

12 December 2012

Submitted electronically to XZondo@thedti.gov.za and
LCMadonasela@thedti.gov.za

The Department of Trade and Industry (C/O BEE Unit)
Private Bag X84
Pretoria
0002

Dear Madam

Comments on the Revised Broad-Based Black Economic Empowerment Codes of Good Practice and the B-BBEE Technical Assistance Guidelines

The Independent Regulatory Board for Auditors (IRBA) is the audit regulator and national auditing and ethics standard setter for auditors in South Africa. The IRBA has as one of its statutory objectives the protection of the public by regulating audits performed by registered auditors.

As the prospective regulator of the Broad-Based Black Economic Empowerment (B-BBEE) Verification Industry, we appreciate this opportunity to comment on the Revised Broad-Based Black Economic Empowerment Codes of Good Practice (The Codes) and the B-BBEE Technical Assistance Guidelines (The TAG).

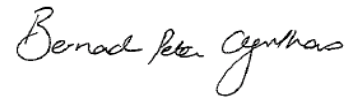
Our comments were compiled from a round table held with Approved Auditors, who mostly expressed concerns from the perspective of their clients, and not only the auditing profession. As Approved Auditors currently comprise a substantial portion of professionals who can provide services in the B-BBEE Verification Industry, we believe that it would be beneficial to consider comments raised by them in taking the verification industry forward.

Ultimately, we urge the DTI to ensure that the objectives of the codes remain aimed at bringing about broad-based transformation, and create an environment which encourages the promotion, as opposed to penalising non achievement, of the codes.

As a major stakeholder in the empowerment initiatives of the country, we support the objectives of the B-BBEE legislation and codes, and trust that we will be consulted to discuss how our comments have been dealt with, and to have the opportunity to provide further clarification if required.

Should you have any questions or would like to discuss the matters raised in our comment letter, please do not hesitate to contact Ms Sandy van Esch on: +27 87 940 8800 or at svanesch@irba.co.za.

Yours Faithfully

A handwritten signature in black ink that reads "Bernard Peter Agulhas". The signature is written in a cursive style with a large initial 'B' and a long, sweeping tail on the 's'.

Bernard Peter Agulhas
Chief Executive Officer