

IZASA 2009 Review



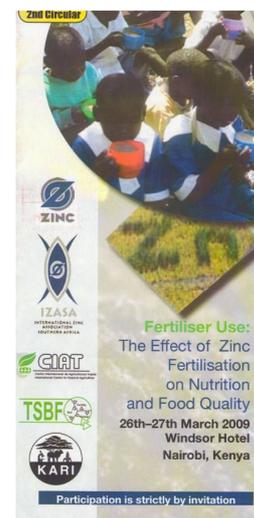
IZASA
INTERNATIONAL ZINC
ASSOCIATION OF
SOUTHERN AFRICA



SANS 517:2009

SOUTH AFRICAN NATIONAL STANDARD

Light steel frame building



- The role of Zinc in fertilizers highlighted nationally and regionally through radio, television and seminars
- 2010 stadiums showcase Galfan in roofing
- Zinc Air supports rural sustainability throughout sub-Saharan region
- Zinc use not restricted by new Pollution Controls framework
- Electricity distribution poles develops foreign opportunities
- New SANS 517:2009 Steel Frame Buildings Code highlights zinc coated fasteners
- Inclusion of zinc foundry industry in new government National Foundry Technology Network

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HIGHLIGHTS 2009

2009 has proved to be a watershed year. Much has been achieved – successful fertilizer seminars in South Africa and Kenya with radio and even television coverage, promotion of the designed distribution poles in Europe and China, Zinc Air projects almost by the dozen, etc. However, the decisions by Anglo American and Exxaro to exit the zinc business leaves some uncertainties regarding the future structure of the zinc industry in South and Southern Africa. Notwithstanding this, the successful roll-out of projects this year has demonstrated the benefits of zinc in a way not thought possible even a few years ago. The media attention obtained through BBC radio interviews and SABC television show that decision makers are beginning to pay attention with regard to the health aspects of zinc additions for nutrition, health protection and increased crop yields. The traditional uses of zinc, i.e. galvanizing have had a good year, with exotic applications of product although not sourced locally. Applications have been particularly pleasing in the 2010 soccer stadiums.

Fertilization and Health (the benefits of zinc)

IZASA has been actively supporting zinc in fertilizer initiatives for some time. This year, the FSSA Conference in February focused on Efficient Soil Management. IZASA and the IZA sponsored the keynote speaker Prof Ismail Cakmak who has been the leading light in promoting the use of zinc to improve crop yields after the experience in Turkey where results clearly demonstrate the financial benefits to farmers in adding zinc to fertilizers. Over 170 people attended. As a follow up to the national Zinc Policy, a meeting with the Department of Health was held to broker the linkage with the Department of Agriculture. The National Food Consumption Survey has shown that the national health condition has in fact deteriorated over the past few years. Clearly, there is a need for more interaction with government. The intention is to have government look at the required follow up process to the national food fortification system. The requirement to look at a study comparing fortification versus fertilization is required.

At a conference held in Nairobi on 26 and 27 March 2009, local and international experts drawn from diverse fields (including soil, crop, food and nutrition sciences, and commercial fertilizer producers) deliberated upon the need to modify the AU-NEPAD Comprehensive Africa Agricultural Development Programme (CAADP) to include addition of micronutrients such as zinc to commonly used commercial fertilizers essential in ensuring both food and nutrition security. The low availability of zinc containing fertilizers in the region and the need to target small scale farmers was discussed in length under the Chairmanship of Prof. Uzo Mukwunye from Ghana. Following the conference a declaration was released and international coverage of the event included the likes of the BBC. The conference was funded by the International Zinc Association (IZA), through International Zinc Association of South Africa and organised and hosted by the Food and Nutrition Unit of the Tropical Soil Biology and Fertility (TSBF) of CIAT.

The delivery required regionally to achieve the Nepad Millennium Goals of raising fertilizer use in sub-Saharan Africa from 8 to 50 kg/h by 2015 requires major interventions. IZASA is now a member of the Africa Forum of the International Fertilizer Association and is setting up regional meetings together with local fertilizer and zinc speciality chemicals companies to look at sponsoring demonstration projects. Working with the Agricultural Research Council's Grain Crops Institute, a series of projects is under consideration. A local fertilizer company has supported a demonstration project in Zambia through free issue of product to site.

