



BUS A STRATEGY 2024_

Adapting to an uncertain and fast-changing business environment
and shaping it for inclusivity and accelerated growth

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BACKGROUND_

- Business Unity South Africa (BUSA) is the apex business organisation representing South African business.
- Formally recognised representative of business at the National Economic Development and Labour Council (NEDLAC).
- Represents business on various bilateral processes with the government.
- BUSA makes submissions in Parliament, and to other structures and processes on various matters that affect business.
- Represents business on various state institution boards and on numerous global organisations.

VISION_

The unified voice of business that serves to keep business interests at the heart of economic and socio-economic policy.

MISSION_

To enable business to play a constructive role in ensuring an environment that promotes inclusive economic growth, development and economic transformation.

BUSA GOALS AND ASPIRATIONS

BUSA strives to achieve the following goals and aspirations:

Influential
Organisation

The Preferred
Convening
Body

Apex Business
Advocacy &
Voice

Expertise-driven
& Executive-led

Highly Regarded
Interlocutor

Effective
Organisation

ABOUT BUSA STRATEGY 2024_

BUSA embarked on a 3-stage strategy formulation process:

1. Executive Team Strategy Session_

- The BUSA executive team held a two-day strategy session in October 2023, facilitated by a team from the Deloitte Strategy unit. The outputs of the executive team strategy session were then incorporated into the board strategy session.
- The team spent an extra half-day session discussing the operational implications of the strategy session outputs.
- The strategy session report was presented to the rest of the BUSA staff for their input and buy-in.
- The executive team held a session dedicated to preparing inputs for the BUSA Board Strategy session

2. Board Strategy Session_

- The Board strategy session was a strategic conversation among board members that encompassed various topics relevant to business
- The executive team prepared inputs that were presented by the CEO to serve as background information and initiate the conversation.
- The Board adopted resolutions on certain topics and provided guidance to the executive team on others.
- Priorities for 2024, were finalized during a regular board meeting that followed the strategy session.

3. Strategy consolidation and approval_

- The executive team developed a draft Strategy for 2024 by consolidating insights from the Board and Executive Team strategy sessions.
- The strategy was approved by the Board at its regular meeting held on April 3, 2024
- This strategy is structured around six strategic pillars, which include multiple priorities, and activities

THE STRATEGY CONTEXT

The global business environment in 2024 is characterized by extreme volatility and unpredictability, primarily due to geopolitical developments. These developments include

- The South African government's position on the Israel/Palestinian conflict - including its decision to take Israel to the ICJ and its ongoing support for Palestine.
- The Russia/Ukraine conflict and its negative impact on supply chains, food, and energy among others
- Tensions are escalating globally as countries take positions on these aforementioned developments.
- *A bill has been submitted to the United States Congress, calling for a comprehensive review of the bilateral relationship between the country and South Africa. This follows the recent ruling by the International Court of Justice, which found it plausible that Israel has committed acts of genocide against Gaza.*
- The expansion of the BRICS+ conurbation is now including some countries with a strained relationship with the West.
- Additionally, there has been an increase in the incidence of coups on the African continent, along with the decision by Mali, Burkina Faso, and Niger to exit ECOWAS.
- Furthermore, North Korea has decided that unity with South Korea is off the table.
- There are also questions concerning India's democracy, particularly in light of the increasing attacks on minorities, as well as India's positioning vis-à-vis China.



THE STRATEGY CONTEXT_

Although the global **ECONOMIC OUTLOOK** is improving, significant risks remain:

- The International Monetary Fund (IMF) has revised its 2024 global economic growth forecast to 3.1 percent – up from 2.9 percent in October of last year
- The IMF warns that:
 - Central bank policy rates remain elevated to fight inflation,
 - A withdrawal of fiscal support amid high debt weighing on economic activity, and
 - Low underlying productivity growth.
- Robust US economic growth has partially offset weaker-than-expected outcomes in the euro area. However, the euro area is still expected to recover gradually.
- Growth in many advanced economies and larger emerging markets, including China, India, Brazil, Russia, and Mexico, is expected to slow down compared to the estimated growth for 2023. On the other hand, Sub-Saharan Africa is among the few regions expected to expand.
- Commodity prices are expected to continue declining in 2024 and 2025.
- There are downside risks from potential spikes in the global oil price if the conflict in the Middle East escalates, as well as if growth falters in China. China, being the country's largest trade partner, may experience this due to its continuing real estate crisis.

