**POVERTY, DEVELOPMENT AND DONOR ISSUES**

1. What Africa will look like in 2060?
2. ARV funding apocalypse pending
3. The role and practices of “vulture funds”

**ECONOMIC ISSUES**

3. South Africa’s Public Investment Corporation to use its investor muscle to curb bonuses
4. New Centre for Social Innovation and Entrepreneurship launched
4. Update, and good data, on stokvels

**POLITICAL ISSUES**

5. How might the Constitutional Court argument against the ‘Secrecy Bill’ look?
5. South Africa’s National Development Plan (NDP) in a nutshell
7. Fear of anarchy grips Zimbabwe

**SOCIAL ISSUES**

7. New report dispels African migration myths
7. Savings policy and decision-making in low-income households

**ENVIRONMENTAL ISSUES**

8. Lesotho leapfrogs to harness wind and water in Africa’s biggest green energy project
8. Novel technology turns garbage into fuel and electricity
9. Cop 17: It’s red alert for Mozambique

**TECHNOLOGY ISSUES**

9. Global WaterHackathon lets volunteer tech specialists tackle water sector problems
10. Umbono Google winners announced
What Africa will look like in 2060?

According to a recent report (pdf) by the African Development Bank (AfDB), Africa’s reality may be very different in 50 years’ time. Although the Bank concedes that it is difficult to make accurate projections of the continent’s future, they regard the following four scenarios as highly likely.

1. **Urbanisation will accelerate**: By 2060, the majority of Africans will live in urban areas. It is expected that in 2060, 65% of the continent’s population will live in cities, up from the current 40%. East Africa is projected to remain the least urbanised, while it is possible that Central Africa will overtake Southern Africa by 2050. “Rapid urbanisation will occur in response to rising demographic pressure, a likely deterioration in agricultural productivity . . . and reduced costs of migration. By 2060, much of the population of Africa will be in coastal megacities, as in Asia and Latin America. Some migration will be international, from the landlocked countries to coastal ones; some will be internal,” notes the report. Urbanisation will put significant pressure on the existing infrastructure of African cities. Providing new city dwellers with access to land and basic services delivery will also prove to be major challenges.

2. **Migration will increase**: “Population mobility has been a permanent feature of African history, and is likely to increase,” says the report. Increased connectivity through mobile phones and the internet will boost migration because people will be more informed about destination countries. Better communication will also reduce the psychological impact of migrating, as it will be easier for migrants to stay in touch with family and friends at home. Climate change may also increase the need to move from the worst affected areas, either to cities within Africa or outside the continent. Although the majority of African migrants will remain within the continent, many will relocate to Western nations. In 2060, it is expected that in the US and Europe, 32% of the population will be aged 60 or older. In the absence of an increase in fertility, immigration will be necessary to maintain an acceptable labour force/pensioner ratio. Africa has the potential to supply much of this labour. Despite the potential negative effects of highly skilled migration, it does hold certain benefits for African countries. One of the greatest advantages is the remittances they send back home. Between 1990 and 2010, reported remittance inflows to Africa quadrupled, reaching nearly US$40 billion last year, equivalent to 2.6% of Africa’s gross domestic product (GDP) in 2009. Actual remittances are expected to be significantly more than this figure.

3. **Agriculture will decline in importance**: Climate change will benefit farming in the northern hemisphere, while having a negative impact on African agriculture. “Rain-fed African agriculture is considerably more climate sensitive than agriculture elsewhere, and soil degradation will have substantially increased due to the population pressure. By 2060, there will be a significant decrease in suitable rain-fed land and in the production potential for cereals,” says the report. According to the AfDB, it is highly possible that Africa’s overall economic growth could decline by around 3% every year, due to the effect of climate change on farming. The annual fall in economic growth due to lower agricultural output will be about 6% in Southern Africa, 4% in North Africa, and 2% in East Africa. Asia will only see a 1.2% decline in growth, while Europe and North America will experience slight gains.

4. **Natural resources will remain important, but locations will shift**: By 2060, many of Africa’s current mines will have been stripped of their assets. According to the AfDB, this does necessarily mean that the continent will earn less in natural resource revenues, but “rather that these opportunities will have shifted in both location and composition”. It is expected that South Africa, currently one of the continent’s top miners, will move from being a resource-rich country to a resource-scarce, coastal economy. Although South Africa generally has good infrastructure, this is more concentrated around the mining industry, hundreds of kilometres from the coast. On the other hand, some African countries that are currently not major oil and minerals producers, will become so because of new discoveries and changing global demand.

Nothing too earth-shatteringly new here, although the AfDB projections could come in useful. The most interesting aspect of this report, though, is that Africa’s natural resource wealth and agricultural potential are WINDOWS OF OPPORTUNITY. How they are utilised, and how their benefits are distributed, is crucial. Good policy, governance, leadership and institutions are needed to make the most of these valuable assets now.

ARV funding apocalypse pending
Medecins sans Frontieres (MSF) has warned that it will be back to the dark days of the late 1990s and earlier in this millennium should the current trend of less money for HIV/Aids treatment programmes continue. The problem, according to MSF, is that the massive global recession (and mismanagement of funds by recipient countries) have led to donor fatigue in rich countries – and the victims are the poor countries in sub-Saharan Africa. It isn’t often that a single announcement manages to shake an entire region. But the one issued last week by the board of The Global Fund to Fight Aids, Tuberculosis and Malaria that it would have to cancel the 11th round of funding, certainly did. This means we could see the majority of the money used to fund antiretroviral and tuberculosis programmes in sub-Saharan Africa disappear after 2012.

