



The Office Of The Principal and Vice - Chancellor

**PROF MS MAKHANYA, PRINCIPAL AND VICE CHANCELLOR
UNIVERSITY OF SOUTH AFRICA**

**OFFICIAL OPENING OF THE UNISA INAUGURAL ENTERPRISE (SMME
SUPPLIERS) DEVELOPMENT DAY**

31 May 2018

**Topic: "The Role of the University of South Africa in Black Economic
Empowerment"**

Programme Director, the purpose of this day is to interrogate the relevance of the Broad Based Black Economic Empowerment policies and practices in the context of universities in South Africa, in general and at Unisa in particular. As has been said by the Minister of Small Business Development, the Honourable Ms Lindiwe Zulu in her budget speech

delivered on the 17th of May 2018, the BBBEE Act “is an important policy of government to transform the economy through deracialised, equitable and inclusive Broad Based Black Economic Empowerment (BBBEE).” She further identified various challenges the government is facing in implementing the Act when she stated that from their feedback, “it would appear that there are several gaps in the implementation and possible manipulation. It is also alleged that billions are “hidden” or unutilised in Enterprise and Supplier Development funds which can be used to far greater effect. Together with the Department of Trade and Industry we will explore these limitations and craft new opportunities.”

Programme Director, I have deliberately started my opening remarks with the quotation from the Minister’s speech because it is in line with what we are hoping to gain from this inaugural Enterprise Development Day.

Programme Director, Unisa is serious about substantive transformation. To show its commitment to this, the Council of the University organised a Workshop on Transformation that was held in August 2017, under the theme “Transformation – from Theory to Practice”. The subject of Black Economic Empowerment was exhaustively deliberated and was facilitated by Ms Nolitha Fakude, non-executive board member of Anglo American, under the topic the ‘Role of procurement policies and

practices in black economic empowerment at Unisa'. The issues that the Commission dealt with relate to the following:

- How do you understand Black economic empowerment?
- What budgeting and procurement practices need to change?
- Which elements of Black economic empowerment have a major bearing on higher education? [ownership; management; employment equity; skills development; preferential procurement; enterprise development; and socio-economic development].

Further to the workshop deliberations, the Change Management Unit in my Office has identified eight dimensions of higher education transformation, with the seventh dimension being specifically on Funding and Resource Allocation, including BBBEE. In addition, this important dimension of transformation has been incorporated in the Draft Institutional Transformation Plan as an indication of a strong commitment of the University of South Africa to the advancement of small and medium enterprise as a major lever of economic transformation in South Africa.

Today's event is building on our strong commitment on Black Economic Empowerment as well as Enterprise and Supplier Development. For us

today's event is timely and we see it as forging a living partnership between us and the business community that is gathered here today as well as your Ministry, Honourable Minister Zulu.

Minister, the presence of the Chairperson of Council, Mr Sakhi Simelane, together with the Chair as well as the Deputy Chair of Finance, Estates and Investment Committee of Council i.e. Mr Thabiso Ramasike and Mr James Maboja respectively confirms our commitment to today's initiative.

In conclusion, Programme director, we are looking forward to today's event and with these few words you are all most welcome to the University of South Africa's Enterprise and Supplier Development Day.