Nedbank Supplier
BBBEE Workshop FAQs

1. Why does Nedbank request B-BBEE information from suppliers?

B-BBEE information assists Nedbank in measuring procurement recognition and supporting transformation objectives. While commercial considerations such as price, quality and service remain important, B-BBEE contributes to overall supplier competitiveness and procurement recognition.

2. What is the difference between an EME, QSE and Generic Entity?

Under the Generic Codes:

Classification | Annual Turnover |

Classification	Annual turnover
EME (Exempted Micro Enterprise)	Less than R10 million
QSE (Qualifying Small Enterprise)	R10 million to R50 million
Generic Entity	More than R50 million

Certain sectors may apply different thresholds. Suppliers should always confirm the applicable sector code before determining their classification.

3. Can all EMEs use an affidavit?
Not always. Some sectors have different requirements and thresholds. Suppliers should first determine the applicable sector code before deciding whether an affidavit, CIPC certificate or verification certificate is required.

4. What is the difference between a B-BBEE Affidavit and a verification certificate?
Generally:

- EMEs may use an affidavit where permitted.
- 51% or more Black-owned QSEs may use an affidavit.
- QSEs below 51% Black ownership generally require a verification certificate.
- Generic entities generally require a SANAS-accredited verification certificate

5. What is procurement recognition?
Procurement recognition refers to the value that a customer may recognise when purchasing from a supplier based on the supplier's B-BBEE status.
For example:

B-BBEE Level	Procurement Recognition
Level 1	135%
Level 2	125%
Level 5	80%

This does not replace commercial considerations but may influence procurement outcomes where suppliers are otherwise comparable.

6. What is a Priority Element?
The following are Priority Elements under the Generic Codes:
- Ownership
- Skills Development
- Enterprise and Supplier Development

Failure to achieve the required sub-minimum on a priority element may result in a one-level discount.

7. What is fronting?
Fronting occurs when a company presents the appearance of transformation without genuine ownership, participation, control or economic benefit by Black beneficiaries.

Examples include:
- Window dressing.
- Diversion of benefits.
- False ownership claims.
- Misrepresentation of beneficiaries.

Fronting is prohibited and may expose both suppliers and customers to significant risk.

8. How can I tell if my affidavit is valid?
Before submitting an affidavit, ensure:
- ✓ All sections are completed
- ✓ Zero values are captured where applicable
- ✓ Commissioner of Oaths and deponent dates match
- ✓ Financial year-end date is completed
- ✓ Any amendments are initialled
- ✓ Entity details are consistent throughout
- ✓ Ownership and turnover information is accurate
- ✓ The correct sector-specific template is used where required

9. Can a CIPC certificate replace a B-BBEE certificate?
Not in all cases.
CIPC certificates may only be used where permitted by the applicable sector code and threshold rules. Procurement teams and suppliers should verify the relevant code requirements before relying on a CIPC certificate.

10. How is a sole proprietor assessed?
A sole proprietorship is not a separate legal company.
The demographics of the owner determine whether the business is considered Black-owned, and the business must still comply with the relevant sector code applicable to its products or services.

11. What are the most common document submission mistakes?
The session highlighted several common issues:
- Incorrect affidavit template.
- Expired certificate.
- Missing signatures.
- Mismatched ownership information.
- Incorrect legal entity details.
- Incorrect turnover classification.
- Missing commissioner details.
- Affidavit dates that do not align.

12. How often must B-BBEE documents be renewed?
B-BBEE documents are generally valid for 12 months. Suppliers should monitor expiry dates and start preparing well before renewal becomes due.

13. What should suppliers do 90 days before verification?
The recommended readiness approach includes:

Timing	Actions required
Days 1 - 30	• Confirm facts. • Review requirements. • Identify evidence gaps.
Days 31 - 60	• Build baseline information. • Assess practical interventions.
Days 61 – 90	• Assign responsibilities. • Finalise evidence. • Prepare verification files. • Conduct internal reviews.

14. What are Designated Groups?
Designated Groups:
• Black Youth
• People with Disabilities
• Unemployed Persons
• Individuals living in Rural or Underdeveloped Areas
• Black Military Veterans

These groups feature in proposed future procurement recognition categories under the draft Statement 400 amendments.

15. Are the 2026 Statement 400 changes currently law?
No. The proposed amendments remain draft proposals and have not yet been gazetted as final legislation. Suppliers should not treat them as current legal requirements but may use them to assess future readiness.

16. What practical transformation activities can suppliers consider?
Examples include:
• Skills development initiatives.
• Mentorship programmes.
• Supplier development support.
• Enterprise development.
• Paying qualifying small suppliers within agreed timelines where applicable.
• Technical and business capability transfer.

17. How can suppliers prepare throughout the year instead of just before verification?
• Set transformation objectives at the beginning of the financial year.
• Track evidence monthly.
• Monitor qualifying spend during the year.
• Review progress quarterly.
• Maintain supporting documentation continuously.