



Friday@Noon

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- Speaking during the Financial Times Africa summit in London, Mr Trevor Manuel said that consumer spending would not lift the economy out of its moribund state, nor would a raft of new policies and programmes. But a Chinese-style anti-corruption campaign, which has led to the authorities zealously going after both high and low-profile targets, would go a long way to restoring trust in the state. He said in the absence of this political leadership, what had emerged was a situation in which there are too many different business organisations and discordant voices, and too many trade unions with contradictory views.
- The ANC begins its mid-term review at its national general council meeting today. The national general council conference, which evaluates the progress made by the party and government in implementing ANC resolutions, is its second-most important gathering and enables delegates from branches to reflect on the performance of their leaders in government.
- The Supreme Court of Appeal (SCA) on Thursday delivered a judgment that affirmed the powers of the office of the public protector. It dismissed an appeal by South African Broadcasting Corporation (SABC) COO Hlaudi Motsoeneng of a high court order that he be suspended and that disciplinary charges be brought against him. In doing so, the court bolstered Thuli Madonsela's office, indicating that her recommendations could only be set aside through a court review.
- The South African government has asked for more time to respond to the International Criminal Court (ICC) on its failure to arrest Sudanese President Omar al-Bashir in June when he was in SA. The ICC had given the government until Monday to respond. SA has said that he enjoyed immunity while attending an African Union summit. SA would approach the Secretariat of the Assembly of States Parties to the Rome Statute, the ICC's political body to provide more clarity on the rules and procedures regarding the immunity of serving heads of state, such as Sudan, which are not parties to the Rome Statute.
- Public Enterprises Minister Lynne Brown this week sent out an unequivocal signal that key parastatals would not be privatised. But the government was finalising a concept paper for the management of state entities that would be ready by year-end. This effectively puts to rest any prospect of mixed ownership for state-owned entities, especially struggling utility Eskom, which recently received a multibillion-rand government bailout. Ms Brown's statements are in stark contrast to remarks made by Deputy President Cyril Ramaphosa at the National Council of Provinces last month that 'everything is open to being looked at'.
- The latest Mo Ibrahim Foundation Index of African Governance states that progress made by African countries in achieving good governance has stalled over the last four years. While SA continued to rank highly in many aspects of governance, some concerning trends were noted with respect to human rights, gender, public management, education and health. SA maintained its ranking as fourth out of the 54 countries evaluated in terms of overall governance, coming second in the non-island countries after Botswana. The island countries of Mauritius and Cape Verde came first and second respectively in terms of overall governance.
- The government will target a higher share of black ownership in future renewable energy projects, in a bid to enhance the transformation objectives of the independent power producer programme. The renewable energy independent power producer procurement programme (REIPPPP) has been a success since it was initiated in 2011, attracting R192bn in new investment and bringing new power into the grid while driving down prices of renewable technologies. However, there has been growing political pressure on the Department of Energy to ensure that black entrepreneurs get a larger slice of the industry.
- The IMF downgraded SA's economic growth forecasts, as expected, but its pessimism over next year's outlook surprised. It slashed SA's growth forecast for this year to 1.4% from 2% in July, and for next year lowered it to 1.3% from 2.1%. The projections are lower than those of the South African Reserve Bank and the World Bank. The global economy is projected to expand just 3.1% this year and 3.6% next year.
- The 2.7-point decline in the South African Chamber of Commerce and Industry's (Sacci's) business confidence index to a 22-year low of 81.6 was a 'wake up call' to policymakers that 'something extraordinary' needed to be done to address the economic growth slowdown, Sacci economist Richard Downing said. The index is compiled by monitoring the monthly movements of 13 economic indicators.
- The JSE all share index has outperformed major global indices this year thanks to the weaker rand supporting selected rand-hedge shares, despite near-recessionary conditions in the local economy. The index is up 1.5% so far this year, while the US's Dow Jones industrial index has weakened 8.7%, the UK's FTSE 100 has fallen 7.5%, and the Hong Kong Hang Seng is down 9.3%. The JSE is also faring better than fellow emerging markets. The MSCI Emerging Markets index is 16% weaker.

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