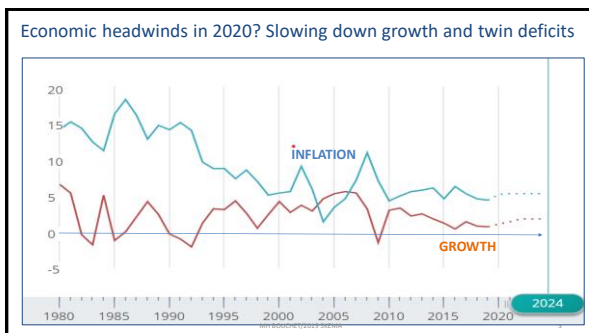




QUICK TOUR + UPDATE ON SOUTH AFRICA AT END-2019

<ul style="list-style-type: none"> ▶ Bumpy ride ahead? ▶ Economic and financial headwinds ▶ Current Socio-political challenges 	<ul style="list-style-type: none"> ▶ Robust financial system ▶ Quality infrastructures ▶ Improving Doing business indicators ▶ Promising prospects for Skema-USB educational collaboration
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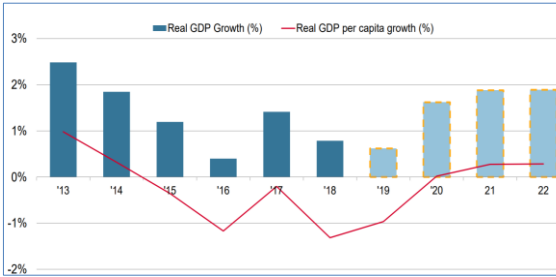
WHY IS GROWTH SLOWING DOWN?

- Global growth: 3% -African continent: 3.2% in 2019-20 (IMF)
- SA : **0,6% in 2019** (sharp contraction in Q1) **and >1% in 2020**
- **Stubborn unemployment : 29% jobless rate** (9 million people)
- **Headwinds:** China, mining product prices, lower FDI flows...
- Private sector does not invest much nor it hires much!
- As the economy slows down, it cannot generate the budget revenues to balance the government's accounts : **Deficit= >6% of GDP**.
- Rising debt : $\Delta \text{Debt} > \Delta \text{GDP} > 60\%$.

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WEAK ECONOMIC GROWTH... BUT REBOUND AHEAD!?



THE IMF'S LONG-TERM VIEW OVER SOUTH AFRICA'S ECONOMIC PROSPECTS

	2017	2018	2019	2020	2021	2022	2023	2024	2027
Real GDP Growth (percent)	1.2	1.5	0.6	1.8	1.8	1.8	1.8	1.8	1.8
Real Private Investment Growth (percent)	1.2	1.5	2.8	3.2	3.2	3.2	3.2	3.2	3.2
Consumer Price Inflation (percent, period average)	5.3	4.9	5.3	5.4	5.5	5.5	5.5	5.5	5.5
Private Sector Credit Growth (percent)	4.3	5.6	6.3	6.8	7.1	7.3	7.3	7.3	7.3
Private Sector Credit (percent of GDP)	63.4	62.8	62.4	62.1	62.0	61.9	61.8	61.8	61.8
Fiscal Deficit (percent of GDP) 1/	-4.6	-4.3	-4.0	-4.0	-3.9	-3.9	-3.8	-3.6	-3.4
Gross Government Debt (percent of GDP) 2/	53.0	55.0	56.0	57.0	57.6	58.1	58.5	59.0	59.2
Current Account Balance (percent of GDP)	-2.5	-2.9	-3.3	-3.3	-3.3	-3.4	-3.4	-3.4	-3.4
Unemployment Rate (percent)	27.5	27.9	28.3	28.6	28.7	28.9	29.0	29.3	29.4

Sources: Haver, South African National Treasury, and Fund staff estimates and projections.
1/ Consolidated government unless otherwise indicated.
2/ National government.

