the evaluation of enterprise development:

- 6.7.1.1.1 Average annual value of all qualifying contributions made by the measured entity as a percentage of Net Profit after Tax (NPAT)/total payroll (whichever amount is applicable); with the target set at 2% if NPAT is used, or 0.6% if payroll is used.

6.7.2 Measurement Principles and the Application of the Charter

- 5.7.2.1 Measurement principles required in evaluating the enterprise development contributions made by QSEs within this sub-sector are contained in Statement 806 of Code 800 of the Generic Codes of Good Practice.

6.8 SOCIO-ECONOMIC DEVELOPMENT

6.8.1 Industry commits to:

- 6.8.1 The following criteria will be used in the evaluation of socio-economic development:

- 6.8.1.1 Average annual value of all socio-economic development contributions made by the measured entity as a percentage of NPAT/total payroll (whichever amount is applicable); with the target set at 1% if NPAT is used, or 0.3% if total payroll is used.

6.8.2 Measurement Principles and the Application of the Charter

- 6.8.2.1 Measurement principles required in evaluating socio-economic development contributions made by QSEs within this sub-sector are contained in Statement 807 of Code 800 of the Generic Codes of Good Practice.

7. TAXI ASSOCIATIONS

7.1 Ownership

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- 7.1.1 This sub-sector acknowledge the strides made by the taxi industry in entering into collaborative partnerships with other sectors of the economy e.g. the liquids fuels, mining, insurance, spares and financial sectors. The industry should continuously investigate and seek opportunities to diversify into other related industries.
- 7.1.2 The industry commits to pursuing alternative ownership models (such as collective forms of ownership) as the current individualistic approach to taxi operations prevent economies of scale and pooling of resources. These models may include collective and employee ownership vehicles, co-operatives and other corporate structures that separate ownership and management control. At some point, taxi owners should graduate to bus owners.
- 7.1.3 Section 21 Companies**
- 7.1.3.1 Section 21 companies will be **excluded** from evaluation on the ownership element of the scorecard.
- 7.1.3.2 Associations registered, as Section 21 companies will be evaluated using the adjusted scorecard developed for this sub-sector using principles contained in statement 004 of the Generic Codes of Good Practice. The scorecard is contained in Annexure A of this document.
- 7.1.3.3 Contributions to the other elements of the scorecard will be measured using the same measurement principles and indicators as for other enterprises within the sub-sector, but the weightings will be adjusted as per the scorecard.
- 7.1.4 Public Benefit Organisations**
- 7.1.4.1 An association registered as a Public Benefit Organisation (PBO) will receive the **same** treatment as Section 21 companies, regarding ownership requirements.
- 7.1.5 Private and Public Limited Companies**
- 7.1.5.1 Industry Associations commits to:**
- 7.1.5.1.1 The ownership of Associations registered, as private companies, limited companies, close corporations and partnerships will be evaluated using the following criteria:
- 7.1.5.1.1.1 Voting Rights**
- 7.1.5.1.1.1.1 **Black Women:** 25%+1 of voting rights in Measured Entities in the hands of black women.
- 7.1.5.1.1.1.2 **Black Youth:** 5% of voting rights in Measured Entities in the hands of black youth.

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7.1.5.1.1.1.3 Black Designated Groups (including black people living with disabilities): 5% of voting rights in Measured Entities in the hands of black designated groups which excludes black youth.

7.1.5.1.1.2 Economic Interest

7.1.5.1.1.2.1 Black Women: 25% of economic interest in Measured Entities in the hands of black women.

7.1.5.1.1.2.2 Black Youth: 5% of economic interest in Measured Entities in the hands of black youth.

7.1.5.1.1.2.3 Black Designated Groups excluding Black Youth: 3% of economic interest in Measured Entities in the hands of black natural people excluding black youth.

7.1.5.1.1.3 Measurement Principles and the Application of the Charter

7.1.5.1.1.3.1 Measurement principles associated with the ownership element is contained in Statement 100 of Code 100 of the Generic Code of Good Practice.

7.1.5.1.1.3.2 The formulae required in the determination of the ownership score are contained in Annexure 100 (c) of Statement 100 of Code 100 of the Generic Code of Good Practice.