THE STRATEGY CONTEXT_

BUSA faces some **CHALLENGES** internally as well as in its operating environment:

- BUSA's financial position is not healthy due to increasing demands, which have required an increase in capacity.
- However, members have been reluctant or unable to increase membership fees.
- Notably, there have been resignations and walkouts from some members, including the BBC and SACCI. This presents a risk that other members may also leave if they do not see the value in being affiliated with BUSA.
- Additionally, the policy environment is increasingly difficult to influence, as there is a shift towards more populist policies.
- The relationship between business and government is multifaceted, with a partnership on three streams, but also significant differences in some legislative matters that require robust engagement and could lead to litigation.
- Although NEDLAC is central to policymaking, it has become an ineffective and fractious body, likely to become even more so. It is necessary to determine BUSA's role in an environment where NEDLAC is dysfunctional.
- Furthermore, some of BUSA's internal systems, processes, and mechanisms are not functioning optimally, necessitating improvements to ensure operational excellence

SUMMARY OF THE CHALLENGES

The key challenges to which this strategy responds can be summarised as follows:

- The global geopolitical environment is challenging, volatile, and unpredictable, which hinders economic recovery.
- The weak performance of the domestic economy has various impacts, such as on jobs, living standards, government revenue, and company profitability. These negatively affect all social partners.
- The country is currently facing multiple infrastructure and service delivery crises. Additionally, the government's capacity to address these issues is weak.
- There is a growing tendency towards populism in the lead-up to the May 2024 elections and beyond.
- It is likely that the May 2024 elections will result in a coalition government or multiple coalition governments. The management of these coalitions will need to be mature and effective.
- The policy terrain is heavily contested, resulting in a stalemate on major socio-economic policies.
- The National Economic Development and Labour Council (NEDLAC) is not fulfilling its role as an effective platform for social dialogue. This is where key economic challenges should be debated.
- BUSA is facing several challenges which include a weak financial position, instability in membership, and operational weaknesses. These factors impact the value-proposition that BUSA offers to its members.

OUR STRATEGY APPROACH

The choice of strategy approach for BUSA is complicated by the fact that different aspects of its work faces different environmental challenges

- Although the policy environment is challenging, it can be shaped. This suggests that BUSA must adopt a shaping approach to strategy, which involves collaborating with multiple stakeholders.
- On the other hand, the global environment is highly volatile and unpredictable, which necessitates an adaptive approach to strategy.
- In contrast, other aspects of BUSA's work are more established and predictable. These areas require a classical approach to strategy, characterized by analysis, planning, and execution.
- Considering that the country will be holding general elections in May 2024, the environment may become even more unstable. This situation may necessitate a different approach from businesses, one that emphasizes flexibility and agility to adjust strategy as needed.
- As a result, the BUSA leadership must be prepared to oversee the execution of multiple strategies. Furthermore, the board should regularly review the strategy to ensure its suitability in an ever-changing environment.

OUR STRATEGY_

Key elements of the **BUSA** Strategy 2024:

- Collaborate with various stakeholders, such as the government, labor organizations, and non-profit organizations, to shape a business-friendly policy environment that is central to rebuilding our country.
- Proactively develop policy options to influence existing or proposed policies, and continuously engage with relevant policy stakeholders.
- Increase public engagement, including thought leadership, to influence key stakeholders and gain public support.
- Engage social partners with the aim of strengthening NEDLAC as an effective platform for social dialogue
- Continuously analyze the volatile and unpredictable global landscape and adjust strategies and responses accordingly.
- Enhance international partnerships to increase influence and the quality of policy contributions.
- Develop capabilities for effective planning, strategy execution, and building resilience to maintain a consistent approach.