The reason for the funding cut has a lot to do with how the fund is structured – most of the money comes from governments in Western Europe. Faced with a crippling recession (with the prospects of another growing by the day) at home, the choice has been to cut back largesse abroad. The US is faced with similar pressure. The other reason is Africa’s perennial old bugbear: mismanagement. Germany and Sweden have frozen US$20 million in funding pending an audit into alleged mismanagement of funds in Djibouti, Mali, Mauritania and Zambia.

The global recession couldn’t have come at a worse time for HIV sufferers. MSF has been one of the first organisations in the world to do the Paul Revere ride to warn of the trouble in which we could find ourselves. Joined by the Treatment Action Campaign and Section 27 at a press conference on 28 November, they spelt out the size of the peril.

The Global Fund alone pays for more than 70% of ARV drugs in the developing world and 85% of TB programming in Africa. Governments in sub-Saharan Africa have set up entire systems of ARV and TB drug distribution based on this programme’s financing. The way Round 11 of funding has been cut back is that all programmes, save for those designated as “emergency”, will not receive any new funding. No new people will be put on ARV therapy.

The problem doesn’t seem that dire until you see some of the statistics MSF provided: only 63% of people who need ARV treatment in Zimbabwe receive it. In Swaziland (where 26% of the adult population is believed to be living with HIV/Aids), about 76% of people who need ARVs receive them. The pattern is similar in all the SADC countries. In South Africa, about half the people who need ARVs can get them.

Eric Goemaere of the MSF’s South Africa Medical Unit, said the main reason these programmes succeeded in pushing back the rate of death and infection is that they were constantly being scaled up. It isn’t just enough to be treating a certain number of people every year – that number has to constantly increase to keep the spread in check. The worst consequence is people will no longer have faith in these programmes to treat HIV/Aids, and they’ll simply stop applying or turning up at clinics for treatment. Goemaere said, “The waiting list for ARV programmes will increase. We might have to go back to rationing the medication, or selecting the patients who receive treatment. The mortality rate will increase and people will begin to say that the programme doesn’t work and will stop using it.”

The representatives from the MSF, Section 27 and the Treatment Action Campaign all called on South Africa to “show leadership” on the issue by lobbying donor countries not to cut back on funding. Daygan Eager of Section 27 said South Africa’s moral position puts it in a special position to lobby on behalf of its neighbours. “If South Africa is silent, it will be very difficult for neighbouring countries to lobby donor countries,” he said. Can South Africa champion cause? If it wants to dodge the bullet of sub-continental catastrophe, it had better finds ways to do so.

Source: http://dailymaverick.co.za/

And this on the eve of World Aids Day... To put the issue into perspective see here http://dailymaverick.co.za/article/2011-11-30-the-2010-antenatal-hiv-survey-hold-on-dont-cheer-yet for the latest results of South Africa’s annual HIV prevalence survey, and importantly for the aspects about the disease and its manifestation which are NOT known or easily managed. I.e. the difficulty in combatting HIV/Aids among older (and thus very probably married) people, amongst others. And see here http://healthaffairs.org/blog/2011/11/29/pep-fars-declining-investment-in-hivaids-
treatment/ for data and analysis about the US’s declining funding for treating HIV/AIDS in Southern Africa. Siphamandla Zondi, the executive director of the South African think tank Institute for Global Dialogue, proposes a solution for the funding problem and advocates in an op-ed that: “The countries of the south like Brazil, South Africa, China and India should consider making special donations to the fund and building a global campaign to keep it afloat. Countries that can afford it should be weaned off the fund and take more national responsibility. Donations to the fund should be made a standard item in the emerging global development agenda, especially that which is driven by the G20’s Development Working Group. South Africa and other southern powers should make this a major item in their global agendas. It should be part of the fight for a more equitable, just, humane and democratic world.”

The role and practices of “vulture funds”
A special report in The Guardian exposes the “vulture funds” which prey on the world’s poorest economies, almost always African. Their practices aren’t technically illegal, and it’s easy money; as long as you don’t mind profiting from poverty. It works like this. An impoverished country will take a loan for a few million dollars from some other country. The creditor country, maybe facing financial issues itself, subsequently sells that loan to a company. That company then aggressively pursues repayment of the loan, along with all the compound interest it attracts, refusing to participate in any debt relief or reduction programmes.

That’s what happened to Zambia. It took a US$15 million loan from Romania. Romania subsequently sold the loan to a vulture fund for US$3.2 million. Eventually, Zambia was forced to pay US$15.5 million to the fund, which earned itself a tidy profit of US$12.3 million for taking advantage of the impoverishment of not one, but two countries.

