KEYNOTE TO VIRTUAL CONFERENCE 2020

Honourable Chairperson of the NCOP committee on Local Government

Executive Mayors Mayor s Members of Executive Committees Members of MPAC Municipal Managers CFO's Ladies and gentleman

All protocol observed

This calendar year we all have started with a smile on our faces, we wished all our friends, family and loved ones a blessed and happy new year for 2020. This sound so ironic if we stop and think it over. Surely, we all will ask the question 'What went wrong?" What we see is a totally different picture today our daily normal of January 2020 pre-COVID-19 has changed to a new daily normal post COVID-19.

This conference is ground-breaking and CIGFARO finds themselves on unknown territory as far as virtual conferencing is concerned and the Institute is sailing on unknown stormy waters. With every challenge such as COVID-19 there is an opportunity as we are all working through this pandemic and we want to thank you all for your participation and loyalty to take part.

I will look at the Past, the Present and the Future, this Conference intends to provide us with some insight into the future as well as to give us hope regarding the painful road ahead in economic recovery.

#### **Pre COVID**

The report of the Auditor General on the finances of National, Provincial and Local Governments does not give me confidence that we have all our ducks in a row. There is still many Departments and Municipalities who incur irregular, wasteful and unauthorised expenditure. Fraud and Corruption is still at the order of the day and we are still anticipating the finalisation of the Zondo Commission into all these transgressions. CIGFARO has raised and requested members to refrain from these types of transactions and to report such transactions to the relevant Authorities.

The only way to curb the disregard for legislation and ethical behaviour lies in the professionalisation of the sector whereby all financial, Audit, Risk and SCM staff must be members of a professional institute, which has statutory recognition.

We have started with the migration of members to the new professional designations.

### Current

We are still in Lockdown level one, with an extension into November 2020, which mean that there are still certain restrictions that the regulations impose on all South Africans. We have seen that since the total lockdown on the 23<sup>rd</sup> March 2020 that the Economy in certain sectors have collapsed, one is the Tourism Industry, many businesses have indicated that they have to close down, we see that our State Owned Enterprises, like SAA and other Airlines have indicated that

they are in financial distress. Many Municipalities have reported a drastic decrease in their ability to collect outstanding debt. This tendency did not slip CIGFARO and the Board had to take serious cost saving measures to ensure minimal loss to CIGFARO. The latest results from StatsSA indicated that we will see job losses of approximately 2000 000 people. This has dire consequences for the economy and the Country as a whole.

Government is still in a process to bring us to normality, but this normality will be a new normality, since we will never have the same as we had before the total lockdown.

Over this period many businesses and organisations were pushed into the digital space and virtual meetings has become the new normal, this is the same with conferencing and training. CIGFARO, also had various webinars over the last couple of months and we intend to extend this in the future.

### Future

The future is in our hands and we all must learn from this disaster as well as how to plan for the future. We all have our medium-term budgets in hand and the question is how realistic are they? Nobody ever expected a total lockdown of the economy and therefore Disaster Recovery Plans were inadequate. These plans together with our risk assessments needs to be updated for an event such as COVID-19.

This virtual Conference will endeavour to provide some practical plans, strategies on the way forward as well as how to position yourself in the new normal.

Revenue collection is under pressure and this has a direct impact on the ability to spent on service delivery. We can expect more robust service delivery protest, but the main requirement is that we should not lose hope and that we should see this as a temporary setback which creates new opportunities for us to explore in our drive to provide services for a better live for all. The Topics that will be discussed in this week will certainly focus on the most predominant issues facing us and I hope that you will engage with the speakers and panellists through active participation by raising relevant questions and comments.

From the office, we will be launching our new member web portal during this conference and it will be introduced online on Wednesday the 21<sup>st</sup> October, please ensure that you visit the CIGFARO Booth between the sessions for the day. We are still in discussions with National Treasury, COGTA and other institutes to professionalise our trade with Statutory recognition. A further aspect that we are pursuing is the signing of a Service delivery Agreement by Eskom with each Municipality.

I also want to thank my fellow board members for their dedication and support, the office, CEO and staff for your support. A special Thank you to Louise and your committee who worked tirelessly with the office staff to have this conference ready under very difficult circumstances.

Our sponsors for their loyal support who made this event financially possible, these sponsors are Adapt IT, Bonakude, Caseware Africa,

CCG Systems, Cape Retirement Fund for Local Government, FNB Public Sector banking, Interfile, Momentum, Moodys, Munsoft, Nedbank and our host Ntiyiso Consulting, please visit them on this platform in their respective Booths.

I want to leave you with the following famous words by Charlie Chaplin an actor, I am sure most of you remember the old still movies in which he was a prominent character and actor.

# Charlie Chaplin lived 88 years.

## He said:

(1) Nothing is forever in this world, not even our problems.
(2) I love walking in the rain because no one can see my tears.
(3) The most lost day in our life is the day we don't laugh.
(4) Stick to the following 6 best doctors at all stages of your existence and you will enjoy a healthy life:

1. The sun

### 2. Rest

3. Exercise

4. Diet

5. Self-respect

6. Friends.

(5.) By looking at the moon, you'll see the beauty of God;

By looking at the sun, you'll see the power of God.

And when looking in a mirror, you'll see God's best creation. So believe it.

(6.) We are all tourists and God is our travel agent who has already identified our routes, bookings and destinations. Just trust him.

Lastly:

*Life is just a journey; enjoy it and live it because tomorrow may not be...* 

I thank You