

## Mpumalanga Service Excellence Awards

The Department of Economic Development Environment and Tourism (DEDET) will be awarding the tourism industry with Mpumalanga Service Excellence Awards, for their quality service to the Industry.

The tourism industry is cited as a major economic force and creator of decent employment opportunities. However, if Mpumalanga province is to take the lead, quality, hospitality, entrepreneurship and excellence must be encouraged and rewarded. DEDET and Mpumalanga Tourism and Parks Agency aim to develop a culture of service excellence in the province.

As an extension of the commitment to service excellence, an incentive program has been created, referred to as the Tourism Service Excellence Awards, which are designed for adopting Responsible Tourism principles. A steering committee was established in June 2011 that will oversee the implementation of the awards in the province. The working committee will further establish subcommittees which will ensure daily execution of ad hoc tasks assigned to them.

The steering committee is made up by representatives from the tourism industry, DEDET and MTPA, and Anna-Marth Ott, from the Middelburg Chamber of Commerce & Industry is also a committee member. The committee has had its first meeting and the terms of reference were completed. The categories will be finalised soon and the entry forms for participants will be sent out by end of July 2011.

Members interested in more information can contact Anna-Marth Ott at 013 243 2253.

## Presidential State Owned Enterprises Review Committee

A notice from the South African Chamber of Commerce was sent out to members stating that President Jacob Zuma announced the establishment of the Presidential State Owned Enterprise Review Committee ('PRC') on the 12 May 2010 during his budget vote.

The primary mandate of the PRC is to review State Owned Enterprises ('SOEs') in all three spheres of government - national, provincial and local.

President Jacob Zuma established the PRC in response to the acknowledgement that there is a need to strengthen the role of SOEs to ensure that they respond to a clearly defined public mandate and support the developmental state aspirations of government.

The Presidential Review Committee (PRC) led by the Chairperson, Ms Riah Phiyega, has invited SACCI to make submissions which will contribute to the process of reviewing the SOEs in the country. To this end the PRC has requested a meeting with SACCI to present the review currently underway, and to discuss this call for submissions, as well as to obtain preliminary inputs and perspectives.

Members interested in more information can contact Natasja Hattingh at 013 243 2253.

## Regulatory Rules On Network Charges For Third-Party Transportation Of Energy

The Electricity Regulation Act, 2006 (Act No. 40 of 2006) requires that the transmission, distribution and trading function of electricity supply be separately licensed and that the transmission or distribution function should provide non-discriminatory network access to all users of the transmission or distribution system.

The Electricity Regulations on New Generation Capacity dated 5 August 2009 provides the framework for the procurement of new generation capacity. The pricing of connection and access to the networks are considerations that have to be resolved to give effect to power purchase contracting.

The requirement to issue Independent Power Producers (IPPs) and renewable energy generators with guidelines on the costs involved in network access and transporting electricity necessitates the provision of principles, rules and methodologies of transmission and distribution wheeling, including treatment of network congestion for implementation as prescribed by the Electricity Pricing Policy (EPP).

Use-of-system (UOS) charges are the cost-reflective unbundled tariff structures and rates that recover the costs associated with making capacity available on an electricity network. The use-of-system charges are applicable to generators (entry UOS) and loads (exit UOS) connected to both the transmission system (TUOS charges) and the distribution system (DUOS charges).

This consultation paper seeks to solicit views from stakeholders on the proposed rules. The National Energy Regulator of South Africa (NERSA or 'the Energy Regulator') will be making a decision on these rules in July 2011.

NERSA is requesting stakeholders to comment on the issues raised in this document. Members interested in a copy of this document should contact Natasja Hattingh at 013 243 2253.

## State Liability Amendment Bill

The Justice Portfolio Committee has taken the unusual step of sending the State Liability Amendment Bill [B2-2011] back to the Minister of Justice with instructions to conduct further research and consultations on the Bill.

The Committee has given the Minister 24 months to report his findings to the Committee.

The Committee's response was prompted by questions around the application of the Act that arose during its deliberations. For a copy of the Committee's report on the Bill, email bpo@busa.org.za

## Labour unrest at Kusile and Medupi Power Stations

Eskom appeared before the Portfolio Committee on Public Enterprises to explain recent labour unrest that halted construction at its Kusile and Medupi Power Station Projects.

Together with the Ingula Power Station, Kusile and Medupi are the first power stations to be built by Eskom in 20 years. Together, they represent Eskom's largest building projects to date and, at a cost of US\$23 billion, rank among the world's largest construction projects.

### Kusile

Strike action interrupted construction at Kusile from 18-19 April and 4-6 May. On 6 May, work stalled completely when protest action escalated into looting, arson and the physical destruction of property and vehicles. The strikes were motivated by workers' unhappiness at expatriate labour being used at the plant for specialised welding, and demanded training in the relevant skills for local workers. Eskom reported to the Portfolio Committee that the site is currently open and operational.

