

3.4.3.1.1.1. The actual points scored by the Measured Entity and the consequent level that the Measured Entity would have achieved were it not for non-compliance with the 40% sub-minimum requirements will be recognised by the Verification Agency ("the Recognition Level");

3.4.3.1.1.2. Notwithstanding the recognition in 3.4.3.1.1 above, the Measured Entity's B-BBEE status level will be discounted by one level down until the next applicable verification period in which the Measured Entity can demonstrate compliance with the 40% sub-minimum requirements, at which point the Recorded Level will become the applicable ratings level for that Measured Entity in that verification period.

3.4 The requirement to submit data to the Department of Labour under the Employment Equity Act 55 of 1998 is only applicable to 'designated employers' who employ 50 or more employees. However, for the purpose of measurement for both Generic and Qualifying Small Entities that employ less than 50 employees are required to submit sufficient evidence for verification purposes.

4. ELIGIBILITY AS AN EXEMPTED MICRO ENTERPRISE (EME)

4.1 Any enterprise with an annual Total Revenue of R10 Million or less qualifies as an Exempted Micro-Enterprise.

4.2 An Exempted Micro-Enterprise is deemed to have a B-BBEE Status of "Level Four Contributor" having a B-BBEE recognition level of 100% under paragraph 8.2.

4.3 Enhanced B-BBEE recognition level for an Exempted Micro-Enterprise:

4.3.1 Despite paragraphs 4.2 an EME which is 100% Black owned qualifies for elevation to "Level One Contributor" having a B-BBEE recognition level of 135%.

4.3.2 Despite paragraph 4.2 and 4.3.1, an EME which is at least 51% Black owned qualifies for elevation to "Level Two Contributor" having a B-BBEE recognition level of 125%.

4.4 Despite paragraphs 4.2 and 4.3, an EME is allowed to be measured in terms of the QSE scorecard should they wish to maximise their points and move to a higher B-BBEE recognition level.

4.5 An EME is only required to obtain an sworn affidavit on an annual basis, confirming the following:

4.5.1 Annual Total Revenue of R10 million or less; and

4.5.2 Level of Black ownership.

4.6 Any misrepresentation in terms of Para 4.5 above constitutes a criminal offence as set out in the B-BBEE Act as amended.

5. ELIGIBILITY AS A QUALIFYING SMALL ENTERPRISES (QSE)

5.1 A Measured Entity with an annual Total Revenue of between R10 million and R50 million qualifies as a Qualifying Small Enterprise.

5.2 A QSE must comply with all of the elements of B-BBEE for the purposes of measurement.

5.3 Enhanced B-BBEE recognition level for QSE:

5.3.1 A Qualifying Small Enterprise which is 100% Black owned qualifies for a Level One B-BBEE recognition.

5.3.2 A QSE which is at least 51% Black owned qualifies for Level Two B-BBEE recognition level.

5.3.3 A QSE is only required to obtain an sworn affidavit on an annual basis, confirming the following:

5.3.3.1 Annual Total Revenue of R50 million or less; and

5.3.3.2 Level of Black ownership.