**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**FRIDAY, 16 SEPTEMBER 2022**

**DUE DATE: 30 SEPTEMBER 2022**

**3178. The Leader of the Opposition (DA) to ask the President of the Republic:**

(1) With reference to his weekly newsletter of Monday, 30 May 2022, and his announcement that he would appoint a council to advise on broad-based black economic empowerment (BBBEE), (a) who is on the advisory council and (b) what are the specific terms of reference of the council;

(2) whether the terms of reference will include an honest assessment of whether the BBBEE is doing the Republic more harm than good; if not, what is the position in this regard; if so, what are the relevant details;

(3) what is the cost of the advisory council to the taxpayer, given that the Department of Small Business Development and the Department of Trade, Industry and Competition already exist?

NW3890E

**REPLY:**

(1)(a) In terms of section 6(1) of the Broad-Based Black Economic Empowerment (B-BBEE) Act, 2003, as amended, the B-BBEE Advisory Council consists of members of the Executive and individuals appointed by the President, drawn from a wide range of persons with experience and expertise relevant to the work of the Council.

The members of the Council are:

* President, who is the Chairperson,
* Minister of Trade, Industry and Competition, who is the Deputy Chairperson,
* Minister of Employment and Labour,
* Minister of Agriculture, Land Reform and Rural Development,
* Minister of Communications and Digital Technologies,
* Ms Gloria Serobe,
* Mr Kganki Matabane,
* Dr Nthabiseng Moleko,
* Ms Sibongile Sambo,
* Mr Sibusiso Maphatiane,
* Mr Ajay Lalu,
* Ms Louise Thipe,
* Ms Makale Ngwenya,
* Mr Kashief Wicomb,
* Mr Thulani Tshefuta,
* Mr James Hodge,
* Ms Khathu Lambani Makwela,
* Ms Irene Dimakatso Morati,
* Dr Lulu Gwagwa.

(1)(b) The terms of reference of the Council are set out in Section 5 of the Act:

* advise government on black economic empowerment;
* review progress in achieving black economic empowerment;
* advise on draft codes of good practice which the Minister intends publishing for comment;
* advise on the development, amendment or replacement of the strategy referred to in section 11 of the B-BBEE Act;
* if requested to do so, advise on draft transformation charters; and
* facilitate partnerships between organs of state and the private sector that will advance the objectives of this Act.

(2) The Advisory Council is a statutory body and one of its functions is to review progress on B-BBEE implementation. Advances made in implementing this constitutional imperative include the increasing number of success stories of black entrepreneurs and industrialists who are adding to South Africa’s GDP and to job creation. As a consequence of governments’ empowerment programmes, more than 400,000 workers are now shareholders in their companies or are covered by agreements committing to introducing share ownership. An increasing number of black South Africans are occupying key management positions or serve as board members of leading South African companies and thousands of workers have benefited from skills development.

(3) The Council provides advice that can assist the work of government departments and entities and it does not therefore duplicate the work of any department, as it is not an executing structure. It does however provide Government with the independent perspectives of experts and persons with insights from different constituencies. The annual budget of the Advisory Council for the execution of its mandate and the legislated functions mentioned above is R734,000.