A more extreme example. The Democratic Republic of Congo took a loan of US$3.3 million from what was then Yugoslavia, to build power lines. This was sold to a vulture fund for an undisclosed sum. The fund is now suing the DRC for US$100 million, after previous attempts to attach the DRC embassy in Washington DC failed. It’s not illegal, technically, but something about the practice smacks of profiteering, taking advantage of the world’s poorest countries to turn a quick and disproportionately large profit. Many countries have made it impossible for vulture funds to obtain legal orders enforcing the practice, but loopholes in tax havens such as Jersey and the Isle of Man remain


ECONOMIC ISSUES

South Africa’s Public Investment Corporation to use its investor muscle to curb bonuses
South Africa’s Public Investment Corporation (PIC) is finalising a framework to use as a guideline to measure — and demand — accountability in companies in which it is invested, particularly on issues such as board and executive remuneration. Excessively large remuneration packages for top executives which are not linked to performance continue to raise the ire of shareholders. In early November media company Avusa paid former CEO Prakash Desai a R25 million (US$3.1 million) exit package, despite the group posting a 90% drop in headline earnings per share for the six months to September.

The PIC, with assets under management of more than R950-billion (US$118-billion), is the largest and potentially one of the most influential investors in companies on the Johannesburg Stock Exchange (JSE). The framework, being debated within the PIC, would be the government pensions fund manager’s moral stick to encourage the companies to be more accountable and adopt best practices on remuneration and sustainability.

PIC CEO Elias Masilela said last week that the organisation wanted to use a more “scientific” approach to issues such as executive pay than rely on untested comparisons”. The framework being formulated by the PIC comes against the background of recent calls by government ministers, including Finance Minister Pravin Gordhan, for restraint on executive pay amid a widening income gap between the top and lowest paid employees. The PIC’s framework was based on research on the performance and reward system of the top 100 listed companies, as well as analysing the performance of the sectors in which they operated, Mr Masilela said. The commitment of some companies in which the PIC is invested, to empowerment and transformation is “very bad”. The companies, which he declined to name, failed on key measurements such as employment equity, board representation, ownership and procurement. “I know the media has focused more on ownership, but to us one of the most lethal variables that can be used to
Candidates must have started or worked in an entrepreneurial social or green venture, or have worked on developing base of pyramid or social business strategies in a corporation for at least 1 year.

Candidates must demonstrate a strong moral character, strong entrepreneurial drive, a track record of action, leadership qualities, traits of social activism and a commitment to the sustainable development of emerging economies.

Through the submission of an essay, candidates must show how the MBA at this stage in their career will help to accelerate their impact and how it will contribute to the wider creation of value for society.

Candidates must demonstrate some need for the scholarship through either previous work experience, personal background or demonstrated commitment to start a social venture, which make self-funding the MBA a significant burden.

For further information, see www.gsb.uct.ac.za/berthacentre. For any queries about the Scholarship, email berthacentre@gsb.uct.ac.za with the words "Scholarship Query" in the subject line.

Update, and good data, on stokvels

Stokvels, or saving clubs, have been highlighted in the Southern Africa Horizon Scan newsletter before. Below is an extract of an article which provides an update and some new data on the extent of these saving clubs for poor people.

South Africa has 811 830 stokvels with a total estimated value of R44-billion (US$5.3-billion) according to a survey released on 21 November. “The value of the stokvel market would create a bigger sector than the agriculture or electricity sectors,” said Mamapudi Nkgadima, managing director of African Response, in a statement. A nationwide survey by research company African Response found there were 11.4 million stokvel members in South Africa. “To put this in perspective, the population of a city made up of all the stokvel members would be larger than any of our major metros, including Johannesburg, Pretoria, Cape Town and Durban,” said Nkgadima.

Stokvels are defined as group savings schemes providing for mutual financial assistance, as well as social and entertainment needs. The most popular type of stokvel is for savings, with 47% of respondents making use of this. It is followed by a burial society stokvel, of which 41% of respondents are members. Grocery stokvels, which buy in bulk from various retailers at

As part of the Centre’s outreach, five MBA scholarships have been established and the Centre is looking for individuals who might benefit from the bursaries. The criteria used for selection of Bertha Scholars are:

- Candidates must be a resident of an African country
- Candidates must be a resident of an African country
- Candidates must demonstrate a strong moral character, strong entrepreneurial drive, a track record of action, leadership qualities, traits of social activism and a commitment to the sustainable development of emerging economies
- Through the submission of an essay, candidates must show how the MBA at this stage in their career will help to accelerate their impact and how it will contribute to the wider creation of value for society
- Candidates must demonstrate some need for the scholarship through either previous work experience, personal background or demonstrated commitment to start a social venture, which make self-funding the MBA a significant burden.

For further information, see www.gsb.uct.ac.za/berthacentre. For any queries about the Scholarship, email berthacentre@gsb.uct.ac.za with the words "Scholarship Query" in the subject line.

Excessive executive pay, wage inequality, ‘inclusive prosperity’ and transformation of the economy have been highlighted as crucial issues in previous editions of the Southern Africa Horizon Scan newsletter (see the May 2010 newsletter for example). Here is now a superb suggestion / option for making a positive difference whilst bypassing South Africa’s current policy vacuum and politicking that has thus far only lead to inertia on these matters.

New Centre for Social Innovation and Entrepreneurship launched

The University of Cape Town (UCT) Graduate School of Business (GSB) launched the new Bertha Centre for Social Innovation and Entrepreneurship at a gala dinner at the Cape Town International Convention Centre earlier this month. The launch formed part of the GSB’s three-day Business of Social and Environmental Innovation conference that brought together international award winning researchers to share their findings on a range of related topics.

