

## **BROAD BASED BLACK ECONOMIC EMPOWERMENT (BBBEE)**

Transnet fully endorses and supports the Government's Broad-based Black Economic Empowerment Programme and it is strongly of the opinion that all South African Business Enterprises have an equal obligation to redress the imbalances of the past.

Transnet will therefore prefer to do business with local business enterprises who share these same values. To this end, Transnet will seriously reconsider continued business relationships with such local business enterprises that do not possess a BBBEE "recognition level" of **at least a level 5**. Transnet has also had itself accredited (see Rating Certificate attached)

When Transnet invites prospective suppliers to tender for its goods and services it consequently urges Respondents (large enterprises and QSE's- see below) to have themselves accredited by any one of the various Accreditation Agencies available, who do their BBBEE ratings in accordance **with the latest Codes (i.e. those promulgated on 9 February 2007) and whose names appear on the present ABVA (Association of BEE Verification Agencies) – "List of Full Members" as displayed on the ABVA website ([www.abva.co.za](http://www.abva.co.za)).**

**Although no agencies have, as yet, been accredited by SANAS (SA National Accreditation System), Transnet will, in the interim, accept rating certificates of respondents who have been verified by any of the listed agencies.**

**Enterprises will be rated by such agency based on the following :**

### **Large Enterprises (i.e. annual turnover >R35million):**

- Rating level based on all seven elements of the BBBEE scorecard.

### **Qualifying Small Enterprises – QSE (i.e annual turnover >R5million but <R35million):**

- Rating based on any four of the elements of the BBBEE scorecard.

### **NB:**

### **Emerging Micro Enterprises – EME (i.e. annual turnover <R5m are exempted from being rated/verified):**

- Automatic rating of Level 4 BBBEE **irrespective of race of ownership**, i.e. 100% BBBEE recognition
- Black ownership >50% or Black Women ownership >30% automatically qualifies as Level 3 BBBEE, i.e. 110% BBBEE recognition
- EME's should only provide documentary proof of annual turnover (i.e. audited financials) plus proof of Black ownership if Black ownership >50% or Black Women ownership >30%

In addition to the above, Tenderers who wish to enter into a Joint Venture or subcontract portions of the contract to BBBEE companies, must state in their tenders the percentage, of the total contract value that will be allocated to such BBBEE companies, should they be successful in being awarded any business. A rating certificate in respect of such BBBEE JV-partners and / or sub-contractor/s, as well as a breakdown of the distribution of the aforementioned percentage must also be furnished with the tender response to enable Transnet to evaluate / adjudicate all tenders received on a fair basis.

**In view of the high emphasis which Transnet places on Broad-based Black Economic Empowerment**, Transnet will allow certain preference points for BBBEE in the evaluation of all responses. Depending upon the value of the ensuing business award (i.e. below or in excess of R2m), the 80/20 or 90/10 point preference system will be utilized where BBBEE will count out of 20 or 10 respectively in the evaluation process.

**Respondents on Transnet's tender invitations will hence be required to furnish proof of the above to Transnet. Failure to do so will result in a score of zero being allocated for BBBEE.**

AFRICAN REJUVENATION CC  
TRADING AS  
**GOAL ACHIEVEMENT PARTNERS**  
CK 2002/040946/23/VA/INO: 43 102 104 65  
Tél: (011) 805 5042  
P.O. Box 7496  
HALFWAY HOUSE  
FAX: 086 612 6123  
1685

This certificate confirms that


*Transnet Limited*

has been evaluated using the  
Generic Broad Based Black Economic Empowerment Scorecard  
and has achieved the following:

**ACTUAL SCORE: 56.8%**  
**CONTRIBUTION LEVEL: FIVE**  
**BEE RECOGNITION LEVEL: 80%**

Date: 25<sup>th</sup> April 2007

Signed by:

  
Ms. Arti Ramgobin  
Managing Director

This certificate is valid for 12 months from date of issue.

