

MEDIA RELEASE

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SALGA SONA 2018 expectations

The South African Local Government Association (SALGA) would like to wish the President of the Republic of South Africa, His Excellency, Cyril Ramaphosa well as he is expected to deliver the State of the Nation (SONA) on Friday, 16 February 2018. This year's SONA comes at a time when local government is faced with a number of complex challenges such as the persistent drought in various parts of the country, energy challenges, including a struggling economy which results in unemployment and worsening poverty levels. Nonetheless, none of these challenges are insurmountable if the spheres of government work together towards a common vision.

While SALGA expects the President to give a comprehensive report on the progress made through the "Back to Basics" programme for Local Government and the way forward in taking the sector to another level towards the realisation of the National Developmental Plan – vision 2030. SALGA expect the President to infuse new energy and point towards new alternative solutions to help deal decisively with the escalating debt owed to municipalities, as well as the outstanding municipal debt to Eskom, and the issue of municipalities battling to afford to pay for bulk water supply. On the latter, preliminary findings indicate that some of these municipalities are spending over 35% of their total expenditure on bulk services. In almost all these municipalities, non-revenue water, illegal connections, and unmetered areas are major contributing factors.

Informed by the rapidly changing energy environment, SALGA will host an Energy Summit in March 2018. SALGA believes this is one of many strategic conversations that is required to herald the nation to rise above the foreseeable future challenges. There is a need to examine the current energy landscape, analyse the emerging trends and define the future role for local government in energy supply.

Municipalities need to be protected and supported against the harsh economic challenges facing the country. The economic crunch has seen local government fiscal budget allocation shrink substantially.

Insufficient funding of infrastructure projects will further undermine the very same initiatives meant to turn around the economy and create jobs.

SALGA calls on President Ramaphosa to have South African municipalities in mind as he delivers his first maiden speech as the President of the Republic of South Africa.

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