



National Business Initiative



Background on NBI NDP Project

April 2016



Network South Africa

Business Action for Sustainable Growth



wbcSD
global network

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British
High Commission
Pretoria

Acronyms

IPAP	Industrial Policy Action Plan
MTSF	Medium Term Strategic Framework
NBI	National Business Initiative
NDP	National Development Plan
R&D	Research and Development
SMME	Small, Medium and Micro Enterprise
TVET	Technical Vocational Education and Training

1 Introduction

1.1 Background to the NBI

The National Business Initiative (NBI) is a voluntary coalition of South African and multinational companies, working towards sustainable growth and development in South Africa and the shaping of a sustainable future through responsible business action.

The NBI is a global network partner of the World Business Council for Sustainable Development (WBCSD), the focal point of the United Nations Global Compact (UNGC) Local Network in South Africa and an implementation partner of We Mean Business, the CEO Water Mandate and CDP.

Since its inception in 1995, the NBI has made a distinct impact in the spheres of housing delivery, crime prevention, local economic development, public sector capacity building, Further Education and Training, schooling, public private partnerships, energy efficiency and climate change.

The NBI's membership encompasses approximately 100 leading South African corporations and multi-nationals. The NBI's membership includes a significant proportion of the country's leading listed companies, a number of the major state owned enterprises and a variety of medium sized firms.

1.2 Project Context

The NBI aims to drive business participation in a process of economic transformation and social transition in South Africa, including through the implementation of collective action projects that build stakeholder trust and deliver development outcomes. Our approach is to drive conversations that lead to action, by undertaking three key areas of work:



Figure 1: The NBI's 3 Key Areas of Work

The NBI believes that the National Development Plan (NDP) remains the primary, overarching vision for South Africa's development to 2030, with the NDP integrated into government administration and planning, most notably through the Medium Term Strategic Framework (MTSF).

Using the NDP as the guiding vision, in May 2015 the NBI commenced with a project entitled 'Business Action on the National Development Plan'. The overall goal of this project is simple: to identify 5-6 specific areas in which business can play a meaningful role in supporting the NDP and socio-economic development in South Africa.

The NDP project has been designed to make use of a robust process to identify specific actions and collaborative projects that can be taken forward within the context of the NDP. The process employed to identify these 5-6 specific actions is outlined in section 2 of this document.

1.3 Project Purpose and Objectives

1.3.1 Purpose

The overall purpose of the NDP project is to identify specific actions that can be taken forward on an ongoing basis, in support of the NDP's implementation. Emphasis is placed here on identifying actions that can support wider socio-economic advancement in South Africa, and in which business can lead, partner or play some form of meaningful role.

1.3.2 Specific Objectives

The project's specific objectives are to:

1. Identify key areas in which the private sector can help implement the NDP
2. Work to mobilise business around these areas
3. Develop a voluntary action plan to take these areas forward
4. Focus on taking forward 5-6 priority actions on an ongoing basis

The achievement of these objectives is encapsulated in the overall project methodology outlined below, with the project approach designed to help achieve each specific objective in turn.

2 Process and Methodology

2.1 Overview of Key Project Steps

The project encompassed 6 key steps, as outlined in Figure 2 below:



Figure 2: NDP Project Process and Key Steps

An overview of each project step is provided below:

Step	Activities
<p>Step 1: Desktop Research</p>	<ul style="list-style-type: none"> ▪ The project commenced with a process of desktop research and analysis, focused on the NDP, MTSF, 9-Point Plan and latest IPAP (IPAP 2015). Documents such as the MTSF and 9-Point Plan were reviewed to test the integration of the NDP within government administration and planning, and to consider policy alignment more broadly ▪ The primary focus of Step 1 was to assess the NDP as a whole for action items that could be used as the basis for developing a business oriented action plan ▪ The 119 action items listed in the NDP formed the immediate starting point for the project, with an additional 49 action items drawn from the text where considered relevant ▪ A total of 168 action items were then screened against 8 evaluation criteria, in order to filter down the list of potential business actions to a manageable number. Within this initial screening process, emphasis was placed on identifying NDP actions that are specific in nature, and as closely related to business and potential business action as possible ▪ Following this screening, 60 actions were taken forward to the next stage of the project, with each action falling under one of the following NDP themes: <ul style="list-style-type: none"> • Nation building and social cohesion • Fighting corruption • Economy and employment • Economic infrastructure • Environmental sustainability • Education, training and innovation
<p>Step 2: Hosting of Executive Dinners</p>	<ul style="list-style-type: none"> ▪ Regarded as the project ‘testing phase’, the 60 actions emerging out of the desktop review and filtering process were then discussed with companies through a series of executive dinners ▪ A total of 9 executive dinners took place, with 7 held in Johannesburg, and 1 each held in Durban and Cape Town ▪ A total of 45 different senior company representatives attended the NDP dinners, drawn from 40 organisations across 15 business sectors ▪ The majority of dinner attendees were company executives in corporate affairs, public affairs, risk, compliance, strategy or sustainability. A number of Group Company Secretaries and NBI Board Members also attended, with 7 CEOs/Managing Directors also attending the dinners ▪ From this testing phase, a final list of 33 actions were prioritised for further consultation with business via a series of workshops

