



**OPENING REMARKS BY THE MINISTER OF ENERGY, MR JEFF
RADEBE, MP AT THE THIRD BRICS MEETING OF ENERGY
MINISTERS**

Sandton Sun Hotel, Johannesburg, Republic of South Africa

28 June 2018

Honourable Ministers and Deputy Ministers

Delegations from our BRICS partners

Senior Government Officials

Ladies and Gentlemen

Welcome to our beautiful country on this occasion of the Third BRICS Meeting of Energy Ministers.

We welcome, as our distinguished guests, the Ministers of Energy and Heads of Delegation of the:

- Federative Republic of Brazil,
- the Russian Federation,
- the Republic of India and
- The People's Republic of China, to the bustling City of Johannesburg during South Africa's Chairship of BRICS in 2018.

SOUTH AFRICA CHAIRS THE BRICS ENERGY SECTOR TRACK THIS YEAR -

- The theme for this year is “***BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution***”.
- This is reflective of the core priorities of each one of us as BRICS members, notably to strive towards the creation of an inclusive society and global partnerships that will bring prosperity to all humankind.
- The theme further encapsulates the importance of energy as an area for BRICS cooperation as the 4th Industrial Revolution transforms our collective economic, developmental, and social, energy and electricity landscapes.

ON THE GLOBAL ENERGY LANDSCAPE

- There is rapid change towards a more environmentally sustainable energy system.
- Technically advanced, flexible, cost competitive and low emissions technologies are increasingly displacing conventional fossil fuel-based alternatives.
- The most prominent of these include renewable energy, especially from solar and wind, and complementary technologies, such as

natural gas, energy storage systems, energy efficiency measures, micro-grid solutions, digitalisation and electric vehicles.

The ENERGY OUTLOOK 2018 REPORT, recently published by Bloomberg New Energy Finance highlights:

- wind and solar energy will account for around half of global electricity generation by 2050,
- this is increasingly and primarily supported by flexible capacity from battery energy storage, peaking gas-fired facilities, energy efficiency and electric vehicles
- This happens especially as coal-fired power plants are in a state of decline.
- China and India are continuing their global leadership in renewable energy investment, systems and markets.
- India recently announced the largest tender for new solar power capacity of 100 GW in the world to date.
- Brazil, Russia and South Africa will similarly continue to advance their respective transitions to cleaner and more flexible energy systems.

ON THE JUST TRANSITION TO CLEANER, TECHNOLOGICALLY ADVANCED AND SECURE ENERGY SYSTEMS

- We need to consider a multitude of considerations, changes and areas for cooperation in order to improve the collective, inclusive and sustained economic growth.
- This we must do to improve the development prospects of our countries, as well as the socio-economic wellbeing of our people.
- This was already accepted at the first Summit in June 2009 in the joint statement of BRIC Leaders in Yekaterinburg, Russia, by emphasising the importance of energy diversity and security, energy investment and infrastructure, renewable energy and energy efficiency to environmentally sustainable economic development and the mitigation of climate change.

ON THE BRICS ECONOMIC PARTNERSHIP STRATEGY -

- The focus areas of intra-BRICS collaboration as we transition to environmentally sustainable energy systems is captured under the energy work stream as outlined in the BRICS Economic Partnership Strategy adopted at the 2015 Leaders' Summit.
- Our discussions and joint decisions here today will further solidify and progress commitments made on energy under the BRICS Economic Partnership Strategy.

- It will demonstrate our continued devotion to implement and uphold our commitments made under the Paris Agreement on Climate Change, the United Nations 2030 Agenda for Sustainable Development and an open world economy for investment and trade.

PROGRESS WITHIN BRICS –

- We have made significant progress in prioritising renewable energy in our respective national development plans. It is at this point where the key drivers for our collective energy transition and security converge.
- In South Africa, the National Development Plan (NDP) and Integrated Resource Plan for Electricity (IRP) places renewable energy at the forefront of new electricity generation capacity.
- Renewable energy accounted for around 5 240 MW or 10% of the nominal installed electricity generation mix in 2017 and, according to the NDP, at least 20 000 MW of renewable energy capacity must be installed by 2030.
- The South African government established the world-renowned Renewable Energy Independent Power Producers Procurement Programme (REIPPPP) in 2010 as an urgent intervention to support the transition to a low-carbon economy.

- Through this intervention, we aim to enhance and diversify South Africa's electrical power generation capacity and accelerate private-sector participation in the energy industry through a competitive bidding process.

- The programme design, implementation and operational requirements further makes significant contributions to broader national economic development objectives, such as:
 - job creation and social upliftment,
 - enterprise development and increasing economic ownership opportunities for black people,
 - foreign direct investment, technological progress, climate change mitigation, as well as alleviating pressure on the fiscus and lower electricity costs.

In light of the reality that the global energy transition impacts directly on our own respective plans and policies, it is an opportune time to consider extending BRICS cooperation on energy beyond energy savings and energy efficiency.

There are a number of common thematic areas that are of mutual strategic interest and where practical intra-BRICS collaboration could help us attain tangible results and enhance our social, economic, developmental and institutional development.

COMMON AREAS FOR BRICS ENERGY COLLABORATION INVOLVE -

- transitioning to environmentally sustainable energy systems, including the role of renewable energy, energy storage, electric vehicles, natural gas, energy efficiency, digitisation, smart- and micro-grids, electrification and strategic energy sourcing and security;
- finance for energy infrastructure and industry development;
- the development and expansion of energy industries and better institutionalisation of BRICS work on energy.
- Such common areas for cooperation should further remain cognisant of and support our respective regional relations, including Africa.

Institutional structure to support our collaboration –

- It is encouraging to note the progress made by the BRICS Working Group on Energy Saving and Energy Efficiency to establish a formal BRICS Energy Research Cooperation Platform, which will strengthen BRICS collaboration on energy through joint research and studies in advancement of a just transition to cleaner, more economic, energy systems, industries and markets.

- As a means to progress and deepen our BRICS collaborative work on energy, the potential also exists for us to consider the establishment of a Committee of Senior Officials to coordinate, elevate and advance BRICS cooperation and implementation of mutual energy activities.
- Our deliberations can also extend to improving alignment with the BRICS Business Council, Business Forum and Think Tanks Council; enhancing private sector participation; improving access to financial resources, including through the New Development Bank (NDB) and other beneficial financing channels.
- We may wish to consider furthering strategic joint support in energy projects to African countries with its ever expanding markets.
- This will also require collective action with a view to improving alignment between BRICS national energy focal points and relevant multilateral fora supportive of the global energy transition and increased energy security.

We re-iterate South Africa's utmost commitment to the BRICS partnership in a manner that advances our collective economic, developmental and social prosperity towards a unified world in which all people can live in harmony without poverty, inequality, unemployment and environmental disdain.

Throughout our Chairship this year, South Africa will ensure the programmatic continuity for BRICS and bring a specific focus to the

challenges, opportunities and practical solutions in the context of the 4th Industrial Revolution and the global and intra-BRIC transition to more environmentally sustainable energy systems.

We look forward to our deliberations today and the continued strengthening and deepening of our collaboration on energy.

Once again, a warm welcome to the Republic of South Africa.