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IZASA member, Zinchem, has expanded its direct selling network such that a full sales team is being established. The benefits of zinc additions have been promoted via various specific television program sponsorships and interviews have been given to support this initiative.

In terms of health, a tender will be adjudicated by the end of 2009 in terms of Oral Re-hydration Salts for use on children in Primary Health Care Establishments. This is a direct consequence of the National Zinc Policy adopted by the Department of Health in South Africa last year.

For 2010 a key 2-day conference is planned together with the Fertilizer Society of Southern Africa. A full day will be dedicated to zinc to highlight the benefits of zinc and a Workshop will be managed to promote the linkages between various government departments in terms of nutrition and fertilization.

In addition, a United Nations Common Fund For Commodities (CFC) project has been submitted for funding to provide for demonstration projects in Malawi to take advantage of the fertilizer subsidies operating in the country. Zinc inclusion into this system would raise food crop yields considerably.

Zinc Air in lighting rural communities.

Zinc Air continues to be a hit in Sub-Saharan Africa. The CFC project in Malawi has started with some 200 houses in two villages receiving power. This project will also assess the use of spent high quality oxide as a feedstock into locally used fertilizers as an alternative to returning the oxide for simple recycling. Thus, the project has a twofold aim, viz. the provision of power in remote regions and provide a source of fertilizer additions in previously deprived and deficient areas. Other projects are operating in Uganda, Zambia, Namibia and, South Africa. The provision of power is assisting with the development of small cottage industries in rural areas providing for long term community sustainability. Recently, the projects have been recognised through the Economic Development category for The Tech Awards 2009 where AEDC received a prize in San Jose, California.

With sub-Saharan Africa accounting for 32% of those without access to electricity out of 1.6 billion people worldwide, zinc air could provide widespread low draw power for all.

The Tshikondeni and Tutengeni projects are continuing, with new projects being established with Exxaro and Kumba Iron Ore in the Northern Cape in South Africa.

Designed electricity distribution poles

The optimised design of the locally developed galvanized steel utility poles has resulted in the identification of opportunities in places as far apart as China, South America and Europe. Testing of the electricity distribution poles is underway in China where the replacement of traditional concrete and wood offers a significant market. Regional development within Africa continues.

The use of light-gauge galvanized steel in residential construction

The Sasfa Code of Practice (low rise Light Steel Frame Buildings) was finally adopted as a national standard (SANS 517). A Technical Sub-Committee (under the chairmanship of IZASA) added a section on the specification of corrosion protection for fasteners, enhancing the document. Compliance with the building regulations still has to go via the 'rational design' route, which

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should however be made easier by the availability of an officially approved national standard. A series of Workshops have been carried out and IZASA had a stand at the Namibian event.

2010 Soccer World Cup

Most of the new stadiums are now complete. A considerable amount of zinc coated steel has been used with some notable examples. Of particular note is the use of Galvan rope (albeit imported) in the tension wires as part of the roof supports of four of the stadiums. Duplexed steel supports were used on the Port Elizabeth stadium roof. Galvanized steel was the preferred corrosion protection option for crowd control systems. Various articles covering the stadiums have been written during 2009 and a full brochure will be prepared using the existing material and specific inputs, including from the designers in Germany.

South African Pollution Controls

2009 saw the introduction of the Emission Controls to the Air Quality Act. IZASA's inputs into the regulations have been accepted such that galvanizing controls are in line with international norms. However, there still remain issues relating to zinc production. IZASA will continue to monitor progress for the industry.

New government initiative to support casting industry

IZASA is represented on the Steercom of the new National Foundry Technology Network. Various projects have been approved and now a UN SPX program have been initiated to provide for capacity and capability linkages between various customers (including the auto industry) and the foundries (including zinc die-casting). With the changes in legislation to provide for greater use of secondary inputs, a revival in the fortunes of the industry is possible.

Market opportunities

The 2008 Southern Africa Zinc market Survey was released during the year. What is clear is that infrastructure opportunities for zinc use remain buoyant within the region despite the financial crisis. Regional economies are beginning to show sound growth with some countries being largely insulated from the financial woes of the developed world. The Fertilizer Initiative is showing progress with the possibility of it becoming, regionally, the second largest single market sector within the next year or so.

The regional market development visits were continued in 2009 with a visit to Kenya in March. Presentations were given to delegates from the Ministry of Public Works with another given to Kenya Power and Light. Various company visits were also made and a market survey of the galvanizing industry in the region completed.

