

31 January 2024

Notice to all CGISA members and students on moves to form a rival Body for Company Secretaries

There have been some calls for the formation of an organisation to cater for those who perform Company Secretarial functions without having any professional qualifications. The concern is to recognise the important contribution they make to our work, despite not having any designations after their names (qualifications).

This appears to be a call for anyone who works in our field, to be able to call themselves a 'PCSP' (Professional Company Secretarial Practitioner), thus giving their experience and expertise – official recognition. Some of the people involved in this initiative have also been concerned about the very real problems we all have with interpreting the new Beneficial Ownership transparency requirements – and the role of bodies like the CIPC in implementing this. There have been numerous concerns about CIPC's responsiveness to problems, such as the change of process on director amendments, and other issues.

The Chartered Governance Institute of Southern Africa (CGISA – henceforth 'the Institute') has been around in Southern Africa for 115 years and has been concerned with promoting the integrity and prestige of our profession. Company Secretaries, by virtue of their role and functions, have always been at the forefront of promoting Corporate Governance within companies, organisations and government structures.

It has been our mission to ensure that our people are well equipped to face the rapidly changing challenges that face our profession. This has required ongoing attention to the skills and training necessary to fulfil all these functions, as well as ensuring that our role is recognised and our reputations are protected.

As we all know, company secretarial functions are carried out by a variety of people, with a variety of skills and qualifications, within each organisation. We agree that it is important to recognise everyone's contribution to this important function, but this does not mean that we should do away with all qualifications and promote an egalitarian dispensation that allows everyone to be called a PCSP. That 'lowest common' denominator approach will not help anyone.

A lot of very hard work has gone into promoting the reputation of our profession and the solid expertise upon which this is based. It would be unfortunate to throw out 'the baby with the bathwater' while finding a way to deal with those who have been left out. This will drag down the whole profession and give ammunition to those who are quick to dismiss the vital contribution being made by our well-qualified professionals.

As there is no qualification required (within our company law) to perform many of the essential functions within the Company Secretarial field, we need to find a way to recognise the depth of expertise that many practitioners have built up over many years.

Our Institute currently focuses on two different professional (or Chartered) career routes; Chartered Secretary and Chartered Governance Professional. Both of these require many years of exams to achieve the top layers of our profession.

The challenge now is to find a way to recognise the expertise built up over many years, by many of the people operating within the Chartered Secretary route, that of Company Secretary.

We need to find a way of doing this without undermining the high levels of professional expertise that are currently attached to our profession. We are already exploring a number of ways of doing this, and this new initiative will spur us on to finding new solutions that cater for all the people working within our profession.

It makes no sense to argue for the creation of a new professional body that will end up undermining the hard work that has been done over the past 115 years.

The Institute is currently engaged in a number of initiatives that are pertinent to the issues of concern raised above.

We already have clear channels of communication with the CIPC, and we need to use those to find ways of solving the many challenges that our profession is facing, in trying to carry out our functions in this new legislative climate – especially with regard to Beneficial Ownership and other issues such as the change of process on director amendments.

We are represented on the quarterly stakeholders meeting convened by the CIPC and we have regularly sent out reports on these meetings to our members.

We will now ensure that the February meeting of this body is used to raise some of our key concerns about the CIPC areas of responsibility.

It is important to recall that the Institute is also represented on a variety of stakeholder structures with other key organisations (For example Sars; Saqa; Fasset; the QCTO; the King Committee) and we regularly raise the concerns of our profession within each of these structures.

We are always open to new ideas that would assist us in increasing the effectiveness of our Profession, and we would encourage any of our members (or anyone outside our membership pool) who has new ideas – to engage with us.

Regards



**Sandile Mbhamali, FCG
President**