

JSE MICROSCOPE

ETIENNE SWANEPOEL

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Cfmes

State energy policy provides vital boost for reconstruction

The department of minerals and energy released the White Paper on the Energy Policy of the Republic of South Africa in the Government Gazette No 19606 of December 17 1998.

The government's last white paper on energy policy was published in 1986. Fundamental changes have taken place since then, making energy policy an important instrument to assist the government in achieving its reconstruction objectives.

The white paper recognises that it is not easy to provide a succinct overview of the energy sector, as it combines more than six different fuel types, multiple supply institutions and various categories of users.

The energy sector contributes around 15 percent of South Africa's gross domestic product and employs about 250 000 people. Taxes on oil industry products supply about 10 percent of fiscal revenue. Coal exports and savings on crude oil imports due to local synthetic fuel production by Sasol and Mosgas, contribute significantly to the balance of payments.

The size of the sector brings with it important opportunities for stimulating economic growth, redistribution and human development. Considerable potential

exists for the energy sector to help achieve a successful, sustainable national growth and development strategy.

Restructuring this sector and evaluating the best possible use of available resources is difficult because of the culture of secrecy which became a part of the energy sector during the apartheid era.

The provisions of the Petroleum Products Act of 1977 were largely responsible, prohibiting the publication, releasing, announcement, disclosure or conveyance to any person of information or the making of comment regarding the source, manufacture, transportation, destination, storage, consumption, quantity or stock level of any petroleum product acquired or manufactured or being acquired or manufactured in the republic.

The energy sector consequently became mired in secrecy with minimum transparency.

The state's former role in oil supply procurement developed an imbalance in the power relations between central government officials and industry managers. A lack of stakeholder involvement in major policy decisions further aggravated this.

To right this imbalance, a key objective of the government is to

improve the governance of the energy sector. Stakeholders will be consulted in the formulation and implementation of new energy policies to ensure sympathetic policies catering to a wide range of stakeholder interests.

Past land policies resulted in the poor being located far from their places of work. Inefficient use of transport energy exacerbated this burden of the poor.

Contrary to the past, the government will focus on the energy efficiency implications of alternative transport modes and subsidy policies.

The white paper discusses all aspects of future energy policy in a practical way which is commendable. As a result of the renewed focus of the government on the energy sector and the constructive way in which this is being done, it is likely to affect all parts of the sector positively.

In time it will be interesting to note the re-rating by the market of energy sector counters.

Etienne Swanepoel is a director of Edward Nathan & Friedland Inc. and editor of Butterworth's Financial Markets Legislation Service. The opinions expressed herein are not necessarily those of the firm, and do not constitute advice. Readers should direct any queries to their legal advisers

Solar power to the people gives joy

Cfmes 25/12/99

ERIC NTABAZALILA

LET there be light, he said — and there was light. And there will be freedom, jobs, access to information, better health care and better education, he added.

This is how the Bipha community in the Eastern Cape is expected to gain from a rural solar electrification project that was launched by President Nelson Mandela yesterday.

The R150-million project, said to be the world's first commercial solar electrification system, is funded by

Royal Dutch Shell and Eskom. It will provide power to the community — eventually for 50 000 homes — at the end of March.

Speaking at the launch, Mandela said he was filled with joy that he was part of the historic moment of bringing light to the community.

"The development of our people, especially the poor, has always been close to my heart. Just recently the people of the Eastern Cape have been hit by forces of nature but now the same forces of nature have brought joy to our people.

"It makes me happy to know that this project will create jobs, better access to information and better health care and education," he said.

Shell South Africa general manager for corporate affairs Koosum Kalyan said: "My company is honoured to be part of bringing life to the people of Bipha.

"Today is the day to bring light to darkness. Electricity is equivalent to liberty as it will bring the much-needed jobs and other opportunities to this community."

Mandela praised Shell and

Eskom, who have entered into partnerships with rural communities to provide cheaper and safer electricity. He said 1 300 rural schools and 400 rural health clinics had been electrified so far using solar electric systems. However, another 15 000 schools and 1 600 clinics still needed solar electricity.

He said because electricity from the solar electric system would not be enough for all the needs of rural families, service providers would be expected to provide access to fuels such as paraffin, gas and wood.

