WELCOMING ADDRESS BY ETHEKWINI MUNICIPALITY MAYOR, CLLR CYRIL XABA AT THE CIGFARO CONFERENCE 2025, 7 OCTOBER 2025

- Programme Director
- Minister of COGTA: Hon Velenkosini Hlabisa
- KwaZulu-Natal Premier: Hon Thami Ntuli
- All Mayors, Deputy Mayors, and Councillors present
- The President of CIGFARO: Dr Emmanuel Ngcobo
- CIGFARO Regional Chairpersons, and all CIGFARO members
- Distinguished guests, especially our international visitors
- Exhibitors
- Government officials
- Members of the Media
- Ladies and gentlemen

Ngiyanibingelela nonke! Warm greetings to everyone.

Let me take this opportunity to welcome you all to the 2025 CIGFARO Conference — the 96th annual gathering of the Institute. As the city of Durban, we are indeed proud to host you and we trust that you will enjoy your stay in our beautiful city.

Programme Director, over the decades, both CIGFARO and this conference have grown tremendously, consistently adding value to practitioners and ordinary citizens.

We appreciate your contribution to strengthening public sector finance, audit, risk management for improved accountability and service delivery.

As I extend our warm welcome to you all, let me also remind you that Durban is a world-class city with a variety of tourism offerings. I encourage you to go out and experience what Durban has to offer while you are here.

Ladies and Gentlemen, this year's conference is held under the theme: ***"Reviewing the Fundamentals of Public Finance in a Changing World."*** This theme calls on public finance professionals to re-examine

fundamental principles and adapt to today's reality. As digital technology reshapes economies and new global challenges emerge, we must ensure that we are in a position to build technological solutions that will enhance transparency and accountability.

Core foundations of public finance like sound budgeting, resource allocation, and accountability remain constant but need fresh thinking.

The question we must ask ourselves in this conference is what are we going to do differently to achieve sound public financial management in South Africa?

The Global Finance Officers Association (GFOA) identifies six key public financial management principles:

- Promote accountability
- Create value with public money
- Ensure fairness
- Uphold stewardship of public resources
- Champion financial resilience and
- Be a decision architect

As we reflect on these principles, let us also remember that the fiscal challenges we face today are complex. For instance, the COVID-19 pandemic and recent floods taught us that municipalities with strong cash reserves weathered shocks better.

Therefore, it is incumbent upon us to build adequate fiscal space. As municipalities, we also face a challenge of the growing debt which threatens our sustainability. As the leadership, we need to ask ourselves how do we reduce risk, improve ratings, and finance infrastructure in a sustainable manner?

Ladies and gentlemen, improving revenue collection is another complex challenge. You will agree with me that rising debtors and non-payment of services undermine municipalities financial sustainability. As municipalities, we need to devise creative ways of enhancing revenue and improving customer experience.

Programme director, we all know that unsatisfied customers impact revenue generation. Having identified this, we decided to engage various stakeholders in the city and among the issues they were complaining

about included high bills as a result of meters not being read monthly. They also complained about our bills that they are not easy to read.

As the leadership, we intervened decisively by migrating meter reading to the revenue management directorate. I am happy to report that today, we have significantly reduced the number of unread meters. As a result, a substantial number of our customers are no longer receiving estimated bills. They are paying for the services they have consumed in that particular month.

We have also made some changes to the face of the standard municipal bill to ensure that the document is more simplified, and customers understand what they are paying for.

As a city, we have also embarked on a programme to digitise revenue management services through the introduction of the e-Services platform. Through this programme, we are migrating the services of sending customer bills from manual postage to electronic method.

We are also encouraging customers to download our municipal App as it has a feature where customers can view their bills and be able to make a payment online. Customers are also able to upload their meter readings on the App monthly so that they are billed for the services they have consumed.

Other complex challenges we must navigate as municipalities include the following:

- Tariffs that are not cost reflective
- Non-Revenue Water and
- Climate change which requires us to build resilient infrastructure

For eThekwini Municipality to address some of these challenges, we are implementing the trading services reforms to turnaround our water & sanitation, electricity, and waste management services. The ultimate goal is to create self-contained, efficient, and financially viable water, electricity, and waste management entities.

Ladies and gentlemen, we are in the fourth industrial revolution where technology is reshaping public finance, enabling efficiency, transparency, and accountability.

According to the Global Finance Officers Association, digital technology transforms public finance for better fiscal policy, enhancing public service delivery, bolstering revenue mobilisation, and strengthening transparency and accountability by curbing corruption.

As part of our discussions, we must explore how can we embrace AI and other innovations in public finance. Do we have a clear strategy for this transformation?

Ladies and Gentlemen, another area that we must focus on is improving oversight and accountability.

Despite multiple layers of oversight — from Audit Committees and MPAC — we still see repeat audit findings, irregular expenditure, and weak control environments resulting in financial losses and material irregularities being reported in many municipalities.

In response to these challenges, we have made a commitment to work with the office of the Auditor-General to improve audit outcomes and restore public trust in the municipality.

Our main goal is to ensure that we address repeat findings and achieve clean audits. I am happy to report that on quarterly basis, as the leadership we are receiving quarterly reports on the progress we are making in the implementation of the audit action plans and consequence management.

In closing, I once again welcome you to our beautiful city of Durban. I hope this conference sparks fresh ideas and bold solutions. We must leave here ready to strengthen public finance management and uplift the quality of life of our people.

I thank you. I wish you fruitful engagements.