

momentum
investments

Has the low-hanging fruit rotted in SA?

Sanisha Packirisamy

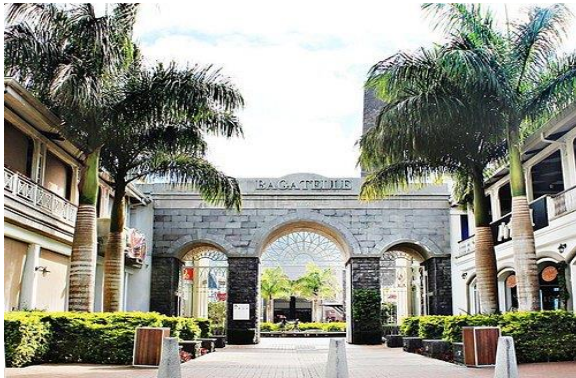
8 August 2023

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Mauritius: A diverse and forward-focused economy



Mauritius has established
itself as a business and
cross-border investment
hub in Africa

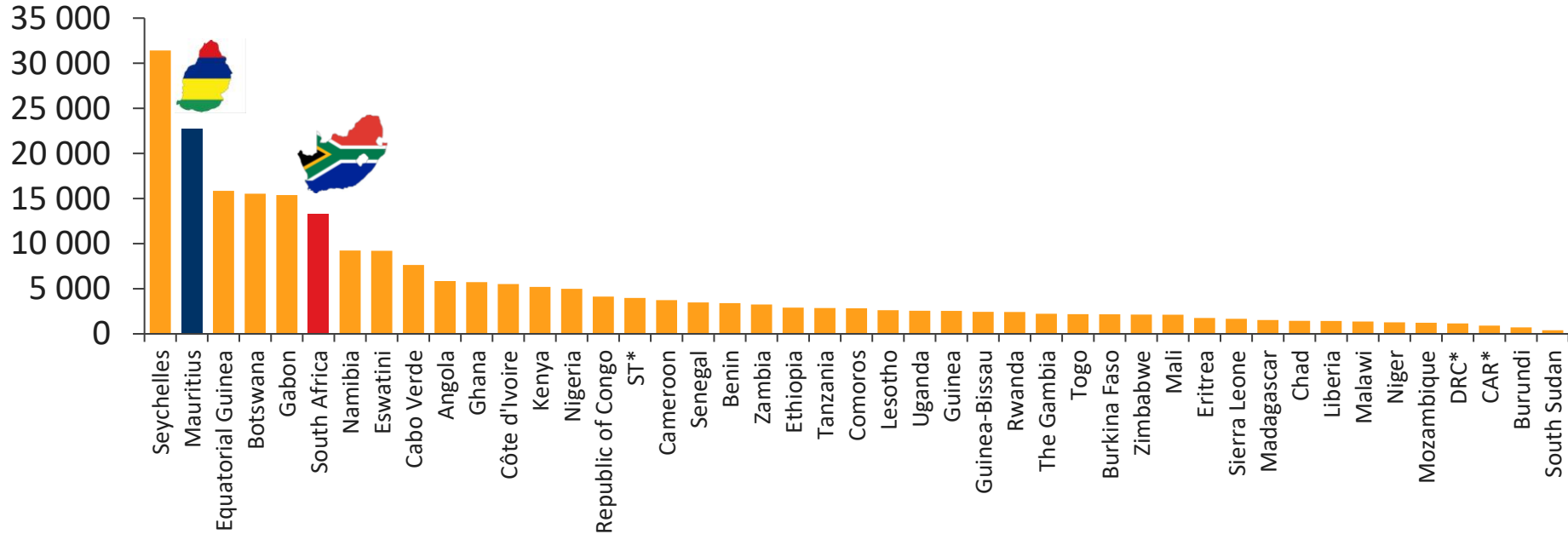


Mauritius: A shining example in Africa



The second-highest per capita income in Sub-Saharan Africa in 2022

GDP per capita (constant prices, PPP: 2017 US dollars)



*ST (São Tomé and Príncipe), DRC (Democratic Republic of the Congo), CAR (Central African Republic)

Sources: International Monetary Fund, Momentum Investments

SA's success hinges on the proactive stance of our authorities 

The team at the top of the ruling party

Top 7 officials elected in the African National Congress' Elective Conference in 2022



SA has been hit by a spate of bad news



South Africa greylisted by FATF

S&P downgrades South Africa's outlook as power crisis weighs



UAE court dismisses S Africa request to extradite Gupta brothers

Cholera outbreak - a potential threat to tourism?

