



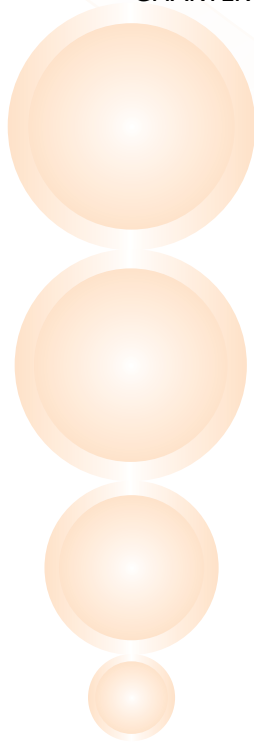
transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

INTEGRATED AND SUB-SECTOR B-BBEE CHARTERS OF TRANSPORT
“ROAD FREIGHT TRANSPORT, LOGISTICS AND ALLIED SERVICES FOR
REWARD SUB-SECTOR BROAD-BASED BLACK ECONOMIC EMPOWERMENT CHARTER”



ROAD FREIGHT TRANSPORT,
LOGISTICS AND ALLIED SERVICES
FOR REWARD SUB-SECTOR B-BBEE
CHARTER



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ABBREVIATIONS

B-BBEE	Broad-Based Black Economic Empowerment	NRA	National Roads Agency
ASGISA	Accelerated and Shared Growth initiative for South Africa	NSF	National Skills Fund
BCEA	Basic Conditions of Employment Act	NPAT	Net Profit After Tax
DoT	Department of Transport	PPFA	Preferential Procurement Policy Framework Act
DTI	Department of Trade and Industry	PSA	Proudly South African
EE	Employment Equity	QSEs	Qualifying Small Enterprises
EEA	Employment Equity Act	RTQS	Road Transport Quality System
EMEs	Exempted Micro Enterprises	SARS	South African Revenue Services
GDS	Growth and Development Summit	SATAWU	South African Transport and Allied Workers Union
HRD	Human Resource Development	SMMEs	Small Micro and Medium Enterprises
NBC	National Bargaining Council	TETA	Transport Education and Training Authority
		WSP	Workplace Skills Plan

INTEGRATED AND SUB-SECTOR B-BBEE CHARTERS OF TRANSPORT

ROAD FREIGHT TRANSPORT, LOGISTICS AND ALLIED SERVICES FOR REWARD SUB-SECTOR B-BBEE CHARTER

1. SCOPE

- 1.1 The scope of this Broad-Based Black Economic Empowerment (B-BBEE) Charter is limited to the Road Freight Transport for Logistics and Allied Services for Reward Industry and includes inter alia:
- 1.1.1 Supply Chain Management Companies
 - 1.1.2 Logistics companies
 - 1.1.3 Trucking companies
 - 1.1.4 Transport Management companies
 - 1.1.5 Transport Brokers
 - 1.1.6 Associated Labour Brokers
 - 1.1.7 BEE Operators
 - 1.1.8 Management Companies for Owner Drivers
 - 1.1.9 South African registered Cross Border Operators
 - 1.1.10 Parcel Delivery Services
 - 1.1.11 Motor ferry Companies
 - 1.1.12 Cash In transit Companies

2. VISION

- 2.1 Our overarching vision is to develop a world-class industry, based on seamless integration of all modes and multiple networks, that will grow in size, stimulate economic growth and development, facilitate trade, comply with international safety standards, and deliver efficient and quality services to customers. Our industry will also achieve a significant increase in black participation in ownership, management and employment in companies throughout the industry value chain. We will pursue a growth strategy that prioritises the retention and creation of quality jobs.
- 2.2 To make this vision a reality will require a deliberate strategy to increase access to skills, capital and opportunities and, therefore, raise the economic value added (or productivity) of every employee and enterprise in the industry. This will require all stakeholders to recruit new black people into the industry and increase their skills (and those of existing employees) to best-practice international levels, while creating a supportive culture for their talents to thrive. It will also require stakeholders to facilitate the creation of new black entrepreneurs (and the development of existing ones) who can participate in economic opportunities throughout the industry value chain.
- 2.3 We, the signatories to this document, believe that every company in South Africa must embrace B-BBEE voluntarily, recognising that it is an economic imperative to secure a prosperous future for all our country's citizens and, therefore, a larger market in which to trade. We commit ourselves to embark on a major communications and marketing campaign that will take this "Broad-Based BEE Charter for the Road Freight Industry" to every organisation within our industry to ensure maximum participation by all stakeholders.
- 2.4 Accordingly, all private sector stakeholders who commit themselves to this Charter agree to have their B-BBEE achievements (in terms of the indicators in the Balanced B-BBEE Scorecard for the Road Freight Industry) rated by an independent B-BBEE verification agency or company that is accredited by the Department of Trade and Industry (DTI). This is in line with the Accelerated and Shared Growth initiative for South Africa (ASGISA) which aims to improve the level of procurement from black enterprises by supporting the use of the B-BBEE Codes of Good Practice. The independent B-BBEE verification of entities involved in the road freight industry will go a long way towards eliminating misrepresentation or fraudulent practices in the industry.

2.5 Government undertakings (to achieve the vision)

- 2.5.1 Develop and implement a programme to substantially increase investments in road infrastructure to eliminate current backlogs over the next decade with funds from the fiscus, parastatals, road users and the financial Industry.
- 2.5.2 Set up a dedicated road infrastructure fund to finance the road component of these investments and ensure that the National Roads Agency (NRA) and provincial government departments maximise employment opportunities through the use of labour-intensive methods in the maintenance and expansion of road infrastructure. This is reflective of the labour-absorbing projects promoted in ASGISA.
- 2.5.3 Commit to facilitate growth by ensuring that the industry is attractive to investors and free of unnecessary regulation and ensure that over-regulation does not impede B-BBEE initiatives in the industry.
- 2.5.4 Collaborate with all stakeholders to develop a strategy to grow the industry and create quality jobs by promoting the outsourcing of non-core transport and logistics operations of businesses. Businesses should give preferences to their own employees in the event of such activities/transactions.
- 2.5.5 Engage relevant governmental departments such as the DTI and South African Revenue Services (SARS) and review the current tax laws (Fiscal policy), which make it difficult for small Black operators to enter the industry.
- 2.5.6 Effectively implement and monitor the Road Transport Quality System (RTQS) and ensure compliance.
- 2.5.7 Enforce and monitor compliance with existing legislation that may impact on BEE such as the Employment Equity (EE), Skills Development and Competition Acts.
- 2.5.8 Ensure that all parastatals and public sector agencies submit an annual B-BBEE report (within their annual reports) that covers achievements in meeting B-BBEE targets. The report should also include information on jobs created/lost.
- 2.5.9 Publish an annual report on B-BBEE and job creation within the road freight industry that consolidates reports, B-BBEE verification and other information from all stakeholders.
- 2.5.10 Publish an annual report on the jobs created through the labour-intensive road construction programme.

