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Isaba News

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Message from the Chairman by Andy O'Callaghan

Having appointed a new ISABA council for the year 2006 – 2007, I am delighted to be taking up the position of Chairman of the association at this very exciting time.

The investment climate in South Africa has never been stronger. Transactions, such as Barclays' R30 billion acquisition of ABSA Bank and Vodafone's R16 billion expansion, play testament to this attractive investment environment. With the approach of the FIFA World Cup in 2010 this trend is likely to continue. I believe the challenge for ISABA is to communicate and highlight investment opportunities and news to its members and thus

ensure maximum awareness within the association of key business and investment activity in South Africa.

Networking has also been cited by our members as a key benefit. We intend to host a number of high-profile networking events in conjunction with some of our members throughout the year. These events will allow regular interaction between members to meet new people with similar business interests in South Africa, to exchange ideas and to discuss opportunities for potential business in South Africa.

Finally, council and I are wholly committed to increasing the

membership of our association. This will serve to benefit all involved with ISABA through increasing the profile of South Africa among the Irish business community as well as bringing fresh ideas and exposure to new opportunities for networking appear on and on-going basis.

I look forward to working with you all during my term as Chairman of ISABA and to sharing with you the exciting time that will, no doubt, see business links between Ireland and South Africa only further develop and strengthen.

New Council Members Appointed

The Ireland South Africa Business Association is pleased to have appointed a new council under the chairmanship of newly elected President, Andrew O'Callaghan, Partner, PricewaterhouseCoopers.

Former council members continuing to serve are outgoing President, Mr Frank Guilfoyle, Mr Jerry Kelly, (CEO, Strategic Options), Mr Jim Toomey (Enterprise Ireland),

Mr Christian Dijkstra (Gardiner Group), Mr Adrian Birrell (Ireland Cricket Coach) and Mr

Tony Angelosante (The Wine Seller).

Newly elected members to council include Mr Vincent Hibbert (ACC Bank), Mr Cormac Megannety (CEO, Eurocape Investments) Mr Owen Brooks (An Bord Bia) and Mr Peter O'Dwyer (Hainault Partners).

A number of co-opted council members have also been appointed and include Miss Elizabeth O'Herlihy (PwC African Investment Centre) and Miss Emma-Jane Dockery (Marketing Officer, Department

of Trade & Industry of South Africa). Yolande Bell remains Secretary for the Association.

The ISABA council is committed to serving the members through regular communication of news and events pertaining to South Africa and several high profile networking opportunities throughout the coming year. We look forward to an exciting year ahead!

International Media Forum in SA

Senior editors will be congregating in South Africa for the first time ever to talk about an effective media strategy for the country. Representatives from the BBC, CNBC Europe, CNN International, al-Jazeera International, The Wall Street Journal, Time Magazine and other important media players will be in Johannesburg on September 20th and 21st.

The two-day conference, labelled The International Media Forum, will focus on leading business decision-makers, government officials and communications professionals and hopes to create a roadmap for future successful media relations.

NEPAD Foundation Appoints CEO

The NEPAD (New Partnership for Africa's Development) Business Foundation has appointed Lynette Chen as its CEO, on secondment from Hewlett-Packard.

The NEPAD Business Foundation strives to deliver on the NEPAD ideals of alleviating poverty, halting marginalisation of Africa in the globalisation process and to fully integrate Africa into the

global economy. According to the company's mission statement this will be achieved through the delivery of sustainable projects for the benefit of the African people and prosperity of the African continent. Chen heads HP's government and Public Affairs division and has championed the New Partnership for Africa's Development (Nepad) e-schools project to take technology throughout Africa.

Black Middle Class

Emerging



The growing numbers of South Africa's black middle class indicates a structural change for the better for the country's economy. Although it is argued by some that this will serve to widen existing income disparities, a strong middle class is widely regarded as paramount to further growth and development of

the economy.

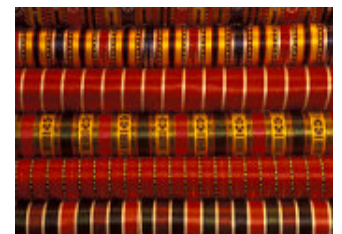
Recent research by the University of Cape Town's Unilever Institute suggests that the black middle class (referring to indigenous African and not mixed race coloureds or Indians) numbers around 2 million.

Growth in the South African economy has been largely fuelled by consumer spending and an increase in the middle-class implies increased consumer spending and good news for further economic growth.

China-SA

Diplomacy

Chinese Prime Minister Wen Jiabao's recent two day trip in June to South Africa was the first official visit to the country by a Chinese Prime Minister. The visit was a highly strategic one, not least in advance of the China-Africa summit to be held in November this year but also in the wake of the official paper released in Beijing in January indicating a "new type of strategic relationship". China is already South Africa's second-largest source of imports and eighth largest destination for exports and the recent visit is expected to pave the way for greater Chinese investment in SA and the start of talks on free trade agreements between the two countries.





World Cup 2010

Just a couple of months since the close of the 2006 Fifa World Cup and the focus of the football world is well and truly upon South Africa 2010. The government is insistent that the event will be the best yet and the outlook is positive with Fifa having already secured 72% more revenue for 2010 in South Africa than the tournament that ended in Germany some months ago.

According to CEO of the organising committee in South Africa, Mr Danny Jordaan, major corporations such as Coca Cola, Adidas, Emirates Air and Sony were prepared to invest between US\$100million and US\$140million with broadcast revenue totalling more than US\$3 billion.

Despite inevitable costs that will be incurred by the government - estimated at approximately R2.3billion - the economic benefit of the event, although difficult to measure, is expected to contribute more than R21 billion (US\$3 billion) to the economy creating in excess of 150,000 new jobs and generating around R7 billion (US\$1 billion) in taxes for the government. The budget for transport infrastructure improvements related to the 2010 World Cup stands at R3.74 billion.

Micheál Martin leads SA delegation

Over forty representatives of Irish business are set to travel to South Africa as part of Enterprise Ireland's trade mission in September this year.

South Africa's current economic indicators show business is booming and this has resulted in many new business opportunities for a broad spectrum of Irish exporters.

Companies investigating opportunities comprise those within the following sectors -telecommunications, IT, construction, banking and financial services, software for financial services, public sector utilities and education and training services.

Frank Ryan, Chief Executive Officer, Enterprise Ireland will also lead the delega-





ISABA Council Members - 2006

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Jerry Kelly - (Strategic Options)
Adrian Birrell - (Irish Cricket)
Elizabeth O'Herlihy - (PwC)
Emma-Jane Dockery - (DTI)
Jim Toomey - (Enterprise Ireland)
Vincent Hibbert - (ACC Bank)

Upcoming Events

The new committee is finalising details of a calendar of breakfast briefings as well as several networking events to take place throughout the year.

Ireland V South Africa, Lansdowne Road

On Sat 11th November the Irish rugby team will play hosts to the Springboks for one of the last ever international matches at Lansdowne Road as we know it. ISABA is organising an event to include commentary from former Irish and South African international players to take place around the match. An ideal networking opportunity for any firm with an interest in South Africa or rugby or both! Further details to follow.



Special thanks to Elizabeth O'Herlihy for supplying information