Step	Activities
Step 3: Wider Business Workshops	<ul style="list-style-type: none"> ▪ A total of 3 workshops took place with business in October 2015, with one held in Johannesburg, Durban and Cape Town respectively ▪ The workshops had two main objectives, namely to: <ol style="list-style-type: none"> 1. Expose the project to a wider business audience 2. Discuss, review and vote on the 33 actions that emerged from the executive dinners ▪ Each attendee was provided the opportunity to vote for specific priority actions, and to propose new potential actions ▪ The voting results, both in terms of positive and negative votes, were subsequently tallied and analysed, resulting in a final short list of 12 actions (as outlined in Section 3 of this report) ▪ <i>In summary</i>, through a process of business consultation, an initial total of 168 actions was reduced to a short-list of 12 actions
Step 4: Develop Draft Action Plan	<ul style="list-style-type: none"> ▪ In developing the draft action plan, the 12 short-listed actions were subjected to a final internal NBI evaluation process, which resulted in the selection of the top 6 actions ▪ These 6 actions (described in greater detail in section 4) form the basis of the NDP Action Plan ▪ Based on these top 6 actions, a skeleton action plan was developed to inform consultation on the draft action plan
Step 5: Engage on Draft Action Plan	<ul style="list-style-type: none"> ▪ A total of 3 workshops took place in Johannesburg to develop and refine the draft action plan, based on inputs from a range of senior personnel within government, civil society and the private sector
Step 6: Launch Final Action Plan	<ul style="list-style-type: none"> ▪ The launch of the NDP Action Plan took place in April 2016, with launch events held in Johannesburg, Durban and Cape Town
Begin Implementation	<ul style="list-style-type: none"> ▪ It should be born in mind that the next phase of work, referred to as 'Begin Implementation' in Figure 2 above, is in many ways where the project commences ▪ The NBI recognises that in a number of cases implementation will not be easy, and that certain actions may become outdated or constrained by other factors ▪ With that said, we would argue that the NDP project provides a firm basis and overall framework to guide future action. We also recognise that many of the top 6 actions face important challenges, and that turning risk into opportunity will take time, commitment and collective effort to be achieved ▪ Overall, the NBI will make a firm start in helping to move each action within the NDP Action Plan forward, but we also recognise that partnership and collaboration will form the ultimate basis of success

3 Initial Short-Listed Actions

As described above, a total of 12 actions were short-listed for further consideration by the NBI. In essence, these 12 actions highlight the main areas proposed by business stakeholders as areas to be taken forward under the project. An overview of this initial short list, for reference purposes, is provided in Table 1 below:

Table 1: Overview of Initial Short-Listed Actions

No.	Theme	Action Item Description
1.	Capable and developmental state	Strengthen partnerships between the private sector and local government, drawing on existing public and private sector initiatives.
2.	Economic infrastructure	Partner with municipalities to address wastewater treatment, in support of improved sewage treatment capacity and green drop performance.
3.	Education, training & innovation	Enhance the relationships between TVET colleges and industry, in support of graduate placement and employability.
4.	Nation building and social cohesion	Facilitate dialogue on the role of business in supporting social cohesion and nation building, and work to implement specific recommendations and programmes emerging out of this process.
5.	Energy	Incorporate a greater share of gas in the energy mix, both through importing liquefied natural gas and if reserves prove commercial, using shale gas. Develop infrastructure for the import of liquefied natural gas, mainly for power production, over the short to medium term.
6.	Cross-cutting role of NBI in supporting collaboration	NBI to identify existing company NDP initiatives that can be scaled up, or that could benefit from collaborative business action. NBI to further support implementation between business and government.
7.	Fighting corruption	In partnership with relevant institutions, support the development of a collective business voice that tackles corruption in the public and private sector. This anti-corruption alliance to report corruption and highlight best practices in reducing corruption.
8.	Education, training & innovation	Government should partner with the private sector to raise the level of R&D, with resources targeted towards building the research infrastructure required by a modern economy.
9.	Economic infrastructure	Embark on private sector water conservation programmes, in line with national government efforts.
10.	Education, training & innovation	Basic Education: Bolster teacher training.
11.	Economic infrastructure	Work with water service authorities to improve potable water supplies and blue drop performance.
12.	Environmental sustainability	Engage on South Africa's waste legislation to address impediments to SMME development within waste recycling and the waste value chain.