2.6 Labour Undertakings (to achieve this vision)

- 2.6.1 Investigate opportunities to establish collective investment vehicles that will make investments in the sector.
- 2.6.2 Educate members to ensure compliance with existing legislation e.g. the Employment Equity, Skills Development, Labour Relations and Basic Conditions of Employment Acts, and to understand the relevant channels to deal with instances of non-compliance.
- 2.6.3 Educate members with regard to the agreements contained in the Growth and Development Summit (GDS) in order for them to participate in the promotion of local content and/or procurement and support the Proudly South African campaign.
- 2.6.4 Monitor the impact of procurement/outsourcing on job creation and report findings to the Transport Sector BEE Council.

2.7 Industry Undertakings (to achieve this vision)

- 2.7.1 To form collaborative relationships with organisations such as Proudly South African, Department of Trade and Industry (DTI) and other stakeholders as well as to promote the economic benefits of utilising and growing Black Economic Empowerment (BEE) compliant by the Road Freight Industry companies. The signatories of this charter are of the view that the sector should endeavour to facilitate the realisation of these commitments by monitoring contributions to B-BBEE. The evaluation of these contributions should be conducted through Commitment Evaluation Matrix provided in Appendix C.

3 INDICATORS OF EMPOWERMENT

- 3.1 This "Broad-Based BEE Charter for the Road Freight Industry" seeks to encourage all stakeholders to pursue an aggressive transformation agenda according to the broad guidelines spelt out in Government's National B-BBEE Strategy, B-BBEE Act of 2003 and Codes of Good Practice on B-BBEE.

3.2 Ownership

3.2.1 Our vision is to increase black ownership, management control and operational involvement throughout the road freight industry value chain and design appropriate funding mechanisms to facilitate the process. We recognise that ownership is a complex matter due to the large number of different ownership structures prevalent in the Road Freight Industry. Businesses in this industry range from large corporate organisations to small family businesses and even owner-driver operations. However, we, the stakeholders, will collectively strive to address these challenges and develop innovative mechanisms to increase black ownership.

3.2.2 Stakeholder undertakings

3.2.2.1 Government Commits to:

3.2.2.1.1 Engage public and private sector funding agencies to facilitate innovative funding mechanisms for BEE companies seeking to invest in the sector. This will require a high-level workshop with these agencies to inform them about opportunities available in the transport industry, including road freight.

3.2.2.2 The Private Industry Commits to:

3.2.2.2.1 Voting Rights-Black People: The Private Sector commits to a minimum of 25%+1 voting rights in hands of Black People

3.2.2.2.2 Voting Rights-Black Women: The Private Sector commits to ensure a minimum of 10% of voting rights in the hands of Black Women

3.2.2.2.3 Economic Interest: The Private Sector commits to a minimum of 25% of equity interest in the hands of Black People

3.2.2.2.4 Economic Interest-Black Women: The Private Sector commits a minimum of 10% of equity interest in the hands of Black Women.

3.2.2.2.5 Ensure that 2.5% is earmarked for black natural people in the enterprise: Employee Ownership Schemes, Broad based Ownership Schemes and Co-operatives within five years

3.2.2.2.6 Qualifying small enterprises as defined in this charter also commit to:

3.2.2.2.6.1 Increase the ownership base of their companies and ensure that a minimum of 25% of economic interest is the hands of black people;

3.2.2.2.6.2 25% +1 vote voting rights, or equivalent thereof, are in black hands; and,

3.2.2.2.6.3 Ensure that the net economic interest of the black equity participants is 60% of the 25% within 5 years. If this is achieved, it will be deemed that Ownership Fulfilment has been achieved

3.2.2.3 Stakeholders will consider a variety of ownership models, including:

3.2.2.3.1 Joint Ventures

3.2.2.3.2 Sale of Assets

3.2.2.3.3 Employee Share Ownership Participation Schemes

3.2.2.3.4 Collective ownership schemes

3.2.2.3.5 The measurement of ownership contributions from the above ownership models are the same as the one contained in the Codes.

3.2.2.3.6 Develop creative financing mechanisms for BEE companies to achieve equity ownership.

3.2.3 Measuring Principles and Application of the Charter

3.2.3.1 Measurement principles associated with the ownership element, are contained in Statement 100 of Code 100 of the Generic Codes of Good Practice.

3.2.3.2 The formulae required in the determination of the ownership score are contained in Annexure 100 (c) of Statement 100 of Code 100 of the Generic Codes of Good Practice.

- 3.2.3.3 The recognition of the sale of assets under the ownership element has the same meaning as that contained in Statement 102 of Code 100 of the Generic Codes of Good Practice. The target contained in the ownership element of this Charter will apply.
- 3.2.3.4 The recognition of the equity equivalent programmes for multinationals has the same meaning and interpretation as that contained in Statement 103 of Code 100 of the Generic Codes of Good Practice.
- 3.2.3.5 The formulae required in the determination of the ownership score based on equity equivalent contributions are contained in Annexure 103 (A) of Statement 103 of Code 100 of the Generic Codes of Good Practice.
- 3.2.3.6 Measurement principles relating to the ownership element for QSEs are contained in Statement 801 of Code 800 of the Generic Codes of Good Practice.

