



MINISTRY OF ENERGY
REPUBLIC OF SOUTH AFRICA

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Memorandum from the Parliamentary Office

263. Mr S G Mthimunye (Mpumalanga: ANC) to ask the Minister of Energy:

(a) What is the role of the Green Economy in job creation and (b) what programmes does his department have in support of the Green Economy projects in maximising its job creation potential? CO528E

Reply

a) In the energy space, the green economy has the largest potential to create jobs with a minimal amount of investment. As an example, regulations promulgated by the Department requiring energy users to compile energy management plans relating to their energy usage, implies that energy auditors have to be employed in various sectors of the economy, in order to produce these energy management plans. The type of jobs that result from this regulation are high quality skilled jobs which are sustainable into the future.

b) The Department has the following programmes in support of the Green Economy:

Solar Water Heating (SWH) – this programme seeks to provide access to hot water in residential dwellings. It is a social programme targeting beneficiaries who are not necessarily connected to the electricity grid, but use environmentally harmful and energy inefficient means to heat water. SWH programme is undertaken with a specific focus to provide skills development and job creation of the youth and women. Partnerships have been created with the National Youth Service Programme and the

National Rural Youth Service Corps, in order to mitigate against high youth unemployment and the green economy provides the platform for the gainful employment of the youth and rural women.

The potential to create job opportunities in the green economy is complemented by the Extended Public Works Programme, in terms of which local women and youth are trained in various aspects of the deployment of green energy technologies, including manufacturing, installation, maintenance and monitoring of the projects.

Renewable Energy Independent Power Producers Programme (REIPPP) involves the generation of electricity through wind and solar technologies, and to date about 6000MW of such technologies have been contracted. The impact of the REIPPP has been approximately R200 billion of investment by the private sector in the green energy space, resulting in the following provincial jobs:

Province	Job Year (s) ¹
North West	7 405
Northern Cape	66 191
Western Cape	11 067
Eastern Cape	18 132
KwaZulu Natal	336
Gauteng	246
Mpumalanga	2 709
Limpopo	2 917

Through the economic development requirements imposed on the project developers, local communities benefit from the projects that are undertaken within a 50km radius. The Northern Cape has seen the largest investment in solar power infrastructure, followed by the Western and Eastern Cape in Wind Projects. These investments in the green economy are currently the biggest capital investments of any sector.

¹ Job Year – is defined as a full time employment opportunity for one person for one year.

The Department has also initiated a programme for projects less than 5MW in size, concentrating on biomass, biogas, solar and wind technologies. This is intended to accelerate participation by previously disadvantaged South Africans in the green economy, given the huge hurdle in accessing capital by locals. This programme will also create a more geographically distributed footprint of renewable energy investments in the country.

Energy Efficiency and Demand Side Management programme (EEDSM) complements the green economy opportunities on the supply side, by putting measures in place to reduce energy demand. Measures include the deployment of energy efficient lighting, placing heating and ventilation systems under load control and improving the energy consumption in buildings through the building management systems and smart meters. This programme is undertaken in collaboration with various municipalities.

Lastly, the Department has initiated a programme of labelling appliances in regard to their energy consumption. Whilst this will create green economy jobs as old appliances are phased out, this is also intended to increase consumer awareness about the economics of energy usage within the households.