The new centre will drive research into social innovation and entrepreneurship and will support a full semester social innovation lab on the MBA. “The aim is to instil contemporary business values and skills in managers and students, in the hope of influencing business towards solving some of society’s toughest challenges,” said Francois Bonnici, director of the new centre. “This centre is not a place for the same old courses on ethics or sustainability. Instead, the focus will be on encouraging MBA students to fully realise projects and business ideas that make a real positive impact on society. They will have access to communities and to mentors to build on their ideas and create companies”. Furthermore, the centre will run an outreach programme training students in social entrepreneurship, which will form part of the classic MBA in an effort to motivating “business for better”.

As part of the Centre’s outreach, five MBA scholarships have been established and the Centre is looking for individuals who might benefit from the bursaries. The criteria used for selection of Bertha Scholars are:

- Candidates must be a resident of an African country
- Candidates must demonstrate a strong moral character, strong entrepreneurial drive, a track record of action, leadership qualities, traits of social activism and a commitment to the sustainable development of emerging economies
- Through the submission of an essay, candidates must show how the MBA at this stage in their career will help to accelerate their impact and how it will contribute to the wider creation of value for society
- Candidates must demonstrate some need for the scholarship through either previous work experience, personal background or demonstrated commitment to start a social venture, which make self-funding the MBA a significant burden.

For further information, see www.gsb.uct.ac.za/berthacentre. For any queries about the Scholarship, email berthacentre@gsb.uct.ac.za with the words "Scholarship Query" in the subject line.

Excessive executive pay, wage inequality, ‘inclusive prosperity’ and transformation of the economy have been highlighted as crucial issues in previous editions of the Southern Africa Horizon Scan newsletter (see the May 2010 newsletter for example). Here is now a superb suggestion / option for making a positive difference whilst bypassing South Africa’s current policy vacuum and politicking that has thus far only lead to inertia on these matters.

New Centre for Social Innovation and Entrepreneurship launched

The University of Cape Town (UCT) Graduate School of Business (GSB) launched the new Bertha Centre for Social Innovation and Entrepreneurship at a gala dinner at the Cape Town International Convention Centre earlier this month. The launch formed part of the GSB’s three-day Business of Social and Environmental Innovation conference that brought together international award winning researchers to share their findings on a range of related topics.

The new centre will drive research into social innovation and entrepreneurship and will support a full semester social innovation lab on the MBA. “The aim is to instil contemporary business values and skills in managers and students, in the hope of influencing business towards solving some of society’s toughest challenges,” said Francois Bonnici, director of the new centre. “This centre is not a place for the same old courses on ethics or sustainability. Instead, the focus will be on encouraging MBA students to fully realise projects and business ideas that make a real positive impact on society. They will have access to communities and to mentors to build on their ideas and create companies”. Furthermore, the centre will run an outreach programme training students in social entrepreneurship, which will form part of the classic MBA in an effort to motivating “business for better”.

As part of the Centre’s outreach, five MBA scholarships have been established and the Centre is looking for individuals who might benefit from the bursaries. The criteria used for selection of Bertha Scholars are:

- Candidates must be a resident of an African country
- Candidates must demonstrate a strong moral character, strong entrepreneurial drive, a track record of action, leadership qualities, traits of social activism and a commitment to the sustainable development of emerging economies
- Through the submission of an essay, candidates must show how the MBA at this stage in their career will help to accelerate their impact and how it will contribute to the wider creation of value for society
- Candidates must demonstrate some need for the scholarship through either previous work experience, personal background or demonstrated commitment to start a social venture, which make self-funding the MBA a significant burden.

For further information, see www.gsb.uct.ac.za/berthacentre. For any queries about the Scholarship, email berthacentre@gsb.uct.ac.za with the words "Scholarship Query" in the subject line.

Excessive executive pay, wage inequality, ‘inclusive prosperity’ and transformation of the economy have been highlighted as crucial issues in previous editions of the Southern Africa Horizon Scan newsletter (see the May 2010 newsletter for example). Here is now a superb suggestion / option for making a positive difference whilst bypassing South Africa’s current policy vacuum and politicking that has thus far only lead to inertia on these matters.

New Centre for Social Innovation and Entrepreneurship launched

The University of Cape Town (UCT) Graduate School of Business (GSB) launched the new Bertha Centre for Social Innovation and Entrepreneurship at a gala dinner at the Cape Town International Convention Centre earlier this month. The launch formed part of the GSB’s three-day Business of Social and Environmental Innovation conference that brought together international award winning researchers to share their findings on a range of related topics.

The new centre will drive research into social innovation and entrepreneurship and will support a full semester social innovation lab on the MBA. “The aim is to instil contemporary business values and skills in managers and students, in the hope of influencing business towards solving some of society’s toughest challenges,” said Francois Bonnici, director of the new centre. “This centre is not a place for the same old courses on ethics or sustainability. Instead, the focus will be on encouraging MBA students to fully realise projects and business ideas that make a real positive impact on society. They will have access to communities and to mentors to build on their ideas and create companies”. Furthermore, the centre will run an outreach programme training students in social entrepreneurship, which will form part of the classic MBA in an effort to motivating “business for better”.

