

Trialogue Business in Society Conference: Call for business to play stronger role in societal issues

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The 16th annual <u>Trialogue Business in Society Conference</u> provided much food for thought as leaders from business, the non-profit sector and government gathered to focus on the role of business in strengthening South Africa's sociopolitical environment, addressing gender-based violence, improving education and catalysing impact in the green economy. Hosted by Azania Mosaka, the conference saw thought leaders call on the private sector for deeper involvement, strategic investment and effective collaboration with government and the non-profit sector to have meaningful impact on these critical issues.



Vuyiswa Ramokgopa from Rise Mzansi highlighted that, according to the Edelman Trust Barometer, business is now the most trusted institution, ahead of NGOs, government and media. "Societal leadership is now a core function of business. It is good business for business to be involved in communities, but not just involved in terms of repairing government failures after the fact. Business, like civil society, must get involved at the policy-making stage. It's a proactive rather than reactive stance that's needed."

Ramakgopa called for business to participate in political issues through active citizenship, saying that in current times, business doesn't have the luxury of being apolitical. "We're dealing with major challenges – loadshedding, corruption, the collapse of services in dysfunctional municipalities. This has a direct financial impact on business. Business can respond by using its substantial power and influence to drive societal change that is for the benefit of the country as a whole. It's an expanded role for business that requires a change of outlook. Businesses are being asked to fund elements that are the domain of government. Surely the person paying the bill gets to decide what's on the menu?"

Democracy is a team sport, she concluded. "The collective wisdom of all actors in society is the only way we will arrive at the optimal solutions for our country. It's our right and responsibility to exercise our voice. Democracy is costly. And if it's not funded by the good people in the room, it will be funded by the bad ones."



Addressing gender-based violence

As one of the first large corporates to unveil a clear policy on gender-based violence, Vodacom urged other businesses to do the same and to partner on addressing the scourge. Vodacom's Sitho Mdlalose says, "The S in ESG is embedded in the real societal ills in the places in which business operates. As business, our social investment plans and our social frameworks must address things such as gender-based violence. When it comes to GBV, the real enemy we face is silence."

Sazini Mojapelo of the Gender-Based Violence and Femicide (GBVF) Response Fund says that ending gender-based violence requires a shift in societal attitudes, including in the workplace. "GBV comes with a myriad factors that silence the voices of victims. In the GBV advocacy landscape – business has been too silent. Civil society cannot do it alone. Government cannot do it alone. Business needs to participate to see how we can bring an end to it. It is so endemic, it must be affecting employees."

Mojapelo says the cost of GBV is close to R2.44bn per year. The GBVF was launched as a private sector response to GBV. "We amplify, we fund, we convene stakeholders to activate against GBV. But most of all, we're an accountability partner. Recently, police said that the GBV backlog, at 200,000 cases two years ago, has been cleared. We want to know how."

Vodacom's Taki Netshitenzhe spoke about the company's Change the World programme, which provides prevention, response, and victim support at schools. The programme funds and supports psychosocial workers in schools, in partnership with the Department of Basic Education (DBE). The Vodacom Foundation further launched the Bright Sky mobile app, which provides information on GBV and access to support services.

"By working with the DBE, we hope to address some of the root causes of GBV at school level, which put so many of our young people, especially girls, at risk," says Netshitenzhe. "A fundamental issue is that we do not have enough psychosocial experts in the field and in the schools. We call on government to do more to deploy these professionals. We need more corporates to work with us in this space."

Prof Jackie Stewart of SHAWCO says that it is vital for youth to first understand their role in the world, vision for the future and sense of self as part of addressing issues around gender-based violence. "Research has shown time and time again that a young person who has a vision for the future is much less likely to take part in risk-taking behaviour. The Change the

World programme helps them to imagine a different future. Part of this is exposing them to psychosocial experts who look like the youth, relate to the youth, and become those role models who have found a way out."



Education and connected schools

Gbenga Oyebode, Board Chair of the African Philanthropy Forum, says that investment in education in Africa does not match demographic trends on the continent and called for consistent investment in building education and leadership as critical components of driving transformational impact.

