



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

**REMARKS BY THE HONOURABLE  
DEPUTY MINISTER OF MINERAL RESOURCES AND ENERGY  
DR NOBUHLE NKABANE (MP)**

**South African Energy Investment Forum  
African Energy Indaba  
CTICC, 06 March 2024**

**Programme Director,  
Director General of the DMRE, Mr Jacob Mbele,  
Leadership of Organised Business,  
CEOs of State-Owned Entities,  
Members of the Investment Community,  
Distinguished Guests,**

Let me start by ***extending our appreciation to*** you for joining us and for your participation at this ***South African Energy Forum***, which forms part of the 16<sup>th</sup> occasion of the ***Africa Energy Indaba***.

Convened under the ***theme***, “*African Energy Transitioning from Aspiration to Action - Delivering a Sustainable and Prosperous Future*”, this year’s ***Indaba*** presents us with an opportunity to reflect on the work we have done to ***address energy poverty***, create a ***conducive environment for investments***, and ***reduce carbon emissions***.

As you may all know, this year’s edition of the Indaba coincides with ***30 years of freedom in South Africa***, since the first democratic elections that were held in April 1994, which ***gave birth to a democratic South Africa*** that is *non-racial and non-sexist*.

Over these years, government invested efforts and resources to ***address energy poverty in South Africa***.

It is, therefore, encouraging that 30 years later, we have successfully **increased access to electricity** from the 34% recorded in 1994, to over 92% today.

Notwithstanding this progress, we are, however, mindful of the **current electricity supply-demand imbalance** that has necessitated government to put in place effective measures and invest resources to permanently resolve.

Amongst the **measures that government** has put in place **to eradicate loadshedding**, include a rigorous implementation of South Africa's electricity infrastructure development plan, the Integrated Resource Plan (IRP), by aggressively **building additional energy** capacity, **extending the life of coal fired power stations**, extending the life of **Koeberg Nuclear power station**, meaningful **development of gas-to-power projects**, and **overcoming the limitations of transmission capacity**.

As detailed by the Minister yesterday, the **6th administration** has, through the IPP Office, **procured** a total of five thousand, nine hundred and thirty-nine megawatts (**5 939 MW**) of additional energy capacity from diversified energy sources.

**Procurement processes for** a combined seven thousand, six hundred and fifteen megawatts (**7 615 MW**) under Bid Window 7 of renewable energy, Bid Window 1 of gas-to-power, and Bid Window 2 of battery storage **are at an advanced stage**.

In addition to this capacity, we will **further issue Request for Proposals (RFPs)** for the procurement of five thousand megawatts (**5 000 MW**) under Bid Window 8 of renewable energy, and six hundred and sixteen megawatts (616 MW) under Bid Window 3 of battery storage **before the end of this financial year**, depending on grid availability.

Another measure introduced by government to **create a conducive environment for investments** and **enable businesses to operate optimally** was **the amendments to schedule 2 of the Electricity Regulation Act (ERA)** to enable embedded generation by removing the licensing threshold.

It is heartening that since the commencement of the registration regime, the National Energy Regulator of South Africa (**NERSA**) **has registered** one thousand, three hundred and twelve (**1 312**) **generation facilities** with a combined capacity of *six thousand, three hundred and eighty-seven megawatts* (**6 387 MW**).

More comforting to us is that, at least **32% of this capacity will supply the mining load**, and thus not only enable mining companies to operate optimally but allow it to increase its contribution to the country's Gross Domestic Product (GDP).

The **IRP 2019**, which is currently under review, recognised the need to retain nuclear power in South Africa's energy mix and acknowledged the important role that is played by **Koeberg Nuclear Power Station** in this regard. Identified as sustainable and part of transitional activities from high-to-low carbon emissions by the European Union (EU), nuclear and gas, will continue to play an integral part in South Africa's just energy transition. It is in this context, that we are working on extending the life of Koeberg power station by a further 20 years.

The **increase in global** Liquefied Natural Gas (**LNG**) **demand and supply** as quantified in the **Energy Institute's 72nd edition of Statistical Review of World Energy** serves as a demonstration of the important role that gas plays in the global just energy transition.

The proven economic viability of the **Shale Gas in the Karoo**, coupled with the **discoveries of gas** by Kinetiko Energy in Amersfoort, Mpumalanga, and TotalEnergies in the Outeniqua Basin confirms South Africa's endowment with this natural resource, and brought to reality our firm belief that gas is a game changer.

Like many industrialised nations who developed on the back of fossil fuels, there is no doubt **South Africa can flourish** by developing these resources and make a significant contribution to the country's economic reconstruction and recovery plan. This means, we must work together and find lasting solutions to the **foreign funded onslaught** against the development of the South African Upstream Petroleum Industry.

As a result of the initiatives taken by our government to respond to the pushbacks, including ***our engagements with traditional leaders and communities***, we are now observing significant improvements and a shift in sentiments. We will continue to engage with communities and introduce more education programmes to ensure that our communities are better informed and that they become active participants in the development of the upstream petroleum industry.

There is mounting evidence that ***coal will continue to play an integral part*** in South Africa's just energy transition. It is not only a strategic mineral for us, but an important source of our baseload energy. It is in this context that we continue to invest resources and efforts in the ***Carbon Capture, Utilisation and Storage (CCUS)*** research in Leandra, Mpumalanga Province.

Let me stop here and allow our panellists to elaborate further on these measures. I hope that the investors that are attending this year's Indaba will leave here with more ***vigour and enthusiasm*** to invest in South Africa, as their preferred destination for investments.

***I thank you.***