As part of the Centre’s outreach, five MBA scholarships have been established and the Centre is looking for individuals who might benefit from the bursaries. The criteria used for selection of Bertha Scholars are:

- Candidates must be a resident of an African country
- Candidates must demonstrate a strong moral character, strong entrepreneurial drive, a track record of action, leadership qualities, traits of social activism and a commitment to the sustainable development of emerging economies
- Through the submission of an essay, candidates must show how the MBA at this stage in their career will help to accelerate their impact and how it will contribute to the wider creation of value for society
- Candidates must demonstrate some need for the scholarship through either previous work experience, personal background or demonstrated commitment to start a social venture, which make self-funding the MBA a significant burden.

For further information, see www.gsb.uct.ac.za/berthacentre. For any queries about the Scholarship, email berthacentre@gsb.uct.ac.za with the words "Scholarship Query" in the subject line.
the end of the year, make up 20% of stokvel membership. Investment stokvels make up 5% of the total stokvel market.

The survey found that the average number of members per stokvel was 27. “Burial societies tend to gather much higher membership numbers while investment and birthday stokvels are closer, more intimate friendship groups.” Gauteng has the highest penetration of stokvels with 23%, followed by Limpopo at 20%. The majority of stokvel members are women – at 57%. The exception is investment stokvels where men – at 52% – make up the majority. Of the stokvels, 66% had a bank account, while 34% were managed by members.

Source: http://thenewage.co.za/35734-1009-53-Study-finds-stokvels-are-worth-R44bn

There is an innovation or social entrepreneurship opportunity waiting to happen that could harness these 'untapped' savings of ordinary people – how and with what mechanisms / instruments is not patently clear yet. Perhaps something will emanate from that new Centre mentioned in the preceding story.

**POLITICAL ISSUES**

South Africa experienced a schizophrenic November with two polar opposite events both showing great promise for shaping the future of the country (and because it is such a disproportionally strong regional powerhouse, the region indirectly). On the one hand the Protection of State Information Bill, a.k.a as the 'secrecy bill' was passed by the National Assembly, and is now on its way to the National Council of Provinces. Judging from the reaction of the media, civil society and opposition parties this bill threatens the very nature of South Africa’s hard-won democracy.

On the other hand the National Planning Commission (NPC) released the National Development Plan: Vision for 2030, which comprises more than 420 pages, grouped in 15 chapters, and is largely devoid of ideological rhetoric and hyperbole. Indeed, the frank self-critical nature of the document is apparent from the outset; for instance in the document overview (page 5), we find the following:

“Because of the uneven capability of the state, we have excelled at doing the things that are easier, such as paying grants and providing water and electricity, and faltered at doing the difficult things such as improving education, promoting employment and building houses close to jobs. By default, we have had a distorted development effort. A

more capable state, in partnership with communities, must build on the platform of social services and social security and contribute towards a more balanced approach by developing the capabilities of people.”

How might the Constitutional Court argument against the ‘Secrecy Bill’ look?

A shortened hypothetical piece by Stephen Grootes:


As always with legal types, it’s a good idea to start with definitions, and some basic principles. The first is that, generally speaking, the Constitutional Court is very aware of the problem of a definition being “overbroad”. That is to say, that a law must have as few unintended consequences as possible. The bill, as it currently stands, allows any head of government organ (the bill’s definition of which is long and unexpectedly complicated) to ask the minister of state security for permission to classify certain documents. This would seem to vest much power in his hands. The argument would go thus: there is no neutral oversight, a minister, being a political person, cannot necessarily be considered to always have the best of intentions, and thus there should be some other mechanism as part of the process of classifying information.

The other, perhaps very weak point in the legislation, is that once that government organ head (there’s a phrase you don’t see every day – Ed) has the power, he or she can “delegate in writing authority to classify information to a subordinate staff member”. The member has to be senior, but that’s not defined. So the lawyers will say, you could end up with literally hundreds or even thousands of people having the power to classify information. Thus it is overbroad.

The bill’s critics will also point, perhaps with some success, to how information can remain classified if it will “clearly and demonstrably impair the ability of government to protect officials or persons for whom protection services, in the interest of national security, are authorised”. As the number of people who seem to receive VIP protection treatment is growing, it should be relatively easy to construct an argument along the lines of: “Julius Malema received VIP protection at one stage, is his house in Sandton now a secret?”

A part of this section could also be used to hide foreign leaders on their trips here, as information could remain classified if it would "seriously and demonstrably impair relations between South Africa and a foreign government, or seriously and demonstrably
South Africa’s National Development Plan (NDP) in a nutshell

The first section of the NDP discusses a number of international and regional developments that affect South Africa. These include the following:

- International political and economic developments
- Globalisation, which increases complexity, and magnifies systemic risks.
- Africa’s development
- Climate change, and
- Technological change

The subsequent chapters cover various aspects of the plan, which is ultimately aimed at eliminating poverty and inequality. To this end, the economy needs to become more inclusive and grow faster. The NDP describes in comprehensive detail how to:

- Create jobs
- Expand infrastructure
- Transition to a low-carbon economy
- Transform urban and rural spaces
- Educate and train
- Provide quality health care
- Build a capable state
- Fight corruption, and
- Transform society whilst building unity


There is also a link to a 4 page ‘user-friendly’ summary version available in all of South Africa’s 11 official languages.