STRATEGY PILLARS

The strategy for 2024 rests on the following 6 pillars:

Public advocacy for a conducive environment for investment to drive inclusive economic growth and a greater role of business in socioeconomic development of the country

Appropriate policy and legislation to support business profitability and competitiveness

Collaboration with government and other stakeholders to improve the business environment and rebuilding the country

International cooperation to advance the interest of South African business

Strategy

Reconfiguration of the Architecture of Organised Business

UNPACKING STRATEGY PILLARS

Public advocacy

- Regular commentary in response to government policies and decisions
- Proactively publish thought leadership pieces on various topics of interest to the business community
- Engage in public discourse to discuss business positions on a range of topics
- Partner with various organisations locally and abroad to promote policy positions that support business
- Publish, explain, and defend the positions submitted by business in response to draft policy and legislation
- Disseminate research and best practice notes on appropriate policies

Appropriate policy & legislation

- Proactively engage policymakers in the early stages of policy formulation to influence policy to enable private enterprise
- Develop and present well-researched business positions on existing as well as proposed policy and legislation to the executive as well as the various spheres of the legislative sector
- Participate and engage in Nedlac deliberations on various policy and legislative developments

Collaboration with government

- Identify, plan, and drive the successful implementation of partnership initiatives between business and different spheres of government

International cooperation

- Participate in various international organisations, and platforms to represent the interests of South African businesses
- Enter into cooperative agreements with bilateral as well as multilateral business and official international organisations to advance the interest of business
- Implement joint initiatives with various international organisations to advance the mutual interest of the parties involved.

Reconfiguration of Organised Business

- Facilitate the decision-making process regarding the proposed merger of BUSA-BLSA
- Initiate the process of reconfiguring the architecture of organised business.

Strategy

- Develop and review the strategy of the organisation periodically
- Oversee operational planning by different business units
- Drive strategy execution including adequate resourcing, governance, accountability, financial management, performance management and operational efficiency of the organisation.

PRIORITY INITIATIVES FOR 2024

PILLAR

PRIORITIES

ACTIVITIES

Public advocacy

1. Prudent management of public finance
2. Public infrastructure investment and maintenance
3. Private sector participation in public infrastructure, utilities, & companies
4. African Continental Free Trade Area
5. SA inclusion in the renewed Africa Growth Opportunity Act
6. Functional Unemployment Insurance Fund
7. Compensation Fund
8. State capacity improvement
9. Red-tape reduction and support for micro, small and medium enterprises

- Develop communications strategy
- Execute communication strategy utilising a combination of the ff avenues:
 - Media interviews
 - Public speaking
 - Media releases
 - Opinion pieces
 - Videos
 - Podcasts
 - Webinars/seminars
 - Roundtables

Appropriate policy & Legislation

1. National Health Insurance
2. SETA Regulations
3. Electricity Regulation Amendment Bill
4. Employment Equity Regulations
5. National Minimum Wage Determination
6. Companies Amendment Bill
7. Carbon Tax regulations

- Commission research to inform business position
- Policy research dissemination
- Social dialogue
- Convene policy roundtables
- Participate in or facilitate study tours
- Take part in public participation events to represent business views
- Written & oral submissions
- Lobbying key actors
- Petitions & Litigation