30 tons taken annually from premier mines but new fingerprinting system may thwart criminals

Thieves and syndicates help themselves to SA gold

DARREN SCHÜTTLER

the mineral-rich Free State province on February 13.

Johannesburg — A botched gold theft at one of South Africa's premier mines has highlighted a persistent problem in an industry that loses about 30 tons of gold annually, as estimated by the Chamber of Mines, to thieves and syndicates.

The latest incident to make headlines was the theft of a gold bar from a Harmony Gold plant in

Bob Atkinson, Harmony's technical director.

Atkinson said the missing gold was quickly detected by the company's accounting procedures. He added that it was a persistent problem for the industry and that more resources should be devoted to combating theft.

Last year, Johannesburg-based Aygold said it suspected gold was stolen from its ETC operation, but to date the cul-

prits have not been caught.

Stolen gold has become a critical issue as South Africa's annual output continues to slide in the wake of industry-wide restructuring and slumping gold prices.

Gold thieves range from a miner who hides gold dust in his trouser turn-ups to syndicates armed with forged documents and offshore bank accounts.

The Chamber of Mines, which represents the country's

primary gold producers, has said gold theft could be a determining factor in whether a mine was profitable or marginal in certain circumstances.

The chamber and South African police are negotiating a gold fingerprinting agreement as part of a concerted effort to combat theft at the country's mines.

The agreement would allow a system to be put in place whereby stolen gold could be traced back

to the mine, allowing the company to take corrective action.

The police diamond and gold unit would receive funds from the chamber to help defray the costs of theft prevention and recovery programmes.

Figures for 1998 are not available, but the unit made over 3 000 arrests in connection with precious metal thefts in 1997 with a recovery rate of between 5 and 9 percent. — Reuters

Army adds weight to farm crime plan

Pretoria — The army recruited 2500 reservists in the past three months to beef up rural safety, President Mandela said yesterday.

Launching an SA Agricultural Union project to combat attacks on farmers, Mr Mandela said intelligence on crime had improved and had helped to curb attacks on rural communities.

The SAAU project, *Agri Securitas*, is aimed at generating money to protect farming communities. It will help to finance policing, to safeguard farmsteads and to install a satellite communication system for farms.

Mr Mandela said the project was a practical response to calls to provide resources to supplement government efforts to improve rural safety.

He urged local and foreign businesses to support the project.

SAAU president Chris du Toit said: "The apparent inability of the system to turn the situation around within a short space of time was a cause of irritation. People who preach peace so fervently are mostly doing so from a comfortable place, often after a good meal. It's quite another thing when you face armed men in the night in a lonely place." — Sapa

Spy-police rivalry exposed

Jonny Steinberg BDA 25/12/99
and Stephen Lauffer

POLICE exposed a National Intelligence Agency (NIA) mole deep inside the command structures of People Against Gangsterism and Drugs (PAGAD) in a bid to discredit the agency's anti-terrorism effort in the Western Cape, sources indicate.

The naming of the informant, Ayob Mungalee, in open court has again cast a spotlight on the intense rivalry between SA's domestic intelligence agencies. Sources say that the intelligence gathering often spend as much time watching each other as they do looking for criminals and terrorists.

The exposure of Mungalee led to a series of crisis meetings between Deputy Minister for Intelligence Joe Nhlanhla, senior NIA commanders and members of the parliamentary oversight committee on intelligence yesterday.

Nhlanhla appeared to acknowledge tension between the police and NIA in a statement yesterday.

He said they had been liaising closely throughout the investigation of the West-

room for improvement."

Police sources said they had named Mungalee because he was involved in serious crimes and the NIA had refused to discuss how to regain control of him.

However, international intelligence sources said that even under such circumstances, the last thing any security agency would do would be to expose the identity of an undercover source.

Asked why he had not dealt with the matter internally, police investigating officer Supt Henry Beukes said: "I am duty-bound to give evidence I find to the court." A senior source said Beukes had been under pressure to name Mungalee in open court. Asked where the pressure had come from, the source said: "Let's leave it at that."

Mungalee, who was arrested with four other PAGAD members in the Karoo three weeks ago, testified at his bail application hearing on Tuesday that he was an NIA agent. Earlier, Beukes submitted a statement naming Mungalee's cover.

