

**The role of financial services industry, and in particular the investment industry, in the successful implementation of the National Development Plan**

**Speech presented at the occasion of the**

**RE-LAUNCH OF THE ABSIP WESTERN CAPE CHAPTER**

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**By**

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## **Introduction**

1. The NDP is now an integral part of the development story and need for South Africa.
2. This offers a lot of goodwill for the country. We need to harvest this goodwill.
3. It is an initiative that forces a long term thinking on the part of every South African
4. It is a call to action by all South Africans
5. A call to structurally change the workings of the economy,
6. A call to undergo deep behavioral change, at the national, corporate, household and individual levels
7. It is about identifying and agreeing incentives that will catalyse these changes
8. You will have noted that there is very little said about funding in the Plan.
9. The structural and behavioral changes are much more important for achieving the vision and hopes/aspirations of South Africans
10. Financial resources on their own, will not deliver the vision
11. I am certain that some of you are beginning to ask themselves, "... so why are we here?"
12. You are here because the financial sector remains a crucial part of the restructuring.
13. The right policy mix and the right behaviour are much more critical in laying the foundation, for our long term vision.
14. It is important to manage expectations. It is going to be a difficult journey. But difficult things bring out the best in people
15. This is a very appropriate premise for starting this discussion

### **What the President said:**

“The National Plan has been adopted as a national plan for the whole country. It is our road map for the next 20 years.... All the work we do in government is now part of the comprehensive National Development Plan, including all operational plans - be they social, economic or political...” President, 3 February 2013.

So, it is about changing our psyche and the way in which we think about life. It is forcing us to be long term in our thinking.

### **Vision statement**

1. The Plan calls for us to be passionate.
2. We have resulted with a Vision that is about 12 pages.
3. Not what you learn at business school
4. It causes us to be artistic and poetic in thinking about our future.

### **Plan is set on six pillars**

1. Mobilisation of South Africans
2. Active engagement of citizens in their own development
3. Expansion of the economy and making growth inclusive
4. Building of key capabilities
5. Building a capable and developmental state
6. Fostering a strong leadership throughout society

These pillars are set up to achieve a decent standard of living for all citizens

### **What do we have to do?**

1. Economy and employment
2. Unlock the potential of the rural economy
3. Education and Skills. Doubling the size of the education sector
4. Health, wellness and social protection
5. Community safety
6. Corruption
7. Spatial planning
8. Investing to undo bottlenecks
9. Underpin our interventions with sustainability. Low carbon economy
10. Fix the state and state capacity
11. Ensuring sustainable policies and decisions
12. We need to change incentive structures

### **What are the questions that we need to ask ourselves?**

1. What is my role?
2. How best can I deliver on this role? It is about equipping ones-self and being selfless
3. How do I assist those around me to improve on their contributions?
4. It is clear that the Plan is calling on all South Africans to roll up their sleeves.
5. It forces us to switch from rhetoric to implementation
6. It changes the terms of the national debate. So, the call for a “social compact” is key
7. As the financial sector you have a big role to play.

### **What does this mean for implementation?**

1. Ownership
2. Clarity of roles
3. Integrate Plan into government plans
4. Integrate Plan into the household and workplace
5. Prioritise and sequence critical steps to unlock implementation
6. Leadership and accountability
7. Financing the plan. Implement within existing resources
8. Limit wastage

9. Step up the role of SOEs
10. Private sector will have to play a greater role going forward
11. Increased communication and collaboration
12. Consistency and predictability of policies and decisions

### **Role of the NPC**

1. Convening role...
2. Commission for the nation
3. Develop vision and plan for the nation
4. Advise government
5. Mobilise society
6. Oversee implementation
7. But does not implement
8. Does not have powers to direct

### **What have we done and continue to do at the PIC? (Commercial)**

1. Developmental investing
2. 10 year strategy. Taking a long term view
3. Contributing to reducing costs of services
4. Explicit four pillar system
5. We see a lot of developmental opportunities
6. How do we partner with government and private sector. Schools and housing

### **Conclusion**

1. Own the Plan
2. Identify your role and commit to contributing
3. Do not wait for government to lead... Lead
4. Think long term
5. Invest right
6. Build in the right incentive structures
7. Remember it is our future... Together, let us make it work!