7.1.5.1.1.3.3 The recognition of the sale of assets under the ownership element has the same meaning as that contained in Statement 102 of Code 100 of the Generic Code of Good Practice. The targets as contained in the ownership element of this Sub-Sector Code will apply.

7.1.5.1.1.3.4 The recognition of the equity equivalent programmes for multinational has the same meaning and interpretation as that contained in Statement 103 of Code 100 of the Generic Code of Good Practice.

7.1.5.1.1.3.5 The formulae required in the determination of the ownership score based on equity equivalent contributions are contained in Annexure 103 (A) of Statement 103 of Code 100 of the Generic Code of Good Practice.

7.1.5.1.1.3.6 Measurement principles relating to the ownership element for QSEs are contained in Statement 801 of Code 800 of the Generic Codes of Good Practice.

7.2 Management Control

7.2.1 In this regard, the challenge is to develop the skills of owner-managers and to increase the participation of black women, black youth and black people living with disabilities as well as to inculcate a culture of good corporate governance and transparency.

7.2.2 The principle is therefore to increase the participation of black women, black youth and black people living with disabilities on Taxi

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Association boards and similar governing structures at Local, Provincial and National levels, and where applicable, to company boards to create decision-making structures that truly represent the gender diversity and marginalized groups of our country. The industry will be transparent to eliminate unscrupulous business practices by adopting best-practice governance policies. In addition, the industry will work towards promoting safety, customer care activities etc.

7.2.3 Industry commits to:

- 7.2.3.1 Top Management: 50% of Top Management in Measured Entities being black women.
- 7.2.3.2 Top Management: 25% of Top Management in Measured Entities being black youth.
- 7.2.3.3 Board Representation: 50% of voting rights in the hands of black women board members in all national, regional and local boards.
- 7.2.3.4 Black Youth: 25% of voting rights in the hands of black youth in all national, regional and local boards.
- 7.2.3.5 Black Disabled People: 2% of voting rights in the hands of black disabled board members in all national, regional and local boards.
- 7.2.3.6 Develop a national code of ethics, which will guide the industry at the provincial and local levels.

7.2.4 Measurement Principles and the Application of the Charter

- 7.2.4.1 Measurement principles associated with the management control element are contained in Statement 200 of Code 200 of the Generic Code of Good Practice.
- 7.2.4.2 The formulae required in the determination of the management control score are contained in Annexure 200 (A)-B of Statement 200 of Code 200 of the Generic Code of Good Practice. The Adjustment Recognition for Gender will not apply Annexure 200 (A)-A.
- 7.2.4.3 Measurement principles needed for the application of the Sub-Sector Code with regards to the management control element for QSEs are contained in statement 802, of Code 100, of the Generic Codes of Good Practice.

7.3 Employment Equity

- 7.3.1 This indicator refers to the weighted employment equity analysis within a traditional company as required by the Employment Equity Act. Our challenge is to increase the representation of black women, black youth and black people living with disabilities in our industry. Through the various initiatives with other private sector companies and industries, opportunities have been created within the taxi industry to increase the participation of black women, black youth and people

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living with disabilities in areas of supervision, administration, training etc.

7.3.2 TETA commits to:

7.3.2.1 Ensure that it plays a significant role in monitoring and supporting stakeholders to meet their EE targets.

7.3.3 Industry Commits to:

7.3.3.1 Black Women Representation: 50% of all employees should be Black women.

7.3.3.2 Black Youth Representation: 30% of all employees should be Black Youth.

7.3.3.3 Black Disabled: 2% of all employees should be Black People Living with Disabilities.

7.3.3.4 Adhere to existing legislation, which includes the Basic Conditions of Employment Act, Skills Development Act, Employment Equity Act, etc. and conclude as soon as possible, the discussions on a Sectoral Determination.

7.3.4 Measurement Principles and the Application of the Charter

7.3.4.1 Measurement principles on the employment equity element, is contained in Statement 300 of Code 300 of the Generic Code of Good Practice.

7.3.4.2 The formulae required in the determination of the employment equity score are contained in Annexure 300 (A)-B of Statement 300 of Code 300 of the Generic Code of Good Practice. The formula for the determination of the Adjusted Recognition for Gender – Annexure 300 (A)-A will not apply.

