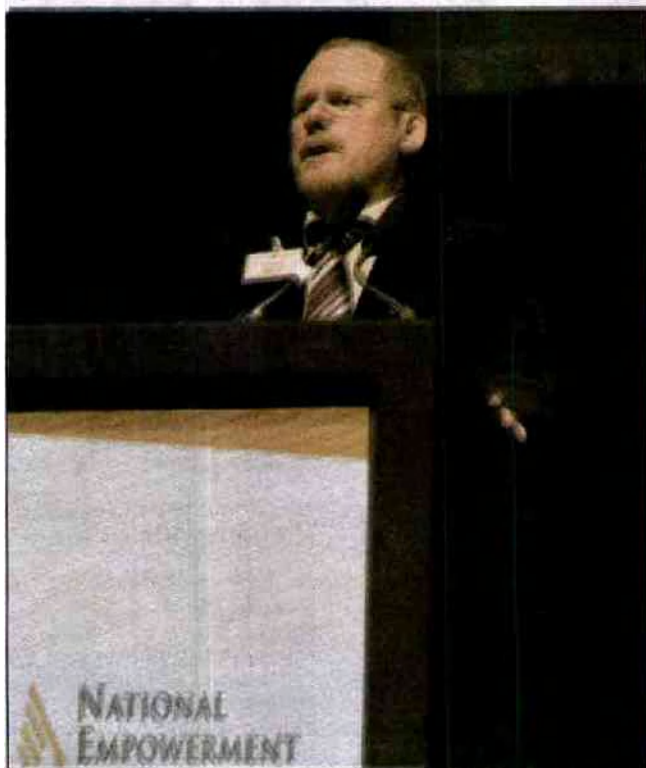


STRICTLY ENFORCE BEE

Fronting tricks thwart empowerment goal



OUT-FOXED: Trade and Industry minister Rob Davies.

Penwell Dlamini

MORE enforcement of the laws and penalties will see the implementation of all the elements of broad-based black economic empowerment, a business summit heard yesterday.

About 700 delegates from various sectors of the economy gathered at the Sandton Convention Centre to review progress, the challenges and the future of BBBEE. The summit was organised by the National Empowerment Fund and was themed NEF BBBEE Vision 2020.

Recommendations from the summit will be tabled to the Presidential BEE Advisory council and will be available to the public.

Trade and Industry minister Rob Davies told the summit that the Advisory Council had been split into sub-committees which would look at

various aspects of BEE.

These are ownership and BEE deal structuring, enterprise development and skills development, compliance and enforcement (to deal with fronting) and instruments to promote BBBEE such as legislation, verification and charters.

"Fronting is one of the biggest challenges. The BBBEE Act in its current form does not make specific provisions for the investigation, enforcement and prosecution of BBBEE fronting," Davies said.

Jimmy Manyi, president of Black Management Forum told the summit that workplaces should reflect the country's population.

Manyi said it was not true that there was a scarcity of black skilled professionals to enable companies to comply with employment equity.

"As BMF we support that

there should be stiffer penalties for offending companies, spot fines and that BBBEE Codes replace all charters," Manyi said.

Businessman Cyril Ramaphosa took the road of BEE even before the dawn of democracy.

"During negotiations there were voices which said to us we should push for economic power before political power.

"We did not listen to these voices but we followed the classic approach," he said.

Ramaphosa said the state power that black people had could be used to achieve economic empowerment.

"Everything that moves and has shape in this country has been built by black people, it is therefore correct that (economic) empowerment must put them on the forefront," Ramaphosa said.