**Debate on the 2022/23 budget: Vote 34: Mineral resources and energy**

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Honourable House Chair

We debate this budget against the background of load shedding and record high fuel prices. Therefore, we welcome the minister’s announcements of additional capacity.

The purpose of this department is regulation of the minerals and mining sector for transformation, growth and development; and formulation of energy policies, regulatory frameworks and legislation to ensure security, environmentally friendly carriers and access to affordable and reliable energy.

Positive transformation of society depends on economic growth. If the economy grows at 6% per annum, it doubles every fourteen years. That would create a lot of scope for transformation and empowerment. Yet, it does not happen.

We all rejoice in the commodities windfall, leading to increased mining tax. But just like an international slump is not the minister’s fault, a boom is not his achievement. Jobs are indeed preserved and created, but transport infrastructure is trodden to pieces. We enjoy a windfall, but simultaneously consume the infrastructure needed for sustained growth and development.

Communities around Nigel face the emergence of acid mine water once again; at Kromdraai near Emalahleni the community is in danger because of open cast mining near residential areas.

In the meantime, South Africa slides back as a preferred destination for mining investment, largely due to over-regulation, deteriorating infrastructure and lack of dependable energy supply. Therefore, honourable Minister, will you abide by the judgement to regard the mining charter as a guideline, or are you going to force it down in legislation? And will we see an end to corruption in awarding mining licenses?

Moving to energy: Honourable minister, normally you respond as if there is a debate between lunatics who want to switch of coal generation any moment soon, and yourself. This is not the case. We all recognise the country’s dependence on coal for the time being; but the “just” in the “just transition” means fair, not optional.

Regarding energy, we have some problems:

Normally about half of our coal capacity is offline. We are even less dependent on coal than we would like to be.

Nuclear may be part of the solution, but it is never commenced on a short term and it is expensive – whichever nuclear option one takes. Alas Minister, it does not create confidence when it seems that you don’t distinguish between the role of a regulatory board and the board of an entity.

In Ogies there is an oil storage facility which the Strategic Fuel Fund has long decommissioned. Now there is a rumour of a purchase agreement in which a certain company buys the right to clean it up in exchange for the oil which can be recovered, for R6,18 billion. Is this plausible?

Our national capacity to refine crude oil decreases with each disaster. It might be better to let that be and focus on the transition to alternatives, in the meantime buying the fuel we need. But it is not clear what your department intends: Are we looking for new technologies, or are we looking for new reserves? Attempts to seabed exploration points to the last.

The minister mentioned shale gas in the central Karoo as commercially viable. How do you know, as exploration had ceased a few years ago?

Regarding hydrogen as an alternative: All the work is being done by the department of science and innovation, the Northern Cape provincial government and the private sector. At least we heard today that the minister supports it.

A clear strategy for the transition to green energy would be great, being divided into strategies for transport, mining, industry and households, convincing each role player to share the vision and to play its part.

Honourable Minister, we see a lot of drive for transformation – whatever the price. We don’t see growth and development, environmentally friendly carriers and access to affordable and reliable energy in your department.

The department seems stuck in decades old modes of thinking, being dragged kicking and screaming to the future – by the very role players one would suspect of being stuck in narrow interests and short term considerations. Won’t you start governing with your eyes on the road ahead, rather than the rear view mirror?

I thank you.