



**Keynote Address By The Minister Of Energy, Hon Jeff Radebe, MP
at the BBQ Awards Ceremony.**

15 March 2019

MC -Somizi Mhlongo

Cape Media -Organisers of the BBQ Awards, Director Mr Robert Arendse

Deputy Speaker Mr Lechesa Tsenoli

All Ambassadors and Excellencies present here today

South African Judicial Education Institute Mrs Zamo Baloyi

And Mr Zongezile Baloyi

Adjudicators (judges who scored and selected finalist and winners of the awards).

Ms Basetsana Kumalo

Mr Oscar Sibiza

Ms Babalwa Fatyi

Mr Xolani Qubeka

Mr Bonang Mohale

Ladies and Gentlemen

Good evening,

I am delighted to be here with you this evening at South Africa's most prestigious and longest running black business awards ceremony, under the theme: "celebrating 25 years of democracy in South Africa".

This year, South Africa is celebrating the 25th Anniversary of the achievement of our democracy. We celebrate 25 years of freedom, of commitment to the development, transformation and prosperity of our people as well as the improvement of their quality of life.

We celebrate being part of this great country that believes in freedom for all and the supremacy of the rule of law.

Our struggle for democracy and justice came at a great price. As we continue with the celebration of our 25th Anniversary, let us also reflect on the contributions and lives sacrificed by our past heroes and heroines for you and me to be free.

General elections will be held in South Africa on the 8th of May 2019 to elect a new National Assembly and new provincial legislatures in each province. This will be the sixth election held since the end of the apartheid system in 1994.

It would be remiss of me if I did not encourage all South Africans to vote, especially the youth that has already registered for that purpose. This is likely going to be the most contested election since 1994, and the future direction of South Africa will be determined by your participation as voters. Your destiny is in your hands and as an ANC office bearer I am confident that the youth will make the right choice.

It is pleasing to note that, the BBQ Awards have celebrated and recognised transformation within the South African business sector over the past 16 years. It is thus appropriate that I start by expressing my sincere gratitude and pleasure for being invited to the 2019 edition of this ceremony. The Awards have, for the past 16 years, celebrated and recognised South Africa's champions of transformation, with the newest winners in

15 categories, ranging from Hennessy Businessman of the Year Award to the Public Sector Visionary Award. Transformation is well recognized as a change management strategy which aligns people, processes and technology initiatives, irrespective of the industry you come from, in order to survive an evolving business environment.

There is something deep inside humanity that loves to celebrate the best things in life, and when I accepted this invitation, I impulsively wanted to reflect on some of the things worthy of celebration, mainly because they offer a sense of belonging and contribute to national cohesiveness.

If one considers great examples of beating the odds, or of examples of heroic acts and courage by ordinary people, the South African democratic revolution stands out, and that is why it is worthy of celebration. Tonight as we focus specifically on the tribulations and successes of black business, I wish to also pay tribute to our stalwarts in whichever facet of our being, including the political, sports, academic, arts and social. This very eminent gathering of business people, investors, and dignitaries has taken time to come out, reflect and acknowledge the success of black business with us.

Besides being the Minister of Energy, my association with the BBQ Awards comes a long way and it should therefore not surprise you. The prognosis is that we should not have load-shedding tonight, because Eskom recognizes the importance of the BBQ Awards ceremony. I do not mean to make light of our dire situation regarding electricity supply, because it is a very serious matter.

As a developing economy, plagued by high poverty and unemployment levels, the issue of reliable and affordable energy is critical. The impact of unreliable or unaffordable energy on value-creating industries which contribute significantly to economic development could be very devastating if unmanaged.

Since the advent of democracy we increased the usage of electricity in the residential sector, through the proliferation of appliances as the standard of living gradually improved. We are still amongst the highest per capita users of electricity around the

world, notwithstanding that there are still around 3-million households without a grid connection.

Through the experience gained during liquid fuels shortages in 2005 and the electricity disruptions in 2006, 2007 and early 2008, we learned about the need for co-ordinated planning and promptly introduced our energy planning framework, the Integrated Resource Plan for electricity the Liquid Fuels Master Plan for petroleum products and the Gas Infrastructure Plan for gas.

