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**CORRECTION NOTICE**

Notice is hereby given that *Extraordinary Gazette No. 35848* of 2 November 2012 is withdrawn and replaced with the following:

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**GENERAL NOTICE**

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**NOTICE 922 OF 2012****DEPARTMENT OF TRADE AND INDUSTRY**

I, Dr Rob Davies, Minister of Trade and Industry, hereby:

- (a) Issue for public comment, in accordance with the **BROAD-BASED BLACK ECONOMIC CODES OF GOOD PRACTICE**:
- The refined principle relating to shorter payment period.
  - Proposed definition for Measurement Period and Measurement Date as per the Gazette Notice No. 548 of 2012 which was published in Gazette No. 35506 on the 9<sup>th</sup> July 2012.
- (b) Invite interested persons and the public to submit comments on the refined principle within thirty (30) days from the date of this publication.

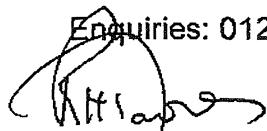
Interested parties are requested to forward their comments in writing for attention **Xolisile Zondo** and **Lindiwe Madonsela**, on to the following address (es)

the dti Campus  
77 Meintjies Street  
Sunnyside, Pretoria  
0002  
c/o BEE Unit

or

Private Bag X84  
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Enquiries: 012 394 1609/1941



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Dr Rob Davies, MP  
Minister of Trade and Industry  
Date: 27/ 9/2012

## **CODE SERIES 600: MEASUREMENT OF THE ENTERPRISE DEVELOPMENT ELEMENT OF BROAD-BASED BLACK ECONOMIC EMPOWERMENT**

### **GENERAL EXPLANATORY NOTE: SHORTER PAYMENT PERIOD PRINCIPLES**

Issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act 53 of 2003.

- (a) In terms of recognition of enterprise development beneficiaries as per the Codes of Good Practice, shorter period means settlement of accounts with beneficiary entities over a shorter period of time by the measured entity.
- (b) In order to claim points for shorter period, the payment must be made within a period of fifteen (15) days from the date of the invoice.
- (c) This means that if payment is at least made within the first fifteen (15) days from the date of invoice by the qualifying supplier, then the amount that can be claimed is a percentage of the invoice amount which is equal to 15 minus the number of days from invoice to payment date.

**Example:** Say that the invoiced amount is R10 and that the measured entity makes payment thereof 5 days after the invoice date then the measured entities contribution to Enterprise Development is measured as follows:

$$R10 \times (15 - 5) \% = R10 \times 10\% = R1 \text{ (contribution amount)}$$

- (d) This mechanism is only applicable to shorter payments made to Exempted Micro-Enterprises (EMEs).

## **BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT 53 OF 2003**

### **SCHEDULE ONE: INTERPRETATION AND DEFINITIONS**

Issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act 53 of 2003.

In terms of the Codes of Good Practice unless the context otherwise requires:

- (a) Measurement Period is the period of 12 (twelve) consecutive months prior to the measurement date, for measurement and verification of B-BBEE compliance. This period may coincide with the measured entity's financial period.
  - (b) Measurement Date' refers to the date when the application/agreement to be verified was signed by the measured entity and the verification agency.
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