



**ADDRESS BY THE SEDIBENG EXECUTIVE MUNICIPALITY MAYOR,
COUNCILLOR MAHOLE SIMON MOFOKENG, AT THE OCCASION OF
LAUCH OF THE COMMUNITY INVESTMENT FUND**

24 January 2009,

- Ms. Kennedy Bungane, Deputy Chief Executive, Corporate and Investment Banking South Africa;
- Mr. Ratladi Monnakgotla, NAFCOC President, Sedibeng Region;
- Fellow Councillors present;
- Mr. Coenraad Jonker, Director, Community Banking;
- Ms. Caroline Southey, Director, Community Banking;
- Mike Shongwe, Manager, Community Banking Fund;
- Ms. Hannah Mphelo-Abbas, Provincial Director, Gauteng;
- Ms. Sue Wishart, Provincial Director, Southern Gauteng;
- Mr. Ike Pikitsha; Chamber of Commerce;
- Dr. Olufenu Omole, District family physician;
- Ms. M. Morenene & Mr. Siphon Radebe, Sedibeng Tourism Association;
- Representatives from various Hawkers Association;

- Representatives of various media houses present,
- Esteemed guests;
- Ladies and gentlemen;

On behalf of all who hold Office in the Sedibeng District Municipality and its three Local Municipalities of Emfuleni, Midvaal and Lesedi, I greet and thank you for the opportunity to address the Standard Bank Community Investment Fund, with the objective of finding the best possible ways to promote access to credit for informal businesses, which, currently, cannot access business loans facilities from banking institutions.

You definitely will recall the old adage that politics and business do not mix. That is gradually being proven wrong in modern history. Politics and business are like moisture and heat – when they are single they become destructive. *“If a home be divided against itself, that home cannot stand”*, Abraham Lincoln, quoting Mark 3:25.

Organized under the appropriate theme **“Promoting Access To Credit For Informal Businesses”**, this Launch is also challenged to seek and emerge with workable ways of leveraging and integrating business opportunities to promote economic growth and community development.

It is a known secret that our vision takes its roots from the clarion call that the People, Black and White, Shall Share In the Country's Wealth.

So how do we go forward towards achieving that vision?

- Overcoming spatial patterns of economic marginalization and fragmentation and reversing the geography of apartheid in both urban and rural areas;
- Expanding the opportunities for sustainable livelihoods and supporting the growth of second economy activities in urban centres through better access to financial resources and institutional support for micro-enterprises and cooperatives;
- Strengthening the role of State-owned enterprises and ensuring that, whilst remaining financially viable, agencies and utilities – as well as companies in which the State has significant shareholding – respond to a clearly defined public mandate and act in terms of our overarching industrial policy and economic transformation objectives;

And now, Colleagues, where are we?

On its part, the Sedibeng District Municipality, in conjunction with its Local Municipalities of Emfuleni, Lesedi and Midvaal have decided to take the challenge head-on and move forward.

But it will either take government a very long time or it won't succeed at all if it fights a lonely battle and therefore we are looking for partnerships and collaborations based on this strategic direction.

We need the private sector partners because Sedibeng District in partnership with its three Local Municipalities, plan to host an Annual Business Week in the course of this year and we would like companies to come and exhibit, sponsor events and market the Vaal region, as a pre-eminent choice for investment destination for manufacturing, agriculture, hospitality, tourism, leisure, mining, logistics and services.

Ladies and gentlemen, already plans are afoot for the creation of a centralized budget of the District and three Local Municipalities. We will have to imagine the business opportunities this could unleash on the sector and the economy of the Sedibeng district.

Ladies and gentlemen, already, the Auditor General has found no fault lines in this attempt as no Municipal Finance Management Act (MFMA) could be contravened, if we were to manage our business in this fashion as long as individual entities will enter into Bilateral and Service Level Agreement with respective Municipalities.

We are committed to finalizing this approach. This is an approach in which we have little choice because in Gauteng we are moving towards a Global Competitive City Region form of government and Sedibeng with its Locals, are beginning to integrate processes, systems and planning.

Colleagues, the above point, therefore takes us to these budgets, beyond which are Regional Sewer Scheme at R 860 millions, precincts, 2010 initiatives and Vaal projects, Top Twenty Priority Townships, Blue Rose - Heineken development, Zone of Opportunity, etc, etc. We are also working on developing corridors linking R82, R59, N1, R42 and R28, as well as the City Improvement Districts in Meyerton, Vereeniging, Vanderbiljpark and Heidelberg. These will integrate the regional economy, but also link up with neighbouring economies of Fezile Dabi on the other side of the river, as well as Ekurhuleni, Johannesburg and West Rand.

However, Sedibeng District Municipality and its Locals are obviously deeply concerned about the continued conspicuous absence of Standard Bank and the private sector in general in the Municipalities' activities like Integrated Development Plans (IDPs) and Council meetings.

We all are asking how the private sector spends its Corporate Social Investments in our Region. How do you plan and with whom, if Local government is not aware?

How many of our schools, libraries, proper streets, recreational facilities are as a result of the generosity of the private sector to their very clients and communities they service? What has happened to our relationship to charity institutions across the district?

Colleagues, we are not bashing the private sector when raising these points, but all we seek to point out is the fact that, without a clearly co-ordinated intervention strategy involving both the Municipalities and private sector, economic growth and development will not be fully maximized.

Ladies, gentlemen and colleagues, we have the largest pockets of poverty in the whole province and we are worst affected by poor conditions in which our students, especially those found in the rural parts of Sedibeng study. Just most recently I and my colleagues, had an opportunity to visit schools in our Region, and most are a sore site. Just, on this note, I want to invite all Institutions present on a tour to Mamello High School in Vaal Marina, Midvaal. The school does not have running water.

We have the highest HIV-Aids prevalence rate in the whole province and the private sector seems not to be aware of.

So, where do we start?

Colleagues, ladies and gentlemen,

- It is important to become a partner in the hosting of the Sedibeng Annual Business Week to promote local businesses and industries, which include Trade and Investment Fair. Your plans around the Development Fund will fit like a glove in this regard;
- The Mayoral Games, including Mayoral Golf Day, should be initiatives well supported by the private sector, to raise funds to help victims of floods, local charities, youth out of prison/youth-in-conflict with the law and ex-combatants who sacrificed so much of their productive years to liberate our country;
- The Sedibeng Annual Human Rights Festival should be supported in this region, looking at the potential tourism and investment opportunities this could provide. We are already planning the 50 years anniversary of the Sharpeville massacre in 2010. Get involved;
- The Mayoral Bursary Fund of the whole District should be funded by the private sector, with some help coming from other quarters, because the acquisition of skills required to grow our regional economy depends on our actions today.

In conclusion, colleagues, ladies and gentlemen, of our four Municipalities, 3 have obtained unqualified reports in 2 consecutive years.

The other one is on course to obtain such. You will remember that we are emerging from a history of challenges around billing, contingent liability to Eskom, owing to many years of rent boycotts, completeness of revenue, debt collection, fixed asset management, etc, which are being addressed since new management moved in.

These achievements are a credited to our crop of dedicated politicians and hardworking staff who have conducted the business of Council in the manner that is both compliant and correct. The people of Sedibeng should know that we are accountable, responsible and considerate about how we treat their resources.

Lastly, good people, all our four municipalities have a serious challenge of expanding their Council Chambers and they are all thinking very hard on either wheatear to acquire loans or utilize their own funds to raise capital for the purpose of funding these major capital infrastructural projects, bearing in mind the Global City Region concept.

Ladies and gentlemen, I thank very much for your patience in listening.

Thank you!