All contractors are now back on the site, aside from those who were involved in the unrest and who are now in the process of bringing their employees back to the site. Criminal charges have been laid against those responsible for damage to property.

### Medupi

Activity at the Medupi Power Station was halted and employees were evacuated from the site following violent protest by workers on 10 May. Like the Kusile unrest, the strikes were incited by dissatisfaction around the use of Thai welders, riggers and pipe fitters.

Eskom reported that as of 27 May, the site has been progressively operational, with 8000 of 11 000 workers reporting for duty. A police presence is being maintained on site until the situation is rendered safe.

### Status of Delivery

According to Eskom, delivery of the two projects was not under threat as a result of the strike. Eskom is working towards recovering lost time so that it meets its commitment of delivering the project by 2012. Continuous engagements are being held with all stakeholders to prevent future incidents.

## Business Confidence Challenged by Economic Reality

The BCI dipped to 85.8 in May 2011 – i.e. 1.1 points down on April 2011.

The SACCI Business Confidence Index (BCI) registered its lowest level since July 2010 and the lowest level so far in 2011, but managed to remain 3.8 points above May 2010. The previously-anticipated upward momentum has failed to gain a foothold and now the BCI faces the prospect of a downward trend.

The largest negative impact on the BCI was from export volumes, followed by import volumes, new vehicle sales and retail sales. The rand exchange value, share prices and inflation in the financial component of the BCI also made a negative contribution to business confidence.

On a year-on-year basis, five of the real activity sub-indices were lower in May 2011 than in May 2010 while share prices and real financing costs had a further negative impact.

Manufacturing activity made a positive contribution to the business confidence index on an annualised and monthly basis. Two significant events took place in May 2011 – the approval of the Walmart transaction and the outcome of the local government elections. Both these will have significant consequences for the perceived ease-of-doing business and business confidence levels in South Africa.

SACCI was concerned about the undertone at the Competition Tribunal hearings in the Walmart transaction and its effect on business and investor confidence. Given our need for foreign direct investment, SACCI welcomes the acceptance of the transaction subject to preconditions.

SACCI fully supports the proposition that service delivery featured prominently in the local government elections. SACCI will closely monitor progress as service delivery to business is an important contributor to business confidence.

## WHAT THE CHAMBER DID

- Anna-Marth Ott (CEO), Johan van Rensburg (Columbus) had a meeting with potential sponsors for refurbishing the steam locomotive.

- Middelburg West Mining Forum meeting – Anna-Marth Ott and various members attended, (CEO) attended.

- Mpumalanga Parks and Tourism Agency and representatives from the Regional Tourism Organisation met to discuss joint tourism projects for the District.

- Anna-Marth Ott (CEO), Hendry Swanepoel and Barrie Viviers represented Middelburg.

- Tourism Service Excellence Awards at Ehlanzeni District Municipality – Anna-Marth Ott (CEO) attended.

- Business Buzz sponsored by Kanhym Deli – various members attended.

- Rural Tourism Workshop in Nelspruit – Anna-Marth Ott (CEO) attended.

- Local Economic Development PPP Roundtable – Anna-Marth Ott (CEO) and Valerie Pienaar (Business Linkage Officer) attended.

- Community Police Forum meeting, Alta Baartman attended the monthly meeting.

- Greatest Train Race organizing committee meeting several members attended the meeting.

- Anglo Trade Fair Valerie Pienaar and several Business Linkage members attended.

- Community Development Forum – Valerie Pienaar and several members attended.

- Educational Tour was held to expose tour operators and media representatives to our local tourist attractions.

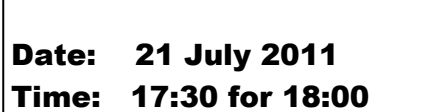
## THE END

**JUNE 2011**

### Newsletter Spotlight

- Mpumalanga Service Excellence Awards
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### JULY BUZZ:



**Date: 21 July 2011**  
**Time: 17:30 for 18:00**  
**Venue: Busmid Auditorium**

**RSVP Natasja on 013 243 2253**  
**secretary@middelburginfo.com**

### Women's Day Celebrations 2011

#### Royalty: Rubies & Diamonds

Date: 5 August 2011

Venue: Riverside Estate

Time: 08:00 for 08:30

Cost: R200p/person

*Dr Kobus Neethling, Bianca La Grange, Steve D, Lucky Draws, Champagne, Pamper Parcels, Cullinan Diamonds and many more surprises.*

Contact Middelburg Chamber of Commerce & Industry

013 243 2255

marketing@middelburginfo.com



### Happy Birthday!!

Congratulations to our Executive Committee members who celebrated their birthdays in March!!!

Albert Myburgh  
20 June

## Information Centre

### Accommodation reservations



All the SAN Parks & other

Accommodation in SA

013 243 2253  
078 801 9719