



REMARKS BY THE MINISTER OF ENERGY, MS DIPUO PETERS
On RESPONSE TO THE UN SECRETARY GENERAL'S CALL FOR
SUSTAINABLE ENERGY FOR ALL (SE4ALL), HELD IN
NEW YORK, USA ON 22 APRIL, 2013

UN Secretary-General H.E. Ban Ki-Moon,

Dr Kandeh Yumkella, UNSG Special Representative and Chief Executive of SE4ALL,

H.E. Christian Friis Bach, Minister for Development Cooperation, Denmark,

H.E Carsten Staur, Permanent Representative of Denmark to the UN,

H.E Masood Khan, Permanent Representative of Pakistan to the UN,

H.E Geir O. Pedersen, Permanent Representative of Norway to the UN,

The CEO of Sustainable Energy for All,

Professor William Moomaw, our session chair,

The Group of Friends on Sustainable Energy for All

Ladies and Gentlemen

All protocol observed

Good afternoon.

It is indeed an honour and privilege to address you on this very important occasion where we discuss the progress and commitments made to bring to reality the UN Secretary General's call for Sustainable Energy for All (SE4ALL).

SE4all is an initiative that speaks directly to the needs of African people, given the dire situation particularly of poor energy access. A special report by the International Energy Agency (IEA) released in October 2011 indicates the scale of the challenge. The IEA estimates that-

- In Africa, power outages are responsible for a loss of between 1% and 6% of potential GDP every year;
- Almost 42% of those who lack access to energy live in Sub-Saharan Africa and 78% of these use traditional biomass for cooking & heating;
- Forecasts show that more than a 10-fold increase in installed generation capacity would be required to provide for full access to electricity and this is mainly due to the fact that Africa's population has been growing at 2.3% per year, more than double the rate of Asia's population growth.

Given this scenario ladies and gentlemen, the African continent demand for energy is increasingly becoming a tall order and this SE4ALL initiative has come at the right time to ensure that our governments give the energy sector the priority, focus and resources required.

The statistics paint a stark picture of Africa and emphasise the critical need for action. Please be assured Your Excellency, UN Secretary General Ban Ki - Moon, as a country, SADC Region and African continent, we are responding to your invitation and call through a number of actions with the assistance of our governments, development partners and through public private partnerships.

Commitment to the call

As the South African government, we are committed the triple objectives of the SE4ALL initiative. The first two words of the SE4ALL vision are “**energy enables**”. As government, we have seen this in action, and therefore strongly believe this to be true and therefore sharpen our resolve to work tirelessly towards such a noble vision.

In South Africa this campaign is fully supported and is spelt out in the National Development Plan (NDP) which offers a perspective of future government planning towards 2030 and the infrastructure development plan supported by the Presidential Infrastructure Co-ordination Committee (PICC). This UN initiative is fully in alignment with South Africa's specific energy policies and goals as enshrined in the Energy White Paper, the Energy Efficiency Strategy, the National Climate Change Response Policy White Paper, the Green Economy Accord, the National Energy Efficiency

Strategy, the Integrated Resource Plan 2010, and the Household Electrification Strategy, to name a few.

I want to share with you in the limited time available a few specific initiatives with regard to these three “pillars”.

Ensuring universal access to modern energy services

Government and its implementing partners, Municipalities and Eskom have made remarkable progress in increasing access to electricity in South Africa. Electrification has more than doubled from 36% of the population in 1994 to 84% of households in 2012, with over 5.6 million households receiving access to electricity under the government run Integrated National Electrification Programme. Despite its successes to date, this programme still has to cover 3 million households without a formal supply of electricity.

In order to address this challenge the South African Government has engaged into a new plan, called the “Households Electrification Strategy” which was completed the beginning of 2013 in consultation with stakeholders. This new Strategy indicated that at least 10% of the newly electrified houses, equal to 300 000 households will be supplied by non-grid technology such as Solar PV systems. Under the current electrification programme about 52 000 households have already been electrified by means of Solar PV systems and it is estimated that universal access will be achieved by 2025/6.

Doubling the rate of improvement of energy efficiency

In 2005, the National Energy Efficiency Strategy (NEES) was developed and published. The NEES targets to reduce national energy intensity by 12% in 2015. The strategy also sets sector-specific energy efficiency improvement targets of 15% for industry, mining, commercial and public buildings, and residential sectors; 10% for transportation and 9% for power generation.

