



SPEECH BY THE MINISTER OF ENERGY, SOUTH AFRICA, HE EXCELLENCY AT THE OPENING OF THE SOUTH AFRICAN INTERNATIONAL RENEWABLE ENERGY CONFERENCE (SAIREC), HELD IN CAPE TOWN, SOUTH AFRICA, ON THE 5TH OCTOBER 2015.

Programme Director;

Let me take this opportunity to acknowledge in our presence

The Mr Rainer Baake, State Secretary, Federal Ministry of Economic Affairs and Energy (BMWi) on behalf of the German Government

All National and International Ministers

All Members of Parliaments from South Africa and various countries

The Premier of the Western Cape and other Premiers present

The Executive Mayor of the City of Cape Town and other Executive Mayors Present

All Heads of Delegation present

All MECs from various Provincial Departments including the Mayors

Members of the Diplomatic Corps

His Excellency, Dr Arthouros Zervos, Chairman of REN21

Her Excellency Irene Giner-Reichl, President, Global Forum for Sustainable Energy

Dr Yumkella Kandeh, Former Executive Director, Sustainable Energy for All Initiative

Ms Christine Lins, Executive Secretary, REN21

Mr Adnan Z Amin, Director General, IRENA

Ms Marie-Hélène Aubert, the French President's Advisor on Climate Change and Environment

Mr Paul Simons, Deputy Executive Director, International Energy Agency

Dr Elham Ibrahim, Commissioner for Infrastructure and Energy, African Union

All Members of the Senior Management Service in the Public service nationally and representing other international government

Captains of Industry

Distinguished guests

Ladies and Gentlemen

Let me start by extending a very warm South African welcome to you all.

Today marks a very important day for South Africa to be hosting this conference for the first time on African soil. It is indeed an honour for such a prestigious event about Renewable Energy to take place here. I want to take this opportunity to thank the Renewable Energy Policy Network for the Twenty-first Century (REN21) Bureau and its Secretariat for having expressed confidence in our ability to host, as I wish to support the decision

about the importance of this Conference rotating between the developed and developing countries. This is a bold step indeed that strengthens and demonstrates your commitment to facilitate development opportunities in emerging economies. Let me also thank you for entrusting South Africa with such a huge responsibility of ensuring that as the world converges on our shores, discourse on this very important topic of Renewable Energy advances further a mere 2 months before the Conference of the Parties gathering in Paris . Lastly, let me thank the German Government for supporting our country in ensuring that the task of hosting this conference is executed efficiently , having been the first to host in this series of six International Renewable Energy Conferences (IRECS) since 2003.

Distinguished guests, I find the objectives of this conference congruent with the United Nations Framework on Sustainable Development Goals, especially when Goal 7, which addresses the issue, “Ensure access to affordable, reliable, sustainable, and modern energy for all”. I am encouraged by the work that is in progress through the 2015 Turkey G20 Energy and Sustainability Working Group regarding the “Acceleration and Deployment of Renewable Energy”. There is no doubt that Renewable Energy is in the forefront of development initiatives and a priority for all countries. The Africa Energy Outlook (of 2014) by the International Energy Agency states that, I quote, “Sub-Saharan Africa is rich in resources, but very poor in energy supply. Africa’s energy sector is vital to its development and yet is one the most poorly understood parts of the global energy system”.

Producing reliable and affordable energy is critical to the development of a continent that accounts for 13 % of the world's population, but only 4% of its energy demand. Since 2000, sub-Saharan Africa has seen rapid economic growth and its energy consumption has risen by 45%. Many governments are now intensifying their efforts to tackle the numerous regulatory and political barriers that are holding back investment in domestic energy supply, and inadequate energy infrastructure puts a brake on urgently needed improvements in living standards. The World Energy Outlook Special Report provides a comprehensive picture of today's sub-Saharan energy sector and its future prospects in a global context. This underlines the acute scarcity of modern energy services in many African countries.

This picture varies widely across the region, but, in sub-Saharan Africa, only 290 million out of 915 million people have access to electricity and the number without access is rising. Efforts to promote electrification are gaining momentum, but are outpaced by population growth. Although investment in new energy supply is on the rise, two out of every three dollars put into the sub-Saharan energy sectors since 2000 have been committed to the development of "resource export". This is indeed a dim picture provided by the IEA which calls on all of us to do something about this status.

I am standing here today and thinking that South Africa could not have missed this opportunity of hosting the SAIREC, so we could use it as a platform to act on this worrying picture I could not agree more with the analysis that a shortage of essential electricity infrastructure is undermining efforts to achieve more rapid economic development and social justice. For

the minority of Africans that have an electricity grid connection today, supply is often unreliable, necessitating widespread and costly use of back-up generators running on diesel or gasoline. Electricity tariffs are, in many cases, among the highest in the world and losses in poorly maintained transmission and distribution networks are double the norm. It is indeed important to note that reform programmes are starting to bring the new capital, including from private investors, and grid-based generation capacity is expected to quadruple in the period up to 2040.