Cost of living crisis continues to crush South African wage earners



The rand is paying the price for SA economic, political woes

Tracking Lady R: the covert voyage that allegedly took South African arms to Russia



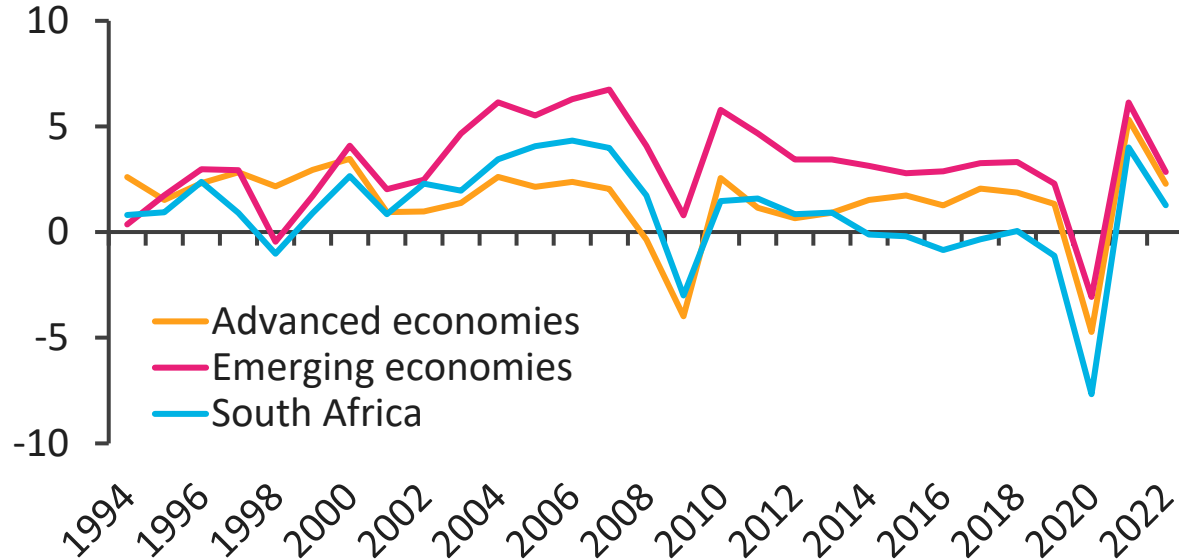
Eskom CEO André de Ruyter leaves with immediate effect

Flat growth in per capita incomes since the GFC



SA falling behind global trends

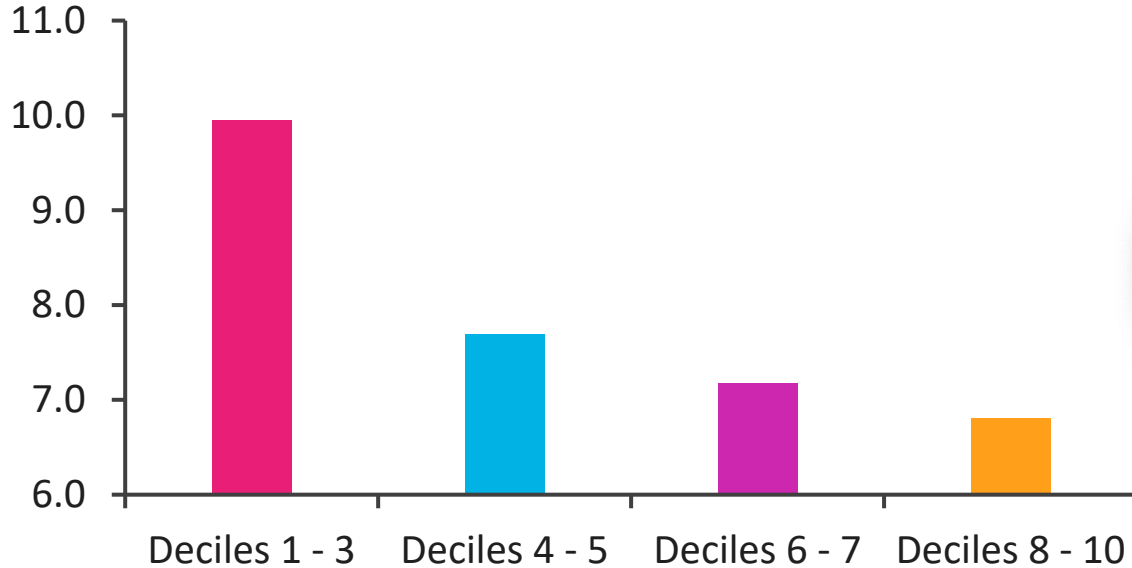
GDP per capita growth (constant prices, PPP: 2017 US dollars)