3.3 Management Control

3.3.1 The Private sector commits to:

- 3.3.1.1 Board Representation: The private sector commits itself to a minimum of 50% exercisable voting rights of black board members. Points will only be scored if enterprises achieve a target of 10% in year one, 20% in year two, 30% in year three and 40% in year four.
- 3.3.1.2 Board Representation-Black Women: The private sector commits to a minimum of 25% voting rights of black women board members. Points will only be scored if enterprises achieve a target of 5% in year one, 10% in year two, 15% in year three and 20% in year four.
- 3.3.1.3 Senior Top Management-Black People: The private sector commits to a minimum of 40% of the total employees in Senior Top Management.
- 3.3.1.4 Senior Top Management-Black Women: The private sector commits to a minimum of 20% of the total employees in Senior Top Management.
- 3.3.1.5 Other Top Management-Black People: The private sector commits to a minimum of 40% of the total employees in Other Top Management.
- 3.3.1.6 Other Top Management-Black Women: The private sector commits to a minimum of 20% of the total employees in Other Top Management.
- 3.3.1.7 If the measured entity is unable to distinguish between Senior Top Management and Other Top Management, both criteria may be combined into "Top Management" which is measurable as a single indicator with a target of 40% and a weighting of 2.5%, and "Woman Top Management" which is measurable as a single indicator with a target of 20% and a weighting of 2.5%.
- 3.3.1.8 QSE within the sector commit to recruiting black people at Top Management positions, where they should constitute 50.1% of total Top Management
- 3.3.1.9 Conclude discussions with stakeholders to develop a Code of Good Practice for Owner-Driver Schemes (See Appendix B).

3.3.2 Measurement Principles and Application of the Charter

- 3.3.2.1 Measurement principles associated with the management control element are contained in Statement 200 of Code 200 of the Generic Codes of Good Practice.
- 3.3.2.2 The formulae required in the determination of the management control score are contained in Annexure 200 (A)-B of Statement 200 of Code 200 of the Generic Codes of Good Practice. The Adjustment Recognition for Gender found in Annexure 200 (A)-A will not apply.
- 3.3.2.3 Measurement principles needed for the application of the charter with regards to the management control element for QSE are contained in statement 802, of Code 800, of the Generic Codes of Good Practice.

3.4 Employment Equity

- 3.4.1 Our vision is to increase the participation of black people in senior management, middle management; professional and technical occupations in the Road Freight Industry to create a workforce that truly represents the racial, ethnic and gender diversity of our country. This will require that all stakeholders create a supportive culture within their organisations to attract new talent, facilitate the development of existing employees, and accelerate their progress into key positions within the industry.

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3.4.2 Stakeholder undertakings

3.4.2.1 Government commits to:

3.4.2.1.1 The Department of Transport is to engage the Department of Labour to ensure that it plays a significant role in monitoring stakeholder progress in meeting EE targets.

3.4.2.2 Private Sector Commits to

3.4.2.2.1 Senior Management-Black People: The private sector commits itself to having a minimum of 43% of Black employees as a percentage of all such employees. Points for senior management will only be scored after enterprises achieve a target of 9%.

3.4.2.2.2 Senior Management-Black Women: The private sector commits itself to having a minimum of 22% of Black women as a percentage of all such employees. Points for black women at senior management will only be scored after enterprises achieve a target of 5%.

3.4.2.2.3 Middle Management-Black People: The private sector commits itself to having a minimum of 63% of Black employees as a percentage of all such employees. Points for black employees at middle management will only be scored after enterprises achieve a target of 13%.

3.4.2.2.4 Middle Management-Black Women: The private sector commits itself to having a minimum of 32% of Black women as a percentage of all such employees. Points for black women at middle management will only be scored after enterprises achieve a target of 8%.

3.4.2.2.5 Junior Management-Black People: The private sector commits itself to having a minimum of 68% of Black employees as a percentage of all such employees. Points for black people at junior management will only be scored after enterprises achieve a target of 14%.

3.4.2.2.6 Junior Management-Black Women: The private sector commits itself to having a minimum of 34% of Black women as a percentage of all such employees. Points for black women at junior management will only be scored after enterprises achieve a target of 7%. Black Women unskilled and semi skilled (below junior management) with a target of 15%.

3.4.2.2.7 Black People living with disability: The private sector commits itself to having a minimum of 2% of Black disabled employees as a percentage of all employees. Points for employees living with disability will only be scored after enterprises achieve a target of 0.8%.

3.4.2.2.8 Black Women living with disability: The private sector commits itself to having a minimum of 1% of Black disabled women as a percentage of all employees. Points for black women living with disability will only be scored if enterprises achieve a target of 0.4%.

3.4.2.2.9 Inability to distinguish between Middle Management and Junior Management: If the measured entity is unable to distinguish between Junior Management and Middle Management, both criteria may be combined into Junior Management which is measurable as a single indicator with a target of 68% and a weighting of 1.75%, and "Women Junior Management", which is measurable as a single indicator with a target of 34% and a weighting of 1.75%. In this case, the weighting for "Senior Management" will change to 4% and the weighting for "Women Senior Management" will change to 2.5%.

3.4.2.2.10 Measured entities falling within the QSE threshold commit to 40% of all management staff being black within 5 years. 50% of these positions should be earmarked for black women

3.4.2.2.11 QSE within this sector commit to all 60% of all staff should be black within the 5 years. 30% of all positions should be occupied by black women within 5 years

3.4.3 Measurement Principles and Application of the Charter

3.4.3.1 Measurement principles on the employment equity element, are contained in Statement 300 of Code 300 of the Generic Codes of Good Practice.

3.4.3.2 The formulae required in the determination of the employment equity score are contained in Annexure 300 (A)-B of Statement 300 of Code 300 of the Generic Codes of Good Practice. The formula for the determination of the Adjusted Recognition for Gender found in Annexure 300 (A)-A, will not apply.

3.4.3.3 Measurement principles for the determination of the Employment Equity score for QSEs are contained in Statement 803 of Code 800 of the Generic Codes of Good Practice

3.4.4 Labour Standards

3.4.4.1 The Road Freight Industry will be characterised by fair labour practices across the board.

3.4.4.2 All stakeholders commit to:

3.4.4.2.1 Implement interventions to ensure fair labour practices in line with the legislative matters of the National Bargaining Council (NBC) as well as the Basic Condition of Employment Act (BCEA), the Employment Equity Act (EEA) and Skills Development Act.

3.4.4.2.2 Ensure non-discrimination against employees living with HIV/AIDS. Whilst the industry has made strides in this area more can still be done by all stakeholders in a partnership approach aimed at setting up a fund to address initiatives relating to HIV/AIDS education, counselling and treatment of all employees.

3.5 Skills Development

3.5.1 Our vision is to increase the economic value added of every employee in the Road Freight Industry through best-practice Human Resource Development (HRD), skills development, EE and Gender policies. A key element will be to identify the critical skills, retain and create quality employment in the sector.

3.5.2 Private Sector Commit to:

3.5.2.1 Invest a minimum of 3% of the leviable amount on skills development expenditure on Learning programmes as per the Learning Matrix contained in the Codes for black people. The target is inclusive of all associated costs and the current 1% skills development levy.

