



**MINERAL RESOURCES AND ENERGY
REPUBLIC OF SOUTH AFRICA**

**SPEECH BY THE HONOURABLE
DEPUTY MINISTER OF MINERAL RESOURCES AND
ENERGY**

DR NOBUHLE NKABANE

**ON THE OCCASION OF THE FETAKGOMO TUBATSE
LOCAL MUNICIPALITY SLP ELECTRICITY SWITCH ON
EVENT**

01 JULY 2022

Programme Director, Mr. Thabo Thobejane

Fetakgomo Tubatse Local Municipality Mayor, Cllr Eddie Maila,

Pulana-Maroga Traditional Council,

Ward Councillor, Cllr Mohlala

**Samancor Eastern Chrome Mines General Manager, Mr Bertus Brink &
Executives of Samancor**

Ladies and Gentlemen

It is with a deep sense of honour and privilege that we participate in this service delivery programme to provide electricity to 391 Fetakgomo Tubatse Municipality households.

First and foremost, allow me to convey Minister Gwede Mantashe's profound apology as he had initially planned to be here but due to various challenges could not be here with us today.

We are here today because service delivery across the length and breadth of our country remains an utmost priority for our government, even more access to electricity! We could speak on very important projects such as the ***Economic Reconstruction and Recovery Plan*** as led by the President, but all that will mean nothing unless this is practically translated and felt in the improved and lived experiences of all our people.

On a universal scale, both our country and the entire world is undergoing an energy revolution due to the pressing demands imposed on all of us as humanity by the imperatives of climate change. It is in the interest of our country and the world that we combat climate change by amongst others moving away from energy sources that degrade the environment, including deforestation.

Destruction of natural plantation for firewood has been considered as one of prime factors towards climate change.

But as a Department we are acutely aware that unless we provide practical means to alternative energy, we will not succeed in our national endeavour to contribute towards combating global warming. And consequently, the environmental devastations that goes with such environmental degradation is amongst others the torrential rains as witnessed recently in the province of KwaZulu-Natal.

We are very much aware that over the recent past government and State-Owned Enterprises (SOEs) had to reprioritise financial expenditures due to the COVID 19 outbreak. As a country we lost many people but without the mitigation measures the situation could have been worsened!

As we eased the COVID 19 protocols by amongst others removing the compulsory obligation to wear masks it is an

occasion to celebrate the cooperation we got across the board to combat this pandemic.

SAMANCOR as a mining company will know that we had to make special provisions for mining operations to continue even at the height of the pandemic. Amongst others we visited selected mines to ensure mining operations adhere to the COVID 19 protocols for the safety of mine workers and all involved.

Consequently, while other economic activities shrank, mining became the biggest industry sector to contribute to national revenue.

I speak of sacrifices made, because the community of Fetakgomo Tubatse also suffered budget cuts on the electrification programme as has been all other areas across the country. However, against this adversity, we are here to celebrate the switch on of 391 houses in this municipality.

You will recall that this municipality doesn't have a distribution license as yet and therefore electrification is managed directly by ESKOM.

However, even after making assessments from time to time in order to make informed planning on future electrification programmes, the rapid expansion or growth of this area through increased new households continuously poses an additional challenge. It is like shooting at a moving target. This is partly due

to the continued mining activities in the area. The increase in population though can be looked at from a positive perspective as it will ensure the area is more economically viable through increased economic activities anchored on the mining sector. This opportunity must not be put to waste by aspirant entrepreneurs.

We are glad that SAMANCOR as a mining company has taken responsibility as outlined in both the Mineral and Petroleum Resources Development Act of 2002, (MPRDA 2002) and further spelt out in the Mining Charter to embark on the Social and Labour Plan projects by electrifying these 391 houses.

We noted that the Municipality has approximately 22 000 households without access to electricity. We have further noted as already alluded to that the recent allocations are not sufficient due to increased mining activities and population explosion.

We also note that electricity supply to the Fetakgomo Tubatse municipality area is constrained by grid capacity which ESKOM must attend to.

As you know, we have embarked on a programme to unbundle ESKOM into the three divisions of Generation, Transmission and Distribution to enable more generation capacity through new entrants. Not even the rocky pathways that require expensive drilling to facilitate distribution will stop us from ensuring every household has electricity access.

In the light of further developments in the energy sector we have provisioned the embedded generation of electricity up from 1MW to 100MW without the need of license. This is an economic opportunity for both the mines and local investors to look beyond being recipients of electricity from ESKOM to be participators in electricity generation.

An independent grid to facilitate transmission will therefore go a long way towards ensuring competitive electricity production.

Meanwhile the Municipality took a decision to request permission to accelerate 12 500 connections to the value of R250 million which is approximately half of the electrification backlog. The request is still under consideration from the Integrated National Electrification Programme (INEP) and is expected to be finalized during the allocations in October. We are committed to electrifying all outstanding houses even those that were built after previous assessments and planning were concluded.

As I conclude, as the Department we are in support of an accelerated programme for electrification of households as the municipality has the highest backlog in the Limpopo Province.

On behalf of Minister Gwede Mantashe and the Department of Mineral Resources and Energy, allow me to thank SAMANCOR for a job well done, believing we are still to traverse this journey together until every household has access to electricity!

I also want to thank all stakeholders involved for the success of this programme, including the central role of the municipality, Eskom and the Provincial government.

I thank you!