Programme Director, we need drastic improvements in governance, both inside and outside the energy sector, to underpin the achievements of an African Century Case, involving, among many other things, heavy investment in the capacity to formulate and implement sound energy policies, as well as the consultation and accountability that is essential to win public consent. Although still not achieving universal access to electricity for the entire region's citizens by 2040, the outcome should be an energy system in which uninterrupted supply becomes the expectation, rather than the exception. Unreliable power supply has been identified by African enterprises as the most pressing obstacle to the growth of their businesses.

In its Remap 2030, IRENA found that renewable energy's share in the global mix can double by 2030. The G20 countries hold 75% of total global deployment potential and a similar share of the total global investment potential for renewable energy between now and 2030. We need to take this opportunity of harnessing the resources that our countries are endowed with.

Ladies and Gentlemen, there is no doubt that around the world, the developing countries are seeking to rapidly scale-up renewable energy investments. This shift to renewable energy is driven by a number of considerations. Many developing countries are struggling to meet fast-growing energy demand. At the same time, the technology cost of renewable energy has been experiencing remarkably steady falls over the past decade. Our own experience as South Africa, through the Renewable Energy Independent Power Producers Procurement Programme, is that we are a testimony to this. We therefore encourage you to use our experience in your pursuit of renewable energy programmes.

The high costs associated with energy projects in developing countries reflect a number of perceived or actual risks, including regulatory, financial and administrative barriers and their associated investment risks.

Energy has remained central to all our developmental needs yet we need to protect our environment for the benefit of us all and future generations. We are fast approaching December 2015, and we will be at the world gathering in Paris during the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change and the 11th session of the Conference of the Parties. As an active member in climate change negotiations since ratifying the Kyoto Protocol in 2002, we remain committed to continuing meaningful engagements in order to further strengthen and enhance the global response to climate change. It is therefore our hope that the watershed Paris conference will serve as a key milestone in the realization of a new global treaty on climate change (through a legal

agreement) that will create an environment conducive for investment in various mitigation and adaptation interventions post 2020.

Ladies and Gentlemen, it is perhaps an appropriate coincidence that the sixth International Renewable Energy conference (IREC) is hosted in our country at the time when the world is looking forward to the finalisation of the proposed legal agreement under the Durban Platform for Enhanced Action (ADP) adopted here in South Africa during COP 17 in 2011. To this end, we are indeed enthused at the opportunity to hosting this conference, and we trust that as delegates meet to deliberate on matters of Renewable Energy, Energy Efficiency and other forms of energy in the next three days or so, they will do so with the purpose to shaping possibilities to forge partnerships to improve our long term infrastructural development and to create and exploit the continent's natural resources responsibly in order to improve the quality of life of our citizens.

The challenges of energy infrastructure constraints and stunted economic growth remain stubbornly in place for the developing economies, particularly in most parts of the African continent. Notwithstanding these challenges, we see the balancing of sustainable development while protecting the environment as an opportunity for Africa to accelerate its potential growth and economic transformation. As remarked by the chair of the African Review Panel Mr Kofi Annan during the presentation of the African Review report, Africa is already suffering the effects of climate change, and yet we naturally support efforts to minimise the emissions of global greenhouse gases, while

on the other hand, we are urgently faced with the need for new power generation capacity to boost and transform our economies.

Our commitment to contribute to 2 degrees global temperature target is outlined in our recently submitted Intended Nationally Determined Contributions (INDCs) to the UNFCCC. In terms of our INDCs for us to mitigate the impact of climate change we also depend on the deployment and scale up of Renewable Energy and Energy Efficiency technologies. It therefore goes without saying that urgent deployment of RE and EE technologies is an over-riding and crucial priority for us. We urgently need to eradicate poverty, even as we need a world that moves to net-zero Greenhouse Gas emissions. We therefore call on the developed countries to put supporting mechanisms in place for mitigation and adaptation technologies, so that we can realise the opportunities of a low-carbon economy while being mindful that a just transition requires time and careful development.

As emerging economies, we are taking on incremental investments to address climate change challenges. For example as South Africa we have put in place programmes to increase efficiency and reduce emissions intensity. To this effect, as we actively engaged in building a competitive resource-efficient and inclusive future, and our National Sustainable Development Strategy has been integrated into the National Development Plan 2030 vision, which supports the Sustainable Development Goals (SDGs) that we just launched in September 2015. We have committed to reduce our dependency on carbon intensive natural resources for energy

generation, while balancing the transition to low carbon economy with our objectives of increasing employment and reducing inequalities and poverty. This vision is supported by the National Climate Change Response Policy and the Integrated Resource Plan that commits to a judicious energy mix of renewable energies such as hydro, geothermal, wind and solar power. In addition we are exploring the energy efficiency programmes such as introduction of Solar Water Heaters, standards and labelling of appliances, energy efficiency industrial processes, energy efficiency in commercial buildings and other energy consuming spheres of our economy.