3.5.2.2 Invest a minimum of 1.5% of the leviable amount on skills development expenditure on Learning Programmes as per the Learning Matrix contained in the Codes for black women. The target is inclusive of all associated costs and the current 1% skills development levy.

3.5.2.3 Invest a minimum of 0.3% of the leviable amount on skills development expenditure on Learning programmes as per the Learning Matrix contained in the Codes for black disabled people. The target is inclusive of all associated costs and the current 1% skills development levy.

3.5.2.4 Invest a minimum of 0.15% of the leviable amount on skills development expenditure on Learning programmes as per the Learning Matrix contained in the Codes for black disabled women. The target is inclusive of all associated costs and the current 1% skills development levy.

3.5.2.5 Black employees having participated in Learnerships or Category B, C or D programmes being 5% of the total employees.

3.5.2.6 Black women employees having participated in Learnerships or Category B, C or D programmes being 2.5% of the total employees.

3.5.2.7 QSEs within this subsector investing a minimum of 2% of the leviable amount or payroll whichever is applicable on skills development spend on learning programmes for black people 1% on black Woman.

3.5.3 TETA Commits to:

- 3.5.3.1 Conduct research to identify the management, professional and technical skills that the industry will require over the next decade and map out future demand/supply scenarios in a detailed skills audit that will guide and inform stakeholders in implementing their EE targets. The report will make proposals on how to eliminate the identified skills deficits in the medium term. The proposal will quantify the financial resources that may be required to eliminate the skills deficit.
- 3.5.3.2 Conduct research on the supply side of skills development – i.e. the institutions that will provide the required management, professional and technical skills. The research will determine whether the identified institutions have the capacity to meet the expected demand and whether their curricula meet the needs of industry. It will make proposals on how to increase the capacity and relevance of existing institutions and establish whether there is a need to establish a dedicated institution that will focus on developing skills for the industry.
- 3.5.3.3 Introduce, after consulting stakeholders and completing the skills audit, new categories of learnerships - in management, technical and professional occupational categories - to help organisations to achieve their employment equity targets.
- 3.5.3.4 Develop a training programme to improve the business management skills of owner-drivers. The training programme will also have a component that provides advice on the contracts given to owner-drivers and ensure that employers comply with the Codes of Good Practice for Owner Drivers.
- 3.5.3.5 Collect and publish detailed and aggregated statistics on the EE profile of the industry according to occupational level and occupational category. Also, to monitor the industry's progress in meeting its targets and publish an annual report on the EE Profile of the industry according to occupational level and category.

3.5.4 Measurement Principles and the Application of the Charter

- 3.5.4.1 Measurement principles associated with the skills development element, are contained in Statement 400 of Code 400 of the Generic Codes of Good Practice.
- 3.5.4.2 The formulae required in the determination of the skills development score are contained in Annexure 400 (A)-B of Statement 400 of Code 400 of the Generic Code of Good Practice. The formula for the determination of the Adjusted Recognition for Gender found in Annexure 400 (A)-A, will not apply.
- 3.5.4.3 The measurement principles required in the determination of the skills development score for QSEs are contained in Statement 804 of Code 800 of the Generic Code of Good Practice.

3.6 Preferential Procurement

- 3.6.1 Our vision is to grow South Africa's Road Freight Industry in order to stimulate and facilitate economic growth. We commit to increase procurement from black-owned and empowered enterprises and implement best-practice supplier development policies.

3.6.2 Stakeholder undertakings

3.6.2.1 Government commits to:

- 3.6.2.1.1 Ensure that parastatals and public sector agencies develop uniform policies on Accounting for Affirmative Procurement and adopt the guidelines that will be set by the Transport Sector BEE Council.
- 3.6.2.1.2 Ensure that parastatals and public sector agencies constantly explore possibilities to increase the amount of total measurable procurement – for example by supporting local procurement and/or content in line with the agreements reached by stakeholders at the Growth and Development Summit. (GDS).
- 3.6.2.1.3 This will require that parastatals and public sector agencies state in their annual BEE reports the reasons for classifying an item of expenditure as an excluded item This information should be disclosed in a detailed statement that reconciles total measurable procurement and allowable exclusions.

- 3.6.2.1.4 Parastatals and public sector agencies should support the Proudly South African (PSA) campaign and note the agreement at the GDS that PSA is "an important means of taking the message of local content, fair labour standards, environmental sustainability and quality products and services to the nation."

3.6.2.2 Private Sector Commits to:

- 3.6.2.2.1 Commission, together with other stakeholders, a study to establish current levels of procurement from BEE companies and identify areas where they can achieve "quick wins" to accelerate BEE.
- 3.6.2.2.2 Advance BB-Black Economic Empowerment through the procurement of ancillary services and equipment.
- 3.6.2.2.3 B-BBEE Procurement: 50% of total measured procurement on B-BBEE Procurement from B-BBEE complaint suppliers based on the B-BBEE Recognition Levels.
- 3.6.2.2.4 Procurement from QSE & EMEs: 10% of total measured procurement on B-BBEE procurement from Qualifying Small Enterprises and Exempted Micro-Enterprises.
- 3.6.2.2.5 Procurement from enterprises that are 50% black owned: 9% of total measurable procurement on B-BBEE procurement from enterprises that are 50% black owned.
- 3.6.2.2.6 Procurement from enterprises that are 30% black women owned: 6% of total measurable procurement on B-BBEE procurement from enterprises that are 30% black women owned.
- 3.6.2.2.7 QSEs within this subsector commit to procuring a minimum of 40% over the next 5 years.
- 3.6.2.2.8 Adopt the guidelines on Accounting for Affirmative Procurement that will be set by the Transport Sector BEE Council.

3.6.3 Measurement Principles and Application of the Charter

- 3.6.3.1 Measurement principles associated with the preferential procurement element, are contained in Statement 500 of Code 500 of the Generic Codes of Good Practice.
- 3.6.3.2 The formulae required in the determination of the preferential procurement score are contained in Annexure 500 (A) of Statement 500 of Code 500 of the Generic Codes of Good Practice.
- 3.6.3.3 The measurement principles required in the determination of the skills development score for QSEs are contained in Statement 805 of Code 800 of the Generic Code of Good Practice

3.7 Enterprise Development

- 3.7.1 Our vision is to create, nurture and grow viable BEE enterprises within the industry while increasing opportunities available to existing companies.

