



merSETA
MANUFACTURING, ENGINEERING
AND RELATED SERVICES SETA

B - BBEE REQUIREMENT COMMUNIQUÉ

The merSETA hereby wishes to share the following communique in respect of its way forward in terms of Broad-Based Black Economic Empowerment Act:

Mandatory Grant Applications

The merSETA does not require the submission of a B-BBEE scorecard/certificate issued by a SANAS-accredited verification agent or B-BBEE affidavit.

Discretionary Grant Applications

The merSETA, in line with Section 10 of the B-BBEE Act, as amended, must ensure compliance with the Act when awarding Discretionary Grants. The merSETA previously implemented the Act very strictly by requiring that a B-BBEE scorecard issued by an accredited SANAS verification agent is valid and depicts the applicant as having a positive B-BBEE score, that is level 1 to level 8.

Following a diligent consultation process with B-BBEE experts, the merSETA will now adopt the below listed requirements for Discretionary Grants applications:

1. A B-BBEE scorecard or certificate which must:
 - a. Be issued by a SANAS accredited agent; and
 - b. Be valid at the time of submission of the Discretionary Grant application.

Please note that the merSETA will no longer consider the score achieved by the entity, i.e., non-compliant.

2. Appropriately completed B-BBEE affidavit:
 - a. Appropriate affidavit for an Exempted Micro Enterprise (EME); and
 - b. Appropriate affidavit for a Qualifying Small Enterprise (QSE).

Please note that the affidavits apply to entities that fall within their specific criteria. Applicants are advised to contact the merSETA or the BEE Commission for further guidance.

National Skills Development Management System (NSDMS)

Regarding the NSDMS requirement of B-BBEE scorecard in respect of Mandatory Grant Applications, the merSETA conducted a back-end investigation into the system. This follows the stakeholders' comments about not being able to submit their MG applications, due to the system requiring a B-BBEE scorecard/certificate or affidavit as part of submissions.

What was established is that when a new profile is being created for a new entity or company, the system requires uploading of documents which include amongst others:

1. CIPC registration
2. Income Tax
3. B-BBEE Certification, etc.

The merSETA would appreciate cooperation of stakeholders in closing the skills gap.