PRIORITY INITIATIVES FOR 2024

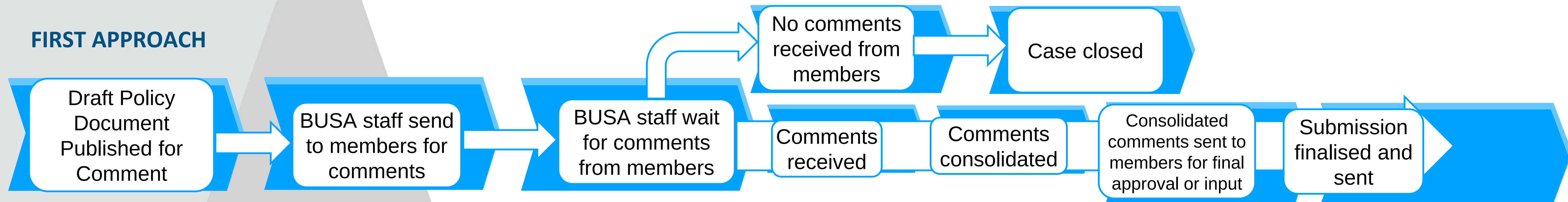
PILLAR	PRIORITIES	ACTIVITIES
Collaboration with government	1. Resolving the energy crisis 2. Addressing transport and logistics crisis 3. Joint Initiative to fight Crime and Corruption 4. Government-Business local government Initiative 5. Government-Business Employment Initiative 6. Resolution of Gas Emergency 7. Clearing VISA backlogs	• B4SA • Research and engagement in the identification of the need for collaboration • Overseeing joint planning of new initiatives • Resourcing the joint initiatives • Implementing accountability mechanisms • Review
International cooperation	1. International Labour Organisation 2. International Organisation of Employers 3. BIAC 4. American Chamber of Commerce 5. BRICS Business Council 6. B20	• Serving on relevant and strategic governance structures • Participating in working groups/task team • Prepare for the B20 chairship in 2025 • Develop a detailed plan for B20, 2025 • Organising joint events
Reconfiguration of Organised Business	1. Proposed BUSA/BLSA merger 2. Restructure of the rest of the business organisations 3. Organisational redesign 4. Communication	• Presentation to relevant structures • Facilitate dialogue between affected organisations • Supporting the deliberations and decision-making by governance structures • Securing buy-in from members • Appointment of consultancy to undertake technical aspects and advise on restructuring

PRIORITY INITIATIVES FOR 2024

PILLAR	PRIORITIES	ACTIVITIES
Strategy	1. Drive the development, approval, and occasional review of the company strategy 2. Communication of the strategy – cascading the strategy to the rest of the organisation 3. Oversee Operational planning by business units 4. Drive strategy execution focusing on: • Continuous improvement in the servicing of BUSA members	• Regular communication with members – newsletters, meetings, periodic economic and other information release • Conduct a member satisfaction survey • Raise funds to support programmes through membership drive, and other sources • Financial management – clean audit • Ensure compliance with all statutory requirements
	• Appropriate resourcing of BUSA • Budget ownership by unit heads • Improve internal financial approval processes • Invest in organisational performance - performance management and clearly define what success looks like • Annual General Meeting	• Recruit adequately qualified staff • Implement capacity development initiatives • Procure relevant systems to support the operations • Improve budget allocation and ownership of the budget by unit directors

THE REVISED POLICY ENGAGEMENT PROCESS

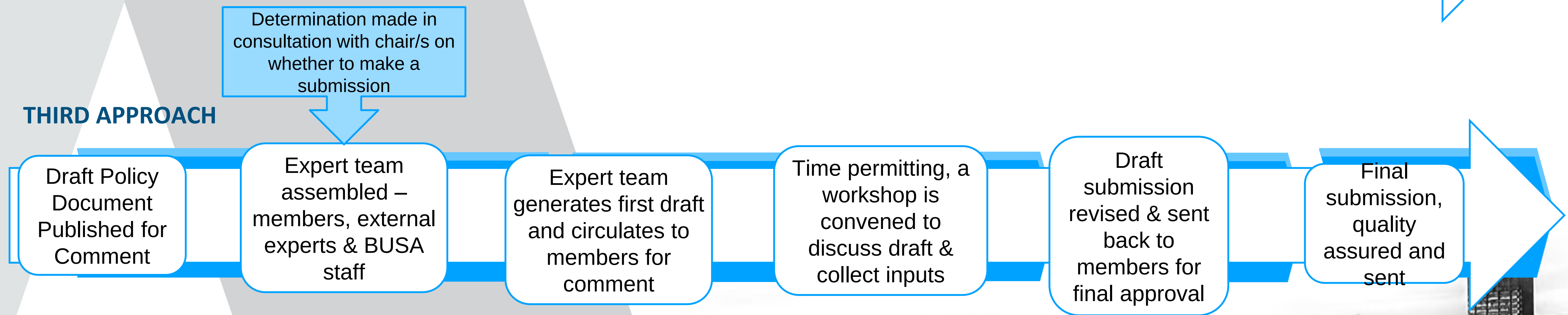
FIRST APPROACH



SECOND APPROACH



THIRD APPROACH



ROLE PLAYERS IN STRATEGY EXECUTION



STRATEGY EXECUTION OVERSIGHT_

1

Once adopted, the strategy will inform the performance agreement of the CEO and Executives and cascaded to the rest of the organisation

2

Regular reports to the standing committees on policy matters

3

Reports on the execution of the strategy to the relevant board committees

4

Regular reports on the execution of every aspect of the strategy to each of the four meetings of the Board.