3.7.2 Government Commits to:

- 3.7.2.1 Investigate opportunities to enter into creative joint ventures with BEE companies.

3.7.3 The Private Industry Commits to:

- 3.7.3.1 Pro-actively seek opportunities to enter into joint ventures (and other forms of alliances) and make direct investments in BEE companies.
- 3.7.3.2 Investigate opportunities to outsource non-core activities such as workshops, certain maintenance functions, security services and subcontract certain transport activities to BEE companies.

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- 3.7.3.3 Enterprise Development Contributions: Ensure a minimum of 3% of Net Profit After Tax (NPAT) is directed towards enterprise development initiatives.
- 3.7.3.4 QSEs within this sector aspire to make contributions to enterprise development which will amount to 2% of NPAT evaluated annually over the next 5 years.
- 3.7.3.5 Enterprise Development Contributions: Endeavour to pay suppliers within 15 days of the date of invoice. The amount of the invoices will be recognisable as enterprise development contributions.

3.7.4 Measurement Principles and Application of the Charter

- 3.7.4.1 Measurement principles associated with the enterprise development element are contained in Statement 600 of Code 600 of the Generic Codes of Good Practice.
- 3.7.4.2 Qualifying contributions for the enterprise development element are contained in Annexure 600 (A) – Benefit Factor Matrix of the Statement 600 of Code 600 of the Generic Codes of Good Practice.
- 3.7.4.3 The formulae required in the determination of the enterprise development score are contained in Annexure 600 (A) of Statement 600 of Code 600 of the Generic Codes of Good Practice.
- 3.7.4.4 Measurement principles required in evaluating the enterprise development contributions made by QSEs within this sector are contained in Statement 806 of Code 800 of the Generic Codes of Good Practice

3.8 Socio-Economic Development

3.8.1 All Stakeholders commit to:

- 3.8.1.1 Invest at least 1% of NPAT on social development projects;
- 3.8.1.2 Social development contributions leading to the following will be enhanced by a factor 1.25:
 - 3.8.1.2.1 Poverty alleviation;
 - 3.8.1.2.2 Community development;
 - 3.8.1.2.3 HIV/AIDS; and
 - 3.8.1.2.4 the provision of housing and transport.

3.8.2 Measurement Principles and Application of the Charter

- 3.8.2.1 Measurement principles associated with the socio-economic development element are contained in Statement 700 of Code 700 of the Generic Code of Good Practice.
- 3.8.2.2 Qualifying contributions for the socio-economic development element are contained in Annexure 700 (A) – Benefit Factor Matrix of the Statement 700 of Code 700 of the Generic Codes of Good Practice.
- 3.8.2.3 The formulae required in the determination of the socio-economic development score are contained in Annexure 700 (A) of Statement 700 of Code 700 of the Generic Code of Good Practice.
- 3.8.2.4 Measurement principles required in evaluating socio economic development contributions made by QSEs within this sector are contained in Statement 807 of Code 800 of the Generic Codes of Good Practice

4. ROAD FREIGHT SUB-SECTOR BROAD-BASED BEE SCORECARD

B-BBEE Element	Indicators of Empowerment	Private Sector 5 Year Targets	Private Sector Weightings
Ownership	Exercisable voting rights in the hands of black people	25% + 1 vote	3
	Exercisable voting rights in the hands of black women	10%	2
	Economic Interest in the hands of black people	25%	4
	Economic Interest in the hands of black women	10%	2
	Economic Interest of following black natural people in the Enterprise: -black designated groups, -black participants in Employee Ownership Schemes, -black beneficiaries of Broad based Ownership Schemes; or -black participants in Co-operatives	2.5%	1
	Net Economic Interest/Net Value	25% graduated over 10 years as per the Codes (year 5 at 60%)	7
	Ownership Fulfilment	-	1
	Bonus points: Involvement in the ownership of the Enterprise of Black new entrants	10%	2
	Bonus Points: Involvement in the ownership of the Enterprise of Black participants in: Employee Ownership Schemes, Broad-Based Ownership Schemes or Co-operatives	10%	2
Management (Refer to management sub-minimum target matrix)	% of total exercisable voting rights in the hands of black board members	50%	1.5
	% of total exercisable voting rights in the hands of black-women board members	25%	1.5
	% Black persons who are executive directors	50%	1
	% Black women who are executive directors	25%	1
	% of black people who hold senior top management positions	40%	1.5
	% of black women who hold senior top management positions	20%	1.5
	% of black people who hold other top management positions	40%	1
	% of black women who hold other top management positions	20%	1
	Bonus Points: Black Independent Non-Executive Board Members	40%	1

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B-BBEE Element	Indicators of Empowerment	Private Sector 5 Year Targets	Private Sector Weightings
Employment Equity	% Black People in Senior Management	43%	2.5
	% Black Women in Senior Management	22%	2.5
	% Black People in Middle Management	63%	1.5
	% Black Women in Middle Management	32%	1.5
	% Black People in Junior Management	68%	1.5
	% Black Women in Junior Management	34%	1.5
	% of Black Women who are semi and unskilled (i.e employees below junior management)	15%	2
	Black People living with disabilities as a % of all employees	2%	1
	Black Women living with disabilities as a % of all employees	1%	1
	Bonus Points: Meeting or exceeding the EAP targets in each category of employment equity		
Skills Development	Skills Development Expenditure on learning programmes specified in the learning programme matrix for black employees as percentage of leviable amount	3%	3

¹ If the measured entity is unable to distinguish between Senior Top Management and Other Top Management, both criteria may be combined into "Top Management" which is measurable as a single indicator with a target of 40% and a weighting of 2.5%, and "Women Top Management", which is measurable as a single indicator with a target of 20% and a weighting of 2.5%

Owner-driver schemes will only be considered under Enterprise Development.
Net Value under Ownership at year five should be at 60%.

² If the measured entity is unable to distinguish between Black Junior Management and Black Middle Management, both criteria may be combined into Black Junior Management which is measurable as a single indicator with a target of 68% and a weighting of 1.75%, and "Black Women Junior Management", which is measurable as a single indicator with a target of 34% and a weighting of 1.75%. In this case, the weighting for "Senior Management" will change to 4% and the weighting for "Black Women Senior Management" will change to 2.5%. No Measured Entity shall receive any points under the Employment Equity Scorecard unless they have achieved a sub-minimum of 40% of each of the targets.