Beukes said in his statement that Mungalee had admitted under debriefing that he was an NIA agent, and had claimed to have been given explosives by his NIA

events surrounding the arrest and the arraignment of Mungalee and four other PAGAD members accused the NIA mole's handlers of "gross incompetence — they should never have let him get out of hand with explosives".

Nhlanhla denied yesterday that the NIA had been involved in the instigation or commissioning of acts of terror and violence. "To the contrary, the NIA is tasked to protect the constitutional order against any such acts and remains committed to ensuring that this task receives the highest priority."

He said the use of informants was standard practice in intelligence gathering. They were subject to the same laws that governed civil society. "There can therefore be no indemnity from prosecution for informants, agents or members of the NIA when they commit illegal acts."

Another source said police had informed the NIA of their belief that their informant was involved in criminal activity within PAGAD. However, the intelligence service had refused to discuss the matter and had even denied Mungalee was working for it.

An intelligence source said it was stan-

3 Day 23/2/99

Draft policy on AIDS in schools falls far from the mark

A failing sex education system is not being remedied and providing sexual health care at schools is not even proposed, writes David Hirsch

THE HIV/AIDS threat to society and the economy demands changes in many sectors — not least secondary schools, where a cultural change is needed so that the behaviour of the next generation will create substantial immunity to HIV infection.

This is far from the case at present, where the level of sexual activity is high at many secondary schools. Although most pupils are not promiscuous, there is a small number of girls who have sexual relations with older men. This is the conduit for all sexually transmitted diseases (STDs) into the school population, the presence of which accelerates the transmission of HIV. Teenage pregnancy is a major problem in its own right.

The deadline of the request period for comments on the draft national education policy on HIV/AIDS in schools and tertiary education institutions has now passed. It seems appropriate to look at its strengths and weaknesses.

The policy does not make practical proposals on the most important issues — the school day, sex education and sexual health care at secondary schools.

First, the policy does not declare that the high level of teenage sexual activity is an overwhelming HIV risk to teenagers. Not coincidentally, many secondary schools close at 1.30pm. Schools should remain open until the late afternoon and include a broad range of activities that ideally also involve a diversity of people from the community. Educators should put in a full eight hours of work every day in these schools and school holidays should be reduced.

These changes are likely to reduce the level of sexual activity and the associated risk of HIV, other sexually transmitted diseases and teenage pregnancy.

Second, the policy does not recognise that the guidance counsellor, normally a teacher with a conventional teaching load of exam subjects, is often not a good choice for sex educator. She or he usually has the dignity and reticence of a teacher, is usually middle class, older and lives in another area.

Sex education should not be regarded as a conventional pedagogical topic. It should involve the pupils committing themselves to open and honest debate so that they comprehend and apply the knowledge to their

choices. This is an ideal opportunity for them to realise themselves as responsible and self-reliant individuals who have obligations to themselves, their fellows, their families, their school and their community.

A young person from the community, employed full-time at schools (but not permanently), deployed by a nongovernmental organisation or community-based organisation and guided by teachers, is the most effective and preferable sex educator.

Third, the policy does not envision a yardstick to measure the effectiveness of sex education at each school. If there is no measurement, there is no means to identify and replicate excellence and direct attention to poor performance. There is such a yardstick available — teenage pregnancy. More than half the girls in SA have a baby in their teenage years. The prospects for the mother and the baby are poor.

If the incidence of teenage pregnancy was largely reduced, nearly half the fertility reduction necessary for long-term population stabilisation would be achieved. All secondary schools should be required monthly to report teenage pregnancies to the provin-

cial education department, which should use the information as a management tool for HIV/AIDS and pregnancy prevention.

Fourth, the policy does not embody a realisation that secondary schools where high levels of sexual activity are prevalent represent large gatherings of young people who need active, albeit largely routine, support of their sexual health. Most of it can be done at the school, just as sex education is best delivered at school. Otherwise, the reservoir of STDs will tend to increase and multiply the rate of HIV transmission.

Tracing of STD contacts will be more difficult. There will be more abortions, unwanted children and schoolgirl mothers. Community health workers, led by a nurse, can do routine consultation and contraception for large numbers of pupils during regular school visits. Arising from this will be small numbers of pupils referred to clinics for STDs, pregnancy and contraception.

Thus the clinics will deal only with pupils who require their resources. The community health workers will do more mundane tasks.

