

behind the words



Nellie Moodley

Stirred NOT **Sh**aken

Going into this year we carry with us the uncertainty, upheaval and market volatility of 2011, which indicates the way in which the world will do business in the year ahead. So we tread into 2012 carefully and cautiously.

Some of the more interesting events that occurred in 2011 will continue to have an impact in the years to come, include the world population reaching seven billion, Africa becoming one of the fastest-growing economies, and the resolutions of Conference of the Parties (COP 17) held here in Durban.

COP 17 marked the final instalment in what can best be described as a chaotic year, marred by an economic double-dip and the eurozone nations being at the mercy of a crippling financial crisis.

Resolutions achieved at the 2011 COP 17 include bringing all emitters under one legal framework, working towards keeping the global average temperature rise below the critical two degrees Celsius mark, and establishing the \$100bn a year Green Climate Fund, which will become fully operational this year.

While the US, China and India are the world's biggest CO₂ emitters, South Africa is the highest CO₂ emitter in Africa. During COP 17 President Zuma pledged that South Africa will work towards reducing its CO₂ footprint by around 40% by 2025 – a tough challenge, particularly as more than 90% of South Africa's current energy is sourced from coal.

As a country that is blessed with massive coal deposits, coal will continue to be the mainstay of base-load energy, with a focus going forward on establishing more nuclear power sources for base-load power. However, there is focus on

investing in and developing technologies to extract and process coal in a cleaner manner and on developing wind, biomass, solar and biogas sources. At COP 17 Anglo American unveiled its platinum-based fuel cell generator technology aimed at clean energy production.

This issue also brings to light the much debated topic of nationalisation – which ANCYL fire-brand Julius Malema brought into focus and which has become a 'thorn in the side of the mining industry'. A telling sign of how both nationalisation and Malema are viewed is the JSE gaining a percentage on the back of Malema being suspended from the ANC.

In the cover story Lex Africa's Zimbabwean partner Scanlen & Holderness, and law firms Werksmans, Norton Rose and Bell Dewar have covered the issue of nationalisation.

With the spotlight on Mozambique – SA Mining decided to take a closer look at the infrastructure challenge facing the country and the mining industry in particular and to determine what is being done about it – engineering firm Gibb is busy on a number of infrastructure development programmes, such as terminal, port and rail establishments.

Locally too, Transnet seems to be getting its house in order – it recently outlined a scheduled rail system aimed at delivering a predictable and reliable rail service.

For both our interests SA Mining has included a commodities forecast – what to expect in 2012 – the good, the bad and the ugly. Hopefully, it will help us to hedge our bets and get us out of the double-dip sooner rather than later. So here's to taking on 2012 'stirred' and not 'shaken'. ○