B-BBEE Element	Indicators of Empowerment	Private Sector 5 Year Targets	Private Sector Weightings
	Skills Development Expenditure on learning programmes specified in the learning programme matrix for Black Women employees as percentage of leviabale amount	1.5%	3
	Skills Development Expenditure on learning programmes matrix for black employees with disabilities as a percentage of leviabale amount	0.3%	1.5
	Skills Development Expenditure on learning programmes matrix for Black Women employees with disabilities as a percentage of leviabale amount	0.15%	1.5
	Number of black employees participating in learnerships or category B, C & D programmes as percentage of total employees	5%	3
	Number of Black Women employees participating in learnerships or category B, C & D programmes as percentage of total employees	2.5%	3
Preferential Procurement	Procurement from all B-BBEE Compliant Enterprises as defined by the B-BBEE Recognition Levels as a % of Total Measured Procurement Spend	50%	12
	Procurement from B-BBEE Compliant QSEs and EME as defined by the B-BBEE Recognition Levels as a % of Total Measured Procurement Spend	10%	3
	Procurement from 50% Black-Owned as a % of Total Measured Procurement Spend	9%	3
	Procurement from 30% Black Women-Owned Enterprises as a % of Total Measured Procurement Spend	6%	2
Enterprise Development	Expenditure on supplier development initiatives as a proportion of NPAT	3% of NPAT	15
Socio-economic Development	Expenditure on social development programmes as a % of NPAT.		
	N.B: Expenditure on programmes that address HIV/ AIDS, poverty alleviation, community development will be enhanced by a factor of 1.25	1% of NPAT	5
TOTAL			100

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5. ROAD FREIGHT SUB-SECTOR QUALIFYING SMALL ENTERPRISES SCORECARD

B-BBEE Element	Indicators of Empowerment	Private Sector 5 year target	Private Sector Weightings
Ownership	Exercisable voting rights in hands of black people	25% + 1 Vote	6
	Economic Interest of black people in the Enterprise	25%	9
	Realisation Points: Ownership fulfilment		1
	Net Value	25% graduated over 10 years as per the Codes (Year 5 at 60%)	9
	Bonus Points: Involvement in the ownership of the Enterprise by black women	10%	2
	Bonus Points: Involvement in the ownership of the Enterprise by black participants in Employee Share Schemes, Co-operatives or Broad Based Ownership Schemes	10%	1
	Management Control	Black Representation at Top Management level	50.1%
	Bonus Points: Black women representation at Top-Management	25%	2
Employment Equity	Black Employees of the Measured Entity who are Management as a % of all Management	40%	7.5
	Black Women Employees of the Measured Entity who are management as a % of all Management	20%	7.5
	Black employees of the Measured Entity as a percentage of total employees	60%	5
	Black Women employees of the Measured Entity as a percentage of total employees	30%	5
	Bonus Points: meeting or exceeding the EAP targets in each category		2
Skills Development	Skills Development spend on learning programmes for Black employees as a percentage of the leviable/payroll	2%	12.5
	Skills Development spend on learning programmes for Black Women employees as a percentage of the leviable/ payroll	1%	12.5
Preferential Procurement	BEE Procurement Spend from all suppliers based on the B-BBEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	40%	25
Enterprise Development Spend	Average annual value of Qualifying Contributions made by the Measured Entity as a percentage of the target	2% of NPAT	25
Socio-Economic Development	Average annual value of Qualifying Contributions made by the Measured Entity as a percentage of the target	1% of NPAT	25
TOTAL			175

A QSE must select any four of the above seven elements for the purposes of measurement. If a QSE does not make a selection, its four best element scores will be used for the purposes of measurement.

MANAGEMENT CONTROL: SUB-MINIMUM TARGET MATRIX

Year	Voting rights on Board		Executive Directors		Senior Top Management		Other Top Management	
	Black people	Black Women	Black people	Black Women	Black people	Black Women	Black people	Black Women
1	10%	5%	10%	5%	8%	4%	8%	4%
2	20%	10%	20%	10%	16%	8%	16%	8%
3	30%	15%	30%	15%	24%	12%	24%	12%
4	40%	20%	40%	20%	32%	16%	32%	16%
5	50%	25%	50%	25%	40%	20%	40%	20%

6. APPENDIX A: DEFINITIONS

	DEFINITION
Associated Enterprise	Means any black Enterprise other than the Measured Enterprise with which the Measured Enterprise has concluded a Qualifying Transaction.
Aged Persons Act	Means the Aged Persons Act 81 of 1967, as amended.
Acceptable Valuation Standard	Means a valuation of an asset, an Economic Interest, an Enterprise or another instrument or right relevant to measurement under the ownership indicator undertaken in accordance with normal valuation methodologies which represent standard market practice in the context of the nature as well as the stage of development of the asset, Equity Interest or Enterprise being valued.
Black Aged People	Means black people who are also aged people as defined in the Aged Persons Act.
Broad-Based Black Empowerment	Accordingly, government defines B-BBEE as an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the numbers of black people that manage, own and control the country's economy, as well as significant decreases in income inequalities. Thus the B-BBEE process will include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of enterprises and economic assets.
Black Designated Groups	Means black workers, black unemployed people, black youth, black aged people, black disabled people and black people living in rural areas.
Black Disabled People	Means black people who also satisfy all of the criteria in the definition of "persons with disabilities" set forth in paragraph 5.1 of the "code of good practice on the employment of people with disabilities" (as amended or substituted from time to time) issued in terms of section 54(1)(a) of the Employment Equity Act.
Black Owned Enterprise	Is one that is 50,1% owned by black persons and where there is substantial management control.
Black New Entrants	Means a black Partnership(s) (which includes without limitation, black Participants in Broad-Based Ownership Schemes) holding in aggregate in excess of 5% of the total Voting Rights and Economic Interest in a Measured Enterprise who has not, prior to their acquisition of their Equity Interest in the Measured Enterprise, concluded similar transactions in respect of any other Enterprise, which in aggregate have a cumulative value of R20,000,000.00 measured in accordance with an Acceptable Valuation.

