



Media Statement on the Outcome of the Meeting held between Honourable Jeff Radebe: Minister of Energy of the Republic of South Africa and His Excellency Khalid Al Falih: Minister of Energy, Industry and Mineral Resources in the Kingdom of Saudi Arabia

The Minister of Energy Mr Jeff Radebe met with the Minister of Energy, Industry and Mineral Resources of the Kingdom of Saudi Arabia His Excellency Khalid Al-Falih in Pretoria on 18 January 2018. The purpose of the meeting was to follow up on progress made since the State visit of President Cyril Ramaphosa to Saudi Arabia in July 2018. During that State visit, the Kingdom of Saudi Arabia had pledged to invest \$10billion into the South African economy in response to President Ramaphosa's investment drive. Investments in the South African energy sector are at the centre of the pledge by the Kingdom of Saudi Arabia.

His Excellency Minister Khalid Al-Falih is accompanied by the Minister of Commerce and Industry His Excellency Majid bin Abdullah Al Qasabi and the Deputy Minister responsible for Mining, Senior Executives from the Ministry, the National Oil Company of Saudi Arabia Saudi Aramco as well as the CEO of ACWA Power.

The two Ministers discussed the modalities for the proposed investment by Saudi Arabia in a new crude oil refinery and petrochemical plant in South Africa. In this regard it was agreed that Saudi Aramco and the CEF will jointly conduct studies that will inform the next milestones. In this regard the Ministers concluded and signed a Declaration of Intent to cooperate comprehensively in the field of oil and Gas.

Saudi Arabia supplies 40% of Crude oil consumed in South Africa. The possibility of Saudi Aramco using the tanks at Saldanha to store crude oil was also discussed. The use of Saldanha for storage and trading of crude oil by Saudi Aramco would improve security of crude oil supply for South Africa and offer a strategic location for Aramco in the trading of crude oil. The initiative will now be discussed further by CEF and Saudi Aramco.

The Ministers also discussed cooperation in Renewable Energy. ACWA Power whose Chief Executive Officer was in the delegation is a significant investor in the Renewable Energy Independent Power Producer Programme in South Africa.

The Ministers expressed satisfaction with progress made but impressed on the officials, the need to accelerate the pace on some of the initiatives. The Ministers were due to apprise President Ramaphosa on the outcome of the deliberations.

Issued by the Department of Energy