WALKING TOGETHER
TOWARDS A
SUSTAINABLE
FUTURE

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CONTEXT: CONSTRUCTION ECONOMY

- GLOBAL RECESSION 2008 – 2009
- POLOKWANE December 2008
  - Record Years for the SA Construction Industry
- OUTLOOK 2010 +
  - Workload dropping ( > 30% y/y……17% since January )
  - Tendering increasingly competitive
  - Forecasts “flat” for next 2 years
  - Increased competition from abroad
Dr. Rob Davies, minister van handel en nywerheid, tydens sy besoek aan China.
COMPETITION

- “Standard Bank signed agreement with China Railway Group”
- “Discovery buys 20% in Chinese Health Insurer”
- “SA looks to China for Infrastructure lift”
ENGINEERING PROFESSIONALS & STATE OF BUILT ENVIRONMENT

- Burning Bridges
  - Technical Management Experience in Public Sector
SUPPLY OF ENGINEERS

- Brazil       350   citizens per engineer
- Malaysia     500   citizens per engineer
- South Africa 3000  citizens per engineer
TECHNICAL PROFESSIONALS IN GOVERNMENT

1990
- 5 100 Serving 14 Million Citizens (ex “homelands”)
- 1 Government Professional per 2 700 population
- 40% of Pr Engs

2010
- 1 800 Serving 47 Million Citizens (New RSA)
- 1 Government Professional per 27 000 population
- 15% of Pr Engs
EMPLOYEES WITH CESA MEMBERS

- 1990 : 12 000 employees
- 2010 : 21 000 employees
TURN AROUND STRATEGY BY COGTA

(COGTA press statement 3 Dec 2009)

- Concern about quality of decision-making
- Concern about quality of appointments
- Lack of transparent procurement
- Poor levels of financial management
- Lack of accountability
- Undue political interference
- Economic conditions

(How long will this take?)
STATE OF BUILT ENVIRONMENT & ENGINEERING PROFESSIONALS

- Burning Bridges
  - Technical Management Experience in Public Sector
  - Water & Sanitation
WATER & SANITATION

- Access to water & sanitation improved substantially
- National planning by DWA identifies problem areas
- Implementation incapacity at sub-national level
- Only 30 of 283 municipalities functioning satisfactorily (Ms Sonjica’s evidence to parliament)
- Demand could exceed supply (2020)
- Water Quality deteriorating: 3% with Green Drop
- Acid Mine Drainage
STATE OF BUILT ENVIRONMENT & ENGINEERING PROFESSIONALS

■ Burning Bridges
  ▪ Technical Management Experience in Public Sector
  ▪ Water & Sanitation
  ▪ Roads & Transportation
National Network in good condition

Provincial Roads & Municipal Streets going to Pot (holes) (Engineering News)

- Maintain: R200 000 / km
- Rebuild: R3 million / km

Start made with public transport investment
ROAD AND TRANSPORT SITUATION

- 1998 to 2008: Good 75% to 30%
  : Poor 5% to 33%

- Maintenance backlog: R100 billion

- Investment declined by 1% pa since 1975.

- Every R1 billion invested creates 25 000 jobs
STATE OF BUILT ENVIRONMENT & ENGINEERING PROFESSIONALS

- Burning Bridges
  - Technical Management Experience in Public Sector
  - Water & Sanitation
  - Roads & Transportation
  - Energy (Recent changes)

- Financial Resources (Not a burning bridge. 3 year infrastructure budget R846 bn)

- Urbanization Challenges
People living in Cities Globally

1950: $\frac{1}{4}$

2008: $\frac{1}{2}$

2050: $\frac{2}{3}$
PEOPLE LIVING IN SA CITIES

- **2010**
  - 30 million

- **2050**
  - 45 million
Demand for scarce resources is under increasing pressure
Carbon Emissions

CO₂ EMISSIONS BY SECTOR

BUILDINGS

TRANSPORTATION

INDUSTRY

1960  1980  2000
SUSTAINABILITY GOAL

‘meet the needs of the present without compromising the ability of future generations to meet their own needs’ (FIDIC 2009)
INITIATIVES TO DATE
(to extinguish the fires)

- ASGISA
- JIPSA
- Project Consolidate (COGTA)
- Siyenza Manje I & II (DBSA)
- EPWP (NDPW)
- Civils Masakheni (SAICE)
- SPAID (Business Trust)

