



MINISTERIAL TRUSTEES

TRAINING ON CORPORATE GOVERNANCE AND ETHICS

Background

On 15 March 2018, the Agricultural Industry Trusts Division facilitated training on corporate governance and ethics for all Ministerial Trustees. The purpose of the training was to capacitate Ministerial Trustees with principles on Ethics and Corporate Governance. Ministerial Trustees are appointed by the Minister of Agriculture, Forestry and Fisheries to serve in different Trusts. Ministerial trustees are expected to ensure that the Minister's vision is expressed in the Trusts. Furthermore, to create a platform for ministerial trustees to engage and understand their roles and responsibilities, and legal obligations on the trusts they serve as ministerial representatives.



Introductions

The programme director was Mr Bonani Nyhodo, the Senior Manager: Agricultural Industry Trusts Division at the NAMC. In his introduction, he stated that “at times we don’t celebrate our diversity as we should”. He requested all the attendees to introduce themselves in their vernacular languages.



1. Opening and welcome by The NAMC CEO, Mr Zama Xalisa



Mr Xalisa, NAMC CEO in his opening and welcoming, indicated that he has been acting as the CEO' of the NAMC for the last 6 months and has been at the NAMC for over 10 years as a Senior Manager: Agricultural Industry Trusts Division. He deliberated on the purpose of the training and said the Ministerial trustees are participating in the respective trusts as board members representing the Minister of Agriculture, Forestry and Fisheries. It is important for the Trustees to understand the corporate governance principles, and aware that many of the board members have gone through this process.

The corporate environment is currently operating on KING IV principles, and it is crucial to understand the dynamics and/or changes between KING III and IV. He pointed out the role of the NAMC in the trusts, that it is clear that ministerial trustees pursue the element of transformation in the trusts. The agricultural sector is skewed in terms of participation in the economy. It is evident that transformation in the agricultural sector is slow and encouraged the trustees to be more proactive in the structures of the industry in pursuing an element of transformation. He touched on the land audit that was conducted by the Department of Rural Development and Land Reform on land ownership, which indicated that black people owns small hectares of land as compared to commercial farmers, white farmers in particular. In closing, he introduced the chairman of the NAMC and HR Committee, Prof P.K. Chauke and Mr Faku respectively, who shared few words with the Ministerial trustees.



2. NAMC perspective of the training and handover to Gamelihle Business Consulting to introduce the facilitator

Mr Nyhodo in setting the scene, indicated that the agricultural industry trusts as a collective worth over R2.4 billion (both monetary and fixed property). Mr Sibusiso Mnisi gave a brief background of the company, Gamelihle Business Consulting where he pointed out that the Gamelihle is a black owned company started in 2006. He further stated that the company has done several trainings in entities such as municipalities and state-owned companies. He then, handover to the facilitator Ms Samantha Layton – Mathews to deliver the training.

Ms Matthews echoed Mr Zama Xalisa's sentiments that the course helps in applying ethics and governance principles in the Trusts meetings and operations. She then elaborated on the content of the training discussion points and explored the concept of corporate governance and ethics and its importance in organizational management and



practices, identified barriers to good governance and ways to overcome them and how to apply governance structures and principles. Furthermore, integrate the King IV code of conduct in governance practices, explore the purpose of a board of trustees, clarify roles, responsibilities, tasks and duties of trustees, and last but not least, and identify liabilities of trustees.

3. Way Forward

The following came out strong as the way forward emanating from the discussion:

- The trustees would like to have an engagement with the Council of the NAMC, to discuss their frustrations and challenges they encounter in their respective trusts;
- Now that the ministerial trustees understand the ethics and corporate governance principles, they will action them in their respective trusts, where the minister is represented;
- The ministerial trustees expressed their word of appreciation to the NAMC for organizing a training of this nature, as it was a need for them to act in an ethical manner understanding the corporate governance policies.

4. Closing remarks

Mr Matsobane (BM) Mpyana, Agricultural Economist: Agricultural Industry Trusts Division, provided closing remarks by thanking all the Ministerial Trustees in attendance, and wished them the best in their respective trusts' mandates. He further extended a special word of appreciation to the NAMC leadership and the Facilitator for their time to engage with the Trustees. Moreover, Mr Mpyana echoed on the number of issues discussed especially on transformation, and trust specific issues that requires NAMC council's attention.