Last, the policy does not acknowledge the pivotal role that lay people can play. At pre-

sent, nongovernmental organisations all too often have a core of officials surrounded by "volunteers" who are given partial responsibility, part-time work and derisory payment. They depend on their families who themselves live in poverty. Eventually, many give up in despair.

The nurse, teacher and social worker have failed because HIV/AIDS requires a cultural response — not trained expertise. It would be a great pity if the pandemic resulted in more certified and licensed officials.

What is needed is a steady spread of work, knowledge, skills and solidarity among many ordinary people paid living wages under the aegis of nongovernmental and community-based organisations. It is an ideal focus for funding arising from the job summit. Co-ordination could be provided by small secretariats, and resources by organisations such as education and health systems, tertiary education institutions, research institutes, mining houses and commercial firms.

□ David Hirsch is the executive director of the Sapler Population Trust, supporting sex education and school health visits in Odi district.

3 Day 25/2/99

'Struggle participation not for financial reward'

Farouk Chothia

CAPE TOWN — Justice Minister Dullah Omar hinted yesterday that government was reluctant to make hefty reparations payments to individual victims of human rights violations, saying that people did not engage in the liberation struggle for financial reward.

He was speaking at an African National Congress (ANC) media briefing before a debate in Parliament today on the controversial truth commission report handed to President Nelson Mandela last year.

Omar said an interministerial committee would look into the question of reparations. Payment to individual victims had a "place", but reparations could also take the form of building homes or providing health care for communities which suffered under apartheid.

The liberation struggle was "noble". Individuals had not engaged in it for financial benefit.

Government would launch a fund-raising campaign to ensure the success of the reparation process. It did not want the issue "locked up" in some government department.

The ANC instituted legal action last year to block the release of the report, claiming that the commission had sought to "criminalise" the liberation struggle.

Omar said the ANC stood by its reservations, but the party acknowledged that there were "many good things" in the report.

ANC chief whip Tony Yengeni said the ANC hoped opposition parties would not let the parliamentary debate degenerate into a point-scoring game. The focus should be on the plight of victims of apartheid repression and how they could be assisted.

Omar said it was still unclear how difficulties related to the amnesty process would be cleared. In the case of KwaZulu-Natal, a "technical and legalistic" approach could not be taken.

There was now relative peace in the province. Steps had to be taken to ensure that it did not plunge back into violence. A procedure had to be worked out so that the warring parties could come to terms with the past.

The Inkatha Freedom Party has proposed a general amnesty, while the ANC has suggested that confessions be made at in camera hearings.

3 Day 22/2/99

Legislation to combat money laundering

The SA Law Commission has been asked to compile a money-laundering bill. It is already in draft form and has been referred to the finance department. The process of legislating the bill is expected to be completed by late 1999. The bill introduces some interesting international concepts, Krepelka says.

"The bill in its draft stage is very comprehensive and was presumably based on international experience. The commission recommends the implementation of an administrative framework to facilitate the prevention, detection, investigation and prosecution of money-laundering."

The framework should have a wide scope of application beyond the banking sector and includes attorneys, accountants, insurers, investment intermediaries, gambling institutions and betting services.

Institutions will be required to identify their clients when business relationships are established or single transactions concluded. They will also have to ascertain the identity of persons with whom transactions are concluded.

Institutions will have to keep records of the identity of their clients and information relating to transactions performed by their clients. The commission recommends that information on transactions exceeding a prescribed thresh-

old must be reported, as well as information in respect of suspicious transactions.

Other recommendations are that adequate protection is given to persons making reports in terms of the reporting structure. This includes protection against liability for breach of confidential relationships and protection of their identity.

A statutory body called the Financial Intelligence Centre should be established, says the commission, to analyse, investigate and disseminate the reported information. It will also supervise the enforcement of the administrative scheme by means of appropriate administrative sanctions.

"For this purpose the commission recommends the institution of a statutory body called the Money Laundering Policy Board to represent all the relevant institutions and bodies," says Krepelka.

The due diligence process employed by international financial service providers, and hinted at in the SA money-laundering bill, can appear to be an invasion of privacy or, in the extreme, an interrogation about backgrounds and financial positions, says Krepelka.

"The reality is, whether the bill is passed or not, for SA institutions to transact internationally, implementation of international due diligence standards will be essential."