7.3.4.3 Measurement principles for the determination of the Employment Equity score for QSE are contained in Statement 803 of Code 800 of the Generic Codes of Good Practice.

7.4 Skills Development

7.4.1 This indicator refers to expenditure on skills development and training as a proportion of total payroll. Our challenge is to exponentially increase the skills base of all stakeholders in the areas of communications, customer care, driving training, safety and other training needs as identified by stakeholders in the Taxi industry. Our vision is to substantially increase the economic value added (or productivity) of every employee in the Taxi Industry through best practice Human Resource and Skills Development and increase the scale of initiatives aimed at developing stakeholders in the Taxi industry.

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7.4.2 Government Commits to:

- 7.4.2.1 Design and fund a co-ordinated framework and programme for career awareness and training that leverages off and adds value to existing initiatives. The awareness programme will publicise and co-ordinate information regarding scholarships, training resources and careers in the industry. Other stakeholders will be encouraged to contribute towards the cost of this initiative.

7.4.3 Industry Commits to:

- 7.4.3.1 Black Skills Development Expenditure: Invest a minimum of 2% of the leviable amount on skills development initiatives contained in the Learning Programme Matrix in Code 400 of the Codes of Good Practice aimed at black employees.
- 7.4.3.2 Black Disabled Skills Development Expenditure: Invest a minimum of 0.5% of the leviable amount on skills development initiatives contained in the Learning Programme Matrix in Code 400 of the Codes of Good Practice aimed at black disabled employees.
- 7.4.3.3 The number of Black employees on accredited training programmes being 5% of the total work force.
- 7.4.3.4 To promote the effective utilisation of existing training opportunities and allow employees to participate in self-improvement initiatives.
- 7.4.3.5 Develop a campaign to encourage operators to register as tax payers and design an appropriate training programme to educate them about government policies, tendering for government contracts, corporate and business management, tax-related matters, etc.

7.4.4 TETA Commits to:

- 7.4.4.1 Conduct research to identify the management, professional and technical skills that the industry will require over the next decade and map out future demand/supply scenarios in a detailed skills audit that will guide and inform stakeholders in implementing their EE targets.
- 7.4.4.2 Develop training programmes specifically designed for entrepreneurs in the Taxi Industry.
- 7.4.4.3 Conduct research on the supply side of skills development – i.e. the institutions that will provide the required management, professional and technical skills. The research will determine whether the identified institutions have the capacity to meet the expected demand and whether their curricula meet the needs of industry. It will make proposals on how to increase the capacity and relevance of existing institutions and establish whether there is a need to establish a dedicated institution that will focus on developing skills for the taxi industry.

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- 7.4.4.4 Introduce, after consulting stakeholders and completing the skills audit, new categories of learnerships - in management, technical and professional occupational categories - to help public and private sector organisations achieve their employment equity targets.
- 7.4.4.5 Collect and publish detailed and aggregated statistics on the EE profile of the industry according to occupational level and occupational category. Also, to monitor the industry's progress in meeting its targets and to publish an annual report on the EE Profile of the industry according to occupational level and category.
- 7.4.5 Measurement Principles and Applications of the Charter**
- 7.4.5.1 Measurement principles associated with the skills development element is contained in Statement 400 of Code 400 of the Generic Code of Good Practice.
- 7.4.5.2 The formulae required in the determination of the skills development score are contained in Annexure 400 (A)-B of Statement 400 of Code 400 of the Generic Code of Good Practice. The formula for the determination of the Adjusted Recognition for Gender – Annexure 400 (A)-A will not apply.
- 7.4.5.3 The measurement principles required in the determination of the skills development score for QSEs are contained in Statement 804 of Code 800 of the Generic Code of Good Practice.
- 7.4.5.4 The Learning Programme Matrix is contained under Code 400, Annexure 400 (A) of the Generic Code of Good Practice.
- 7.5 Preferential Procurement**
- 7.5.1 This indicator refers to procurement from black-owned and empowered enterprises as a proportion of total procurement. Our challenge is to maximise procurement from such enterprises. Accordingly, all stakeholders commit as far as possible to identify and promote the use of black empowered suppliers. This process should help in the establishment of business structures/trading co-operatives, which will facilitate cheaper fuel, spares, tyres, vehicles, etc.
- 7.5.2 Industry Commits to:**
- 7.5.2.1 B-BBEE Procurement: Total B-BBEE spend as a percentage of Total Measured Procurement based on the B-BBEE recognition levels of suppliers with a compliance target set at 50% over 5 years.
- 7.5.2.2 QSE and EME: Procurement from QSEs and Exempted Micro Enterprises as a percentage of total Measured Procurement with a compliance target set at 15% over 5 years.
- 7.5.2.3 Black Women Owned and Black Youth Owned: Procurement from Black Women Owned and Black Youth Owned Enterprises as a percentage of total Measured Procurement with a minimum