You had a situation where electricity disruptions caused diesel shortages, due to increased operation of diesel generators to plug the electricity gap. In the crisis it became evident that disparate plans created potential for contradictory initiatives and activities. Integrated planning was identified as being key for the alignment of plans relating to transportation, electricity, petroleum, water, trade, energy infrastructure development, housing, air quality management, greenhouse gas mitigation and development plans for local and provincial authorities.

Programme Director, today we celebrate the BBQ awards, and I am no match to Somizi and his wisecracks, but allow me some indulgence so that I can share with you some energy planning perspectives. I am certain that this information will be useful to black business gathered here tonight and I dare not lose the opportunity to share it before Somizi takes over.

Sustainable energy planning takes a holistic approach to the problem of planning for future energy needs and requires from us to ensure that environmental and climate change issues, together with social development and economic growth are all considered in a balanced manner. We have come to realize that achieving these objectives simultaneously is no easy task as it entails juggling competing and often conflicting objectives.

During the energy planning process, we therefore cannot discriminate against or favour any particular energy carriers.

We cannot ignore the fact that we have abundant coal reserves and the price of local coal remains relatively low. However this is counter-balanced by the high carbon content that coal has, and this cost has been internalised when we analysed policy options where emissions reduction targets and carbon taxes are introduced.

We have to consider nuclear, and despite its high capital costs, we have not lost sight of the fact that this is a clean energy source that can contribute optimally for electricity generation. We have to consider Hydro as well particularly with respect to Cabora Basa in Mozambique and INGA in the DRC.

The Department of Energy has sent out strong signals with regard to the role that Renewable Energy technology should play in our energy mix in the future. Through the Renewable Energy Independent Power Producer (REIPP) programme, we have successfully implemented bidding rounds to which the response has been very positive.

South Africa is highly dependent on imported crude oil and with diminishing refining capacity, we are increasingly relying on imported petroleum products.

This places our country at significant risk to global instability. We therefore need to look at alternative sources and resources to meet our liquid fuel needs.

The shale gas potential in South Africa cannot be ignored as it has the potential to contribute significantly to our future energy needs within the constraints of proposed emissions caps, and thereby helping us in effectively moving towards a low carbon economy. There are also significant socio-economic development benefits that could be realised through the creation of primary and secondary industries and new job opportunities.

In 2018, President Cyril Ramaphosa set a target to lure investments of \$100bn by 2023 in an attempt to stimulate economic growth, which has been falling far short of the 5.4% annual target set in the National Development Plan. The aim is to attract investments into projects throughout the country.

We must rally behind the President's call by identifying those projects and initiatives that would help us achieve the target that has been set, in all the sectors we come from. The financing support for infrastructure development is an important starting point. The financing of economic infrastructure has become more problematic given the global financial crunch that is fueled by the stand-off on trade between China and the United States. Notwithstanding that the current credit situation remains tight, we need to find ways to increase assistance for financing enterprises that develop energy infrastructure – especially small and medium ones which have enormous difficulty securing access to credit.

Our investment climate remains a positive one, with a massive infrastructure capital investment programme underway. Investments in water, energy, roads and transportation are being planned, to the extent of over R1 trillion in new generation capacity alone, over the next 10 years.

We are putting measures in place aimed at assisting municipalities to refurbish their infrastructure. Through this initiative, the problems associated with the “last mile” in the electricity supply service, would be addressed.

The fourth industrial revolution is upon us!

In the end, it all comes down to people and values. We need to shape a future that works for all of us by putting people first and empowering them. In its most pessimistic, dehumanized form, the Fourth Industrial Revolution may indeed have the potential to

“robotize” humanity and thus to deprive us of our heart and soul. But as a complement to the best parts of human nature—creativity, empathy, stewardship—it can also lift humanity into a new collective and moral consciousness based on a shared sense of destiny. It is incumbent on us all to make sure the latter prevails by starting with the preparatory work that anticipates this change.

To the organizers, we thank you for your efforts in promoting sustainable black business and transformation through the recognition of good cooperate governance, leadership and achievement.

To all the winners, please accept my congratulations on this wonderful recognition of your merits. Your dedication and insights are really inspiring and we hope that you will encourage others to strive for the level of achievement you have reached.

I want to conclude, by indicating that changing the structure of the economy will result in it being more inclusive, sustainable, achieving appropriate sectoral balance with opportunities for all, integrated value chains and less barriers to entry, as envisioned in our National Development Plan.

For South Africa the transformation issue is critical in all our endeavours and decisions.

I thank you