Low income disproportionately affected by high inflation

Cost-of-living crisis

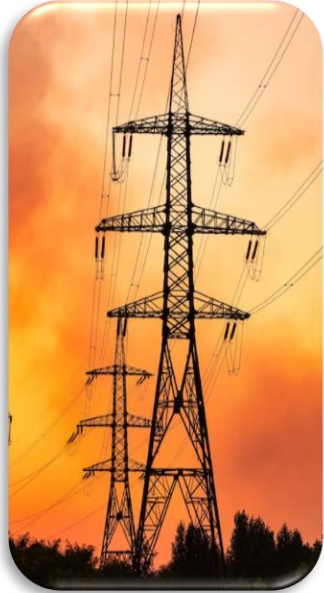
Average headline inflation over the past six months (per income decile grouping, %)



Fast-tracking the delivery of economic reforms



Electricity
sector



Transport
sector



Water
sector



Digital
spectrum



Visa
regime



Stabilising the electricity supply



Restructuring Eskom

Greater competition in electricity generation

Remove licensing requirements for generation projects of any size

Eskom debt relief

Allowing municipalities to procure power independently

Greater energy security



Enhancing efficiency and competitiveness of freight transport

Accounting separation between operations and rail infrastructure units

Functional separation between operations and rail infrastructure units

Transparent and accurate pricing of slots on freight rail network

Fair competition between private and public rail operators

Private participation at container ports

Improving export revenues



Improving the supply and quality of water



Maintenance and construction of water infrastructure

Water quality monitoring systems

Functioning waste-water treatment plants

Reduce backlog of water-use license applications

Faster processing of water-use license applications

Raw Water Pricing strategy



Reducing the cost of and improving access to data



Reduce cost of data

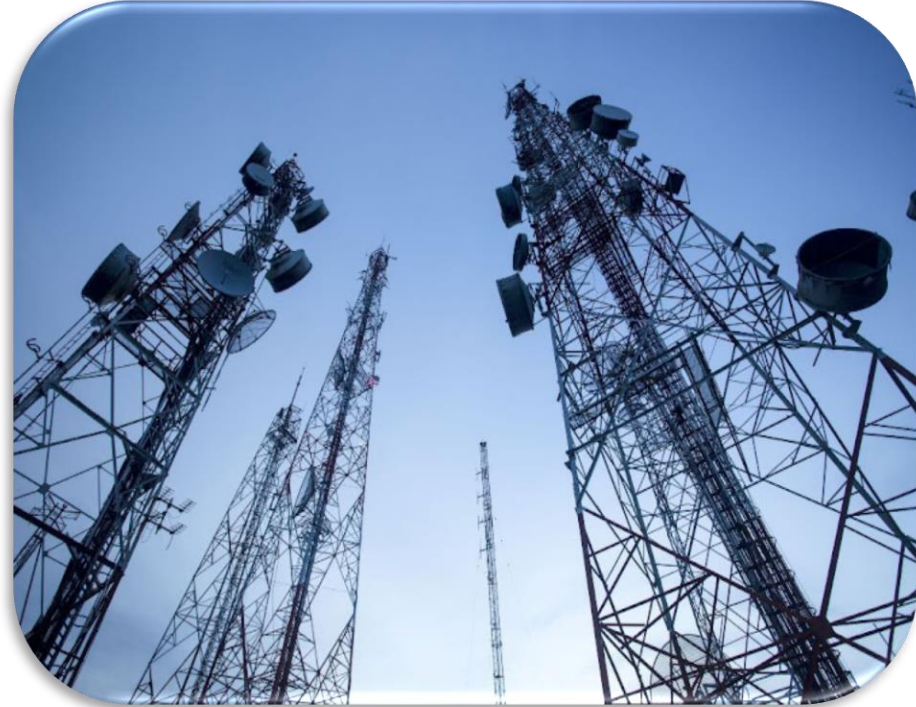
Expand internet access to outlying areas