The National Development Plan is a vision of a preferred future for South Africa. It is comprehensive, multi-faceted, and largely stripped of ideology and rhetoric. As is invariably the case, the devil is in the detail (and with implementation, see here: [http://www.businessday.co.za/articles/Content.aspx?id=158898](http://www.businessday.co.za/articles/Content.aspx?id=158898)). In the foreword to the document, Mr Trevor Manual, chairperson of the NPC states that the work of the commission does not stop in 2011. ‘Our term is a five-year one, and requires the commission to deepen the planning process, cover areas that we have been unable to cover in this first plan and provide detailed reports on issues outlined in our mandate’ And a recurring theme throughout the document is the importance of firm and focussed leadership by government and the strengthening of state capacity to drive the implementation of the vision. Finally, it is important to note that Vision 2030 is a 20-year plan – it transcends four election cycles. It is, therefore, not intended to be a ‘quick fix’ solution; indeed, ‘quick fixes’ tend to provide only temporary and illusory solutions.

---


Archbishop Desmond Tutu also came out strongly against the bill.)

See here: [http://www.businessday.co.za/articles/Content.aspx?id=159951](http://www.businessday.co.za/articles/Content.aspx?id=159951) for an op-ed piece arguing that irresponsible South African media that serves a narrow sector of society and serves up bad journalism ‘brought the legislation on itself’.


Journalist Sipho Hlongwane says: “To all the political junkies out there, brace yourselves: 2012 promises to be a year of a screamingly rich harvest.”

---

undermine on-going diplomatic activities of the Republic”. That, the argument would go, would be the end of reporting on any Zimbabwean politician’s naughtiness in any top Joburg hotel.

Overall a much broader argument against the bill will be about the impact it will have on the free flow of information. It seems pretty clear that once someone has the power to classify information, there simply isn't much to stop them. And once people get a taste for that kind of thing, they don’t stop. That would allow anyone with corrupt intent to get rich very quickly indeed. The person who will have the most power will be the minister of state security himself. The argument will surely be that there needs to be more oversight, more power out of the hands of a few. It’s a tricky one, and I can think of many arguments against that. But the strongest argument has to be that there will be too many secrets. And too many people to classify them as such. And with that power will come real power.

- (Archbishop Desmond Tutu also came out strongly against the bill.)
- See here: [http://www.businessday.co.za/articles/Content.aspx?id=159951](http://www.businessday.co.za/articles/Content.aspx?id=159951) for an op-ed piece arguing that irresponsible South African media that serves a narrow sector of society and serves up bad journalism ‘brought the legislation on itself’.

Journalist Sipho Hlongwane says: “To all the political junkies out there, brace yourselves: 2012 promises to be a year of a screamingly rich harvest.”
Fear of anarchy grips Zimbabwe

Zimbabwe’s unity government faces a major crisis as violent attacks on President Robert Mugabe's opponents escalate, aggravated by fears that Mugabe himself may no longer be in control of his own supporters. Keen to stave off regional pressure, Mugabe called a joint meeting of leaders of his party and those of the Movement for Democratic Change (MDC) on 11 November, but the MDC doubted this could quell tension. Violent attacks by Zanu-PF militias have escalated despite Mugabe's repeated pleas for an end to violence. MDC leader and Prime Minister Morgan Tsvangirai said that this showed Mugabe might have lost control – “state security agents have instituted a coup over the civilian authority”, he said.

In a new report to South Africa’s President Jacob Zuma the MDC said the unity government was now “dysfunctional” – Zanu-PF ministers were refusing to attend meetings chaired by Tsvangirai, MDC rallies were being banned and Zanu-PF militias were barring Tsvangirai from rural areas controlled by Mugabe’s party. According to the report, about 600 MDC members had been arrested since January for various offences and Zanu-PF had set up “parallel government” structures, paralysing the unity government and allowing Zanu-PF a platform to plan violence and looting. “This is manifested in the generation and expenditure of state resources outside government treasury rules and regulations. Of note was the continued sale of state resources such as diamonds, without the knowledge of the treasury,” the MDC said.


Savings policy and decision-making in low-income households

An insightful paper by Harvard’s Sendhil Mullainathan explains how behavioural influence like the status quo bias affect the poor and rich alike. The main difference being the narrow margins for error in poverty:

"...According to this behavioural view, people who live in poverty are susceptible to many of the same impulses and idiosyncrasies as those who live in comfort, but whereas people who are better off function in the midst of a system -- composed of consultants, reminders, cooperative employers, “no-fee” options, incentive awards, and automatic deposit -- that is increasingly designed to facilitate their decisions and improve their outcomes, people who are less well-off typically find themselves without easy recourse to such “aids” and are confronted by obstacles -- institutional, social, and psychological -- that render their economic choices all the more
overwhelming and their economic conduct all the more fallible.
Download the paper (pdf) here

ENVIRONMENTAL ISSUES

Lesotho leapfrogs to harness wind and water in Africa's biggest green energy project
Lesotho is to harness the power of wind and water in a China-funded US$15-billion green energy project, the biggest of its kind in Africa. The Lesotho highlands power project (LHPP) will generate 6 000 megawatts (MW) of wind power and 4 000MW of hydropower, equivalent to about 5% of South Africa's electricity needs. Lesotho says the scheme will help end its plight as one of the world's poorest countries, "making it a case study in how investing in renewable energy can transform a nation's fortunes"

The electricity generated by wind and water will be used by Lesotho and South Africa, which faces a constant battle to keep up with growing demands. It is also hoped that the scheme, up to 80% financed by Chinese loans, will be a silver bullet in Lesotho’s impoverished economy. Nearly half of the two million population struggle to live on less than $1.25 a day. Lesotho has the third-highest rate of HIV in the world and the third-lowest life expectancy at 45.9 years.

