



AUCTION INDUSTRY STAKEHOLDER ENGAGEMENT with Portfolio Committee on Trade, Industry & Competition

6 October 2026

Concerns Raised by Portfolio Committee

Asset Disposal

Auction sales of strategic, productive and industrial assets, including online sales.

Foreign Acquisition

Possible effects on domestic ownership and industrial capacity require evidence.

Transformation

Concerns about Black participation and barriers to entry in auctioneering.

The B-BBEE Commission's approach to these issues is informed by its mandate in terms of the B-BBEE Act.

Transformation: 3 Dimensions & Oversight

Auction Industry

Regulation of transformation of auctioneers and participation of Black enterprises across the auction value chain.

Public Procurement

B-BBEE Act requirement to apply relevant Code when a state organ/public entity procures auctioneering and related services, and when an asset is sold.

Underlying Assets

Examine the actual disposal transaction, its legal basis and the nature of the asset.

- **While interconnected, the transformation of auctioneering enterprises; the appointment of auctioneers by state organs/public entities; and disposal of the underlying assets, are distinct dimensions. On a case-by-case basis they are subject to different legal requirements and regulatory oversight.**

Application of B-BBEE Act: s10 & Specialised Scorecard

Regulation

Section 10 expressly provides that relevant B-BBEE Code must be applied i.e. Licensing and other authorisations etc. (e.g. conditions for an Industry Body)

Disposal of State-Owned Enterprises

Specialised Scorecard for Organs of State and Public Entities must be applied alongside legislation governing the disposal.

Appointment of Service Providers

Public Procurement of auctioneers, valuers, asset managers, related services must comply with applicable procurement law, B-BBEE requirements per section 10, and Specialised Scorecard.

Public Entities must apply Specialised B-BBEE Code/Scorecard: covers Management, Skills, Enterprise & Supplier Development (ESD), and Socio-Economic Development contributions of firms with which they transact/procure from.

Examine opportunities for Emerging Black-Owned Enterprises in the value chain: auctioneers, valuers, logistics providers and asset management businesses.

For asset sales: must assess the asset; the disposing entity; and nature of transaction to determine applicable requirements.

Online Auctions: Information Challenges

The B-BBEE Commission does not have an industry database of foreign acquisitions, subsequent asset use or exports, i.e.,:

Transactions

Categories and value of productive assets sold, and purchaser profiles where lawfully available.

Asset outcomes

Whether acquired assets remain in domestic productive use or are exported.

Market access

Black MSME participation, finance and deposit rules, registration conditions and the legal basis of disposal.

Oversight of Auction Industry

Industry Body/Regulator

- **SA Institute of Auctioneers (SAIA)** is said to be the only body established to regulate auction industry as a non-profit company (NPC)
- In terms of B-BBEE Codes, if SAIA is incorporated through a permit or licence issued by a state organ/public entity it must comply with the Specialised Scorecard
- To date, Commission has not received B-BBEE compliance reports from SAIA

Evidence needed for Transformation

- Understanding the **auction industry's landscape** is necessary to assess how B-BBEE imperatives apply to it, across its entire value chain
- This requires reliable industry information, including, where available, the extent of **Black participation** (ownership, management, mandate allocation, etc.); and **barriers to entry** (procurement, technology access, professional development, financial or contractual requirements)
- This will enable an **Industry Transformation Baseline**, and inform capacity-building, ESD initiatives, and fair access to procurement opportunities

Co-ordinated Regulatory Approach

- Commission is available to co-operate with other authorities towards coordinated regulation, based on their respective mandates (i.e. **the dtic, National Consumer Commission, Competition Commission, National Treasury** and others), and ensuring transformation in the industry is promoted

Oversight of Auction Industry (2)

B-BBEE Commission

- ✓ Advise on section 10 and the Codes, monitor B-BBEE compliance and act on matters within its statutory mandate

Other authorities

- ✓ Refer auction conduct, competition, export control and related matters to the authorities responsible for those laws

Evidence base & Information Sharing

- ✓ Draw data from industry and relevant regulators to inform policy initiatives

Within its mandate and capacity, the B-BBEE Commission remains available to support the Committee

Thank You!

“An Inclusive Economy for All, Together”

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