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compliance target set at 12% from Black Youth owned companies and 8% from Black women owned companies over 5 years.

- 7.5.3 Measurement Principles and Application of Charter**
- 7.5.3.1 Measurement principles associated with the preferential procurement element is contained in Statement 500 of Code 500 of the Generic Code of Good Practice.
- 7.5.3.2 Pass through third party procurement for a third party or a client that is recorded as an expense in the third party or client's annual financial statements but is not recorded as such in the Measured Entity's annual financial statements will be excluded. In this regard, only the commission portion paid to agents will be recorded as under procurement.
- 7.5.3.3 The formulae required in the determination of the preferential procurement score for measured entities are contained in Annexure 500 (A) of Statement 500 of Code 500 of the Generic Code of Good Practice.
- 7.5.3.4 Measurement principles required in evaluating the preferential procurement contributions made by QSEs within this sector are contained in Statement 805 of Code 800 of the Generic Codes of Good Practice.
- 7.6 Enterprise Development**
- 7.6.1 This indicator refers to contributions of the industry towards the development of enterprises within the sub-sector. Our aim is to increase the impact of the industry within the value chain of local communities.
- 7.6.2 Industry Commits to:**
- 7.6.2.1 Enterprise Development Contributions: The industry commits to a minimum contribution, which is 1% of total payroll or 3% of NPAT (whichever is applicable).
- 7.6.3 Measurement Principles and Application of the Charter**
- 7.6.3.1 Measurement principles associated with the enterprise development element are contained in Statement 600 of Code 600 of the Generic Code of Good Practice.
- 7.6.3.2 Qualifying contributions for the enterprise development element are contained in Annexure 600 (A) – Benefit Factor Matrix of the Statement 600 of Code 600 of the Generic Codes of Good Practice.
- 7.6.3.3 The formulae required in the determination of the enterprise development score are contained in Annexure 600 (A) of Statement 600 of Code 600 of the Generic Code of Good Practice.

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- 7.6.3.4 Measurement principles required in evaluating the enterprise development contributions made by QSEs within this sub-sector are contained in Statement 806 of Code 800 of the Generic Codes of Good Practice.
- 7.7 Socio-economic Development**
- 7.7.1 This indicator refers to contributions of the industry towards the development of local communities. Our aim is to increase the impact of the industry within the value chain of local communities.
- 7.7.2 Industry Commits to:**
- 7.7.2.1 The industry commits to a minimum socio-economic contribution which is 0.3% of total payroll or 1% of NPAT (whichever is applicable).
- 7.7.2.2 Job Creation: Socio-economic development contributions that lead to job creation in beneficiary entities will be enhanced by a factor of 1.25.
- 7.7.3 Measurement Principles and Application of the Charter**
- 7.7.3.1 Measurement principles associated with the socio-economic development element are contained in Statement 700 of Code 700 of the Generic Code of Good Practice.
- 7.7.3.2 Qualifying contributions for the socio-economic development element are contained in Annexure 700 (A) – Benefit Factor Matrix of the Statement 700 of Code 700 of the Generic Codes of Good Practice.
- 7.7.3.3 The formulae required in the determination of the socio-economic development are contained in Annexure 700 (A) of Statement 700 of Code 700 of the Generic Code of Good Practice.
- 7.7.3.4 Measurement principles required in evaluating socio-economic development contributions made by QSEs within this sub-sector are contained in Statement 807 of Code 800 of the Generic Codes of Good Practice