5

Review of the strategy at least once a year in the second half and formulation of the strategy for the following year.

End_

BUSA



ANNEXURES

DETAILED WORK PLANS FOR EACH POLICY UNIT

SOCIAL POLICY UNIT_1

LEGISLATION, POLICY, REGULATIONS

- National Health Insurance
- Employment Equity Act Regulations
- Occupational Health and Safety Amendment Bill
- Seta Grant Regulations
- Labour Law Reform
- White Paper on Citizenship, Immigration and Refugee Protection
- National Minimum Wage Regulations

SKILLS FORMATION

- Human Resources Development Strategy
- Master Skills Plan
- National Employment Plan
- Accreditation Processes of Qualifications, and Occupational Skills Programmes
- Critical Skills List

PROGRAMMES

- Reconceptualization of COIDA and UIF
- Youth Employment Initiative
- Decent Work Country Programme
- Expanded Public Works Programme
- Gender-Based Violence and Femicide / Harassment
- CCBA
- Quality Apprenticeships
- Business in Human Rights / Sustainability

NEDLAC ENGAGEMENTS

- Essential Services
- Section 77
- Comprehensive Social Security
- Labour Migration

SOCIAL POLICY UNIT_2

STATUTORY BODIES REPRESENTATION

- Human Resources Development Council
- Employment Services Board
- National Skills Authority
- Productivity South Africa
- Judicial Services Commission
- National Minimum Wage
- Compensation Fund Commission
- Essential Services Committee (ESC)
- Advisory Council on Occupational Health and Safety (ACOHS)
- CCMA Governing Body
- Commission for Employment Equity (CEE)
- Unemployment Insurance Fund (UI)

INTERNATIONAL BODIES

- International Labour Organisation
- International Organisation of Employers
- SADC Private Sector Forum
- African Regional Labour Administration Centre

LITIGATION

- SETA Grant Litigation: BUSA vs Department of Higher Education and Training

ENERGY AND ENVIRONMENT POLICY UNIT_1

ORGANISATION-WIDE PRIORITIES

- Re-establishing NT contact and frequent engagements specifically on the Carbon Tax regulations
- Electricity Regulation Amendment Bill (ERA): Conclusion of legislative process within the current administration
- Gas Supply issue beginning in July 2026
- Capacity Building: Legislative Procedure for Bill Evaluation in Parliament (informational workshops/training)
- Capacity Building: Enhancing Competency - Discussions and Declarations of Conflict of Interest (informational workshops/training)

LEGISLATION

- Full integration of Sentinel service into work functions and activities
- Energy:
 - Integrated Resource Plan of 2023 (IRP 2023)
 - Omnibus Bill/National Energy Security Bill
 - Gas Amendment Bill
 - South African National Petroleum Company
- Environment:
 - Climate Change Bill
 - Water Services Amendment Bill and associated legislation (water security and quality)
 - Taxation Laws Amendment Bill (TLAB) and Tax Administration Laws Amendment Bill (TALAB): Carbon Tax-related regulation
 - Carbon budget regulations
 - Nationally Determined Contribution (NDC) update

ENERGY AND ENVIRONMENT POLICY UNIT_2

STAKEHOLDER ENGAGEMENT (1)

- National Energy Regulator of South Africa (NERSA)
- Electricity Price Determination Methodology (EPDM) Rules
- Affordability Subsidy Charge process and determination
- Presidential Climate Commission (PCC)
- Nomination of new commissioners when appropriate
- Engaging the commission on issues of concern
- Preparing input for the next cycle of the NDC update
- Labour
- Social dialogue on the first principles of the Just Transition supported by Danish Industries.
- Clean Air Foundation (CAF)
- Exploring new ways to collaborate on air pollution
- European Union
- Unpacking Carbon Border Adjustment Mechanism (CBAM)

STAKEHOLDER ENGAGEMENT (2)

