

Exchange Rates	
R/ £	13.85
R/ ¢	11.15
R/US \$	7.85
R/AUS \$	6.55
R/CAN \$	7.35
R/NZ \$	5.35

JOHANNESBURG – Yesterday's closing exchange rates, as supplied by Standard Bank. (R/, R/ and R/US, other rates per rand.) These are the banks selling rates yesterday.

Back Office



Business in a conflict zone

Luyton Driman

IS BUSINESS possible in a conflict zone? This is a question that strikes apprehension into the hearts of companies who are new to dealing on the African continent. Strangely enough the answer is a guarded “yes”.

Consider the ongoing work being carried out by NGOs like Ecomog, USAid, Oxfam and the Red Cross/Crescent to name a few. Indirectly the business cycle continues due to the fact that these organisations procure all their product needs from various companies, locally situated where possible, otherwise internationally-based.

An example of this is a company based in the UK called Mission Supply Services, which offers an ongoing service, regardless of the state of the nation they are contracted to supply and work in.

Their arsenal of products includes everything medical, educational and food, clothing and other related products.

In the early '90s a plastics manufacturing company based in Tanzania tendered and won the UN contract to supply all the plastic containers for the UN forces deployed in Rwanda. These included water and fuel containers and tent accessories.

At one stage I was personally involved with a South African company which supplied LP gas and paraffin vaccine refrigerators to the UN for the storage of serum and blood plasma, destined for the southern Sudan.

The UN peace keeping forces need an ongoing supply of assorted types of products to supplement humanitarian needs.

South Africa is ideally placed to supply the organisations mentioned previously. These NGOs continue to work tirelessly during conflicts as in the Darfur region in the western Sudan and in Somalia

Many tender opportunities are available for companies wanting to attain the status of becoming an official supplier to one of these NGOs.

The UN and the World Bank have specific websites for procurement.

www.iapso.com and www.world-bank.com



VINTAGE HARVEST: Marine Brun, a seasonal worker, empties her basket after picking white grapes during the annual white wine harvest at Chateau Haut-Brion in the Graves wine region in Pessac, near Bordeaux, southwestern France, yesterday.

Picture: AP

Petra Diamonds buys a stake in Tanzania mine

LONDON Stock Exchange-listed Petra Diamonds has bought a 75-percent stake in Tanzania's Williamson diamond mine for \$10-million from De Beers Group.

“The acquisition is in line with (Petra Diamonds') aim of creating a diamond production portfolio of global significance, complemented by a substantial and valuable resource base,” it said in a statement.

“Williamson (north of Tanzania) will add a further major mine to our portfolio, with the potential to deliver considerable value to our shareholders.

“This acquisition also marks Petra's entry into Tanzania, further diversifying the group's geographical spread across Africa.”

The Tanzanian government owns the remaining 25% of the diamond mine, which covers 146 hectares.

Tanzania's mining sector expanded rapidly over the past decade after it adopted liberal economic policies in the mid-1980s. — Sapa-AFP

Car maker calls for consensus

Numsa warns of secondary strike at VWSA

By SIYA MITI Business Reporter

VOLKSWAGEN South Africa (VWSA) has sounded alarm bells as the ongoing automotive labour action in the Eastern Cape looks set to gain momentum and disrupt its production.

National Union of Metalworkers of South Africa (Numsa) regional secretary Irvin Jim yesterday said that the union had served VWSA with a notice for a secondary strike should an agreement between Schnellecke SA and Numsa not be reached within seven days of the notice.

VWSA has urged Schnellecke SA and its employees to reach consensus amid fears that a solidarity strike by VWSA employees would hinder the auto manufacturer's ability to fulfil its export contract obligations.

“Schnellecke and its employees need to reach an agreement. A protracted stand-off could negatively impact current and future export contracts of VWSA, thereby threatening jobs at the Volkswagen plant in Uitenhage,” said VWSA general manager of communications Bill Stephens.

“This intention is within the labour law process, which must run its course over the next several days. VWSA does not believe Numsa's intention of a solidarity strike at VWSA is in anybody's interest and trusts this can be avoided.”

A strike by VW employees could hamper exports, which have been the key driver of sales after the domestic market slump in recent months. The higher interest and inflation rates for food and fuel were earlier this year cited as some of the reasons for the near quarter drop in sales.