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	DEFINITION
Black People	Has the meaning defined in the Act qualified as including only natural persons who are citizens of the Republic of South Africa by birth or descent; or are citizens of the republic of South Africa by naturalisation: (a) Occurring before the commencement date of the constitution of the Republic of South Africa Act of 1993; or (b) Occurring after the commencement date of the Constitution of the Republic of South Africa Act of 1993, but who, without the Apartheid policy would have qualified for naturalisation before then.
Black Unemployed People	Means black people, who are unemployed, are not attending or required by law to attend an educational institution and who are not awaiting admission to an educational institution.
Black Women-Owned Enterprise	Is one with a minimum of 30% representation of black women within the ownership structure, including economic interest and exercisable voting rights.
Black Workers	Means black people who are also employees as defined in the Employment Equity Act.
Black Youth	Means black persons who are also youth as defined in the National Youth Commission Act.
Community Or Broad Based Enterprise	Has an empowerment shareholder who represents a broad base of members such as a local community or where the benefits support a target group, for example black women, people living with disabilities, the youth and workers.
Control	Of a business entity can be achieved in a number of ways a) a majority shareholding position i.e. 50% + 1 share, b) an effective controlling shareholding; c) a majority of a board of directors; and/or d) a shareholders agreement.
Co-Operative Or Collective Enterprise	Is an autonomous association of persons who voluntarily join together to meet their economic, social and cultural needs and aspirations through the formation of a jointly – owned enterprise and democratically controlled enterprise.
Direct Empowerment	The process of BEE must result in an increase in the ownership and control of the economy by black persons. This means that a significant portion of black persons ownership of assets and enterprises must be a controlling interest, reflecting genuine participation in decision making at board executive management and operational levels, and the assumption of real risk. In this Road Freight Sector scorecard, direct empowerment focuses on ownership of enterprises and assets through shares and other instruments that provide the holder thereof with voting rights and economic interests such as dividends or interest payments.
Discretionary Spend	Refers to the portion of total procurement where a company has the option to determine whether goods and services can be procured from a supplier. This figure is arrived at after deducting non-discretionary procurement e.g. imports and other items provided by monopoly suppliers e.g., water, electricity, telephone. A process will start after the signing of the Transport Sector B-BBEE Charter to arrive at uniform definitions of what constitutes discretionary and non-discretionary spending.
Effective Date	Means the date on which the Road Freight Sector BEE Charter will become operational and binding on all sector stakeholders.
Exempted Micro Enterprise [EME]	Is defined as any entity with an annual turnover below R 5 million and are treated in this sub sector as per the guidelines contained in the Codes of Good Practice.

	DEFINITION
Fronting	The deliberate misrepresentation of information in order to gain an advantage over another individual / entity. In addition the use of questionable ownership structures in order to unjustifiably gain points to get preference points in any business/ tender adjudication process.
Indirect Empowerment	A core component of this B-BBEE Strategy is the creation and nurturing of new enterprises by black people, preferential procurement by the State, Parastatals and the private sector is an effective and efficient instrument to drive B-BBEE. A second element of indirect empowerment is enterprise development. This can take two forms: Investment in black-owned and black-empowered enterprises. Joint Ventures with black owned and black empowered enterprises that result in substantive skills transfers.
Learners	Refers to the people participating in the learnership and other similar programmes.
Learnerships	As per the Skills Development Act.
Leviable Amount	Refers to the payroll of an entity including employee benefits and excluding directors fees.
Non-Discretionary Spend	Refers to all commodities and services where organisations have no option but to procure from companies (exports, water and electricity, rates and taxes, telephone etc).
Net Economic Interest	Refers to the effective economic interest possessed by black shareholders that is not encumbered by financial obligations to a 3rd party or the vendor of the shares. The target for this indicator is determined by a graduation factor, which requires the full debt for the acquisition of shares in the enterprise to be paid up within 10 years.
Ownership	Refers to equity participation and the ability to exercise rights and obligations that accrue under such ownership. These rights and obligations include the right the economic interest flowing from the shareholding and the right to exercisable voting rights in proportion to that shareholding. It also refers to the net economic interest, in other words paid up capital. The parties to this Charter agree that the measurement of the extent of the achievement of this target of the aggregate value of the equity will be based on the asset values per the audited accounts of the entities concerned and that the net economic interest will be calculated according to the market value of the shareholding less the outstanding amounts owing to third parties or the principle company by the black shareholders.
Ownership Fulfilment	Refers to the meeting of the targets for both economic interest and net economic interest simultaneously.
Procurement	Means all expenditure to acquire goods and/or services including capital expenditure, but excluding procurement spending where there is a natural monopoly e.g., water, electricity, telephone, etc. where there is no local supplier or procurement of items of procurement where the supplier is imposed in terms of a global policy for technical (but specifically not commercial) reasons, or inter-entity charges for services rendered by other members of the group, or expenditure classes covered elsewhere in the charter e.g. salaries and wages.
Qualifying Small Enterprises (QSEs)	Are defined as any entity with an annual turnover between R 5 million and R 35 million and are treated as per the guidelines contained in the Code 800 of the Codes of Good Practice.
SMMEs	Means small, medium or micro enterprises, which employs fewer than 20 employees but has a total annual turnover of up to R20 million.
State Owned Enterprise [SOE]	Is an enterprise, often a corporation, owned by government.
Stakeholders	The term stakeholders refer to a range of interest groups within the Road Freight Sector who directly and indirectly participated in this process. These groups included Government, Industry, Parastatals Agencies, Organised Labour, Civil Organisations, Associations, BEE operators, suppliers, SMME's as well individuals.

7. APPENDIX B: ROAD FREIGHT SECTOR OWNER DRIVER SCHEME POLICY

Introduction

There are five available options for Empowerment:

Existing Status – employed drivers assisted through accelerated training inclusive of training related to Business Management, which should, in turn, open up opportunities for promotions and progression.

Group Incentives – collective sharing of benefits between the company and the employees.

- **Collective Ownership** – drivers belong to a group that owns the vehicles.
- **Share Ownership** – the group owns vehicles and has shares in the company.
- **Individual Owner-Drivers.**

1. Key Elements of an Owner-Driver Scheme

There are certain elements typically required for a successful Owner-Driver Scheme:

- **Sponsoring Corporate** – provides the business.
- **Owner-Drivers** – supply service.
- **Owner-Driver responsibility** in respect of the retention and development of the business.
- **Finance House.**
- **Business Advisor** (incorporating bookkeeper).

A Business Advisor should be an independent party and must be paid a fee, agreed by all parties, which is part of the fixed cost of an Owner-Driver's structure. While the accounting function is essential, Business Advisor's must have specific transportation and vehicle management skills.

2. Critical Success Factors

There are critical success factors that ensure sustainability of the Owner-Driver Scheme:

Business Training

Management Training (and business skills transfer).