Source: IMF Baseline scenario on current Policies Art IV Report 2018

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What is curbing growth in SA?

- ▶ SOEs: ESKOM turbulences
- ▶ South African Airways in bankruptcy
- ▶ Stubborn unemployment: 29% (youth >55%)
- ▶ Twin deficits = rising debt

A MIX OF DOMESTIC AND GLOBAL NEGATIVE INFLUENCES

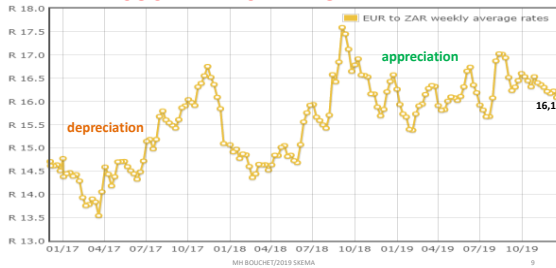


- Creation in 1923: flagship SOE: 95% of national power supply
- The electricity sector has been a problem for years due to corruption and mismanagement + bloated workforce
- Aging plans + low new investment = Failure of coal-fired power stations = **Load sheddings** = Power cuts!
- Solvency is at risk! Continued losses: R60 billion bailout
- Restructuring strategy? Split Eskom into separate generation, distribution and transmission businesses under a state holding company by the end of 2021!

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THE RAND TODAY? SOUTH AFRICA ≠ ARGENTINA



ECONOMIC REBOUND IN SIGHT?

- Challenge: Despite winning 57% of the vote in May of this year, President Ramaphosa's ruling ANC must overcome resistance to implement reforms
- The SA Treasury is well aware of the situation, as well as the IMF and the WB which are committed to help the country resume a sustainable growth trajectory.
- The president undergoes a huge drive to bring down unemployment and to stimulate growth... with thin budgetary margin of maneuver!

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GLOBAL COMPETITIVENESS INDEX DAVOS-WORLD ECONOMIC FORUM 2020 RANKING

1	Singapore	84.8
2	United States	83.7
3	Hong Kong SAR	83.1
4	Netherlands	82.4
5	Switzerland	82.3
6	Japan	82.3
7	Germany	81.8
8	Sweden	81.2
9	United Kingdom	81.2
10	Denmark	81.2
11	Finland	80.2
12	Taiwan, China	80.2
13	Korea, Rep.	79.6
14	Canada	79.6
15	France	78.8

BRICS

China = 28
Russia = 43
South Africa = 60
India = 68
Brazil = 71

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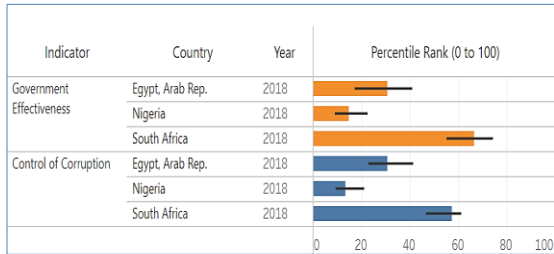
16	Cameroon	46.0
17	Gambia, The	45.9
18	Burkin	45.5
19	Ethiopia	44.4
20	Zimbabwe	44.2
21	Malawi	43.7
22	Mali	43.6
23	Burkina Faso	43.4
24	Lesotho	42.9
25	Madagascar	42.9
26	Venezuela	41.8
27	Mauritania	40.9
28	Burundi	40.3
29	Angola	38.1
30	Mozambique	38.1
31	Haiti	36.3
32	Congo, Dem. Rep.	36.1
33	Yemen	35.5
34	Chad	35.1

THE BUSINESS ENVIRONMENT REMAINS GOOD

Rankings on Doing Business topics - South Africa



WB GOVERNANCE INDICATORS



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CONCLUSION?



