



Eradicating Corruption, Propelling Growth in our City-Region



Together, Moving Gauteng City Region Forward

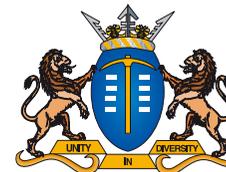
# GAUTENG CITY REGION ANTI-CORRUPTION SUMMIT 2014



**GAUTENG**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

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Friday, 07 November 2014  
Gallagher Convention Centre



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## MESSAGE BY THE PREMIER



I would like to officially welcome each and every one of you to the Gauteng City Region Anti-Corruption Summit. I am grateful that you honoured our invitation and hope we will utilise the time we will spend here together to find sustainable solutions to challenges of corruption in government, the private sector and in society.

I wish to reaffirm our strategic vision of building Gauteng into an integrated, inclusive, innovative and sustainable city-region that continues to be the leading economy in the African continent, characterised by smart and green industrial and socio-economic development.

Accordingly, we have adopted a 10 pillar programme aimed at radically transforming, modernising and re-industrialising the Gauteng City Region.

As part of this programme we will also focus on the transformation of the state and governance and the modernisation of the public service. This is the case because we understand fully that there can be no radical socio-economic transformation without the fundamental transformation and modernisation of state and government institutions.

We are strengthening integrity management to root out fraud and corruption from state institutions. We are opening up the tender system for public scrutiny so that decisions made in awarding tenders are beyond reproach – Provincial Treasury and Department of Roads & Transport are pilot sites.

There will be consequences for those who are found to have been involved in acts of corruption. Integrity and accountability are critical in building public confidence and trust and there will be no compromise.

Clean, accountable and responsive government is not an option but a necessity. We shall enforce ethical standards and integrity over the next five years.

We call upon all of you to help us adopt and develop a responsive strategy that will strengthen government and ensure that we promote good governance and enhance integrity in Gauteng. This is important because the fight against corruption requires collaboration and sustainable interventions across the board.

I am confident that our concerted and collaborative efforts will help us win the fight against corruption.

**Mr David Makhura**

# 1. PROGRAMME FOR THE DAY

Programme Director: Ms Qedani Mahlangu – Member of the Executive Council: Health

## 1.1. SESSION ONE – PLENARY

TIME	TOPIC	RESPONSIBILITY	DESIGNATION
09h00 – 09h10	National Anthem		
09h10 – 09h20	Welcome	Councillor Parks Tau	Mayor of Johannesburg
09h20 – 09h50	Keynote Address: Strengthening good governance and enhancing integrity in the Gauteng City Region	Mr David Makhura	Premier of Gauteng
09h50 – 10h10	Role of Leaders in Promoting Integrity in our Society	Professor Angelo Nicolaides	Graduate School of Business Leadership: University of South Africa
10h10 – 10h40	Building an ethical and integrity-driven Public Service in partnership with other sectors of society	Mr Mashwahle Diphofa	Director-General: Department of Public Service and Administration
10h40 – 11h20	Case Study: Kenya Ethics and Anti-Corruption Commission	Mr Mumo Matemu	Chairperson: Kenya Ethics and Anti-Corruption Commission
11h20 – 11h50	Questions and answers	All	
11h50 – 12h00	Signing of the Integrity Pledge and launch of the Gauteng City Region Anti-Corruption Forum	Leaders: Business, Civil Society, Labour and Public	
12h00 – 13h00	Lunch		

TIME	TOPIC	RESPONSIBILITY	DESIGNATION
13h00 – 15h00	Commissions		
15h00 – 15h15	Report – Commission One	Mr Yusuf Abramjee	Crime Line and Lead South Africa
15h15 – 15h30	Report – Commission Two	Mr Jason Ngobeni	Municipal Manager: City of Tshwane Metropolitan Municipality
15h30 – 15h45	Report – Commission Three	Dr Tiego Selebano	Head of Department (Acting): Gauteng Department of Health
15h45 – 16h00	Report – Commission Four	Mr Khaya Ngema	Municipal Manager: Ekurhuleni Metropolitan Municipality
16h00 – 16h30	Presentation of the Declaration and Resolution of the Summit	Ms Marie-Louise Moodie	Deputy Director-General: Office of the Premier
16h30 – 16h45	Closing Remarks	Mr Panyaza Lesufi	Member of the Executive Council: Education

