

Budget Debate on Vote 34: Mineral Resources and Energy

Speech by Kevin Mileham, MP

DA Shadow Minister of Mineral Resources and Energy

Chairperson,

By now, even the most jaded of ANC loyalists must agree that our energy crisis is crippling South Africa. What is worrying, however, is that for the Department of Energy and its entities, it is business as usual. There is no urgency, no drive to improve the situation – quite frankly, it might as well be called the Department of No Energy.

As for Minister Mantashe, well, perhaps we should let his accomplishments - or lack thereof - speak for him. I have in my hand the Minister's signed performance agreement. I should point out that, although this document is labelled "Secret" it was freely available off the government's own website. I have to wonder why exactly it would be a secret anyway? Ministers, and the President, need to remember that they are accountable to this house (and through us, the people of South Africa), in terms of section 55 of the Constitution. So, shall we see how he's done?

His first responsibility (and I'm only looking at Energy) is to "*Contribute in development of a just transition framework and ensure transition to an energy mix as per the IRP 2019.*" I think we can all agree that the Minister has been a stumbling block in this regard, and that progress has been slow to non-existent. IRP 2019 was based on poor assumptions and bad data, and the new IRP is behind schedule.

The next target is to: "*Improve the Energy Availability Factor to ensure constant supply of electricity*" No, that's worsened on his watch. Although, to be fair, the Minister did open up the Risk Mitigation Independent Power Producers Procurement Programme – even if it was an unmitigated disaster in terms of implementation. But to date, none of those projects are generating any electricity, more than 3 years after the preferred bidders were announced.

What about *“Increase Eskom’s reserve margin to counter load shedding”*. Again, this has deteriorated rapidly under Minister Mantashe.

Maybe *“Explore embedded generation options to augment Eskom capacity”*? No, not much has been done in this regard. In fact, we should be doing everything we can to make it cheaper and easier to install embedded generation, including reducing import tariffs and local content requirements, but has Minister Mantashe had any such engagements with his counterparts at Trade and Industry and COGTA? It appears not. Has he broadened the section 34 determinations for municipal procurement? No.

Or perhaps the *“Separation and unbundling of Eskom to eliminate cross subsidisation and improve efficiency”*? Well, it turns out that’s not going so well either. The Electricity Regulation Amendment Bill, which is crucial to enabling this, still isn’t before the Portfolio Committee and it appears unlikely to be considered before parliament rises for the 2024 elections. Of course, if the ANC had considered the DA’s private members bill, which sought to do exactly this in 2019, the Minister might actually have achieved this target...

If you’ve been watching, you will know that we have run out of jet fuel at our airports on several occasions. But Minister Mantashe is responsible for *“Security of supply and diversification of liquid fuels”*. There’s no Liquid Fuels Master Plan. Our refining capacity is all but gone. And our supply pipeline is weak.

These are just some of Minister Mantashe’s targets. The reality is he is failing on just about every measure. When ordinary South Africans are suffering because of the cost of living, and when electricity and fuel prices are primary drivers of inflation, one would expect the Minister and Department of Energy to treat our energy crisis as an economic crisis. Sadly, that isn’t happening.

There is hope, however. Where the Democratic Alliance governs, more businesses are succeeding, more people are finding employment and the economy is growing faster than elsewhere in South Africa. This is because the DA has more than just a plan for dealing with our energy crisis, we are taking proactive steps to deal with it. Where we govern,

municipalities are proceeding at speed to incentivise rooftop solar and to procure independent power. Plans are in place, should the worst occur and our national grid collapses. The same cannot be said of ANC run provinces and municipalities.

But more could be achieved, for all South Africans. We need a new Minister of Energy, and a new government. In 2024, vote DA for real change, because the DA gets things done.