3 Day 25/2/99

Slow progress in the fight against deadly TB

By Mokgadi Pela

SOCIAL, political and economic transition is to blame for South Africa's slow progress in the fight against tuberculosis (TB), according to an article in the latest issue of the *South African Medical Journal* (SAMJ).

"Health care administrators, faced with the challenge of implementing a comprehensive district health system, are often unable to focus on the specialised problems of TB control. A lack of political commitment and economic constraints have resulted in delayed appointments of provincial TB coordinators," SAMJ says.

"The development of effective, therapy programmes in high TB areas is labour intensive and require sustained resources. The national budget is calculated at R500 million a year but

little detail is available about how that money is invested in limiting TB," SAMJ says.

Also problematic is the fact that health services are burdened by staff with poor morale. Health providers' levels of motivation seem to be undermined by a lack of support for staff activities and inadequate technical supervision to coach health providers and promote professional capacity.

According to the South African National Tuberculosis Association (SANTA), signs and symptoms of TB are persistent cough, tiredness or weakness of whole body, loss of weight, loss of appetite, night sweats (even if it is cold), chest pains, coughing up blood and breathlessness.

SANTA advises anyone experiencing any of these symptoms to visit the nearest clinic or hospital.

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Amnesty plan sought for KwaZulu Natal

The form a special amnesty for KwaZulu Natal should take is still under discussion, but debate today on the Truth and Reconciliation Commission will give some pointers.

Justice Minister Dullah Omar said he did not want to pre-empt what African National Congress Vice President Thabo Mbeki would say during the joint debate by the National Assembly and the National Council of Provinces on the TRC today.

Mr Omar said the TRC process had by-passed the province of KwaZulu Natal for lack of support, and there needed to be a response to the wounds caused by the human rights violations that took place there.

Mr Omar said there should be some process to allow the warring parties to come to terms with the past. — Parliamentary Bureau.

Murky tender process astounds bidders

The home affairs department's new fingerprint identity system brings many benefits, despite the criticism of the tender process, writes information technology editor **Lesley Stones**

BDA 22/2/99

TWO years of backstabbing, legal wrangling and allegations of incompetence drew to a conclusion last week with the award of a tender to supply the home affairs department's new national identification system.

Accusations of dubious behaviour were without doubt justifiable, as the department reneged on its promises of full transparency to become truculent master of the misleading statement as the process grew decidedly murky.

Even last week, when asked to highlight how the system would benefit the public, home affairs refused to reply. Spokesman Manasi Makwela said no comments would be made while negotiations were taking place with the winning consortium.

Such a fiasco hardly befits the noble aims of the tender, which will bring technology into the lives of even the most rural communities.

The tender for Hanis — the Home Affairs National Identification System — was issued in December 1996. Bidders were asked to design and install a system to replace SA's identity documents with a fraud-beating

fingerprint-based system.

Citizens will apply for the card by filling in a form, having their photograph taken and giving a sample of their fingerprints.

Personal data will be stored on a national database, along with a record of their prints. Then identity cards will be issued containing the data and a bar-coded fingerprint.

Government offices will be equipped with scanners to read the cards and with computers linked to the central database.

When people apply for services, they will place their fingers on scanners while the cards are swiped. Within seconds, complex fingerprint-recognition software will confirm whether they are who they claim to be.

Automated fingerprint identification systems are used around the world, with the Federal Bureau of Investigations (FBI), New York City Police and the Filipino voting systems as prime examples.

The FBI system operates a database of 13-million people and handles 47 000 searches a day.

Hanis will be one of the largest

systems, storing records for every citizen and processing 30 000 queries a day. This is why world leaders in fingerprint systems technology were so upset when their technologies were rejected without being tested.

Hanis became better known for controversy than for the benefits it will bring. Allegations began when unsuccessful bidders asked why they were rejected. When home affairs finally put its reasons in writing, the bidders were astounded.

US-based systems integrators TRW claimed that not one reason given for its dismissal was valid. For example, the evaluation committee was unhappy that TRW would assemble equipment in Orlando and ship it to SA. Yet TRW did not propose to do that. Another US bidder, Lockheed Martin, said 60% of the reasons given for its disqualification were inaccurate or irrelevant. Both took their gripes to the US embassy.

