



COUNTRY
SOUTH AFRICA



SNAPSHOT
SEPTEMBER 2008

The Consultancy Africa Intelligence (CAI) *Country Snapshot* aims to provide clients with a country specific, concise review of the month's top stories. A complimentary *Country Snapshot* is released monthly, focusing on a different African country each month. In addition, premium subscriptions to the monthly *Country Snapshot* of your choice are available on request. The publication draws on a select area of stories from across the different CAI Units, and is an ideal resource for clients with an interest on specific African countries. CAI also compiles comprehensive country profiles on request. For more information, please contact officesa@consultancyafrica.com

ECONOMY

South Africa slipping in global economic rankings: South Africa's low economic global ranking has been attributed to weakening legal structures and less protection of property rights. The most important factor in economic growth is the legal system, according to Leon Louw, the executive director of the Free Market Foundation. The country is now placed at number 54 out of 141 countries in the annual Economic Freedom of the World Report. Hong Kong and Singapore placed first and second while Angola, Burma and Zimbabwe were in the bottom three. The report measures economic freedom by considering aspects such as the size of the government, the legal system, access to 'sound' money that is not hindered by foreign exchange controls, freedom to trade internationally, and credit, labour and business regulations.

For more Economy related stories, visit www.consultancyafrica.com/africa-watch

FIFA

FIFA Boss satisfied with SA's World Cup progress: FIFA President, Sepp Blatter, visited South Africa on a three-day tour to gauge the progress the host country has made towards the 2010 FIFA World Cup. Blatter said he was "a happy man" after seeing the Green Point (Cape Town), Soccer City and Ellis Park (Johannesburg) stadia and after receiving guarantees and assurances from the political authorities. Blatter also announced that FIFA, as well as the Local Organising Committee (LOC) have decided that about 20,000 workers will receive two free tickets for the stadium at which they work. Blatter did however call for stronger promotion of the World Cup, within and outside the country. Overall, Blatter is satisfied with the progress so far and re-iterated his confidence that South Africa will host a very successful World Cup.

For more FIFA related stories, visit www.consultancyafrica.com/africa-watch

STATS

Government & Leadership

Republic
Acting Pres. Kgalema Motlanthe

Population

48.44 mn (2008 E)

Inflation level

11.6% (2008 E)

GDP Growth Rate

4.2% (2008 E)

GDP Per Capita

US\$ 6,185.43 (2008 E)

Unemployment rate

24.3% (2007 E)

Population below poverty line

50% (2000 E)

Life expectancy at birth

42.37 (2008 E)

People living with HIV/prevalence

5.7 mn / 18.1% (2007 E)

ARV coverage

28% (2007 E)

AIDS Orphans

1.4 mn (2007 E)

PEPFAR Funding

US\$ 397,777,008 (2007 fin. year)

Global Fund

US\$ 138,958,876 (July 2008 E)

Gender Equity Index

70 (2007 E)

Source: UNAIDS; WHO; UNICEF; CIA Factbook; Social Watch; IMF World Economic Outlook.

HIV & AIDS

AIDS Activists in support of new Minister of Health: HIV & AIDS activists and health workers in South Africa celebrated outside the parliament buildings on the 25th of September upon hearing news that Dr Manto Tshabalala-Msimang will be replaced by Barbara Hogan as Minister of Health. Barbara Hogan is lauded as one of very few African National Congress's (ANC) Members of Parliament who has been vocal about former president Thabo Mbeki's AIDS denialism, and she also supported the Treatment Action Campaign (TAC) in their initial engagement with government to provide antiretrovirals (ARVs). Appointed as Deputy Minister of Health is Dr Molefi Sefularo, who as Northwest Province MEC supported prevention-of-mother-to-child transmission (PMTCT) programmes and ARV roll-out, and was also involved in writing the National HIV & AIDS and STI Strategic Plan for South Africa 2007-2011. In a press release, TAC surmised that the appointment of the new Health Minister will bring an end to 'politically supported AIDS denialism'.

For more HIV & AIDS related stories, visit www.consultancyafrica.com/hiv-aids

INVESTMENT

Sanlam invests in India: Sanlam Investments, one of three business clusters in Sanlam Group, has strategically entered into the rapidly-growing market in India, establishing a joint venture with SMC. SMC is India's fourth-largest securities broking house and the joint venture is worth US 22.5 million. The venture seeks to create a wealth management company and an asset management company which will pave the way for collaboration with other Sanlam Investments businesses. Johan van der Merwe, Sanlam Investments CEO, said that it was the first step in its Indian investment strategy and would be a springboard for expansion in the subcontinent and synergies with Sanlam's other businesses. Van der Merwe stated that Sanlam projections show that if the company captures between 2% and 5% of the expected US\$ 1 trillion market by 2015, their business in India could contribute a significant proportion to group profits.

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MINING

Impala Platinum to boost capacity at its SA refinery: Impala Platinum, which has its biggest resource base in Zimbabwe is set to negotiate further agreements to boost its facilities in South Africa as Zimbabwean mine production continues to rise. Chief Executive Officer, David Brown, says that the group is also seeking potential acquisitions in the market. During the year ending 30 June 2008, the Zimbabwe Platinum Mines, in which Impala has a stake, milled 2.2 million tonnes. Impala, the world's second-largest platinum producer, is ready to increase its capacity at Impala Refinery to 2.3 million ounces, and has signed agreements with Smokey Hills, Blue Ridge and Eastern Platinum's Crocodile River mine to treat their concentrate. Brown believes that the time and environment are right to be looking at prospects. Currently, Impala is working on projects to increase output at its platinum mines in Zimbabwe, however future growth in the country might force the mining firm to open a refinery in the country.

For more Mining related stories, visit www.consultancyafrica.com/africa-watch

POLITICS

Mbeki recalled and subsequently resigns: On 20 September 2008, the National Executive Committee (NEC) of the ruling African National Congress (ANC) decided to recall President Thabo Mbeki before his term of office was due to expire next year. The decision was unprecedented and is rivalled, in significance, by the dismissal of Jacob Zuma as South African Deputy President in 2005. The primary justification given for the NEC's decision to recall Mbeki was Judge Chris Nicholson's ruling that Mbeki politically interfered in the charges brought against Zuma. ANC Secretary-General, Gwede Mantashe, said that the recall was subject to the Parliamentary process. Following his recall, Mbeki resigned as the country's President though he has vehemently denied any involvement in Zuma's trials.

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