- Neighbourhood Development Grants
- Turn Around Strategy (COGTA)
- Adopt a Town (COGTA)
- Friends of the City
- Good citizen campaign
- Numerous management and monitoring systems and Scorecards
Are we:

- Consumed by the current dilemmas and efforts to resolve these?
- Turning a blind eye to the major challenges facing the municipal engineer of the future?
- Casting our nets wide enough to address the needs of all technical professionals in our industry?
DINOKENG – go to this link
DINOKENG DILEMMAS

- “We failed to appreciate and understand how to run a modern democracy
- Leadership across all sectors is increasingly self-interested, unethical and unaccountable, lacking clarity and purpose.
- Weak state with declining capacity
- Disengaged citizenry with growing dependence on the state to provide everything”

Solutions?
DINOKENG’s 3 SOLUTIONS

- LEADERSHIP
- LEADERSHIP
- LEADERSHIP
DINOKENG

THE COMPARATIVE PATHS OF THE THREE SCENARIOS

WALK TOGETHER

WALK APART

2000

2020

2020

2020

Engaged

Effective

Ineffective

Disengaged

CAPACITY OF THE STATE

CHARACTER OF CIVIL SOCIETY

WALK BEHIND

2020
Walking together towards a sustainable future
CESA’s FOCUS AREAS

- Infrastructure Development & Maintenance
  - Water & Sanitation
  - Energy
  - Roads & Transportation
  - Accommodation (Commercial & Residential)
CESA’s FOCUS AREAS

- Infrastructure Development & Maintenance

- Resources (Sustainability)
  - Human Resources
  - Financial Resources
  - Natural Resources
CESA’s FOCUS AREAS

- Infrastructure
- Resources
- Primary Tasks
  - Monitoring (Business Environment & Member performance)
  - Advocacy (Decision makers)
  - Capacity Building (Members and Clients)
  - Enhance business environment for members
CESA’S STRATEGY AND ACTIONS

- Advocacy supported by facts
  - Lobbying - condition of infrastructure
  - alternative delivery mechanisms
- Liaison Committees
- Channel Partners eg BUSA, IMESA, SALGA etc
- Commentary, Media, Panel of Experts, Seminars.

- Capacitating members and clients
  - Business Integrity Guidelines
  - Procurement Good practice (tenderpreneurs ! !)
  - Sustainability Framework Document
Advocacy supported by facts

Capacitating members and clients
  - Business Integrity Guidelines
  - Procurement Good Practice
  - Sustainability Framework Document

Capacity Building: School of Consulting Engineering
SCHOOL OF CONSULTING ENGINEERS

- 2009
  - 1 500 attendees
  - 27 subjects

- 2010
  - 30 new subjects
  - Candidate Academy
  - Business of Consulting Engineering
IN A NUTSHELL

- Private & Public Sector need each other
- Engineers required to address basic needs
- Nurture our engineering skills
- Resuscitate technical leadership
  - Resuscitate technical leadership
  - Resuscitate technical leadership
Walk Together to build a sustainable RSA (Pty) Ltd
QUESTION: IS THIS POSSIBLE?

ANSWER: DEFINITELY YES!

QUESTION: WHY?

- Remember 1990 when RSA was a burning bridge?

- Legislative and Regulatory foundations are sound

- In 2010 the issues are on the table, the pressure is there & will and desire are there.

- Eg: Min Sicelo Shiceka’s Municipal Systems Amendment Bill

- Soccer World Cup Infrastructure & Management testimony
QUESTION: HOW?

- Provide leadership. Not only government’s task.
- Harness available experienced human resources.
- Depoliticize the officialdom. (Green shoots)
- Develop, commit to national infrastructure programme
- Review infrastructure delivery mechanisms. (Green shoots)
- Co-ordinate and deliver at scale.
- Enforce good practice
- Lobby using appropriate channels. (BUSA, AHI)
South Africa has 60% unemployment, the highest in Africa

- Mike Schussler: “Growth in fixed capital formation will be helpful to create jobs, with infrastructure, such as building roads and dams being the best option”

- Let’s stop talking and analysing; there is enough to do!

Thanks for Listening
If you want to walk fast, walk alone

If you want to walk far, walk together

(African Proverb)