He recommended four steps to transform the future of education and leadership in Africa: increasing access to education, embracing technology, developing leadership skills and addressing inequality. "We must consider empowering organisations involved in improving education not just as part of once-off corporate social responsibility events but as part of our long term ESG activities, which are more radical and transformative ways of engaging with systems," Oyebode said.

Dr Shafika Isaacs, Telkom Foundation Chairperson, highlighted learnings from the Telkom schools programme, which has supported 4 000 teenagers for five years, that go well beyond implementing technology. "We learnt from our work that we need to go deep, in order to go wide. We had to challenge our assumptions on how we work well as a private company with the state to make an impact, taking learnings from our experience at a micro-level."

Isaacs said that the psychosocial aspects of working with teachers, building leadership capabilities in the schools, making learners feel seen and creating a caring environment are critical. "The depth of the struggle our learners contend with each day is unfathomable. Learners, first and foremost, had to develop a vision beyond the circumstances that they are in and see themselves as creators, growing not just digital skills, but a sense of digital agency."

Dr Nicky Roberts, director of Kelello Consulting, identified languages and mathematics in early grades, initial teacher education and ongoing professional development as key areas to be addressed by business. "Data shows that roughly half (48%) of publicly paid teachers in South Africa will retire in the next ten years. New teachers must be well educated."

She called on the private sector to invest in more research, saying corporate social investment is a knowledge project. "We need usable knowledge that influences our actions and results. Commission monitoring and evaluation experts from the outset as research and learning partners that travel with you along a long-term journey."

Roberts further urged business to address data costs. "Our data costs are outrageous and it is one of the major inhibitors of ICT in education. Free data for youth would be a fundamental shift in how youth can engage in our country."

A panel discussion emphasised the importance of partnerships to build thriving schools. Dr Mzamani Jully Mdaka of the NECT says, "If you have uncoordinated support, you risk disrupting the system. Before you transform, look at how you can strengthen the system. We are working on Integrated District Improvement programmes. If districts are functional, they can support functional schools. They can also plan to replace those retiring teachers that are moving out of the system."

Sarah Mthintso of the Telkom Foundation says that there is no single intervention that will achieve results, and a holistic approach with the learner as the unit of change is essential. However, not all companies can implement a holistic solution, which makes collaboration very important. "It's the nature of corporates to want our own flags to fly the highest. But in this space, we need to work together behind a shared vision and find partners who have strengths in areas we do not."



Catalysing opportunities in the green economy

Dr Morné du Plessis, CEO of the WWF South Africa, says that business needs to understand the true value of nature and our essential ecosystem services. "Unless CO2 emissions related to human activity are curbed, climate change will bring high costs for human development, economics and the environment. Business has a powerful role to play in ensuring we have global frameworks that integrate nature and climate, two sides of the same coin. The green economy should not be viewed simply as part of the global economy. It is all of it."

According to Du Plessis, the green economy refers to two interlinked developmental outcomes for the South African economy: the first is growing economic activity in the green industry sector which leads to investment, jobs and competitiveness. The second is a shift in the economy as a whole towards cleaner industries and sectors.

"Economic activities are only sustainable if they have the long-term interests of society at heart," du Plessis says.

Economic growth must be decoupled from natural resource use, and negative externalities to both people and nature must be considered in any business venture. As business and as society, we must integrate our responses to nature and climate as we build opportunities in the green economy."

Gaylor Montmasson-Clair of TIPS says "We packaged the 'green economy' to get a foot in the door. This has backfired in terms of how we see the transition, as really we need to change the entire economy. We see this in the policy space.

Support coming from government has been piecemeal, rather than true systemic transformation."

New policy developments around renewable energy and energy efficiency must be properly unlocked to build the green economy, according to Montmasson-Clair. "We need to use all the instruments government has to support the green economy. They have been used, but on a small scale. We need to truly shift gears to realise potential. For example, over the last ten years we have imported R35bn worth of solar panels into the country. Should we not be building our own solar panel industry?"

Dr. Mao Amis of the African Centre for a Green Economy says that a conducive environment needs to be created for green economy innovations to land. "We have a youth dividend. We have a mineral-rich continent, minerals needed for producing green technologies. There isn't a shortage of solutions, and there isn't a shortage of money. We need the two to meet each other. We need an innovation ecosystem to bring these together."

