



DEPARTMENT OF ENERGY

PPC ANNUAL REPORT PRESENTATION ON THE DEPARTMENT'S INTERNATIONAL RELATIONS AND ENGAGEMENTS

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Director General*



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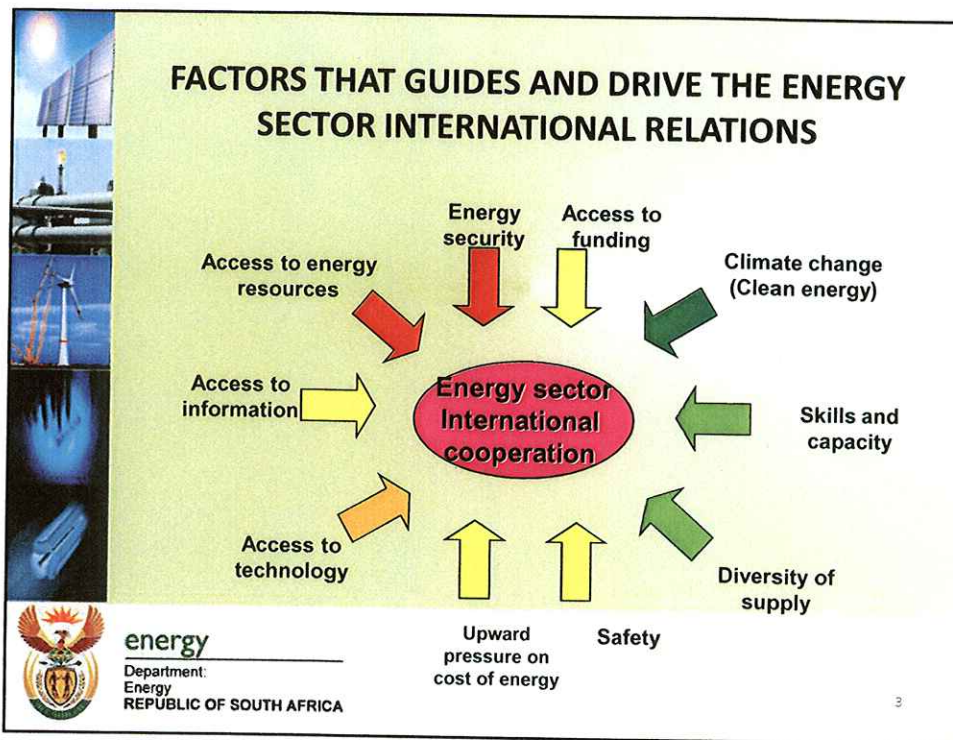


Introduction

- Focus areas for the year under review
 - Review the department's International Relations Strategy
 - Reviewed of MOUs and other agreements signed by the Department
 - create bilateral and multilateral relations that promotes the strategic objectives of the Department and the country Clean energy
- The Department's approach to international relations is two pronged
 - Securing the country's energy supply
 - Our role in Africa (including SADC)
- Relationship with international financial institutions e.g. World Bank
- Participation in global energy bodies



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Securing energy supply

Current situation

- 60% - 70% of our oil supply comes from the Middle East
- Our engagements during the year were in the area to ensure diversity of supply and access to producing and near producing asserts on the continent and elsewhere
- The following countries have been engaged.

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Securing energy supply

New areas of supply to diversify sources of supply for oil especially


- Engagements with the following countries were also held in an attempt to secure new supply relations
 - Venezuela, - PetroSA secured blocks and is working on marginal blocks
 - Egypt- signed an MOU on Oil and gas and developed an implementation plan but now currently on hold
 - Ghana- drafted an MOU on Oil and Gas and now signed in September, 2011
 - Algeria –signed an MOU on Oil and Gas- and PetroSA working on an implementation plan
 - Angola- PetroSA in discussion with Sonangol to explore the possibility of securing



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SADC Regional initiatives


- Energy Minister Annual Meeting
- Approved development of a renewable energy strategy for SADC
- Alignment of regulatory policies to ensure trade and investment regionaly
- Conducted capacity building workshops on CDM led by RSA
- South Africa supporting the establishment of designated national authorities in the region
- Promotion of regional electricity interconnectivity and support to the Southern African Power Pool and related projects



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Clean Energy and Climate Change

- President Zuma through the Copenhagen accord has committed GHG reductions by 34% by 2020 and 42% by 2025 under business as usual and subject to available resources.
- South Africa is one of the major emitters and the energy sector contributes 80% of emissions
- In line with mandate the DOE has reviewed policy and international engagements to enable alignment with the climate change mandates




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Clean Energy and Climate Change

- International Activities to - Promote engagements to enable the DOE to meet clean energy initiatives:
 - approved participation in the International **Partnership for Energy Efficiency Cooperation** to assist in Capacity building in the energy in EE, sharing information, policy development etc
 - **Carbon Sequestration leadership Forum-Attended** to CCS—special focus on clean coal technologies
 - Deploy clean coal technologies – CCUS – Australia, UK, Norway
 - Establishment of the CCS and the Carbon Capture and Storage Atlas with the assistance of international funding from bilateral and multilateral organizations




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Clean Energy Ministerial

- Spearheaded by the USA – 24 countries participate
- Our Minister is the Ambassador for Clean Energy in Africa
- Global forum promoting policies and programs that advance clean energy technologies
- A total of 11 initiatives supported by the CEM, that include and RSA is a member of the following:
 - Multilateral Solar and Wind Working Group




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Clean Energy Ministerial

- Energy Efficiency Initiative
 - Electric Vehicle Initiative
 - Carbon Capture use and Storage Action Group
 - Solar and LED Energy Access Programme
 - Clean Energy Education and Empowerment Women Initiative
 - Smart Grid initiatives
 - Women Education and Empowerment in Energy (C3E)



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Bilateral Relations of Note

- China - Energy Sector signed MOUs which would enable the energy sector to access US\$20 billion for the energy sector
- Signed an MOU which paves the way for PetroSA to work with experienced Chinese oil and gas companies in the upstream sector and also their participation in the PetroSA infrastructure projects in the country
- An Energy forum has been initiated with China where officials and business meet once a year to review implementation of the MOU and ensure that there is company to company cooperation and investment in the sector.




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Bilateral Relations of Note

- A number of companies have signed business agreements with Chinese companies to invest in the energy sector in RSA and projects are being monitored to ensure that there is:-
 - mutual benefit and
 - alignment to the job creation initiative, the compliance to IPAP 2
 - localisation imperatives and
 - technology transfer as well as
 - skills development in all investment projects.
- DOE also signed MOUs with Algeria, Egypt, Swiss Confederation, etc



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Thank you



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