

Rethinking sustainability can unlock opportunities in Africa

With Africa's GDP expected to strengthen to 5% this year and domestic demand continuing to boost growth in many countries, the continent largely seems to be holding its own despite the volatility of international markets and the fall of commodity prices.



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“Modernisation and structural transformation across various sectors have assisted to a certain degree, with increased productivity and efficiency improving global competitiveness,” says Njombo Lekula, managing director of International Operations at PPC Ltd.

“We’re also seeing more prudent fiscal policies work to keep budget deficits at sustainable levels, limiting spending and improving tax revenues - making the investment climate favourable in numerous countries. As such, there is now a clear window to develop infrastructure as a means of unlocking further short and long-term business opportunities.”

Given that Africa’s history has seen it left with predominantly ageing infrastructure however, it will somehow need to find a way to fast-track this development - ensuring that all aspects across the entire infrastructure life-cycle can be realised in the most effective and cost-efficient way.

New approach

“If we consider that Africa requires over \$93bn in infrastructure spending per year (or 15% of its GDP) to meet this demand - which significantly outstrips supply - it’s clear that a new approach has to be taken,” notes Lekula. “Rethinking sustainability’ (from products and solutions to everything including manufacturing technology, application, and project management and funding) could very well enable this both across the entire value chain and the continent.”

While the concept and practice of sustainability is growing in uptake across Africa, Lekula maintains its adoption is still seen as 'best' practice, as opposed to 'common' practice. "In many instances, our African definition of 'sustainability' needs to be expanded to provide an overarching framework that governs innovation, modernisation, partnership and strategic collaboration, empowerment and transformation, and skills development and training. It also needs to include active and demonstrable leadership and a drive to adopt green business practices wherever possible."

With the latest green-building techniques and environmentally-friendly technology good examples of how one can enable significant energy-savings and the use of alternative energy sources (such as solar, wind and gas) in communities, he argues that infrastructure projects have to draw on the latest global thinking in order to speak to the unique development challenges facing the continent.

"PPC's tyre-burning initiative at our De Hoek plant in South Africa for instance, has demonstrated the viability of burning waste tyres as an alternative to coal for the purposes of cement production. It not only reduces coal usage and nitrous emissions, but also decreases landfill requirements thereby ensuring positive and sustainable environmental impact. As such, we will continue to seek alternative fuel sources, convert existing plants and, wherever possible, introduce these at inception of plants going forward."

Expanding partnerships

The above demonstrates that a purposeful approach to partnerships including those with government, local investors, communities and internal teams is imperative - both from a short-term catalyst and a long-term implementation perspective. "Our experiences in various African markets have taught us the benefit of broadening our notion of stakeholders to include key communities," says Lekula.

"In many cases, we've identified new opportunity spaces as a direct outcome of these sustainability engagements. If one is then able to approach these using a combination of innovative thinking, the latest technology and appropriate localisation, one typically finds a means of unlocking the full potential of the opportunity. This is something we've seen ourselves - most recently at our CIMERWA plant in Rwanda where the new plant has increased production capacity by 500,000 tons per annum."

Lekula will be unpacking PPC's philosophy and approach to sustainability at the annual Africa CemenTrade Summit taking place in Rwanda on 15 and 16 March 2016.

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