Earlier this year VWSA secured lucrative major contracts in the Asia-Pacific region and the United Kingdom and expects to achieve record export volumes reaching 40 000 units this year. Higher export volumes are expected to dilute the negative impact of slow domestic demand.

Nearly 3 000 VWSA Uitenhage plant workers are Numsa members. If they join the labour action of their

Schnellecke SA peers, it will push the number of striking workers in the Eastern Cape's automotive industry up to nearly 4 600.

Workers at automotive glass manufacturer, Shatterprufe and VWSA logistics services suppliers Schnellecke SA, embarked on a strike on Monday over wages and better working conditions.

Stephens said on Monday the strike by Schnellecke SA had affected sections of operations, but production continued.

Numsa wants Schnellecke SA to compensate its members for the rising cost of living, resulting from rocketing fuel and food prices this year.

Shatterprufe workers demand an end to a hiring system which Numsa says fails to adhere to labour legislation and opens up opportunities for exploitation.

Stephens said the Shatterprufe strike had not had any impact, to date, on production at VWSA as the company had sufficient glass stock to enable production to continue over the next few days.

Petrol price cut set to follow slide in oil price

TAMLYN STEWART

COOLING oil prices are likely to filter through to cheaper fuel at the pumps next month, economists say.

The oil price slid downwards from its high of \$147 per barrel in July, and was trading at just over \$101 a barrel late yesterday afternoon.

“I think we'll probably get a petrol cut of between 20 and 30 cents, and diesel will fall by between 30 and 40 cents, possibly more,” said T-Sec economist Mike Schussler.

Econometrix economist Tony Twine agreed: “At the moment it looks set for a price cut in the order of 20 to 21 cents a litre.

“If this lower price is sustained or drops further, that 21c cut could increase before the end of the

month.”

Meanwhile the Organisation of Petroleum Exporting Countries (Opec) wraps up its two-day meeting in Vienna, Austria today.

In the run-up to the meeting analysts were divided as to whether the cartel would agree to reduce production to support an oil price at over \$100 a barrel but it was reported yesterday that the oil ministers made no formal changes to its production policy.

Twine said that it was unlikely that Opec producers would reduce output because at \$100 a barrel oil was too valuable.

“The trend is irrevocably downward,” said Twine.

Schussler said Opec's decision supported the case for further price cuts: “The oil price is under \$102 a barrel and Opec is going to leave policy unchanged so it won't

decrease the amount of oil available.

“I would suspect a third month of decreases which would be good news for consumers.”

Twine said lower fuel costs would help ease consumer inflation: “It's a difficult one to quantify but it would be good for inflationary expectations if crude oil prices came down.”

Chris Hart, economist at Investment Solutions, agreed that fuel prices were likely to fall in October: “There is certainly momentum for more fuel price cuts but the amount would be less than at the beginning of this month.”

This month the price of unleaded 93 octane and 93 octane lead replacement petrol fell by 69 cents a litre, bringing the price to R9.51 per litre.

Opec trims oil output

OPEC agreed yesterday to cut its real output by up to 500 000 barrels a day while leaving its official production policy unchanged, consultancy PPC Energy said.

“PPC Energy has learned that Opec has in principle agreed to trim production from current levels above official output targets,” said the group.

Many analysts expected the group to trim its output before waiting until later in the year to alter its official output target. — Sapa-AFP

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General Valuation
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SECTIONAL TITLE DATA COLLECTION

Buffalo City Municipality (BCM) is conducting a General Valuation of all properties in the municipal area. This valuation is being done in terms of the Municipal Property Rates Act 6 of 2004 (MPRA). The data collection for Sectional Title Unit Schemes is currently underway.

BCM GV 2008 VALUES YOUR SECTIONAL TITLE UNIT

Data Collectors from the BCM General Valuation project will be visiting all Sectional Title Schemes to collect data on individual units. They are issued with clearly identifiable bibs and carry laminated identity cards with their names, photographs, identity number and are signed by the BCM Municipal Manager.

SECTIONAL TITLE UNIT OWNERS

BCM is in the process of contacting Body Corporate's and Letting Agents so to create a register of Sectional Title Unit Owners containing their details including their postal addresses. It is only by gathering accurate information regarding your Sectional Title Unit that the City will be able to determine its correct market value and levy rates in a fair manner.

Thank you for your patience and co-operation during our data collection exercise.

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