## 1.2. DETAILS FOR SESSION TWO – COMMISSIONS

### COMMISSION ONE – Building Integrity in all Sectors

Brief	<p>Building a reputation of integrity builds trust in organisations. It takes years to build but may be lost in seconds. There are many examples of nepotism, collusion; bid-rigging and abuse of resources that cuts across sectors. Integrity is germane to good governance and refers to the application of values, principles and norms in the operations of organisations. Achieving a culture of integrity requires coherent efforts to integrity management systems and monitor and enforce them in daily practice. It also requires sectors to anticipate risks and apply tailored countermeasures. It is imperative that leadership ‘walks the talk’ in setting the tone for the organisation with regard to policies and practices and the management of partnerships and stakeholders, and developing an internal culture of ethical performance in whatever space it operates in.</p> <p>Building Integrity is about reducing the space and opportunity for corrupt practices. Developing a multi-stakeholder programme to build integrity will be a stepping stone to a corruption free Gauteng City Region. Government proposes the signing of integrity pacts with stakeholders as sectors engage with each other to reiterate their commitment to integrity.</p>
Chairperson	Mr Michael Seloane – Commissioner (Gauteng): Public Service Commission
Rapporteur	Mr Yusuf Abramjee – Crime Line and Lead South Africa
Speakers	<ul style="list-style-type: none"> <li>· Professor Ivor Chipkin – Executive Director: Public Affairs Research Institute</li> <li>· Mr Lefadi Makibinyane – Chief Executive Officer: Consulting Engineers of South Africa</li> <li>· Dr Dovhani Mampiswana – Deputy Director-General: Office of the Public Service Commission</li> <li>· Dr Ethel Phillips – Chaplain: National Interfaith Council of South Africa</li> </ul>

### COMMISSION TWO – Governance and Accountability

Brief	<p>As the Global City-Region expands and radical economic transformation and re-industrialisation become the drivers of economic growth, trade and investment will expand beyond the borders of the city region and the pace of delivery will increase. All sectors need to have the capability to deal with the change and good governance measures need to be in place. Governance is the process of decision-making and the process by which decisions are implemented. Governance applies to all decision-makers in South Africa who would typically be government, business, labour and civil society. Accountability is one of the key principles of good governance, with other crucial elements being transparency, responsiveness, implementing participatory governance and following the rule of law. Accountability is the way in which individuals and organisations are held responsible for their actions and occurs either internally or externally, but is not mutually exclusive. It must also be morally based and procedural. The public at large, stakeholders of an organisation as well as its funders are beneficiaries of, or expect accountability.</p> <p>The negative social and economic consequences of corruption affects us all directly and indirectly, having its greatest impact by diverting resources intended for the vulnerable into the hands of a few. Furthermore, it has a devastating impact on investment growth and development. What this means is that all organisations need to put into practice good governance mechanisms which range from putting in appropriate controls; proactive ethics programmes and transparent reporting processes. The King III report has a chapter on: Corporate citizenship: leadership, integrity and responsibility and highlights principles for good governance; whilst focussing on companies, the principles are equally applicable to all organisations. In South Africa, corporate citizenship includes, among many others, issues related to transformation, human rights, human capital, social capital, safety and health. Lastly, the report reflects the requirement that corporate governance requires effective and responsible leadership to ensure that the company is run ethically, in a transparent and accountable manner’. The foregoing, together with an empowered citizenry will enable all sectors to hold each other to account, thus moving the Gauteng Global City-Region forward, together!</p>
Chairperson	Alderman Mpho Nawa – Executive Mayor: West Rand District Municipality
Rapporteur	Mr Jason Ngobeni – Municipal Manager: City of Tshwane Metropolitan Municipality
Speakers	<ul style="list-style-type: none"> <li>· Mr Tshepo Mokheranyana – Congress of the South African Trade Unions</li> <li>· Ms Ansie Ramalho – Institute of Directors in Southern Africa</li> <li>· Dr Hamadziripi Tamukamoyo – Researcher: Institute of Security Studies</li> <li>· Professor Kasturi Moodaliyar – Black Business Council</li> </ul>

**COMMISSION THREE – Ethical Procurement**

Brief	One of the strategic priorities of the Gauteng City Region is to promote ethical procurement. However, the analysis of cases as provided by the Public Service Commission and the Forensic Services Unit at the Gauteng Department of Finance indicate that high number of alleged cases of corruption involve procurement irregularities. It is important to remember that price-fixing and cartel activity takes place in an environment of high levels of unemployment, low wages, the sharp decline in purchasing power, rising fuel prices, rising energy prices, high interest rates and chronic poverty. It should also be noted that procurement irregularities are not only a challenge for government as we have witnessed some of the major cases involving food, construction bid rigging cartel cases and abuse of market dominance by big companies. All these challenges hurt ordinary citizens in our communities. We also need to find interventions to address operational challenges within our institutions and departments to ensure that our officials find it difficult to be part of unethical procurement. The members of the panel, supported by the audience, will discuss and suggest solutions that can be implemented in Gauteng.
Chairperson	Ms Babalwa Ngonyama – Chief Executive Officer: Black Business Council
Rapporteur	Dr Tiego Selebano – Head of Department (Acting): Gauteng Department of Health
Speakers	<ul style="list-style-type: none"> <li>· Mr Lucky Leseane – Provincial Executive Officer: South African Local Government Association (Gauteng)</li> <li>· Mr Charles Nel – Institute of Internal Auditors on South Africa</li> <li>· Mr Thembinkosi Bonakele – Commissioner: Competition Commission of South Africa</li> <li>· Professor Patrick Fitz Gerald – Wits School of Governance</li> </ul>