Investors say the power project will create 25 000 jobs over 15 years. Some 1 500 technicians and engineers will be employed on a permanent basis. The difficult construction of roads and transmission lines will open up isolated communities, giving them access to markets and government services. Monyane Moleleki, Lesotho's natural resources minister, said: "Through this project, our country has the potential to graduate from a least developed country status to a developing country status. Our beloved Maluti mountain range has once again proven to be the saviour for our country's economy.”

Construction is expected to take between 10 and 15 years. The first phase is a 150-megawatt windfarm, set to start next year. South Africa’s Harrison and White Investments and its Chinese technology partner, Ming Yang Wind Power, will build wind turbine components factories in South Africa and Lesotho.

The Maluti mountains are uninhabited but some of the planned sites sustain valuable wetlands and rare fauna and flora. Leoka is braced for a backlash against wind turbines after an environmental impact assessment. “It’s going to come, it’s a given when you put these things anywhere in the world,” he added. "The government will invite objections and I can guarantee that there will be many. We will have to prepare ourselves thoroughly for answers to those questions.” South Africa, host of the climate change conference in Durban next month, was criticised last week for an “addiction to coal” by Greenpeace, which called on its government to stop building a giant coal-fired power station and invest in renewable energy solutions

Large-scale, leap-frogging, projects such as the one mentioned above can, and do, make a difference in the trajectory of a nation, especially a poor, dependent one with not many other options or prospects. (Lesotho is landlocked, inaccessible and has no conventionally exploitable resources). The trick, of course, is to manage such a project for the benefit of society at large, not just a small elite. Establishing such a principle early on could make a significant difference.

Novel technology turns garbage into fuel and electricity
An engineering team from Wits University and the South African Nuclear Energy Corporation (Necsa), have developed novel technology to turn biomass (agricultural waste) and garbage (solid municipal waste) into liquid fuel, electricity, waxes and paraffin. It is the first time that this innovative project, developed in South Africa by South Africans, has been manufactured on a small-scale to make it economical for South Africa and other developing countries.

The BeauTi-Fuel™ Project, an environmentally-friendly plant small enough to fit into a standard 40ft container on the back of a truck, was launched recently and driven down to Durban on 25 November to be showcased at COP17. "The plant aims to uplift and make small communities more self-sufficient in terms of energy, without compromising on potential food sources. Such a process is sufficiently simple thus it can be easily operated with relatively low risk. The plant will aim to turn one ton of biomass into one barrel of diesel and 0.5MWh of electricity per day,” explains Prof. Diane Hildebrandt, Co-Director of the Centre of Material and Process Synthesis in the Wits School of Chemical and Metallurgical Engineering.

"It is intended that when implemented, this economical project will have a very strong job creation aspect in
terms of growing the agricultural material, collecting and sorting Municipal Solid Waste and supplying fuel and electricity to small municipalities, rural areas and small farming areas. A full-scale plant will treat 91 000 ton per annum of municipal waste, which will produce enough power for 10 000 homes, enough heat for around 700 homes, increase recycling rates by over 20% and will create about 200 jobs, mainly for unskilled workers. The Project has a negative carbon footprint and the lowest environmental impact.

“In the long run we would hope to use the very clean carbon dioxide produced by the process to grow algae that could be harvested and fed back to the plant or used to feed fish. This will be labour intensive and could create even more work for unskilled people, as well as possibly providing protein from the fish for consumption purposes,” adds Hildebrandt. “The superior conversion efficiency of the plasma gasifier and the ease with which the process gas could be manipulated to optimise the fuel production, combined with the resultant fuel gas generating electricity, renders this a sought after system for anyone who generates waste,” says Dr Jaco van der Walt, the Plasma Scientist from Necsa.

The R5 million (US$600 000) pilot plant will be demonstrated at COP17 and a functional prototype will be built by mid-2012, which will be showcased at different public events and locations around the country. During this period, the technology will be refined and the facility will be demonstrated to potential clients.


This innovation offers potential as the team behind it have excellent scientific and academic credentials to start off with. Hopefully they succeed at the marketing and logistics aspects also.

**Cop 17: It’s red alert for Mozambique**

Mozambique is the only African state shown in red on a world map of countries most affected by extreme weather. The map was released at the United Nations climate change conference in Durban on 28 November. Drawn by Germanwatch, it forms part of the seventh edition of the Bonn-based non-governmental organisation’s Global Climate Risk Index (GCRI). The red colour indicates Mozambique’s northeast neighbour was among the top 20 countries affected by extreme weather - including events such as flooding, drought, heat waves and severe storms - from 1991 to 2010.