- ESKOM top financial & economic risk
- Need to deliver growth to address challenges of **unemployment, poverty and inequality**
- Need to attract more FDI to boost **manufacturing** jobs with massive **reskilling** drive!
- **Good infrastructures** + dynamic tourism + **strong financial sector** + **innovation drive**
- **Emphasis on boosting human capital in the digital economy!** = 4th Industrial Revolution
- **Stellenbosch Business Corridor** = Innovation-driven, knowledge-based digital economy

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**SKEMA
BUSINESS SCHOOL**

**Cape Town Campus
Pre-Departure Webinar
Spring 2020**

Session 2

EFMD EQUIS ACCREDITED AACSB ACCREDITED AMBA ACCREDITED **skema**

ARRIVAL IN CAPE TOWN

- Airport Shuttles will be organized to pick up students from the Cape Town Airport and bring them to their housing residence on Stellenbosch Campus
- If you have not done so already, be sure to complete the Flight Information Form we sent you by email here
- We must send this information to Stellenbosch no later than December 24:
https://forms.office.com/Pages/ResponsePage.aspx?id=56cN16L2_QyDopR9GmRT-dnExVIm1VApbWnCF4v8dUNipATeg5ROhBUjMSRjgwUFCOREd45TdDSC4u



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REMINDER: KEY DATES

- Orientation = January 27-29, 2020 (Orientation is **mandatory** for all students)
- Special SKEMA Inaugural Ceremony = January 31, 2020
- Start of courses = February 3, 2020
- End of courses/exams = June 26, 2020 (it is possible your semester will end earlier. It will depend on the exam schedule. For now, please plan to stay in Cape Town until June 26, 2020)
- Housing contract = January 23, 2020 – June 26, 2020 (it is highly recommended that students arrive in Cape Town on January 23 and they go directly to campus. It is important that students take part in the Orientation program before traveling in South Africa)

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ORIENTATION PROGRAMME

January 27, 2020

- Introduction and Welcoming: Robert Kotzé
- Safety and Security: Sarah van der Westhuizen
- Centre for Counselling and Development: Elmarie Kruger
- Global Learning: Joe Warren
- Community Engagement: Angelo Jephtha and Joe Warren
- Cultural adaptation: Angelo Jephtha
- MEET MATE BUDDIES FOR CAMPUS TOUR & TOWN TOUR

January 28, 2020

- Registration & Academic Information: Sarah van der Westhuizen, Bantubonke Louw & Hannah Kotzé
- Finance Meeting (AIFS only, Hestee De Wet & Yolanda Johnson)
- Student Life at Stellenbosch: Angelo Jephtha
- Survival Afrikaans: Vermita Beukes
- Survival isiXhosa: Pumtani Sibula
- Collect proof of registration in front of Room 1012
- Collect student cards at the VV SAAL in the Neelsie

January 29, 2020

- First Admin Meeting (SKEMA students only)

January 30, 2020

- Accommodation meeting for residents of Academia, Concordia, Metanola and House Russell Botman residences: Grant Leukes (Room 1012)
- Library Tour

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SKEMA INAUGURAL CEREMONY

January 31, 2020

- 10h00 – Bus to pick up students from Academia (residences) and take them to the Rupert Museum
- 10h30 – Coffee and light breakfast
- 11h00 – Guided Museum Visit
- 12h00 – Bus to take students back to Academia (residences)
- 14h00 – Bus to pick up students from Academia (residences) and take them to the Foyer for the ceremony
- 14h30 – 16h00 – SKEMA Inaugural Ceremony
- 16h00 – Bus to Franschoek
- 17h00 – 20h00 – Celebration evening with dinner at local wine farm
- 20h00 – Bus back to campus
- Evening – Theater/Music event on campus

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ACADEMIC CALENDAR

Study Guide (to be available mid-January)

- Class Schedule for M1 and M2 IB students
- CVs of professors (SKEMA, Stellenbosch Business School, and University of Stellenbosch Faculty)
- Academic Rules, Regulations, & Expectations (SKEMA & University of Stellenbosch)