- Helping build an economic case for technology transfer based on co-benefits of addressing climate change and air pollution with a focus on economic losses resulting from excessive levels of incoherent air pollution regulations/regimes
- Department of Trade, Industry and Competition (DTIC)
- Energy One-Stop Shop (EOSS)
- World Trade Organisation (WTO): CBAM
- Parliament
- Tracking legislation progress and developing ad hoc engagement plans
- Bilaterals: Solidification of current bilateral task team arrangements with the Department of Forestry, Fisheries and the Environment (DFFE) and the Department of Water and Sanitation (DWS) whilst maintaining opportunistic engagement opportunities with the Department of Mineral Resources and Energy (DMRE) and Minister of Electricity (MoE)

ENERGY AND ENVIRONMENT POLICY UNIT_3

INTERNAL COMMUNICATIONS

- Ensure coherence and consistency across all primary communications to reinforce the central themes and objectives
- Clarity of how to manage differences Enhance the management of divergent perspectives and opinions in public forums by implementing structured moderation and promoting respectful discourse. views and opinions in the public forums
- Establish more transparent and efficient communication pathways to report regularly on the milestones and significant achievements resulting from BUSA's efforts

ECONOMIC POLICY UNIT_ 1

TRANSPORT & LOGISTICS

- Co-ordinate and align Business efforts in the implementation of the government's Freight Logistics Roadmap on issues related to policy and structural reforms
- Ensure increased Business uptake of PSP opportunities.

TRADE

- Playing a critical role in the unfolding of AfCFTA
- Co-ordinating participation of members at SADC Business Council
- Foster voluntary compliance, transparent, secure international trade environment
- Influence Government's position in AGOA renewal processes
- Development of business position on matters on the Nedlac Teselico (trade policy) agenda
- Ex-post evaluation of the EU-SADC Economic Partnership Agreement
- Provide support to BUSA CEO in identifying key international stakeholders to collaborate with.
- BUSA support to businesses to allow for free and unencumbered trade flows within the Customs Union

- Co-ordinating participation in the BRICS Business Council Trade and Investment Working Group
- Authorised Economic Operator Program (AEO)
- Provide support to business representatives and assist in the development of business submissions to the forum.

SMME DEVELOPMENT

- Provide SMEs with practical tools to assist them in conducting business lawfully (regulatory compliance)
- Provide Business inputs on reduction and removal of regulatory impediments hindering SME growth
- Red tape reduction / Legislative intervention

ECONOMIC POLICY UNIT_ 2

POLICY AND REGULATION

- Competition Policy
- Companies Amendment Bill
- National Smalls Business Development Act
- Expropriation Bill
- Country Investment Strategy
- Draft Infrastructure Development Plan
- Tax Law Amendment Bill

FINANCE AND OPERATIONS UNIT_1

BUSA FUNDING POSITION

- Explore supplementary funding sources
- Recruitment of New membership - engage with members and potential members
- Ensure maximum collection of BUSA revenues

FINANCIAL MANAGEMENT

- Quarterly management reports
- Manage expenses and income
- Monitor & manage risk
- Secure clean annual audits/ AFS
- Monitoring and reporting to ARC

HUMAN RESOURCE MANAGEMENT

- Training: actively help our team to develop and grow professional and personally by supporting a flexible work life, providing intellectually engaging work.
- Salary benchmarks
- Team engagement, development, and team building - Monthly staff meetings to optimise alignment and delivery.
- Monitoring and reporting to Remco.
- Replacement of the key roles such as the CEO's and the Director of Social Policy – Budget dependent
- To review the organisational structure of BUSA to ensure that it is optimal to deliver its strategy.
- Explore employment of an intern/s
- Job performance system/performance agreements

FINANCE AND OPERATIONS UNIT_2

OPERATIONS

- Effective member outreach to BUSA members regarding the ongoing B4SA work
- Maintain membership database and distribution list – number of complaints
- Establish governance and financial control mechanisms
- Workplan / Operational plan
- Effective contract management
- Finalise membership categories in the first quarter of 2024
- Improve the Broad-Based Black Economic Empowerment (B-BBEE) Status of BUSA

End_

BUSA

