



# TO BEE OR NOT TO BEE PART 1

In this issue we look at **who is considered** to be black in terms of B-BBEE Act.



Welcome to the first of **six monthly newsletters** aimed at helping you better understand the **Amended B-BBEE Codes of Good Practice** and the **Amended B-BBEE Financial Services Codes**.



## Who is classified as black in terms of the B-BBEE Act?

One of the major challenges of B-BBEE has been the understanding of **who is classified as black** in South Africa.

'Black people' is a generic term which means **Africans, Coloureds and Indians**:

**A** Who are **citizens** of the Republic of South Africa by **birth or descent**; or

**B** Who **became citizens** of the Republic of South Africa by **naturalisation**:

- before 27 April 1994; or
- on or after 27 April 1994 and were entitled to acquire citizenship by naturalisation prior to that date.

On 18 June 2008, the **Chinese Association of South Africa** approached the **High Court** with a request that **South African Chinese people** be included in the definition of 'black people'. As such **people of Chinese origin** falling under the **above definition** of (a) and (b) are also classified as black.



## Designated groups

Black designated groups form part of the requirements when completing the B-BBEE affidavits or scoring points under the ownership scorecard.

**These include:**

- Unemployed black people** not attending and not required by law to attend an **educational institution** or not awaiting admission to such an institution;
- Black people **defined as youth** by the National Youth Commission Act of 1996;
- Black people who are **persons with disabilities** as defined in the Code of Good Practice under the Employment Equity Act;
- Black people living in **rural and under-developed areas**;
- Black military veterans** who qualify as such in terms of the Military Veterans Act 18 of 2011.



## NEXT STEPS

The **next steps** we require from you are:

- Review your current shareholders** and confirm status in terms of the B-BBEE Act.
- Complete the correct affidavit** to indicate the black shareholding and designated group status.
- Use the **correct affidavit template** supplied in this series.
- Submit the latest affidavit** to the Santam Transformation team.
- If you are unsure or need assistance, **contact us** on the below details.



Should you have **further questions or require assistance**, please email our Transformation Team at [SantamTransformation@santam.co.za](mailto:SantamTransformation@santam.co.za).

**Thank you for reading! Keep an eye out for part 2 in the series.**