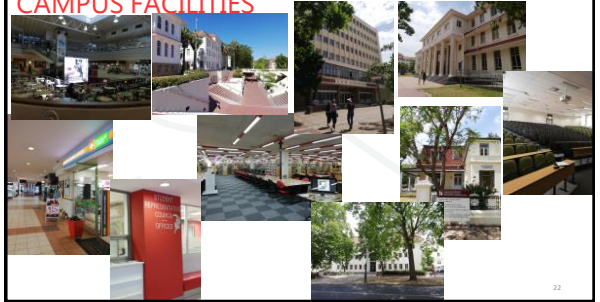
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CITY OF STELLENBOSCH



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CAMPUS FACILITIES



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GET INVOLVED: SOCIAL ENGAGEMENT PROJECTS

Maties Buddy System

Sign up here for your Matie Buddy: <https://www0.sun.ac.za/international/prospective-students/non-degree-seeking-short-term-students-1/i-have-applied-i-have-been-accepted-1/get-a-matie-buddy-1.html>

International Student Tours

- 1 trip every 2 weeks
- Small fee to join (200 Rand)
- Learning objectives – why is equality and poverty as it is in South Africa?

Community Engagement Projects

- Sustainable development goals
- Focus on Early Childhood Education Curriculum Development
- 1-2 hour sessions per week in local township schools or schools for wine farm workers

Learn more about these social engagement opportunities during Orientation Week

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ADDITIONAL HOUSING INFORMATION

- Secure Student Housing Residence
 - On the greenline
 - Fingerprints and door code to enter
- 15-minute walk to campus. Bike storage available.
- Laundry facilities available as well as outdoor gym
- Important! New zero-alcohol tolerance policy
- Bedding and kitchen utensil rentals in January
- Rules regarding guest visitors



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SAFETY & SECURITY

Recommendations for French Consulate in Cape Town

- Register with the consulate before your departure: <https://lecap.consulfrance.org/>
- Be vigilant
 - Walk in groups
 - Avoid walking late at night
 - Avoid wearing expensive jewelry or other signs of wealth
 - Avoid public transportation (use Uber)
 - Shop in areas with lots of people around (ie. shopping malls). Use ATMs where there is a lot of foot traffic (ie. shopping malls or student center / not on quiet streets)
 - You will feel a sense of security in Stellenbosch and you may have a tendency to put down your guard. Do not do this. Remember you must always be vigilant.

Stellenbosch University International

- Pay close attention to the Safety & Security workshop during Orientation
- Follow their advice!

Public Health Concerns

- HIV is extremely prevalent in South Africa (22% of population is infected and this touches the university student population)
- Be vigilant, stay safe, and protect yourself

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ELECTRICITY

- What is load-shedding?
- Why is it important to keep track of these electricity cuts?
- How to do so:
 - Download the App ESKOMSEPUSH



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MONEY MATTERS

ATMS

- Students can easily take out money at the ATMS in the Student Center or in town
- Avoid carrying large amounts of cash on you – risk of theft
- Use your bank card to make purchases

Bank Account

- It is recommended students open a local bank account for the semester
- Local banks will be available during Orientation to assist students to open a bank account



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TRANSPORTATION

Walk

- Stellenbosch and the university campus is very pedestrian friendly.
- Campus Security & the Green line

Bike

- Maties Bike Rental for the semester

Uber

- In case of rain, shopping, or longer distance travel, use UBER



PRACTICAL INFORMATION

For more information about:

- International Student Services
- Student Life
- Transportation
- Phone
- Banking
- Security

Please read the SKEMA Cape Town – Stellenbosch Campus
Student Guide [here!](https://yep2dev.skema.edu/practical-information/)

<https://yep2dev.skema.edu/practical-information/>

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KEY CONTACT

For all questions regarding your departure:

International.campuses@skema.edu

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