



MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA

National Assembly: 2691

Ms B D Ferguson (Cope) to ask the Minister of Energy:

Whether the Government's food security policy has been taken into consideration with regard to its plans for fuel producers to start blending diesel and petrol with biofuels with effect from October 2015; if not, why not; if so, what are the relevant details of the consultations and agreements arrived at by all concerned stakeholders in this regard? **NW3184E**

Reply:

The Biofuels Industrial Strategy, on which the said blending of diesel and petrol with biofuels is premised, takes due regard of food security concerns.

The Biofuels Industrial Strategy sets a target of two percent (2%) penetration level of biofuels in the national liquid fuel supply. This target was initially set at 4.5% in the draft Strategy document but had to be revised downward to 2% in the final Strategy document. This revision considered, amongst others, the challenges that would be experienced in starting a new industry that would require some form of Government's financial support and unintended consequences of a national penetration in excess of 2%. The unintended consequences include possible negative impacts on food security, water resources and the environment.

Maize is excluded from crops that may be used for the production of biofuels due to food security concerns. The Department of Energy, has stuck to this position despite calls to include maize as it considers such inclusion a threat to food security. The selection of grain sorghum as a feedstock for bioethanol production

considers several factors including the impact of grain sorghum on water resources. Grain sorghum is a dry crop and does not require water hence its proven ability to be farmed in conditions of drought.

The Department of Energy always follows a transparent, consultative process in development its policies, in line with the Promotion of Administrative Justice Act, and the development of policy related to biofuels has not been an exception to this norm. The development and implementation of the Biofuels Industrial Strategy has been overseen by a Cabinet-mandated interdepartmental Biofuels Task Team (BTT) under the chairmanship of the Department of Energy. Hence the Strategy document encapsulates the agreements and positions adopted through interdepartmental and stakeholder consultation processes. Meetings and workshops have been (and continue to be) held with all interested and affected stakeholders with food security being one of the key issues being closely watched.

A Biofuels Implementation Committee (BIC), comprising players from the biofuels and oil industries under the leadership of Government, has been established to deal with all matters related to the practical blending of biofuels with petrol and diesel.

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