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ANNEXURE A: TAXI INDUSTRY B-BBEE SCORECARD: ASSOCIATIONS/SECTION 21/PBO AND OWNERS/OPERATORS

NB: Section 21/Public Benefit Organisation (PBO) are sharing same targets as Associations

Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
Ownership	Voting rights in the hands of black women	25% + 1 vote	3	N/A	Exercisable voting rights in the hands of black women	25%+1 vote	6
	Voting Rights in the Hands of black youth	5%	1		Economic interest in the hands of black women	25%	9
	Voting Rights in the hands of black designated groups excluding youth	5%	1		Net Economic Interest	25%	9
	Economic Interest in the hands of black women	25%	4		Realisation points		1
	Economic Interest in the hands of black youth	5%	2				

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Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
	Economic Interest in the hands of black natural people in the enterprise excluding youth in the following: -Black designated groups; -Black participants in employee ownership scheme; -Black participants of broad-based ownership schemes or -Black participants in cooperatives.	3%	1				
	Net Economic Interest/ Net value	25% graduated over 10 years as per the Codes (year five at 60%)	7		Bonus Point		
	Ownership Fulfilment	-	1		Involvement in the ownership by black youth/designated Groups	10%	2
	Bonus Point						

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Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
Management	Involvement in the ownership by black new entrants	10%	2		Involvement in the ownership by black participants in ESOPS or Broad Based Schemes	10%	1
	Involvement in the ownership by black participants in ESOPS or Broad Based Schemes	10%	1		Black Women representation at Top Management level		15
	Exercisable Voting Rights of black women Board members	50%	2	2	Black youth representation at Top Management	40%	10
	Exercisable Voting Rights of black youth Board members	25%	2	2			
	Black Women Top Managers as a percentage of all such employees	50%	4	4			
	Black Youth Top Managers as a percentage of all such employees	25%	4	4	Bonus Point: Black People Living with disability	1%	3

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Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
Employment Equity	Black people with disability at Top Management as a percentage of all such employees	2%	3	3	representation at Top Management		
	Black women as a percentage of total number of employees	50%	6	6	Black women employees as a percentage of all employees	50%	15
	Black Youth as a percentage of total number of employees	30%	6	6	Black youth who are employees as a percentage of all employees	40%	10
	Black People with disability as a percentage of total employees	2%	3	3	Bonus Point: Black people with disability as a percentage of all employees	1%	2

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Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
Skills Development					Skills Development expenditure on learning programmes for black people as a percentage of leviable amount/payroll		
	Skills Spend on black employees as a % of the leviable amount/payroll	2%	6	8		1%	9
	Number of employees in Accredited Learning Programmes as a % of total workforce	5%	6	8	Skills Development expenditure on learning programmes for black women as a percentage of leviable amount/payroll	1%	9

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Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
	Skills Spend on black employees living with disabilities as a % of total payroll	0.5%	3	4	Skills Development expenditure on learning programmes for black youth as a percentage of leviable amount/payroll	1%	7
Preferential Procurement	Procurement from all B-BBEE Compliant Enterprises as defined by the B- BBEE Recognition Levels as a % of discretionary spend		10	12	BEE procurement spend from all Suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement	50%	25
	Procurement from B- BBEE Compliant QSEs and EME as defined by the B- BBEE Recognition Levels as a % of Total Measured Procurement	15%	5	3			

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Taxi Associations/Section 21/PBO 5 Years				Taxi Owners and/or Operators (QSEs) 5 Years			
B-BBEE Element	Indicators of Empowerment	Private Sector (Associations) Targets	Private Sector (Associations) Weightings	Section 21/PBO Weightings	Indicators of Empowerment	Private Sector Targets	Private Sector Weightings
	Procurement from 50% Black-Owned as a % of total Measured	12%	5	3			
	Procurement from 30% Black Women- Owned Enterprises as a % of Total Measured						
	Procurement Spend	8%	5	2			
Enterprise Development	Enterprise development contributions as a percentage of NPAT/payroll	1% of Payroll/3% of NPAT	5	15	Enterprise Development contributions as a percentage of NPAT/payroll	2% of NPAT/0.6% Payroll	25
Social- economic development	SED contributions as a percentage of NPAT/payroll	0.3% of Payroll/1% of NPAT	5	15	SED contributions as a percentage of NPAT/payroll	1% NPAT or 0.3% Payroll	25
TOTAL			100	100			175

The ownership element will only apply to association registered as private, public companies, close corporations and partnerships.

