

SADA Dialogue Process

General Background

SADA seeks to develop a forward-looking economic strategy for South Africa in the digital age and is co-convened by the University of Pretoria's Gordon Institute of Business Science (GIBS), Genesis Analytics and the Pathways Commission. The intention of this process is to identify inclusive economic opportunities with the potential for rapid job creation, and the required enablers and actions for these opportunities to be scaled significantly.

The initiative will feed directly into President Cyril Ramaphosa's Public-Private Growth Initiative (PPGI) and is primed to work constructively with other existing processes like the Department of Communications' Presidential Commission on the 4IR (Fourth Industrial Revolution) and the 4IRSA process run by three South African universities.

To start this initial phase, five workshops will take place from 21 June to the end of July at GIBS in Johannesburg and will form the beginning of a longer process. The workshops will make use of a Digital Readiness Assessment developed by Genesis Analytics that diagnoses the state of South Africa's readiness to take up inclusive economic opportunities in the digital age, as a springboard for the discussions.

The dialogues will comprise five workshops. Three workshops will focus on the three opportunity zones identified during the readiness assessment:

- Globally traded services
- Frontier technology hub
- Low-skill labour platforms.

There will be two standalone workshops on specific cross-cutting themes that are critical to these opportunities being realised. The enabler workshops will focus on how South Africa can achieve the following.

- Ensure sufficient human capital with the required skills, at scale.
- Overcome non-digital barriers to exclusion from a digital economy and efficient digital access to ensure that economic growth and employment creation are inclusive.

The dialogue workshops are intended to be a process of co-creation among technical experts and specialists drawn from the government, the private sector and civil society. These experts and specialists will have expertise on specific issues relating to South Africa's strategy for inclusive growth in the digital age.

General Dialogue design

The workshops will take place over a day and will be facilitated by faculty members from the GIBS Centre for Leadership, Ethics and Dialogue. The workshops will begin with a short presentation introducing the SADA concept and process. This will be followed by participants identifying what other similar opportunities there may be to generate jobs at scale.

Participants will then be asked to think through the enablers that are required for all of these opportunities to scale, and how to ensure that these opportunities are as inclusive as possible. This will lead to an action plan. This will detail steps towards preparing for these opportunities and the role of each stakeholder/role player to achieve this.

While the technical deliberations described above will be closed and conducted under Chatham House rules, they will also be open to a few members of the media who specialise in digital technology and will form part of the initiative's communications strategy – to generate attention around the initiative's focus on economic opportunities.

Opportunity Workshops

1. How South Africa can capture increasing demand for globally traded services

There is a rising demand for globally traded services (GTS). First, improvements in ICT allow new kinds of work to be conducted anywhere in the world. This means a new set of services, which have traditionally been proximity-based, are starting to be provided digitally. Second, the rising appetite for freelance work among businesses has given rise to a new form of outsourcing. Our global business services sector's contribution to job creation could scale significantly if South African individuals and businesses can tap into these new sources of global demand, particularly in markets where South Africa has a language, time zone and human capital advantage. The GBS workshop will address this opportunity by thinking through the enablers to allow GBS businesses to scale and ensure that they are economically inclusive.

Participants will include the following. First, entrepreneurs and those building existing models of success in globally traded services, including local entrepreneurs and businesses with significant scale. Second, ecosystem coordinators, including government stakeholders who support these models to scale and industry associations. Third, those involved in the skills development, including private skills providers and market facilitators. Finally, industry experts such as technical consultants.

2. How South Africa can establish itself as a hub for frontier technology

Frontier technologies such as the internet-of-things, robotics and AI are transforming the way organisations operate and create value. Business, government and consumer demand for these technologies is on the rise with the potential to create additional work opportunities, particularly if South Africa is able to cater to both domestic and regional demand. In addition to these direct employment effects, the application of frontier technology will reshape how many other sectors operate. This will unlock new forms of production and new job opportunities. The frontier tech workshop will address this opportunity by thinking through the enablers that will position South Africa as a continental hub for frontier technology and ensure that it is an economically inclusive opportunity.

Participants comprise those building existing models of success in frontier technology application, and local entrepreneurs and operators with large-scale successes. Second, those involved in the innovation support ecosystem. Third, technical experts such as academics and consultants. Finally, those providing innovation financing (private equity firms, investment banks, angel investors).

3. How South Africa might unlock demand for low-skill labour in the domestic economy

There is an opportunity to scale low-skill domestic work opportunities through digital commerce. This can be attributed to a rise in smartphone penetration and growth in digital commerce platforms. These platforms aggregate and match demand and supply for low-skilled labour, or sell goods online with delivery services, and create increasing income-generating opportunities for low-skilled South Africans. The low-skill labour absorption platforms workshop will address this opportunity by thinking through enablers that will allow platforms to scale. It will also explore measures to ensure the opportunity is inclusive and participants are adequately protected and compensated.

Participants include those building existing models of success in labour-matching and e-commerce platforms. Second, it will include individuals and institutions engaged in labour regulation and protection, as well as institutions that are key to market regulation. Finally, it will include stakeholders who can provide insight into how this opportunity can be scaled in a way that is inclusive of low-skilled and low-income individuals.

Enabler Workshops

4. Human Capital

The human capital workshop will address the requirements of education particularly at a tertiary level, and the applied skills provided by tertiary education and on-the-job learning for the opportunities in the fourth industrial revolution to be supported in South Africa (e.g. an agile skills supply chain that can adapt to changes in skills demanded). This will include the potential for technology to improve the delivery of human capital development (e.g. digitised classrooms, online learning, massive open online courses, etc.).

Involved in this dialogue will be role players covering all stages and models of the skills supply chain. This includes corporations, associations and entrepreneurs involved in schooling, micro skills and flexible accreditation providers. This will also extend to those within the space of work readiness programmes and corporate employers, technology enabled models and higher education such as MOOCs. Finally, included will be ecosystem coordinators who provide linkages between different stages of education and employment.

5. Digital Access and Inclusion

The digital access workshop will address the digital infrastructure, ICT usage and affordability, and competition and regulatory aspects of digital access in South Africa. It will consider the drivers of change (e.g. competition policy, spectrum regulation, public Wi-Fi infrastructure, and digital identity and payment systems) that can lead to universal access to the digital economy across geographies and income levels to enable inclusivity. The workshop will also therefore consider what social protection mechanisms and risk mitigation strategies can assist those South Africans who are not able to access digital economic opportunities in the next few years.

Participants will cover regulatory considerations, comprising regulators, lawyers, academic and key government institutions. Role players will also encompass operational stakeholders including corporates who play a significant role within the ICT landscape as well as key industry associations. Participants will also comprise those involved in ensuring maximum digital access and those who are key to providing social support for the vulnerable.

For more information please contact:

Howard Fox | GIBS | Main Tel: +27 11 771 4000 | Cell: +27 83 455 2560 | foxh@gibs.co.za

Didi Moyle | Genesis Analytics | +27 11 994 7000 | +27 82 808 5108 | didim@genesis-analytics.com