Poovi Pillay of Nedbank says the green economy represents a shift towards a more sustainable and equitable economic model for all. "The green economy should create wealth for the poor and marginalised by stimulating sustainable economic growth – all while protecting our natural resources. The key ambition is to grow entrepreneurship and, through skills development, create employment within the green economy. In this way, our strategy seeks to both empower communities and catalyse socio-economic renewal for South Africa."

Since the inception of its enterprise-wide Green Economy CSI strategy in January 2022, Nedbank has invested over R70m in projects around the country, investing in the development of nearly 900 jobs and over 275 green economy enterprises as well as upskilling over 1,000 people. KP Cares, a non-profit organisation funded by Nedbank, is currently training 100 candidates for jobs and to create businesses in the green economy in rural areas. "We have good relationships with independent power producers and they benefit from being able to take in these candidates secure in the knowledge that they have accredited skills," says KP Cares project manager Hleziphi Siyothula-Mtshizana.

Driving economic transformation through a just energy transition

Dr Miriam Altman, professor and economist, spoke about a just energy transition, discussing how heavily entrenched coal interests are pitted against renewable energy interests in South Africa. This has led to a very slow energy transition, with 'soft-pedalling' around new sources of power. "The introduction of renewable energy is not dragging coal out of business. They are however seen as contesting, and this slows the energy transition at great cost."

Altman says that while there are winners and losers in any transition, the 'just' element is about helping stakeholders to cross over – including companies, investors, workers and communities. "Job creation isn't about not losing jobs, it's about creating new industries and new jobs. You lose jobs when you stagnate, which is what South Africa is doing in many areas."

Steve Nichols of the Presidential Climate Commission highlighted that our economy depends on electrification to remain competitive. "The investment required to reach a net-neutral climate competitive economy is enormous. However, if you take the E out of Just Energy Transition – there are a huge number of other sectors that also need investment and government's balance sheet is not in a healthy state. The private sector is going to be important in stimulating development across the board."

Access to capital is a primary driver of inequality, and this is one of the areas where corporate social investment and philanthropy can have a big impact, according to Nichols. "One of the major challenges for making a just transition is capital. Early stage risk-bearing capital is needed. The private sector needs to create new companies that are owned by people in communities, transferring the wealth to the communities."

He further emphasised the importance of investment in institutional capacity at local government level. "Unless local government has the capacity to implement plans with us, the plans will fail. As the private sector, our temptation is to create a parallel institution – to take work away from government and do it separately, such as creating a skills centre in a place

that has a TVET college, without working with that college. However, unless we invest directly in the functionality of these institutions, we can't create sustainable change."



Charlotte Mokoena of Sasol says a just energy transition is a global imperative that requires immediate and meaningful action. The fossil-fuel-based company is undertaking a fundamental transformation of its business as it aims to achieve a 30% reduction in greenhouse gas emissions by 2030, off a 2017 baseline, with the ambition to be net zero by 2050.

Sasol's emission reduction roadmap development is being carefully planned to minimise negative social and economic impacts. "We are committed to a participatory process that seeks to create opportunities and we must build the resilience of our communities and employees to ensure we sustain livelihoods and thrive as the transition unfolds."

Renewable energy and green hydrogen must be seen as powerful opportunities for this country, according to Mokoena. "With some of the best wind and solar endowments in the world, platinum group metals, a young population and Sasol's Fischer Tropsch technology, South Africa has the right ingredients to be a global green hydrogen player and a green energy champion." She emphasised collaboration as the key to reach the desired pace and scale of the Paris Agreement goal.

Stronger collaboration emerged as a major theme across the conference. "Conferences such as these are one way to bring people from different sectors together to share ideas, engage and spark collaboration," says Cathy Duff, director of Trialogue. "Through our conference discussions it became apparent that each of these themes impacts every organisation, and everyone has a role to play. At Trialogue, we've launched a purpose-led integrated thinking framework to help companies assess the extent to which environmental, social and governance issues are embedded in their organisations, and we look forward to rolling this out and supporting companies on their sustainability journeys."

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