KPMG on a fact-finding mission about South African cities

Sue Blaine
Business Day Live
22 October 2012

CITY-dwellers had to come together to ensure those who ran the city did so armed with workable, forward-looking plans, David O'Brein, leader of KPMG's Global Centre of Excellence for Cities said in Johannesburg on Monday.

The audit, tax and advisory multinational's Global Centre of Excellence for Cities is in South Africa to meet with local, provincial and national government, including the Treasury, to hold discussions and establish relationships.

"We will be interacting with the mayors of the top six cities (in South Africa), Treasury, universities and will also be meeting with the Presidency," said Kobus Fourie, leader of KPMG's South African Centre of Excellence for Cities.

Almost two-thirds (62%) of South Africa's population was living in cities in 2010 and the country had a predicted urbanisation rate of 1.2% per year, according to the International Association for Impact Assessment.

Africa was one of the world's fastest developing regions, and it was projected that sub-Saharan Africa's cities would grow 267% while the world average was 94% urbanisation, said Mr Fourie.

Urbanisation was unstoppable, and managing it was a "very, very complicated, long term process, but if we don't do it cities we see as good cities — Cape Town, Johannesburg — will collapse," said Mr O'Brein.

This required political will and leadership ability to "tell the people the story" about the plan for the particular city in which they lived, and to take, and stick to, tough decisions on what development went where, said Mick Allworth, chairman of the Global Centre of Excellence for Cities.

"Governance and political leadership can make or break a city. It's very easy to say yes all the time ... It's far more difficult to say no from time to time because of the bigger picture," he said.

Mr Fourie said the Presidency's New Growth Path and the Vision 2030 for South Africa had in them the beginnings of a vision on what to do with South Africa's cities.

Mr O'Brein said talks with South African authorities would cover effective governance, taxation modelling, environmental considerations, resilience plans, but that KPMG also wanted to listen to what the South Africans wanted from their cities, and what their plans were. They have spent the last five months travelling to cities, particularly in emerging economies.