

**MINISTRY**

**MINERAL RESOURCES AND ENERGY**

**REPUBLIC OF SOUTH AFRICA**

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**Memorandum from the Parliamentary Office**

**National Assembly : 3672**

Please find attached a response to Parliamentary Questionfor **written reply** asked by **Ms P Madokwe (EFF) to the ask the Minister of Mineral Resources and Energy**

**Mr Mthokozisi Mpofu**

**Acting DDG: Programmes and Projects**

**………………/………………/2022**

Recommended/ Not Recommended

**Mr Jacob Mbele**

**Director General: Department of Mineral Resources and Energy**

**………………/………………/2022**

Approved / Not Approved

**Mr. S.G Mantashe**

**Minister of Mineral Resources and Energy**

**………………/………………/2022**

**3672.** **Ms P Madokwe (EFF) to ask the Minister of Mineral Resources and Energy:**

(1) Noting that the Republic has been facing an energy crisis, frequent load shedding and uncertainty from Eskom and his department as to when the country will reach stability again, what initiatives, outside opening bids for private entities and/or collaborations, have been started by the Government to build the Republic’s green energy industry,

(2) whether he has found that the current reliance on Independent Power Producers and opening bids is the Government’s way of shifting some of its responsibilities to services providers and the private sector and thus dismantling the Republic’s sovereignty; if not, what is the position in this regard; if so, what are the further, relevant details?  **NW4497E**

**Reply**

1. Through the National Energy Crisis Committee (NECOM) established by the President of the Republic, short – medium term initiatives are being pursued to bring online both renewable and non-renewable energy-based power generation technologies. With regard to building “the Republic’s green energy industry”, outside opening bids for private entities and/or collaborations, limits on the maximum power that can be generated and traded through bilateral arrangements without the need to apply for a license from the National Energy Regulator of South Africa are in the process of being removed; and shopping centres, households and mines are now at liberty to generate and sell excess green power from rooftop and/or utility scale PV installations through necessary wheeling arrangements.
2. Through the national power utility, electricity generation largely remains, and will remain for the foreseeable future, in the hands of government. Therefore, the Government is not shifting some of its responsibilities to services providers and the private sector in a manner that dismantles the Republic’s sovereignty. However, to competitively trade in the global market, South Africa needs to keep pace with global developments such as the liberalisation of the electricity market, that being done without compromising its developmental imperatives. In response to this global trend of market liberalisation, government is facilitating, through a regulated procurement programme, carefully managed participation of Independent Power Producers in the electricity generation space.