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## New BEE checklist launched by Jay Naidoo

Ditikeni launches a new BEE checklist as Naidoo slams business through politics which he says "will rip society apart"

ROY DOWNING

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Investment company Ditikeni has launched its Black Economic Empowerment (BEE) checklist which the company says will improve the quality and transparency of broad-based BEE ownership.

Jay Naidoo, co-founder of the J&J Group, believes the checklist is timely.

"What we are launching here is a code of good practice in our way doing business that will help insure the right people are represented in the right places along the chain."

"Graft and corruption are producing a society that is driven by consumption rather than production, yet consumption will not create jobs that are needed. Consumption just breeds greed and little else. This approach to business through politics breeds a kind of entitlement that will rip the foundations of our society apart. That is why I say the timing of the checklist is impeccable because it addresses each and everyone of those concerns" Naidoo told media at a launch in Rosebank, Johannesburg.

"Many are of the view that BEE in itself is the source of all the ills that pull at our country's economic, social and political environment. And in many respects it is. But BEE was always meant to be broad-based and not for the select few, it was always intended as a public initiative not as a means to amass private wealth, it was meant to address the exclusion of the formerly disadvantaged from the white-owned economy," Naidoo added.

Naidoo says he still believes BEE can work in South Africa but only if it is linked to the goals of a people-centred democracy.

"It can work because it can give dignity to those who until now were made to feel that they did not make the grade. It can work because it can instill a sense of pride within the communities that were left behind by inefficient and often corrupt municipal leaders, it can work because it can generate meaningful employment for the people who have lost hope in knowing what it is like doing an honest day's work and earn their way in life," Naidoo says.

"There has been widespread disappointment with many BEE deals recently. This has motivated us to

intervene with a carefully crafted checklist. The checklist can be used by broad-based organisations themselves as well as by analysts and companies seeking broad-based BEE partners," said Sahra Ryklief, Chairperson Ditikeni Investment Company.

The checklist consists of 40 questions, which she says is underpinned by two broad principles, transparency and quality.

"Any genuine broad-based organisation should easily score the required 30 out of 40 points, and will be encouraged to improve by adopting a few additional common-sense corporate governance measures," she added.

Ryklief says the checklist is seen as a supplement to the DTI's Codes of Good Practice on BEE, not a substitute. "All organisations remain under the obligation to comply with the codes. The checklist adds value to the codes, as it is more about quality and less about box-ticking."