A table in the index ranks Mozambique 19th in the world when it comes to the death and losses - relative to its population size and its GDP -that it has suffered as a result of this. It shows the country suffered 50 extreme weather events, which cost it 1 745 lives and US$96 million in losses over the two decades. The index looks at only the direct impact of the weather events, and not the often much stronger indirect impact. “In the African regions, indirect impacts like food scarcity as consequence of droughts often cause the most severe consequences which cannot be considered with sufficient reliability in the data that provide the basis for the climate risk index,” it states. According to the index, the three countries most affected by severe weather between 1991 and last year were Bangladesh, Myanmar and Honduras. All of the top 10 were developing countries.

Source: http://www.iol.co.za/scitech/science/environment/cop-17-it-s-red-alert-for-mozambique-1.1188939

**TECHNOLOGY ISSUES**

Global WaterHackathon lets volunteer tech specialists tackle water sector problems

The first ever global WaterHackathon took place simultaneously in nine locations, including, among others, Bangalore, Lagos, Lima, Nairobi, and Washington, DC. It followed the model set by Random Hacks of Kindness (RHoK), a partnership between NASA, Google, Microsoft, Yahoo!, HP and the World Bank, in which subject matter experts and local stakeholders submit problems that are then tackled by volunteer technology specialists at hackathon events around the world.

In order to execute a “water” hackathon, the World Bank team first needed to collect water problems that lend well to technology solutions. Over 100 were collected from Bank staff, their clients and communities. One of the challenges came from Botswana. The water utility’s customer service centre in the country is often overwhelmed by calls requesting bill status update. Customers encounter a busy signal, become frustrated, and abandon payment efforts. Others have to travel to the service centre to have basic questions about their bill answered.

A solution to that challenge was developed by two students from George Mason University at the Washington DC WaterHackathon. The team built a functional
A Google first worldwide, is being tested in Cape Town, which was chosen because Google believes the city is in “the process of positioning itself as a hub for innovation and technology”. Umbono Google has now announced the first four teams who will begin the six-month program which entails seed capital, Google mentorship, and contact with angel investors, local technology stars, entrepreneurs and business leaders. During these six months, Umbono will help the teams develop their ideas and get their products off the ground, with the intention of seeing some international success stories being made by the chosen teams.

The goal of Umbono is to help develop a vibrant and sustainable internet ecosystem across Africa, and the hope is that Umbono will encourage the growth of the developer community and support South Africa’s already flourishing tech sector. “There is a vibrant tech start-up movement happening in South Africa, and we’ve received hundreds of applications.” The four start-ups in the program are:

1. **LocalSort** - A service that helps hotels and hospitality businesses provide local information and recommendations to their guests.
2. **TaxTim** - A digital tax assistant to help South Africans make tax filing season simple.
3. **Sampleboard** - An online editing program which helps designers create digital mood boards in minutes and thus share conceptual, visual ideas with colleagues and clients in the early stages of a creative project.
4. **Starburst Games** - A mobile game company which will be developing collaborative, multi-player games on a unique mobile handset delivery platform.

These teams will each receive seed capital of up to US$50 000, and mentorship from thought leaders and businesses in South Africa and around the world. This mentorship will help them develop a solid business plan, transform their ideas into companies, and prepare them to get their products into the marketplace. At the end of the six months, successful teams will receive follow-on funding from the local venture capital community or from investors overseas.


As Jeff Martin, a former Apple executive and founder and CEO of Tribal Technologies who helped kick off the Bangalore Hackathon pointed out: “Today, far more of the world’s population has access to a cell signal than safe drinking water.” Let’s tap into the one to help ensure the other.

---

**Umbono Google winners announced**

The March 2011 edition of the Southern Africa Horizon Scan newsletter reported the launch of **Umbono Google**, an incubator that focuses on high-growth tech start-ups in South Africa with global potential. The programme, a Google first worldwide, is being tested in Cape Town, which was chosen because Google believes the city is in “the process of positioning itself as a hub for innovation and technology”. Umbono Google has now announced the first four teams who will begin the six-month program which entails seed capital, Google mentorship, and contact with angel investors, local technology stars, entrepreneurs and business leaders. During these six months, Umbono will help the teams develop their ideas and get their products off the ground, with the intention of seeing some international success stories being made by the chosen teams.

The goal of Umbono is to help develop a vibrant and sustainable internet ecosystem across Africa, and the hope is that Umbono will encourage the growth of the developer community and support South Africa’s already flourishing tech sector. “There is a vibrant tech start-up movement happening in South Africa, and we’ve received hundreds of applications.” The four start-ups in the program are:

1. **LocalSort** - A service that helps hotels and hospitality businesses provide local information and recommendations to their guests.
2. **TaxTim** - A digital tax assistant to help South Africans make tax filing season simple.
3. **Sampleboard** - An online editing program which helps designers create digital mood boards in minutes and thus share conceptual, visual ideas with colleagues and clients in the early stages of a creative project.
4. **Starburst Games** - A mobile game company which will be developing collaborative, multi-player games on a unique mobile handset delivery platform.

These teams will each receive seed capital of up to US$50 000, and mentorship from thought leaders and businesses in South Africa and around the world. This mentorship will help them develop a solid business plan, transform their ideas into companies, and prepare them to get their products into the marketplace. At the end of the six months, successful teams will receive follow-on funding from the local venture capital community or from investors overseas.
