



**Speech by the Minister of Energy, Ms Dipuo Peters, MP, on the occasion of DCD –
Coega Wind Tower Project Launch
02 May 2013, Port Elizabeth**

Programme Director

The Honourable Premier, HE Noxolo Kiviet

The MEC for Economic Development and Environmental Affairs,

Mr. Mcebisi Jonas

The Executive Mayor of Nelson Mandela Bay Municipality, HE Ben Fihla

Other Government Leaders present here

The Board Chairperson of the Coega Development Corporation

Other Board Members

The Executive Director

Distinguished Guests

Ladies and Gentlemen

It is a singular pleasure and an honour for me to be here in the Nelson Mandela Bay. This event comes five days after the South African nation commemorated its Freedom Day. Our Freedom Day Celebrations afforded us an opportunity to pay homage to sung and unsung heroes and heroines of our liberation struggle, while taking stock of all the gains and challenges in this democratic dispensation.

We are today in a Metropolitan named after our struggle icon, Nelson Mandela, at a critical time when the whole nation's wish is good health to Madiba. We continue to

cherish him as our living legend and thus keep him in our prayers. We wish him a good and stable state of health.

Ladies and Gentlemen

I am again pleased to be in the Eastern Cape – a province with great renewable energy potential. This province continues to embrace its renewable energy endowments in a manner that makes it the country's energy hub. It is blessed with exceptional wind and solar conditions, as well as great potential from both the biomass and biofuels sector.

Post 2009, the renewable energy agenda taken a centre stage and has been elevated to greater heights. Allow me, ladies and gentlemen, to briefly take you through some key developments in the renewable energy space, particularly our Renewable Energy Independent Power Producer Procurement Programme (REIPP) that have culminated into what we are about to launch here today.

Pursuant to the ruling party's 52nd National Conference resolution, the Department of Energy has been seized with “ensuring a security of supply of energy resources, and pursuing an energy mix that includes clean and renewable source to meet the demands of our fast growing economy without compromising our commitment to sustainable development.”

Such has been translated into our programme of action and finds expression through the work we have undertaken since 2009. Central to our work is the successful implementation of the Integrated Resource Plan (IRP2010). Renewable energy generation sources account for 17.8 GW in the IRP.

As Government, we then made a commitment to embark on a process of moving away from our carbon-intense modes of energy generation. A lot of scepticism surfaced from various quarters. Our groundbreaking Renewable Energy Independent Power Producer Procurement Programme was rolled out.

This ground-breaking flagship programme (REIPP) won the Green Infrastructure Project of the Year Award at the 6th Global Infrastructure Leadership Forum held in New York.

In the same category where it won the prestigious award were infrastructure projects from the USA and Columbia.

We are already gearing up to enter the 3rd window of the REIPP Programme, having already selected bidders for a total of 2 614 MW to be added to the national grid by 2016. Later in the month, I will make an announcement for the next window of our REIPP.

A number of our successful bidders have already embarked on construction work in various sites. I have turned the sod in a number of construction sites, particularly in the Eastern Cape. Not so long ago and not far from where we are, I turned the sod marking the launch of the Metro Wind Van Stadens Farm and the Red Cap Wind Farm projects.

This and other strategic economic development projects within the region ought to play a meaningful role in the improvement of our people's standards of living. The pervasive nature of unemployment, poverty and inequality, particularly in this province, cannot be ignored. This venture blends well with the Government's efforts of turning the tide against the triples of unemployment, poverty and inequality.

Achieving skills transfer, community upliftment and localization are the centre of our renewable energy programme. Ours is a programme that is, through its design and implementation, biased towards local economic development.

This joint venture between DCD Wind Towers, the IDC and Coega epitomizes the localization strategy that the Department of Energy advocates for in the REIPP. It is through localization that local industries and SMMEs get to benefit from our infrastructure and build project.

The establishment of this wind tower manufacturing facility is indicative of commitments and efforts galvanized towards the support of local industries and the creation of jobs. The participation of local SMMEs in this and similar projects should be accelerated.

It is heartening that this project will create 200 full time operational employment and over 600 construction jobs. My Department is informed that a number of operational jobs are in artisan fields such as boiler making, fitting and turning roller, cutting and

chamfering operations as well as shot-blasting operations. This also augers well with Government's strides of placing artisans at the centre of all infrastructure development and build projects.

Not only will this project create jobs, but it will also increase knowledge and skills within the area. Education, training and skills development should be prioritized. You shall recall that all jobs created in the renewable energy space have a potential of being turned into careers. It is investment in training and skills development that would ensure the realization of such prospects.

I am also elated that you are mindful of the fact that skills acquired in this sector can be extended to the nuclear energy programme. This will be beneficial in increasing the skills based in the build-up to the country's nuclear energy programme. The huge investment made on renewable energy within this province places impetus on every stakeholder to start up-skilling its labour force.

I had earlier given an indication that this project joins the list of other renewable energy projects we have launched in this province. Our experience with other projects is that communities are already reaping the benefits ushered by the REIPP, albeit the actual implementation phase having recently resumed.

Some of the successful bidders in the REIPP have established community trusts and direct significant portions of funds towards community development initiatives. Theirs are not just piece meal or "hand-out" interventions, but they are sustainable. One example is that of the provision of training to community members as nature conservation officers by the Metro Wind Van Staden Wind Farm Project.

There are numerous ways in which the DCD-Coega Wind Tower Project can invest in surrounding communities. Education is but one area that cannot be ignored. The conditions under which learners in this province undergo schooling should also find your favourable consideration. Through investment in education, you will be playing a meaningful role in the improvement of educational outcomes, particularly in fields of Mathematics and Science. Contributions towards school bursaries and improving school infrastructure are other ways in which the private sector is encouraged to intervene.

Women empowerment is a transformation imperative that is often overlooked. It has been my observation in other projects that women are not adequately represented in managerial positions. While it should be appreciated that some women do get employed in construction and other areas, there should be fair representation of women in decision making organs and management echelons. Gone are the days when women were confined and compartmentalized to certain roles.

Ladies and Gentlemen

May this bring hope to the people of the Nelson Mandela Bay Metro. May they enjoy the maximum benefits yielded by this project. We are under no illusion that when the expected project completion date of 2014 comes, the community would have been empowered in numerous ways. The success of this project heavily relies on commitment to implementation and effective stakeholder engagement.

Once more, congratulations on this milestone. May this mark the beginning of greater things to come.

I thank you