Distinguished guests, we have attracted investment for approximately 6 327 MW of renewable energy, and we are considering adding a further 6300 MW through our Renewable Energy Independent Power Producers Procurement Programme. However, we remain conscious of the fact that if we are to see the African continent prosper, Africa that is able to turn its natural treasures into a resource that will nurture her people's access to better education, improved healthcare services and access to clean energy, we should call on the leaders and experts gathered here today and in the days to follow, to come up with concrete proposals in the context of global energy and climate change multi-lateral systems that include the mobilisation of and access to finance, technology and capacity building for developing countries. We are confident that this conference will be able to seize the opportunity to reflect upon the global progress made on the deployment of Renewable Energy technologies in particular, and energy efficiency and other forms of energy in general, and identify gaps and challenges, as we map a clear way forward.

While it is important to emphasise that it is likely to take time for the continent to transform from the traditional grid connected generation from fossil fuels, we should continuously seek ways to devolve renewable power generation distributed through mini-grids. We should exploit platforms such as this conference to seek better ways to meet the energy needs of the poor, women and children in a sustainable manner. We need to develop solutions for heating and cooling, cooking, lighting, water purification and sanitation. To this end, it will be important to review the current policies and practices that affect energy provision and that inhibit private sector investment in the continent.

Ladies and Gentlemen, as we grapple with the realities of our global socio-economic and political outlook, this conference should pay special attention to the needs of women, girls and children in the energy sector, especially in terms of health, safety, education and empowerment. The Africa Panel Progress report shows that over 250 women in Eastern Senegal are running micro- and small- enterprises in the rural regions of Tambacounda and Kedougou and are receiving tailored mentoring, business and financial support to expand access to energy products and services to their communities, and yet we miss the opportunity of elevating the role of women in the energy sector.

It should never be said of us, that we did nothing to use the SAIREC to reflect and carry through these lessons and replicate them in a manner that will see the amelioration of other energy poverty stricken areas in the globe.

Programme Director, I urge us to inculcate the sense of urgency in using SAIREC to exploring ways and means of resourcing the capacity that exists out there. The recently Women in Indaba conference in South Africa, held under the theme “*Developing African Women Leaders to create our Energy Future*”, highlighted and emphasised the opportunities available for women in renewable energy and energy efficiency, and the potential that this has to create numerous jobs and business opportunities throughout the African continent and the developing world.

SAIREC should be a catalyst to enhance the economic case for women as equal partners in society. Therefore we should leave this conference with resolute and concrete outcomes that will ensure access to sustainable energy and to respond to the demand for clean cooking, reliable lighting and other essential household needs.

, Perhaps we could learn from the Africa-EU Energy Partnership Forum Conference held in May 2012, which was formulated in line with the principles of Sustainable Energy for All. The conference pronounced clear 2020 Political targets on Energy Access, Energy Security, Renewable Energy and Energy Efficiency.

Amongst the resolutions were:

- bringing access to modern and sustainable energy services to at least an additional 100 million African households;
- Doubling the capacity of cross border electricity interconnections, both within the Africa and between Africa and Europe;

- Doubling the use of natural gas in Africa, as well as doubling African gas exports to Europe by 2020
- Achieving 10 000MW of new hydropower facilities;
- Developing 5000MW of wind power capacity;
- Developing 500MW of all forms of solar energy capacity;
- Tripling the capacity of the other renewables; and
- Improving energy efficiency in Africa and in all sectors.

I am citing this conference amongst many other conferences, resolutions and outcomes to illustrate a point that while progress has been made since the actioning of some of these targets, the evidence on the ground still points that more still has to be done to strengthen the capacity of the continent to navigate the barriers that inhibits the deployment of reliable and clean energy technologies.

We are of the firm belief that Africa has the capacity and capability of becoming the world leader in the development of renewable energy technologies. While Africa has not achieved what it anticipated from the Millennium Development Goals, we are convinced and optimistic that the Sustainable Development Goals (SDGs) launched in September 2015 will provide the necessary resolve to accelerate the global push to tackle poverty, through a sharper focus on issues of access to modern energy. We also trust that they will catapult our commitment into a sustainable action to adopting renewable energy and managing resources sustainably thus protecting future generations by limiting climate change,.

In conclusion, let me thank all the countries participating in this conference. It is a step in the right direction that we deliberate the way forward and develop a common vision. I am looking forward to your interactive deliberations and wish you a successful outcome from this conference.

I thank you