

**Speech to ICT Charter Working Group
September 16, 2003**

**Martin Vergunst, Managing Director
CSC Computer Sciences (South Africa) (Pty) Ltd**

Ladies and Gentleman,

South Africa is one of the most dynamic and exciting nations in which to live and work.

As a South African I chose not to earn a living anywhere else, there are no positions in any other country that could offer me the opportunity to participate in such a positive and revolutionary process in helping define a new economic order.



As we South Africans know, we're a resourceful lot. We thrive on robust debate and the diversity of ideas. But crucially, since those heady days of the early 1990s when we shaped one of the best Constitutions in the world, we know that there is more that unites us than divides us.

What unites us is the determination to make our new democratic country work for the benefit of all its citizens – to open up opportunities to grow our human talent and abilities and share the benefits of innovation and hard work.

Yes, for the average member of the American multi-nationals, activities in South Africa represent less than one percent of their international trade, and since stock values can fluctuate by more than this amount on a daily basis, some could regard South Africa's ICT trade as insignificant.

But we South Africans do not believe we are insignificant on the world's stage. In global terms we may not currently contribute vast revenues, but we have an exciting potential that our major trading partners want to share.

We know we are the gateway for many foreign companies to gain access to African markets and the local ICT industry will be a major facilitator in that process.

What multinationals trading in Africa must realise is that black South Africans are not going to be only the doormen holding open this gateway for others. They are determined to be the champions of the process of bridging the digital divide on the continent.

Multinationals – my own company included – must understand that black South Africans want to own this process. And that ownership means some form of equity participation in the enterprises that operate in South Africa.

No one denies that many multinationals from both sides of the Atlantic have made major contributions to the South African ICT industry. During the dark days of apartheid they were often the champions – sometimes under the guise of locally owned companies – who invested in growing the knowledge and experience of many black South Africans who today are successful entrepreneurs, or who hold important government posts.

Many of these companies set the example to South African companies in Corporate Responsibility programmes. They ensure business opportunities are shared with black-owned companies, give management responsibilities to black staff and invest considerable amounts in developing staff skills.

In fact, many score well in most of the categories on the ICT scorecard as it stands at the moment. But, significant as this contribution is, more is required as the nation takes ownership of its future.

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Let's have a look at the realities. South Africa has a sound economic and technological infrastructure on which to build an exciting future, and all its people want to secure a greater share in the profits of their own ingenuity and potential.

So what's to be done, what's the way forward, is there a way forward? And the answer to that is, there has to be and there will be.

Many want to offset – or dodge –the equity ownership issue by seeking equity alternatives using already catered for other aspects of the scorecard. There is some validity in this approach because it can convincingly be argued that multinational IT companies are making significant contributions to South Africa.

Further, they want to find a method of compensating for the damage apartheid caused. That is something we can all understand and approve of.

However we can jockey with the numbers and fancy terminology forever. But we cannot escape the reality that black South Africans want equity participation and it us up to those multinationals who are committed to South Africa's exciting economic transformation to apply their imaginations to finding out how we can deliver this.

What I am saying is that this is not the time to circle the wagons. It is the time for each multinational to put its business ingenuity to the test and develop ways to enable equity participation with black South Africans.

This is the time for fresh thinking on how to address the issue of black ownership in foreign-owned firms and this must be decided on a company-by-company basis as each executive board seeks to build a new relationship with South Africa based on the value of what unites us.

We all agree that sharing our knowledge and opportunities with black-owned enterprises is one of the major ways multinationals do invest in the growth of the industry.

We all agree that Africa – and South Africa in particular – is a place of opportunity where we can test our ingenuity and entrepreneurial skills.

We all agree that it is the people of South Africa who have the insight and energy to drive the new economic order though Africa.

Let's unite in our determination to be part of that and be true partners as South Africa forges ahead as a powerhouse in Africa's economic growth

We are on the threshold of great things. It will not necessarily be a smooth ride – few great achievements are. But, if we all share the vision, and commit to sharing the opportunities and the rewards, we will triumph.

ENDS

Issued on behalf of Computer Sciences Corporation (CSC) in South Africa.

For further information please contact:

Martin Vergunst , Managing Director 082-9030-518

Or

Marian Shinn, PR consultant 082-831-2429

CSC Computer Sciences Corporation (South Africa) (Proprietary) Limited
6th Floor West Tower Canal Walk Century City Cape Town 7441
P.O. Box 32 Canal Walk Century City Cape Town 7446
Tel: +27 21 529 6500 Fax: +27 21 529 6666

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