Minister of Public Works Ms S Sigcau 18 June 2002

Independent Development Trust's Trustee Board Inauguration Glenwood Pretoria

Members of the Board of Trustees Chief Executive Officer, Dr. Lulu Gwagwa, and Directors of the Independent Development Trust Distinguished guests Ladies and Gentlemen

Thank you for joining me today for the Inauguration of the newly appointed Board of Trustees of the Independent Development Trust.

In particular I want to thank the new Trustees for making themselves available for duty, to serve the public in the role of the Accounting Authority of the Independent Development Trust.

I want to welcome and introduce to you the new Trustees who are serving on the Board for the first time:

- Mr. Cedric de Beer, who brings a wealth of experience in development sector areas such as urbansisation, housing, health and who serves on the Boards of several NGO's and community development organisations.
- Mr. Michael Fuller who is a Chartered Accountant and brings extensive executive management and corporate finance experience in a range of institutions.
- Mr. Henry Msimang who is an attorney with extensive litigation experience and who serves on various committees of the Law Society.
- Mr. Moscow Marumo who qualified as an agriculturist and brings extensive experience in rural development as well as monitoring and evaluation.
- Ms. Pumla Radebe who is a social worker by training with the experience of working at a regional and local government level, and is now a development consultant specialising in community development and project management.
- Ms. Tumelo Lobelo Ratefane who is a social worker and who is currently a lecturer in the discipline.
- Mr. John Robertson who is a lawyer by training, has specialised in conflict resolution and was linked to IMSSA as a mediator.

Then I want to welcome and introduce to you the Trustees who are serving on the Board for a second term:

- Mr. Sonwabo Eddie Funde who is an electrical engineer with training and experience in telecommunications and as a diplomat. He is the previous Chairperson on the IDT Board.
- Mr. Pepi Silinga, who is an engineer by training with extensive experience in development and who is the Deputy-Chair of the Construction Industry Development Board.
- Mr. Boitumelo Mokgoro, who is an accountant with extensive financial management experience and who chaired the Finance and Audit Committee on the previous Board
- Ms. Lidia Bici who is a Deputy-Director General at the Department of Public Works, and
- Ms. Thembi Nwedamutswu, who is a Deputy-Director General at the Department of Social Development, the latter two are the government representatives on the Board.

Allow me to express my deep appreciation for the four years in which you have supported me, in particular the Chairperson of the outgoing Board, Mr. Eddie Funde.

There is always some sadness when one has to take leave of people, as was the case when the term of the outgoing Board ended. However, some of the icons in change management argue that a key element in the success of leading corporates is the fact they have a formal process of changing their executive leadership. Leadership come in for a specified period of three to five years, are charged with a specific responsibility, do what they have to do and then move on. It is a strategic business choice because it affords the organisation

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an opportunity to re-invigorate and redefine itself.

The fact that the IDT Board of Trustees, and all governing bodies of our public entities, has a four-year term, subscribes to current management practices. The assumption of your role and responsibility as the Board will once again fire-up a renewed change process, which has to be effectively managed by yourselves as the new Trustees, the executive management team of the organisation and myself as the Executive Authority.

However, I trust that the mix of experience and people who are new to the IDT among you will enhance this change process. I am very pleased to have such a distinguished group of individuals comprising the Board of the IDT, with a rich mix of skills and experience, and none who are novices to organisational work.

The challenge lies in deciding on the focus of a change management strategy and what should remain constant and be strengthened.

For example, the mandate of the IDT is not the subject of change; not because it is cast in stone, but because of the nature of the IDT's core business.

The IDT's primary business is poverty reduction and development and I am very pleased that the mission statement of the IDT reaffirms that commitment. Since our government assumed office in 1994, serving the basic needs of the poorest of the poor has been a national priority. In his first address to Parliament, former President Mandela emphasised our aspirations to create a people centered society.

In the opening statement of the State of the Nation Address this year, we heard President Mbeki speaking about the global struggle to eradicate poverty and underdevelopment which is fundamental to the well-being of human society. President Mbeki continued to say: "We know this as a matter of fact that the struggle to eradicate poverty and underdevelopment in our own country is fundamental to the achievement of our own national goal to build a caring and people-centred society."

The President concluded his Address with the statement that "what guides our approach is that each one of us should lend a hand in doing the simple things that will make a difference to the lives of especially the poor."

That is what we ask of the IDT: to do those simple things, which make a difference in the lives of the poor. According to the national poverty profile 41% of the population live in poverty, and more than 70% of the poor live in rural areas. The ultra-poor, those who have historically not benefited from social services are largely found in the remotest rural areas, which are traditionally under-serviced. It is the development and social infrastructure, even classroom and clinics, which the IDT constructs or rehabilitate on behalf of government in those areas, that make the difference. One of the reasons why Cabinet appointed the IDT to support government with the implementation of the Integrated Sustainable Rural Development Strategy is because of the reach and the depth of experience which it has in pushing back the frontiers of poverty by development in our country.

Government has specific expectations of its Public Entities. Each public entity has a formal government mandate to deliver a service to government, which is best served alongside, though 'outside', of the formal governance processes.

An analysis of public entities concluded last year highlighted a host of core functions which government has discharged to public entities and the invaluable knowledge and skills base these entities has yielded. A core function which we have entrusted to the IDT is to support government in the implementation and delivery of its development policies and programmes and the IDT has to ensure that government and the people of our country remain the beneficiaries of its knowledge and resource base.

The IDT is in its 12th year of existence. Over that period one has seen many development agencies come and go. Since 1990, when the IDT was established, the IDT faced the same challenges as others in the development sector. The role of the IDT changed as did the people within the IDT. One of the reasons, I believe, that the IDT has survived and retained its relevance is because of its ability to adjust to and be responsive to the dynamic and changing terrain in which it operates. However, in spite of the different phases of development practice which evolved in the IDT over the years, a few key pillars, which in many ways define the IDT as a development agency, prevailed throughout the existence of the organisation:

- The IDT expanded and retained its presence as a national resource and asset.
- The IDT's commitment to serve the poorest of the poor

- Devising policies which are rooted in practice
- The effective and efficient management of its resource base.
- Organisational leadership which invested in relationship management and in establishing the political credibility of the organisation.

The challenge for the new Board is to build on the foundations that have already been laid such that you are able to say at the end of your term that you have expanded the legacy of the IDT in being "actors in the unfolding and measured drama of the eradication of this legacy of poverty and underdevelopment."

I believe that the IDT has to retain this focus on the rural poor and do what it is charged to do well. There is a wealth of knowledge in the IDT and the IDT should not only be delivering government programmes, but should indeed also influence those programmes, bringing the benefit of lessons learnt to the programme of activity.

One of the changes to which this Board will have to apply its mind is how the IDT will support NEPAD. How does the IDT share its knowledge of and resources in indigenous development practice with policy-makers who are grappling with the development challenges of the Continent?

I believe that that level of strategic and professional leadership is captured in this Board. I want to wish you well and look forward to establishing a productive and meaningful relationship with you. I await, with great expectation, the results and progress as you commence your term as Trustees of the IDT.

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