4 Top Actions Forming the NDP Action Plan

4.1 Priority Actions Included In NDP Action Plan

Drawing on the initial short-list, the top 6 actions forming the NDP Action Plan are outlined in Table 2 below:

Table 2: Final Actions Incorporated Into NDP Action Plan

No.	Action Item Description
1.	Strengthen partnerships between the private sector and local government
2.	Partner with municipalities to address wastewater treatment
3.	Enhance the relationships between TVET colleges and industry
4.	Facilitate and take forward dialogue on the role of business in supporting nation building and social cohesion
5.	Incorporate a greater share of gas in the energy mix
6.	Cross-cutting role of the NBI in supporting collaboration

These priority actions link well to the NBI's overall strategy, as they encompass areas of thought leadership, capacity building and collective action. The manner in which these 6 priority actions align with the NBI's areas of work is illustrated below:

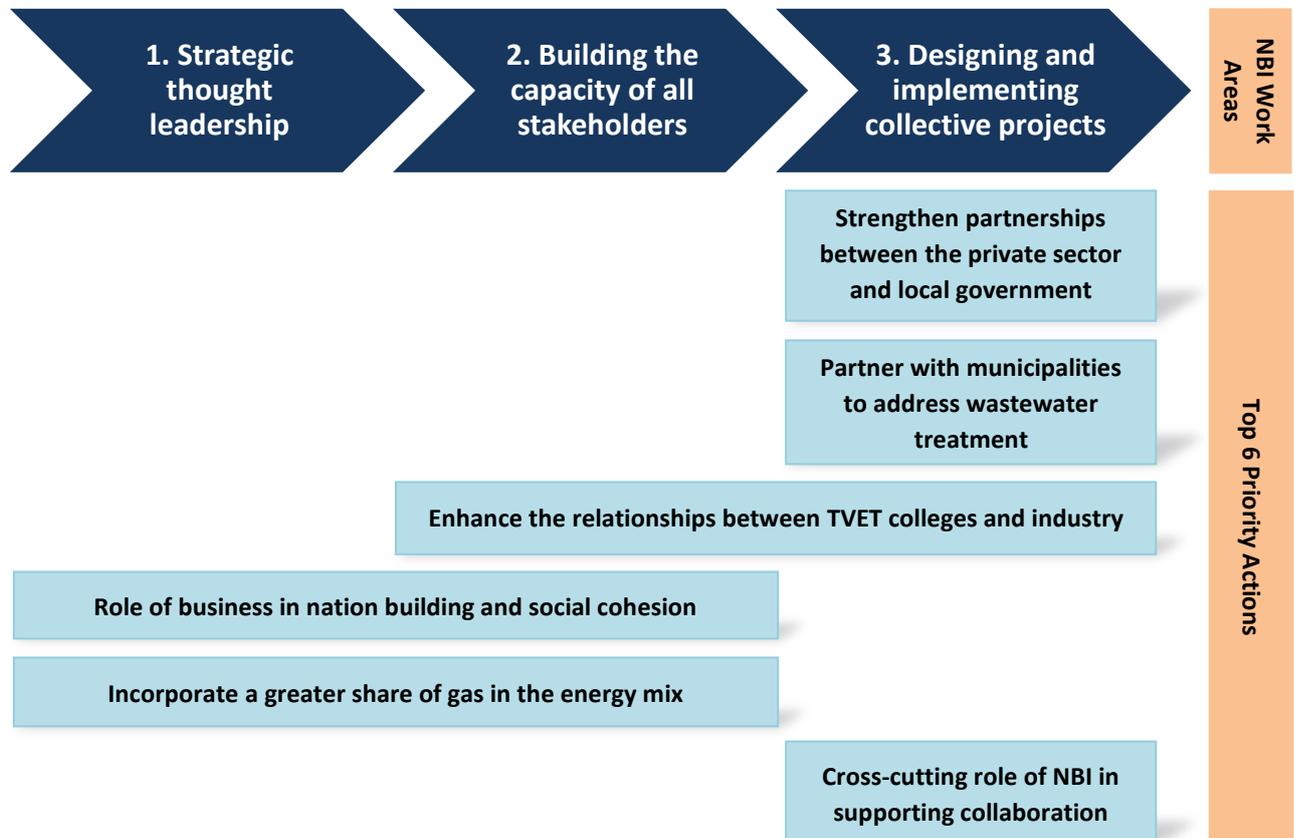


Figure 3: Alignment between NDP Action Plan and NBI Areas of Work

5 Contact Details

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