**COMMISSION FOUR – Investigation and Prosecution**

Brief	The Gauteng City Region has the highest number of cases of alleged corruption that are reported on the National Anti-Corruption Hotline as compared to other provinces. The citizens of our province, as confirmed by the latest census results which were released by Statistics South Africa, have greater access to household technology like phones, e-mails and faxes. The Quality of Life Survey also showed that more people in Gauteng have access to basic education, water and electricity. One of the strategic priorities of the Gauteng Provincial Government is to ensure that cases of alleged corruption that are reported receive effective follow up to ensure maximum penalties and recovery of funds. Notwithstanding the above, there is still a very slow pace of resolution. Cases still remain open on the Public Service Commission database due to the operational challenges that are being experienced by various provincial government departments. Sectors should share their best practices and advise on how government can improve its case resolution in Gauteng.
Chairperson	Ms Sizakele Nkosi-Malebane – Member of Executive Council (Community Safety): Gauteng Provincial Government
Rapporteur	Mr Khaya Ngema – Municipal Manager: Ekurhuleni Metropolitan Municipality
Speakers	<ul style="list-style-type: none"> <li>· Advocate Vas Soni – Special Investigating Unit</li> <li>· Mr David Lewis – Executive Director: Corruption Watch</li> <li>· Mr Peter Goss – Black Business Council</li> <li>· Advocate Mongezi Tshongweni – Head of Department: Gauteng Department of Community Safety</li> </ul>

## 2. GAUTENG'S PILLARS FOR RADICAL TRANSFORMATION

Over the next five to fifteen years, the Gauteng Provincial Government will take active decisive steps to make Gauteng an integrated city-region characterised by social cohesion and economic inclusion. To achieve this, Premier David Makhura announced during his maiden 2014 State of the Province Address that his administration has adopted multi-pillar programme of radical transformation, modernisation and reindustrialisation of Gauteng.

### 2.1. RADICAL ECONOMIC TRANSFORMATION

Over the next five years the Gauteng Government is determined to revitalise and mainstream the township economy by supporting the development of township enterprises, co-operatives and Small-Medium and Micro Enterprises that will produce goods and services that meet the needs of township residents.

The provincial government has identified key sectors of that have the potential to address the twin policy imperatives of creating decent employment and greater economic inclusion. These sectors include finance, the automotive industry, manufacturing, Information Communication Technology, tourism, pharmaceuticals, creative industries, construction and real estate. The promotion of new Small-Medium and Micro Enterprises and township enterprises will also be brought into these key sectors of the economy.

The Gauteng Government will work with research institutions to vigorously promote innovation within the provincial economy and fast-track the development of new industries that will usher Gauteng into an innovation-driven, knowledge-based, smart and green economy. Lastly, government will also focus on the reindustrialisation of the Gauteng economy through strategic infrastructure development. The massive rollout of public transport infrastructure across the province shall be utilised to revitalise and modernise old industries that will locally manufacture or assemble buses, trains and locomotives. In order to boost employment and economic inclusion, the provincial government and municipalities will procure 75% of all goods and services from South African producers, especially from Small-Medium and Micro Enterprises.

### 2.2. DECISIVE SPATIAL TRANSFORMATION

The Gauteng Government wants to radically transform the spaces people live in by connecting and integrating places of work and human settlements. It is true that even after the end of apartheid; government has continued to build houses and human settlements that reproduce the spatial legacy of apartheid – far from work and economic opportunities and away from public transport nodes.

*In the next five to fifteen years, we shall turn the tide against the current spatial patterns of apartheid in pursuit of spatial transformation and modernisation of human settlements in our province.*

*We must insist on planned and integrated urban development which will enable us to build more integrated and sustainable human settlements and communities that are inclusive and diverse, said Premier David Makhura.*

In addition, radical steps will be taken to transform the spatial configuration and landscape of Gauteng through better and coordinated land use management and spatial development. The provincial government will work with municipalities and state-owned enterprises to ensure that a new built environment and inclusive spatial landscape emerges across the Gauteng City Region. This will be done through public transport infrastructure development and the creation of new integrated and sustainable human settlements and post-apartheid cities that are more connected, liveable, smart and green.