Increase network speeds

Unlock new investment in telecommunications industry

Modernise and transform the digital economy

Bridging the digital divide



Attracting skills and encouraging tourism



Revised critical skills list

Review of regulatory framework and processes for skilled immigration

eVisa system

Exploring feasibility of visa recognition programme

Points-based system

Expanding visa waivers

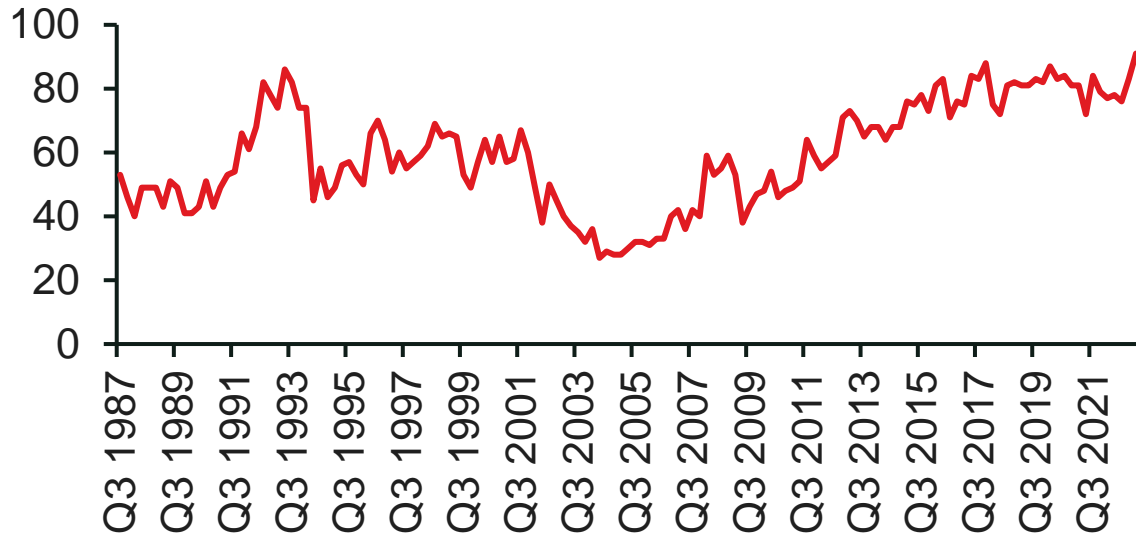


Policy uncertainty hinders investment



Policy confusion and political uncertainty have prevented business from expanding, hiring and investing

Percentage of manufacturers rating general political climate as the main hindrance to fixed investment

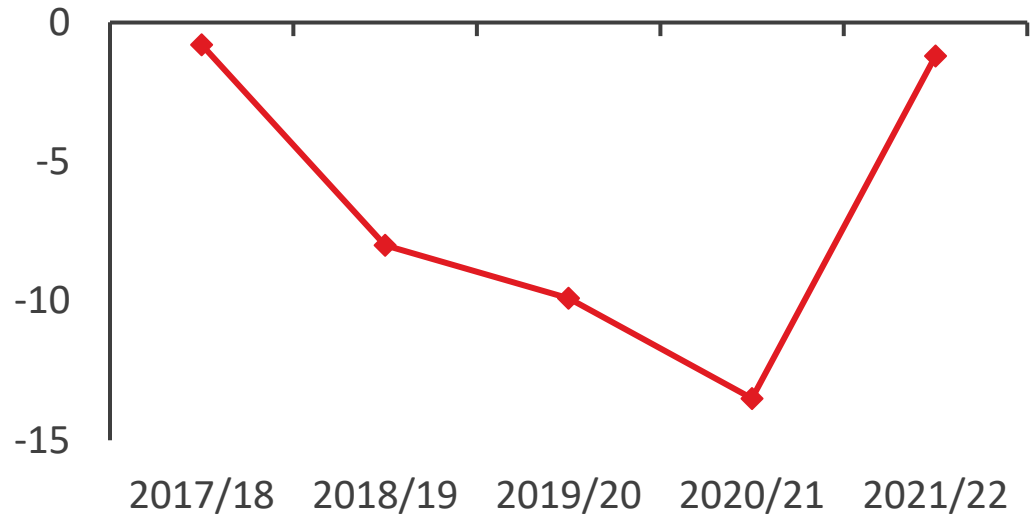


Financial and operational maladministration



Weak balance sheets of state-owned companies

Return on equity (average, %)



Private role players are plugging holes left behind by the state m

THE WALL STREET JOURNAL.

In South Africa, Insurers Fix Potholes, Sponsor Fire Brigades and Direct Traffic

Companies say unusual insurance services reduce payouts to policyholders as the government struggles to provide basic services

BUSINESS TIMES

Curro cashes in as state schools decline

news24

Water and Sanitation becomes latest govt department to ask private sector for help

KZN INDUSTRIAL & BUSINESS NEWS
YOUR LINK TO INDUSTRY TRENDS AND INSIGHTS

Private partners shortlisted for Durban and Nqura port upgrades

CREAMER MEDIA'S
ENGINEERING NEWS

Renewable Energy Grid Survey points to 66 GW development pipeline in South Africa



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