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Anton Roux, CEO, Aon South Africa and Sub-Saharan Africa

Outlook from Anton

So many happenings on the social, economic and political front have already gained the momentum of a tsunami and I am convinced that this will set the pace for the rest of 2014.

In fact, if ever there was a trend indicator for 2014 and beyond, it would be that volatility is here to stay. Ongoing labour action and disputes, political upheaval, reputational crises across both corporate and government sectors, market and currency volatility, flagging investor confidence, growing regulatory pressures, power shortages and extended outages, failing infrastructure, serious levels of consumer indebtedness, hefty increases in operating costs and a dire shortage of institutional management capability are all culminating to take their toll on businesses, and on consumer confidence.

Volatility is something that South Africa will face for at least a couple of years and businesses and individuals will need to find solutions to working within such an environment. One comfort is that many of these challenges are not unique to South Africa – throughout the world, countries and economies are all struggling with the post-2008 recession vagaries that somehow seem not quite to have left us, along with the new challenges of rapidly evolving socio-economic landscapes.

So as we venture into the year and with this being our first newsletter of 2014, I thought it an opportune time to touch on the challenges and opportunities that we believe lie ahead.

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Risk Management and Insurance Solutions are crucial in Financing SA's Renewable Energy Projects

The focus on the renewable energy sector has never been higher, with governments around the world setting tough targets for the amount of energy provided by renewable sources. Global demand for renewable energy continued to rise during 2012, supplying an estimated 19% of global final energy consumption, according to The Renewables Global Status Report published by REN21. Given the financial hurdles of many renewable energy projects, and the speed of change in renewable energy

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New Aon terrorism data shows retail and transport sectors face highest risk of attack

- Thirty-three percent of terrorism attacks affecting retail sector – 18 percent impacting transportation sector.
- Brazil facing an increased risk of unrest in advance of World Cup.
- 80 countries with terrorism perils indicated in 2014, 12% fewer than 2013.
- Europe sees notable improvement with 11 countries having civil commotion perils removed.
- In 2013, 52% of all terrorist attacks recorded took place in the MENA region, up from 41% in 2012.

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Business Risk Readiness Takes a Dip

Slide in SA's risk readiness echoes global markets
Financial and human capital constraints have seen a marked decline in local business risk readiness and risk maturity, a mirror reflection of the results of the 2013 Aon Global Risk Management Survey conducted among 1400 of the world's largest organisations across diverse industry sectors.

According to the global survey, risk maturity and readiness has taken a worrying dip, with reported readiness for the top 10 risks dropping by a material 7 per cent (from 66 to 59 per cent) from the 2011 survey and reported loss of income increased by

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