

**KEYNOTE ADDRESS BY THE HONOURABLE MINISTER OF ENERGY, MS TINA
JOEMAT-PETERSSON AT THE RENEWABLE ENERGY CONFERENCE, IN
KIMBERLY ON 30-31 OCTOBER 2014**

Programme Director,

Business Executives in the Renewable Energy sector

Investors and Manufactures,

International agencies / organisations represented,

Senior government officials in and outside South Africa,

Honoured guests,

Ladies and gentlemen,

Good Morning

First and foremost let me start by commending the organizers of this event and further extend my appreciation to be part of the solution on renewable energy deliberations. It is indeed encouraging to always find a better way of crafting a sustainable path for issues that affect us. I am addressing this gathering post the commitment made by , the President of the Republic of South Africa, His Excellency Mr Jacob Zuma in His address at State of the National Address (SONA) where clearly called upon us to intensify efforts to diversify the energy mix. Among others He mentioned one of the important pieces of legislations, the Independent System Market Operator (ISMO). I must also indicate that extensive work has been done towards the Integrated Systems Market Operator (ISMO) Bill that has since been deliberated and is now before Parliament for further processing. Indeed, the Bill seeks to create an enabling environment by levelling the playing field for IPPs and I am encouraged that today we are gathered here to further find sustainable

solutions for the energy sector at a critical time like this one when the country's development or demand seems to surpass the supply. Let me also say that it is on renewables successes including the challenges that the sector is faced with as well as sharing of experiences or best practices that we would be able to resolve the blockages for continuous improvement. It really gives great contentment to stand before you today and express my unconditional and sincere gratitude for the sterling work that is being done to advance the deployment of the renewable energy technologies to give rise to the provision of cleaner and sustainable sources of energy in South Africa.

Programme Director, when I look back from where we started 20 years ago, the way in which green economy issues have become topical in the country's economic growth discourse under the leadership of the African National Congress is definitely a welcome development. It was indeed necessary in 2011 that Government with its Social Partners committed through the signing of a Green Economy Accord including other equally important Accords such as Local Procurement Accord, National Skills Development Accord and Youth Accord that We as a collective agreed and committed on what each of the partners would do. I would be happy to note what has been achieved to date on these commitments or accords.

Distinguished guests, the legislative framework and the policy landscape have shaped the path to create an enabling environment for the deployment of cleaner energy technologies as outlined in the Integrated Resource Plan (IRP 2010 - 2030) currently being updated. The Plan outlines 42% of Renewable Energy by 2030 and also provides for the country to tap into other RE sources available in abundance in the continent such as Hydro Power. We all know that South Africa is a water scarce country. We have since completed the Treaty on Inga which has potential to provide the continent with 40 000 MW which as South Africa we will access through the 6% import hydro allocation within the IRP. The Inga Treaty is now before Parliament. We have since advanced in an effort to complete the picture in the development of the Integrated Energy Plan (IEP) since our public consultation in September and October 2013 and in addition to the work done around the Gas Master Plan.

Thus far the successful implementation of the REIPPP Programme has increased global interest in investing in South Africa with the country now being ranked number 9 on the Top 10 Clean Energy Investment countries according to Bloomberg New Energy Finance. South Africa attracted US\$4.9 billion in 2013, US\$5.7 billion in 2012. Indeed these figures clearly demonstrate a significant growth in the sector if you were to look 20 years back as I said earlier and these can be confirmed by the excellent results on the Windows we have rolled out, lest to say the success is attributed to a collective effort.

We are tirelessly working in support of Eskom to continuously address grid capacity assessment issues so as to clear out uncertainties with respect to grid planning and integration issues. The Department has since proven beyond reasonable doubt that it will not falter in contributing towards realisation of a vision that seeks to embrace a transformative journey for the energy sector. It is the outcomes of gatherings of this nature that assist us with inputs towards informing the policy development and transformation. We are always mindful of the central role played by energy on sustainable development, which is built upon the inter-connection of environmental, social and economic pillars.

Let me also take this opportunity to share with you that South Africa as a member of the International Renewable Energy Agency (IRENA) and among others is also actively playing her part on the Africa Clean Energy Corridor and Solar & Wind Global Atlas, the latter coordinated by IRENA on behalf of the Clean Energy Ministerial (CEM). I hope you will agree with me that no any government or country will go it alone in achieving the overall investment in the energy sector hence we always have to bear in mind the importance of collective partnership between governments and private sector as part of the value chain. The Solar and Wind Global Atlas seeks to further ensure that there is certainty to investors across the world on the existing potential on solar and wind thereof.

The South African Government is ready to work together with other international partners to develop a set of innovative blended financial instruments aligned to national plans for green growth. International partners have a key role to play for this country to deliver, and build on, this ambition for green growth. Without the much needed requisite skills our path to deliver in this sector will remain a challenge. It is for this reason that one important step is to build our pool of skills for the sector to thrive notwithstanding the fact that the more we engage in these platforms we will speak in one voice towards a common goal. I encourage you to invest in local manufacturing as a way of building on the much needed skills and jobs.

Ladies and Gentlemen, Well, I must mention that this process of diversifying South Africa's energy mix could not have happened without political leadership and will. The SONA has set the scene during the ANC led government's Fifth Administration. In providing this leadership we have ensured that supportive and enabling frameworks for the development of green energies are in place, and as the Department of Energy we stand ready to work with progressive forces in South Africa and the world over. Foremost, as South Africa, we must take up the challenge of militating against the chaotic and unprecedented weather and climatic conditions, and act together to save tomorrow by our current actions. The renewables are among the flagship programmes to assist the country to respond to its national climate change impacts.

Distinguished guests, I am quite certain that you will attest to the status of electricity access in this country in 1994 when the country was at 36% access to where we are now at 84%. This is a picture that our National Integrated Electrification Programme (INEP) has painted within this 20 year journey and indeed is commendable. Of course with the country's economy growing, we find ourselves faced with the challenge of balancing Supply and Demand. As South Africa we have taken a conscious decision to link the performance of our economy with efficient resource utilization and a just distribution of the benefits within and across generations hence we need to ensure that the sector value chain contributes optimally towards job creation. It is against this background that we acknowledge the integration among all government objectives that

we are saying, to create jobs and alleviate poverty, we need to make sure that localisation is not negotiable as with time we should not be relying heavily on imports to reduce our energy generation costs along the value chain.

Many of the building blocks to support the scale up of RE and EE initiatives exist today. Effort therefore should be concentrated on regrouping these building blocks and ensuring the right level of coordination between public and private sector finance to maximize the available financial resources.

I wish you all the best in the deliberations.

I thank you