COMING SOON 2010

South Africa Conferences

A Road Show and Symposium are on track for February for the week commencing February 22nd. Working with the Hot Dip Galvanizers Association – Southern Africa, a series of key decision maker meetings will be held throughout the country concluding in a seminar to be held in Cape Town on the 25th. The symposium will focus on the use of galvanized reinforcement in concrete with specific reference to marine structures. The international expert Prof Stephen Yoemans of the University of New South Wales will be the lead speaker.

A two day conference, to address the linkage between the need for zinc in nutrition and fertilizers, will be held at the CSIR, Pretoria on the 26th and 27th August. It is hoped to have presentations from various international experts. A Workshop to address the role of fertilizers in nutrition will be held during the conference.

Other conferences are planned and notifications will appear on the IZASA web-site (www.izasa.org).

Malawi outreach

As part of the follow up to the various activities in Malawi (zinc air and fertilizers) a trade visit is planned to look at other opportunities. In addition, a seminar on the benefits of zinc in fertilizers is planned.

For further details on these events and to keep abreast of news and further events please refer to our web site www.izasa.org.

WHAT IS IZASA?

IZASA was established in 2002 as the body representing the International Zinc Association in Southern Africa. Initial activities focused upon analysis of constraints and opportunities within the zinc industry. This program was called the South African Zinc Initiative. Supported by the international zinc industry, the IZA has established itself as the industry forum on matters as diverse as international marketing to the management of the sustainability of the industry over the long term through being the voice piece of the industry in its dealings with regulators and governmental agencies.

The guiding principles adopted by the IZA in establishing regional operations, is that fast track market penetration can be effected in markets where successful interventions have worked elsewhere. This is particularly important in regional activities where leverage is not just related to funding but also to people. Regional operations tend to be staffed by a single person or a person and an assistant. In the operational strategies of IZA Southern Africa (or IZASA), partnership and leverage principles are applied through identified champions.

In 2000, as a region, the intensity of zinc use in southern Africa, was about 40% lower - when measured in respect to steel consumption - than in the U.S. and Europe. Devastated by isolation, war, political, turmoil and drought, the region offers opportunities for sustainable growth off a low base. The establishment of IZASA was born out of a South African initiative to develop the market for zinc locally. Working with government agencies; three parties, namely Exxarro (formerly Kumba Resources), Anglo American and ArcelorMittal Steel SA (formerly Iscor) set up a study group – the South African Zinc Initiative. Tasked with analyzing the opportunities and constraints present in the South African zinc market, an analysis was carried out which showed key areas for growth. Specific intervention strategies have been developed in the galvanizing, alloy and chemicals sectors.

IZASA is empowered to

- 1) Grow the market and grow our market share.*
- 2) Increase local sales by 40 000 measurable tonnes over a 5 year period (this has now been achieved).*
- 3) Focus on market development projects*
- 4) Educate the market with respect to the optimal use of zinc.*
- 5) Build customer knowledge base and increase one-on-one marketing.*
- 6) Educate sales forces and merchants with respect to technical aspects and services available.*
- 7) Increase visibility in the specifiers market as the information experts*
- 8) Market the benefits of zinc.*

MEMBERSHIP

IZASA is continually looking for members. By becoming an Affiliate member of IZASA, companies become automatic members of the International Zinc Association based in Europe. Representing over 75% of the world's zinc producers this body acts as the voice for the industry on all issues facing the industry. The IZA has established regional bodies globally and through the IZASA members become part of the global industry. The benefits of membership are:

- participation in group to benefit the industry and YOUR company
- the leverage of global network to assist with industry development
- receipt of alerts and analysis from IZASA and IZA
- communication on commercial leads
- a greater lobbying voice to assist with developing appropriate government frameworks
- opportunity to shape regional market development programmes to further local industry development
- information and assistance on resolving issues impacting upon the industry
- participation in IZA committees and shape the industry
- receiving the Zinc Network
- entitled to send delegates to Zinc College
- receiving IZA publications, free of charge
- receiving a free Zinc Logo license

In return IZASA expects from its members:

- a commitment to industry development and growth
- political support for industry positions
- active participation in IZASA programmes

For further information please contact IZASA on 083 456 4989 or izasa@icon.co.za or visit our web site www.izasa.org

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