

PRESS RELEASE

WALKING TOGETHER TOWARDS A SUSTAINABLE FUTURE

Consulting Engineers South Africa's (CESA) newly appointed President Zulch Lötter presented his presidential message and theme for the year at a function recently held in Johannesburg. Lötter addressed the state of our country's infrastructure, detailing the four 'burning bridges'; Government's ability to deliver on the short and long term needs of South Africa and its people - 'the four dilemma's'; and CESA's partnership and advocacy approach to government as per the Dinokeng Scenarios. He also discussed both international and local industry value systems and listed CESA's Strategic Goals for 2010/11 that include advocacy, facilitation and capacity building. He strongly believes that CESA and its member firms are our country's crucial, valuable and indispensable resource.

Lötter stated that the short term (six month) outlook for many of CESA member firms remains positive. When trying to take a longer term view though, the picture for the industry is more uncertain and less positive than a year ago.

During 2009 Old Mutual and Nedbank sponsored a scenario process under the chairmanship of Dr. Mamphela Ramphele. This group of 34 opinion formers from various walks of life looked at the South Africa (Pty) Ltd of today and developed three probable future scenarios for our country termed the 'Dinokeng' scenarios and in creating these the team "diagnosed" the four dilemmas of South Africa 2010 which he quoted as:

- 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

Lötter stated that when Dr. Ramphele was asked what she would regard as the single biggest requirement necessary to rectify these deficiencies, she replied that there are 3 attributes required namely leadership, leadership and leadership. Lötter believes that, "Not only the future of the citizenry of South Africa in general, but the future business environment of the private sector and our industry in particular, will be determined by how these dilemmas are addressed by ALL of us." Against this background he went on to share CESA's strategy and actions for the year(s) ahead.

CESA and its members focus on the infrastructure development and maintenance needs of society. These needs by and large revolve around four main areas namely water and sanitation; energy; transportation; and accommodation both residential and commercial. Lötter states that in order to successfully manage the development and maintenance of infrastructure in these fields, three main ingredients are required namely experienced human resources, financial resources and natural resources. CESA's primary focus includes advocacy; capacity building; and consultation and monitoring in order to develop and support their members, clients and decision makers to take responsible decisions with respect to the application of financial and natural resources.

Dinokeng identified that the current "condition of South Africa" of self interest; operating in silos; and "walking apart" as unsustainable. The alternative where government takes the lead and initiative in all matters with the rest of us only following, the "walking behind" scenario is equally unsustainable. CESA fully endorses the preferred Dinokeng Scenario of "Walking Together" and playing an active part in building a well run South Africa and Lötter is confident that CESA is well aligned with this scenario.

As far as 'burning bridges' are concerned Lötter believes that, "The lack of technical management capacity, particularly in the municipal and provincial government spheres is common knowledge and unless redressed, is likely to be the single biggest stumbling block to sustainable development and growth in our country." Based on the information collected in 2005 by Alison Lawless, and adjusted to reflect the situation in 2010, it is estimated that the number of professionally registered engineers employed by government, in all tiers, has reduced from 5 100 serving 14 million people (outside the "homelands") to an estimated 1 800 serving approximately 47 million people in the whole of RSA today. In 1980, 40% of professional engineers worked in the public sector. This percentage had dropped to 15% by 2005. In the same period the number of professional engineers in the consulting industry had increased from 30% to almost 50%.

The first 'burning bridge' is that of Water and Sanitation and Lötter states that water demand in SA as a whole will exceed supply by 2025 and that on the Witwatersrand shortages are expected as soon as 2013. He believes that a comprehensive set of measures is needed to strengthen water services management systems in municipalities and that responsibility must be shared by citizens as well as government. The second burning bridge is that of Transportation and although we have a well maintained national road network our provincial and municipal roads require drastic action. The third bridge that of Energy needs no introduction and has taken centre stage for quite some time. Lastly rapid urbanisation will pose both big opportunities as well as big challenges.

As far as financial resources are concerned, Lötter states that although very substantial capital investment has been earmarked for infrastructure development and maintenance due to the increasing budget deficit uncertainty exists. He believes that the only way that government will be able to achieve its goals is via additional public debt.

Lötter states passionately that, "CESA's strategy and actions are aimed at enhancing the business environment for its members; it is not a short term approach. CESA, our Council and leading practitioners have an "unselfish" passion to ensure the long term sustainability of our country. The well staffed full time directorate of CESA is a hive of activity providing guidance, training and support to clients and members on daily basis."

He concludes by stating, "The basic needs in people's lives are provided by engineers. The private sector and government need each other; government on its own cannot restore the burning bridges; neither can we. The consulting engineering fraternity needs to be nurtured – it is a national asset"

Consulting Engineers South Africa (CESA)

Consulting Engineers South Africa (CESA) is a voluntary organisation committed to enhancing the professional and business interests of its members; improving the quality of life for all South Africans by the promotion of engineering excellence; and serving clients with professionalism, integrity and independence of judgment. CESA represents over 450 firms in 1006 offices nationwide, which employ approximately 20 000 staff members generating a fee income in excess of R16 billion per annum. CESA has a mission to be the 'Voice of the Consulting Engineering Industry' and act as a centre of excellence in its sphere. CESA is a member of the International Federation of Consulting Engineers (FIDIC) as well as the Group of Africa Member Associations (GAMA) for which it acts as secretariat.

Contact details:

Graham Pirie

CESA

Tel: 011 463 2022

Email: gspirie@cesa.co.za

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