Motswedi Technology, a black-owned local company, also protested. Chairman Joe Tsotetsi said: "People have spent a lot of money preparing for this tender. They are not los-

A proposal of the new ID card

Republic of South Africa
The Rainbow Nation

Surname: Molepo

Forenames: Mpho



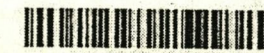
Gender: Male

Date of Birth: 1959-08-10

Date issued: 2000-12-1

Citizenship: South Africa

ID No. 590830 5173 00 0



KUBEN DAVID Source: MARPLESS

Plessey and Japanese trading house Marubeni as managers; Unisys as systems integrator; Japan's NEC supplying fingerprint technology; and Polaroid producing ID cards.

Soon home affairs and MarPless will fine-tune the project and set out what must be achieved to go live within five years.

Potential uses for the system are enormous. A short-term aim is to slash fraudulent social security claims by ensuring people can no longer use multiple aliases. Nor will they be able to claim in the name of a person who has died.

Illegal immigrants will also be easy to detect, and the cards will be needed to apply for passports and voter registration.

Depending on government's intentions, Hanis may also be used for civilian applications. Shops, for example, could check the cards against the prints of a customer applying for credit.

The SA Police Service (SAPS) is likely to be next to implement an a fingerprint identification system system, creating a database of fingerprints of criminals to check against those found at crime scenes. The SAPS published a request for proposals months ago.

To avoid infringing civil liberties by checking civilian prints in criminal investigations, the SAPS will not access the Hanis database. Nevertheless, it will demand almost identical technology and attract identical players, with Unisys, Lockheed Martin and TRW as known contenders.

One difference is essential — next time the tender process must be an honest and open fight.

ing because they deserve to lose; they are losing because of government incompetence. For SA to become successful we need to attract foreign investors and they will only come if they know the procurement system is fair."

The state tender board investigated and found no irregularities. But before the complaints could be quashed as sour grapes, the home affairs portfolio committee weighed in with accusations of its own.

The committee argued that the technology would need to serve for 20 years or more and a flawed process could see at least R800m wasted on a system incapable of handling the vast volume of data. Its report also criticised the evaluation committee for a "complete lack of transparency" and lack of co-operation in supplying information.

That damning report, plus a protest from two ambassadors to Home Affairs Minister Mangosutho Buthelezi, forced the creation of an interministerial committee to investigate. This group concluded that everything was above board, but the whiff of incompetence lingered, prompting the auditor general and the public protector to investigate. Again, home affairs was cleared.

Eventually smarting companies backed off. Lockheed Martin's communications director Carlton Caldwell explained: "We are determined to be in SA in the long term, and we figure there is nothing to be gained from pursuing this issue."

In other words, companies could be frozen out of future tenders if they show a penchant for legal action.

The tender went to the MarPless consortium, with technology firm

Govt to unveil new policy on migrants

By Claire Keeton

THE Government's proposals on immigration and citizenship are expected to be presented to the Cabinet this week in a White Paper on international migration.

The existing legislation proposed a fundamental transformation of the old laws around migration in the Green Paper on migration presented to Cabinet in May of 1997.

"The existing legislation was aimed at keeping people out, with exceptions for the people allowed in. But the Green Paper turned that around by drafting an immigration policy which would facilitate the movement of people," the project manager of the Southern African Migration Project, Mr Vincent Williams said yesterday. He said now the focus was on managing the flow of people across the border.

"The Green Paper proposed a management-oriented rather than a control-oriented process," Williams said. It focused on migration policy as a tool of development

and was rights-oriented. "It made provision for a managed migrant labour system negotiated with neighbouring states, employers and employee organisations."

"It recognised migration as a regional issue and it takes into account the context of countries around us that are poorer than we are," said Williams. Home Affairs Minister Chief Mangosuthu Buthelezi and his department never had an official response to the Green Paper, but they organised public hearings around the key proposals last year — in preparation for developing the White Paper.

Williams said: "No one has any idea what is in there, other than the task team responsible for drafting it."

Task team member Professor Wilmut James said the contents would be made public when the White Paper was passed on to Parliament.

Chairman of the Home Affairs portfolio committee Mr Des Lockey said yesterday that he had not seen the White Paper and would be interested to see how it compared to the Green Paper.