Change of Mindset – empower individual and invest in asset ownership (and the promotion of independency).

Benchmark – the provisions of the relevant labour and taxation legislation must be taken into account and inform such benchmarking.

Preferential Contract, sustainable tariff and genuine independent contractor status according to the tax laws.

Transparency

- The identification of a person who will coordinate Owner-Driver Schemes and liaise between Owner-Drivers and the principle company or management company.
- The availability of a dedicated contract and guaranteed volumes.
- Accreditation of management companies.
- Full ownership of the vehicle at the end of the period.
- The identification of responsibilities of Owner-Drivers regarding administrative functions.

Key Objectives

- Empowerment of the individual and his/hers heirs.
- Variability in cost for the company.

3. Criteria

The Owner-Driver Scheme can work to the benefit of both company and owner-driver, if the following issues are identified and addressed, with the aim of achieving better productivity and the inclusion of back-up arrangements:

- **Training** (an example of training elements for Owner-Drivers is appended)
 - o Constant review of training and training requirements.
 - o Selection criteria.
 - o Accredited training courses and service providers.
 - o Basic business skills.
- **Entrepreneur**
 - o Mindset change of the owner-driver.
 - o Mindset change of management.
- **Benchmarking**
- **Routes**
- **Sustainability**
- **Pricing**
- **Contract payment cycles payment made within 14 days of date of invoice**
- **Uniformity of Cross Border charges**
- **Identification of the elements of benchmarking**

4. Go Live

- Pilot in an area;
- Resign as an employee;
- Go back as an employee, if not successful as an owner-driver and;
- Time frames and guarantees;

5. Owner-Driver Contract

- Should be protective to the owner-driver.
- Should also include penalties to encourage excellent performance.
- Transparency.
- Share in risks and rewards.
- Should have payment, which is output, and results based.
- The development of standard guidelines/contract.
- Conditions pertaining to rate increases.

In order to protect transport operators from unscrupulous transport brokers the Cross Border Agency can also develop some model contracts to be signed by the parties concerned.

6. New Legislation

- R90 000 per annum.
- Branding on vehicles. (Specifics should be included in contract)
- Uniform to be worn to identify owner-driver.
- Communication. (Needs some clarification)
- Requirements of the Dangerous Goods Legislation
- Statutory levies.

7. Benefits

- Improved efficiencies for the company.
- Increased revenue.
- Client relationship developed by the owner-driver, who would like to get the business.

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8. Problems Faced by the Owner-Driver

- Taxation at the same rate as employees as if:
 - o Owner-driver works more than 80% for one company; or
 - o Owner-driver has less than 4 employees
- Funding
- Freight rates
- Payment of invoices
- Vehicle replacement has to be budgeted for. (need some clarification)
- The Cross Border Costs
- Input and effort of the owner-driver is required, especially in the first year.
- Timorously payment of Owner-Drivers

9. Conclusion

An Owner-Driver Scheme can work very well, if it is a joint effort between management and labour and not meant as a means of shifting the burden of cost by the employer. If the objective of an Owner-Driver Scheme is primarily aimed at empowerment, that would yield investment, efficiency and facilitation of asset ownership, from which both parties.

8. APPENDIX C: COMMITMENT EVALUATION MATRICES

Ownership

Action Undertaken	Input measurement	Output measurement	Quality Control
Develop financing mechanisms for B-BBEE companies to achieve equity ownership	Money spent on research and implementation of mechanisms as a % of total discretionary funds	Report to Steering Committee/Charter Council on improvement (percentage change) in black shareholding.	Committee/Charter Council and Industry

Employment Equity

Action Undertaken	Input measurement	Output measurement	Quality Control
Department of Labor to ensure that employment equity targets are met.	Money spent on research survey as a % of total discretionary funds	Assessment Report on employment equity targets for black people within the industry to be handed to Committee/Charter Council.	TETA & Committee/Charter Council

Skills Development

Action Undertaken	Input measurement	Output measurement	Quality Control
Implement skills audit to identify management, professional and technical skills that will be required over the next decade.	Money spent on research as a % of total discretionary funds	Analysis and forecasts to be presented to Steering Committee and TETA.	TETA & Committee/Charter Council
Develop training programmes to improve the business management skills of owner-drivers.	Money spent on skills development as a % of total discretionary funds	Assessment Report on management skills of owner-drivers within the industry to be handed to Committee/Charter Council.	TETA & Committee/Charter Council

Preferential Procurement

Action Undertaken	Input measurement	Output measurement	Quality Control
Ensure that uniform accounting practices regarding preferential procurement are adopted by public sector agencies.	Money spent on research as a % of total discretionary funds	Assessment Report on accounting practices regarding preferential procurement submitted to Committee/Charter Council.	Committee/Charter Council
Identify opportunities in which quick results can be achieved through procurement from B-BBEE companies.	Money spent on research as a % of total discretionary funds	Research Report, together with suggestions handed to Committee/Charter Council.	Committee/Charter Council
Adopt the guidelines set out by the Transport Sector BEE Council on Accounting for Affirmative Procurement.	Money spent on training and administrative costs in adopting guidelines.	Assessment Report on adherence to guidelines within the industry.	Committee/Charter Council

Enterprise Development

Action Undertaken	Input measurement	Output measurement	Quality Control
Create joint ventures with and invest directly in black owned enterprises.	Percentage ownership and management in new entities.	Report to Steering Committee on improvement (percentage change) in new entities created.	Committee/Charter Council
Research ways in which non-core activities such as workshops, certain maintenance functions and security services can be subcontracted to B-BBEE enterprises.	Money spent on research as a % of total discretionary funds	Research Report, together with suggestions handed to Committee/Charter Council.	TETA & Committee/Charter Council

Socio-economic Development

Action Undertaken	Input measurement	Output measurement	Quality Control
Improve socio-development contributions on poverty alleviation and community development	Percentage Net profit after tax on relevant contributions.	Report to Steering Committee on contributions made	Committee/Charter Council
Implement labour practices in line with labour legislation.	Money spent on awareness campaigns and legal and administrative fees as a % of total discretionary funds	Report to Committee/Charter Council on adherence to labour legislation.	Committee/Charter Council
Ensure non – discrimination against employees living with HIV/AIDS.	Percentage Net profit after tax spent on HIV/AIDS education and surveys on attitude towards people living with HIV/AIDS.	Report to Committee/Charter Council on attitudes toward people living with HIV/AIDS.	Committee/Charter Council