The key initiatives undertaken over the past five years are as follows:

- 55 million energy saving bulbs have been installed;
- 330,000 Solar Water Heaters have been installed;

- 700,000 homes have been installed with LED down-lighters, timers on water heaters, timers on swimming pool pumps and energy efficient showerheads; and
- The **49M** public awareness program has been launched nation-wide to enhance Energy Efficiency awareness across the country.

All these initiatives have resulted in the energy efficiency programmes savings equivalent to 2 500 MW as measured by independent auditors. More recently, the importance of energy efficiency programmes as a creator of green jobs and business development has been recognised. Local production of energy saving equipment such as LED lighting, Solar Water Heating and appliance control equipment is strongly encouraged and incentivised by government.

Such incentives include the introduction of an Income Tax Allowance which is granted to organisations which have made large investments for upgrades, expansions or new facilities that exceed R30 million for projects of qualifying status and R200 million for projects of preferred status.

We have managed to establish a national green fund worth US\$90 million. Under this fund US\$ 44 million investment in green economy projects have already been approved for our municipalities, state organs, community organizations and the private sector. A further US\$ 35 million has been topped up on the previous financial allocation.

Doubling the share of renewable energy in the global energy mix

South Africa promulgated the Integrated Resource Plan 2010 which seeks to diversify the energy mix by introducing renewable energy. According to this plan, RSA will increase new generation capacity up to 40 000 MW by 2030. The new Renewable Energy component is equal to

17 900 MW which is approximately 42% of all new build generation capacity in SA.

In order to start building the new renewable energy capacity, government initiated the Renewable Energy Independent Power Producer bidding programme which has been divided into five separate bidding windows. Windows One and Two of the programme have been announced and more than 2400 MW of renewable energy

capacity has been secured. Of this 1400 MW is currently under construction and will be completed between February and June 2014. In addition to this Eskom will also be building two utility scale projects, 100 MW Sere wind farm in Vredendaal, with construction commencing soon and with a plan to commission the plant in Dec 2014. Eskom has also commenced the development of a 100 MW CSP demo plant in Upington. A total of US\$7,7 billion will be incurred for the first window.

Continental initiatives

If you recall, the African Energy Ministers were the first to endorse the proposal for the sustainable energy for all initiative in 2010. In September 2011, the African energy Ministers held a conference in preparation for COP 17 and made a resolution that *“Expanding access to modern energy services and building energy security is an utmost priority to accommodate the basic needs of millions of African citizens; facilitate human and social development; sustain economic growth; and contribute to the achievement of the Millenium Development Goals in Africa thereby building resilience to the impacts of climate change.”*

Regional and continental initiatives

There is also work on SADC’s Electrification Roadmap which is led by Eskom and Duke Energy. The goal of the roadmap is to accelerate the achievement of universal access to electricity by 2030 through country-based public-private partnerships that get local markets to work and help global low-cost technologies (supply and demand) to scale. The roadmap targets 35-40 million connections in Southern Africa, with the aspiration to grow the concept over time so that it can help deliver 100 million connections globally. This concept has been termed the Electrification Roadmap initiative. This initiative will be shared at continental level and aligned to the AU SE4ALL strategic plan.

The project Electrification Roadmap Working Group has been formed (ERWG) and will oversee the development of the Electrification Roadmap and is targeting SE4ALL, Global Sustainable Electricity Partnership (GSEP) member utilities, African Development Bank, World Economic Forum, and Southern African Power Pool. I

appeal to these partners to ensure that we, working together, can deliver on the aspirations of many African households out there.

The AU Energy Ministers have also endorsed the SE4ALL and appointed a working group to develop an implementation plan. Development partners have been invited to join and assist in the implementation plan. Some high-level focus areas have been identified and these include connection of more households to sustainable energy resources, improving Energy Efficiency and enhancing regional power pools in the continent. As we speak, a meeting is being held in Botswana to develop more concrete action to give effect to the SE4ALL initiative. We appeal for more involvement from interested parties, and Eskom will send to them, a comprehensive document detailing specific roles they can play. We need funding, skills and serious commitment in order to achieve the goal of universal access in the SADC region and in Africa in general.

One of the projects we hope will contribute significantly to energy access on the continent is the Grand Inga project in the DRC. This project has a potential to generate 40 000 MW of electricity and we are looking forward to committed partners – financiers and project developers with the requisite technologies and skills to join in the development of this important asset.

In conclusion, I want to assure H.E Secretary-General Ban Ki-Moon that as a country, SADC region, and African continent, we support the SE4ALL initiative which directly speaks to our needs as energy is the enabler of economic growth, sustainable development and much anticipated economic liberation of women. We believe that working together with our development partners, financiers and the UN we can achieve the set goals.

I thank you.