### 2.3. ACCELERATED SOCIAL TRANSFORMATION

Economic and spatial transformation must be underpinned by and support an accelerated programme of social transformation at the centre of which is raising the living standards, and quality of life of the all the people of Gauteng. At the centre of Gauteng's social transformation is our determination to improve the quality of education and healthcare, provide social protection to the vulnerable in particular women and children and eradicate poverty and build social cohesion and social solidarity.

### 2.4. RE-INDUSTRIALISATION OF THE GAUTENG PROVINCE

Another radical intervention the Gauteng Government will focus on is the reindustrialisation of the Gauteng economy through strategic infrastructure development. The massive rollout of public transport infrastructure across the province shall be utilised to revitalise and modernise old industries that will locally manufacture or assemble buses, trains and locomotives. In order to boost employment and economic

inclusion, the provincial government and municipalities will procure 75% of all goods and services from South African producers, especially Small-Medium and Micro Enterprises, township enterprises and black-owned, women and youth enterprises. The government is working closely with state-owned enterprises, the Passenger Rail Agency of South Africa and Transnet, to re-industrialise our province and build economic infrastructure that will boost employment creation and economic inclusion through investing more than R300 billion in post, freight, rail and pipeline capacity.

## 2.5. MODERNISATION OF THE ECONOMY

Premier Makhura noted that township entrepreneurs were capable of producing food such as bread for school nutrition and hospitals, clothes for school and police uniforms and furniture for government offices. This will bring millions of township residents into the mainstream of the economy.

*We shall convene a summit with township entrepreneurs and Small-Medium and Micro Enterprises in the next 200 hundred days – or around 6 months - to develop a detailed Programme of Action, he said.*

The promotion of new Small-Medium and Micro Enterprises and township enterprises will also be brought into these key sectors of the economy. In the next 200 days, the provincial government will enter into serious dialogue with the private sector players in each of these sectors in order to hammer out consensus on how they can unlock the potential of these key sectors of the provincial economy to create more decent jobs and be more inclusive of blacks, women and youth.

## 2.6. MODERNISATION OF THE PUBLIC SERVICE

Government cannot talk about radical socio-economic transformation without fundamentally changing the way state institutions relate to society.

*We as public officials and public servants have to radically transform our attitudes and behaviour towards the public to reassert the dictum that we are here to serve the people and not the other way around.*

*I am more convinced that we have to radically change the way government works in order to place service to the people at the centre of our work. It is for this reason that we have adopted the notion of an activist government as part of building a capable and developmental state envisaged in the Reconstruction and Development Programme and more recently the National Development Plan, Vision 2030, said Premier David Makhura.*

Part of the radical shift in government involves how it deals with and eradicates corruption among public officials and public servants, including in the private sector. The Gauteng government will introduce measures to strengthen the integrity of public institutions and public processes so that fraud and corruption are prevented and detected early in the value chain to prevent losses. He said it was not enough to talk about fighting corruption.

*We have to demonstrate in action that corruption will not be tolerated in this administration, he noted.*

## 2.7. MODERNISATION OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT

New post-apartheid cities will be a combination of modern public transport modes, integrated and sustainable human settlements that are socially and economically inclusive and promote urban green development. Particular attention will be paid to the West Rand and Sedibeng Regions, respectively, in order to revitalise their economies and connect them to the economic centres of the Gauteng City Region. The renewal of old towns and inner-city regeneration will be a key focus of the provincial government, working together with municipalities and the private sector.

*With regard to existing human settlements, we shall make extra efforts to invest in the renewal of townships, especially the twenty-five old townships and old informal settlements that have been neglected.*

*We cannot revitalise the township economy if the social and economic infrastructure is decaying and the look and-feel of these working class residential areas is neglected, said Premier David Makhura.*

The provincial government will work with municipalities and national government to ensure that all township roads and streets are tarred, eradicate the bucket system, all hostels turned into family units and prevent illegal land invasion and growth of informal settlements. Better and integrated urban planning and development is the best way to manage rapid urbanisation.

## 2.8. MODERNISATION OF PUBLIC TRANSPORT INFRASTRUCTURE

Gauteng will look different over the next five to fifteen years. Combined with public transport infrastructure rollout and the development of the Aerotropolis, and Oliver Reginald Tambo Special Economic Zone, driven by the provincial government and municipalities, this infrastructure investment has a major potential to create more than 300 000 jobs and boost the development of new Small-Medium and Micro Enterprises







# GAUTENG

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