

**KEYNOTE ADDRESS BY THE HONOURABLE MINISTER OF ENERGY,
MS ELIZABETH DIPUO PETERS ON THE OCCASION OF THE 3RD
WIND ENERGY SEMINAR DURING COP17 IN DURBAN ON 08
DECEMBER 2011**

Honourable Martin Lidegaard, Minister of Energy, Denmark

Honourable Mr. Dane Frederiksen, Ambassador of the Royal Danish
Embassy,

Business Executives in the Wind Sector

International agencies / organisations represented,

Senior government officials in and outside South Africa,

Honoured guests,

Ladies and gentlemen,

Good Morning

First and foremost let me start by congratulating the organizers of this event and further extend my appreciation of being part of the 3rd Annual Wind Energy Seminar to further deliberate the wind energy successes achieved, the challenges the sector is faced with as well as sharing experiences on best practices to resolve the blockages for continuous improvement. It really gives great contentment to stand before you today and express my unconditional and sincere gratitude for the sterling work

that is being done to advance the deployment of the wind energy technology which will give rise to the provision of cleaner and sustainable sources of energy in our continent and also creating public awareness and general understanding of the sector with its potential for contribution towards alleviating energy poverty.

Initiatives such as the one we are gracing today dovetail with the green revolution which, as South Africa, we have elected to place at the nucleus of our growth strategies going forward.

You will recall Ladies and Gentlemen that since ascending into power towards the mid-1990s, the ANC-led Government of the Republic of South African remained consistent in its position on environmental issues which are inextricably linked to green growth. Such is reflected in this government's earlier documents such as the Reconstruction and Development Programme (RDP). It is this environmentally conscious vision that has informed the various policies, programmes and actions of government since 1994. It is therefore no coincidence that as a country we are moving with haste and taking huge strides in greening our energy economy. This is now complemented by the country's New Growth Path (NGP).

Programme Director, when I look back from where we started 17 years ago, the way in which green economy issues have become topical in the country's economic growth discourse under the leadership of the African National Congress is definitely a welcome development.

In light of the above, my Department has, since the beginning of this year, proven beyond reasonable doubt that it will not falter in contributing towards realisation of a vision that seeks to embrace a transformative environmentalism based upon the idea of sustainable development, which is built upon the inter-connection of environmental, social and economic justice.

In March 2011, the South African Government approved an Integrated Resource Plan (IRP 2010) which outlines 42% of Renewable Energy by 2030 with wind having the highest allocation due to its maturity status. Subsequently, we went a step further by starting with the Independent Power Producers (IPP) procurement process. Yesterday we made an announcement on the preferred bidders of the first phase of the IPP procurement process. The Power Purchase Agreements for Phase 1 will be concluded on Wind (633.99 MW), Solar (631.53 MW) and CSP (150 MW). Noting that procurement process will open other window opportunities, this demonstrates the commitment and the state of readiness from government. In addition, extensive work has been done to develop the Integrated Systems Market Operator (ISMO) Bill which is currently tabled before Cabinet for consideration. This is to make sure that we create an enabling environment by leveling the play field for IPPs.

Let me take this opportunity to share with you that yesterday again after announcing the preferred bidders, on behalf of the South African Government I signed a Declaration of Intent on the South African Renewable Initiative (SARi) with the following partners: Minister Chris

Huhne, Secretary of State for Energy and Climate Change for the Government of the United Kingdom; Minister Erik Solheim, Minister of the Environment and International Development for the Government of Norway; Minister Norbert Röttgen, Federal Minister for Environment, Nature Conservation and Nuclear Safety for the Government of the Federal Republic of Germany; Minister Martin Lidegaard, Minister for Climate, Energy and Building for the Government of Denmark; Mr Simon Brooks, Vice President for the European Investment Bank. This opportunity is still be open for other like minded partners who are willing to partner with us on this ambitious journey and firm commitment.

I need to thank my colleague, Minister of Trade and Industry, Dr Rob Davies for playing a leading role in developing the South African Renewable Initiative. The South African Renewable Initiative (SARi) has been established to support the rapid and ambitious scaling up of renewables in a manner that will deliver economic, social and environmental benefits without imposing unacceptable costs on the nation's citizens and economy. The South African Government is seeking to work together with other international partners to develop a set of innovative blended financial instruments aligned to national plans for green growth. International partners will play a key role in enabling the country to deliver, and build on, this ambition for green growth. This follows the signing of a Green Economy Accord between Government and Business in the last three weeks.

