



**MINISTRY OF ENERGY  
REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY QUESTION 2634:**

**Mr J F Smalle (DA) to ask the Minister of Energy:**

- (1) Whether she conducted any negotiations with existing trade countries regarding the sale of natural gas to South Africa; if not, what is the position in this regard; if so, which countries;
- (2) whether she included natural gas as an option within the energy mix; if not, why not; if so, what percentage of the energy mix will natural gas represent? NW3250E

**Reply**

- (1) Yes , the Minister of Energy continues to have discussions with our two neighbouring countries; namely, the Republics of Mozambique and Namibia, respectively regarding the sale of natural gas to South Africa. Gas trade is normally provided for as part and parcel of bilateral oil and gas agreements that we enter into with other countries. These Gas Trade Agreements are administered by the respective Gas Commissions, with Gas Commissioners from the South African side being officials from the Department of Energy. They seek to, among other things: promote and facilitate gas trade between the two countries; be an “umbrella agreement” for specific gas trade projects; oversee all cross-border gas trade and be the forum of communication between the two countries; harmonise the regulatory requirements of the two countries and facilitate taxes and custom duties, metering, inspection, safety and environmental issues.

The Mozambique/South Africa Gas Commission was established on 7 March 2002 and meets regularly. The construction of a compressor station in Komatipoort, Mpumalanga Province, to

increase the maximum gas flow rate from Mozambique to South Africa from 120 million Giga Joule per annum (MGJ/a) to 147 MGJ/a, was completed in 2010.

The Namibia/South Africa Gas Commission was established in August 2003, and is also a platform for engagement between the two countries; triggered by the potential of natural gas from the Kudu Field in Namibia.

- (2) Under the approved Integrated Resource Plan (IRP) 2010, the envisaged new electricity generation capacity is shared as follows: nuclear ~23%; coal ~15%; open-cycle gas turbines (OCGTs) ~9%; imported gas ~6%; and hydro power 6%. Therefore the IRP 2010 targets the contribution of gas to new electricity generation at 15% in total.