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ANNEXURE B: TAXI RECAPITALISATION PROJECT – POTENTIAL BEE OPPORTUNITIES

Taxi Recapitalisation project Element	Sector where activity is generated	Opportunities for BEE	Equity
NTV Operator	- Tourism - Current business operation - Improved business operation - Vehicle warehousing - Deliveries	- Pre-booked tours - Curio sales - Catering - Deliveries - JV with NTV manufacturers	JV with NTV manufacturers
NTV Manufacturer	- Automotive manufacturing - NTV manufacture - Component supply - Raw material supply - Vehicle distribution - Vehicle warehousing - Vehicle sales - Vehicle maintenance	- Supplier development (especially SMME) - Logistics management - Vehicle maintenance	
Bank (Financing)	Commercial (financing institutes)	New business in the form of franchises	
DOT (Licensing/registration)	Administration - License issue	Printing	
EMS	Information technology	- JV with EMS provider - Hardware/software supply - Sub component supply - Installation businesses – fitment/retrofitment	

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Taxi Recapitalisation project Element	Sector where activity is generated	Opportunities for BEE	Equity
		• New business in the form of franchises • Maintenance and support structures	
Consulting Agents (verify payment)	• Consultancy services	• Consultants • Taxi industry planning • JV with scrapping agent	
Scrapping Administration Agents	• Recycling	• Scrap metal sales • New business in the form of franchises • Logistics support • Infrastructure development	
Facilities	• Building and roads construction	• Construction services • Materials supply • Consultancy	
Communication	• Advertising and marketing	• Printing • Photography • Communications	
Refurbishment	• Engine remanufacturing		

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ANNEXURE C: EVALUATION MATRICES

An example of the matrix to be used to measure stakeholder commitments. This example indicates the matrix that will be used to measure commitments by TETA to the skills development.

Action Undertaken	Input measurement	Output measurement	Quality Control
Conduct research to identify scarce skills	Money spent on research as a % of total discretionary funds	Progress Report on research to Steering Committee/ Transport Charter Council	Steering Committee/Transport Charter Council
Conduct research on the supply side of the skills development equation	Money spent on research as a % of total discretionary funds	Progress Report on research to Steering Committee/ Transport Charter Council	Steering Committee/ Transport Charter Council
Introduce new categories of learnerships	Money spent on research as a % of total discretionary funds	Report to Steering Committee/ Transport Charter Council on the number of new learnership categories introduced and accredited as a % of the number of new categories identified	TETA & Steering Committee/ Transport Charter Council
Collect and publish detailed and aggregated statistics on the EE profile of the industry	Money spent on research as a % of total discretionary funds	Progress Report on research to Steering Committee/ Transport Charter Council	Steering Committee/ Transport Charter Council
Assist in unlocking the funds from the National Skills Fund	Money spent on assistance as a % of total discretionary funds	Report to Steering Committee on value of funding unlocked as a % of total funds required to address learnership needs in the Taxi Sector	Steering Committee/ Transport Charter Council
Continuously benchmark training programmes against international best practice	Money spent on research as a % of total discretionary funds	Progress Report on research to Steering Committee/ Transport Charter Council	Steering Committee/ Transport Charter Council
Expand the number of learnerships available based on the sector's skills requirements	Number of new learnership categories introduced and accredited as a % of the number of new categories identified	Number of learners in initiated learnerships as a % of total skills required in each category	TETA & Steering Committee/ Transport Charter Council
Facilitate easy access to finance learnerships and eliminate bottlenecks and bureaucratic procedures in accessing grants	Money spent on assistance as a % of total discretionary funds	Report to Steering Committee/ Transport Charter Council on value of funding available as a % of total funds required to address learnership needs in the Taxi Sector	TETA & Steering Committee/ Transport Charter Council