In simple terms, Ladies and Gentlemen, I am talking here about the bold steps we, as a country, have taken to scale up the share of renewables in

our energy matrix. This ground breaking 2030 vision of a diversified electricity generation asset base for our country is unprecedented, and deserves to be applauded.

Well, I must mention Honourable Minister that this process of diversifying South Africa's energy mix could not have happened without political leadership and will. In providing this leadership we have ensured that supportive and enabling frameworks for the development of green energies are in place, and as the Energy Department we stand ready to work with progressive forces in South Africa and the world over. Foremost, as South Africa, we must take up the challenge of militating against the chaotic and unprecedented weather and climatic conditions, and act together to save tomorrow by what we do today.

Distinguished guests, I am quite certain you will attest to the scientific revelations that these unusual and unpredictable weather events jeopardise human settlements, livelihoods and infrastructure particularly in low-lying coastal areas. This untenable situation requires like-minded individuals to put their weights behind climate change mitigation and adaptation strategies as espoused in our climate related documents. Cabinet has just approved South Africa's National Climate Change Response White Paper Policy which will enable all the Energy sectors and subsector to develop specific strategies on how deal with Climate Change issues.

To the extent that poor communities are the ones that will bear the brunt of the costs resulting from climate change inversely proportional to their

contribution to the phenomenon of global warming, in our country there will be no socio-economic development without bettering the quality of life of the indigents. As South Africa we have taken a conscious decision to link the performance of our economy with efficient resource utilization and a just distribution of the benefits within and across generations hence we need to ensure that the sector value chain contributes optimally towards job creation.

In this regard the green economy drive would not have come at a much encouraging time for delivering on our government's promise of socio-economic and environmental justice. Ladies and Gentlemen, I am saying this because under the green economy, economic prosperity bodes well with ecological sustainability. In practical terms, in green economy, investing in ecological resources and services such as a stable climate, bio-diversity and clean air and water, can be an opportunity for profit, employment and growth rather than cost and burden on economy.

Hence in the era of dire climate change impacts, it is quite comforting to note that the green economy will culminate in improved human well-being and reduced inequalities with time, while not exposing future generations to significant environmental risks and ecological scarcities.

For South Africa to realise a low carbon economy which is resource efficient, socially-inclusive, and that protects and enhances biodiversity and ecosystem services, our energy delivery methodologies are incumbent upon us as energy policy makers. We have to embrace and include the green growth concept with special focus to conventional economic system

and strategies that will assist us arrive at the intended goals and objectives. This is just but one of the principles that have informed the pitching of our renewable energy independent power producer procurement programme (REIPPPP).

As government we are cognisant of the fact that the current economic system needs to internalize the ecological price of the natural resources and services we consume into the market price so that investment in renewable energies and natural resources can generate commercial profit, employment and growth without subsidies and incentives by the government. This testifies the need for all energy and environment policy makers and implementers; project developers to work together to ensure synergy and flow on all aspects that build on pillars of sustainability. This is where this country wants to be in the not so distant future.

It is for this reason that we have structured our renewable energy independent power producer procurement programme (REIPPPP) in a manner that will enable actualization of our country's developmental agenda as it relates to the advancement of socio-economic and environmental objectives. I therefore implore all renewable energy IPPs to disprove the critics of renewables by seizing, without fail, the opportunity presented by the REIPPPP.

You may also be aware Honourable Ambassador and Minister that African leaders have already embraced the green economy concept as exemplified in several declarations and resolutions including the recent Johannesburg Declaration at the Africa Energy Ministers Conference on 15-16 September

2011. It is therefore quite heartening to note that our continent is determined to walk the green growth path as a collective, thus implying a glaring opportunity that stands ready to be seized by *smart* renewable energy technology providers.

In closing Ladies and Gentlemen, I want to leave this message for the wind energy IPPs: *“The ball is now in your court as government has provided the long awaited and much-needed demand certainty. If during the deployment of the first 3 725 MW wind proves to be the technology of choice, going forward Government will not hesitate to increase the wind allocation ever further”*.

On behalf of my Department, I want to re-iterate the stated fact that this government’s vision of the future includes a *sustainable* economy where all South Africans, including present and future generations will be able to realise their right to an environment that is not harmful to their health or well-being, and through a robust green industries drive this vision will no longer be a pie in the sky.

Let me take this opportunity to thank the Danish Government for this continuous support in the wind sector and also the work done towards our strategy to intensify wind awareness campaign. As South Africa this awareness addresses the principle of inclusiveness in the development of the sector with a clear understanding of the benefits and opportunities by all the stakeholders. I am now inviting you to be part of the awareness campaign launch today.

I thank you