



**MINERAL RESOURCES AND ENERGY
REPUBLIC OF SOUTH AFRICA**

**REMARKS BY THE HONOURABLE
MINISTER OF MINERAL RESOURCES AND ENERGY
MR GWEDE MANTASHE (MP)**

AFRICA ENERGY INDABA

7 MARCH 2023

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Programme Director, Mr Daniel Makokera

Honourable Ministers present

Members of the Diplomatic Corps

Business Leaders

Distinguished guests

Members of the media

We are honoured by the invitation to attend and address the 2023 Africa Energy Indaba convened under the theme “African Energy Transitioning to a Sustainable and Prosperous Future”.

To us, this gathering is unique in a sense that it brings together various stakeholders in the energy space to engage on issues affecting the industry with no limitations to specific energy sources and systems.

African Union’s Agenda 2063 directs us to aspire for an *Africa whose development is people driven, relying on the potential offered by African people*. It is based on this aspirational goal that this Africa Energy Indaba must serve as a ray of hope to the African people. Their voice on the Energy Transition must be heard. That is the voice that says, Energy production in Africa must be aligned to Africa’s socio-economic development. This

means that there must be a balance between energy demand for socio-economic development and energy supply that is premised on low carbon emissions.

This is what the delegates at this Indaba must be pro-occupied with which ought to be a measure of whether we are succeeding in our deliberations. Differences about the pace, scale and how to balance the transition will always exist, however, as African leaders, we are duty bound to act with determination to resolve the intricate problems that beset our continent without the encirclement pressure to please others first. We must be pragmatic in our approach to a low emissions future.

Energy Poverty is one such a dilemma that we must collectively resolve as it impedes Africa's economic growth, resulting in poverty and inequality. This includes lack of access to electricity, unaffordability of energy, and, in our case, electricity interruptions (loadshedding).

Another challenge that not only beset our continent but the world, is the climate change that adversely impacts on the health and wellbeing of the people. We are very alive to these challenges, hence, in our resolve to address energy poverty, we are equally sensitive to the needs of society and the long-term impact on the environment.

Our approach must be premised on an ideology derived from a common identification of our continental needs and goals. The African aspiration goal of achieving universal access to electricity must be achieved. It is not either or, but it requires a pragmatic approach that balances planet and people imperatives.

About 600 million Africans lack access to electricity which explains why Africa remains underdeveloped. We must, therefore, work together and mobilise financial support to solve Africa's energy challenges which include lack of infrastructure. We must expand our grid capacity to enable generation, additional connections, and transmission. This will enable Africa to generate enough electricity to power its economies including industrialisation, manufacturing, and processing of its natural resources.

It is pleasing that Africa is uniting on a principle that the Energy Transition must be people centred, take into consideration the socio-economic conditions of communities that will be affected, and take into consideration Africa's developmental needs. Such a consensus found an expression at the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 26 and 27) resulting in a resolution to phase-down on unabated coal power rather than the view of lobbyists who

called for an abrupt phase-out of coal use. Recent developments in Europe, China, US and India have vindicated the pragmatic position of African states have taken. Going into COP 28 Africa's position must continue to be pragmatic as we move from high carbon emissions to a low carbon emissions future.

The African continent is well positioned to meaningfully benefit from the Just Energy Transition era, due to its endowment with the mineral deposits that are suitable for green energy production.

According to the International Energy Agency (IEA) *“Africa accounts for over 40% of global reserves of cobalt, manganese, and platinum – key minerals for batteries and hydrogen technologies. South Africa, Democratic Republic of the Congo and Mozambique have a significant share of global production today, but many other countries may hold undiscovered deposits.”*

We believe that it is in the interest of Africa that a rigorous mineral exploration programme is implemented to uncover these unknown deposits in many other countries of our continent. For its part, South Africa continues to mobilise investments in exploration informed by the understanding that it is the lifeblood of mining, which has been the backbone of our economic

development for over 150 years. Unless we explore, there can be no benefitting from the mineral reserves that our continent is endowed with.

Today, South Africa and Zimbabwe account for the world's largest production of known global platinum group metals suitable for the development of hydrogen. There is no doubt that if African leaders work together, we will achieve a great deal for the continent in the hydrogen revolution. The IEA further forecasts that *“Africa has the potential to produce 5 000 megatonnes of hydrogen per year at less than USD 2 per kilogramme—equivalent to global total energy supply today.”*

There can be no ambiguity regarding the importance of the African continent to pursue diversified energy sources and systems to ensure security of energy supply whilst transitioning to a low carbon economy. However, Africa must not succumb to the encirclement by the developed economies which continue to put pressure on our continent to move away from all forms of fossil fuels at a pace and scale determined by them.

What we cannot afford to lose sight of in this Just Energy Transition discourse is the fact that Africa is the least polluter compared to the developed continents, even though we're the

most impacted today by the cumulative emissions generated during the industrialisation of others.

Africa is endowed with resources such as coal, oil and gas which are needed for baseload energy to power our industrialisation. Our continent deserves the opportunity develop its own oil and gas infrastructure storage, refinery, and distribution to cushion its people against the turbulence of global markets and thereby secure its continental energy needs. Unlike others, Africa must invest in the research of green technologies such as Carbon Capture, Use and Storage to minimise the impact on the planet.

It is incumbent on all of us gathered at this Indaba to align technological innovations with the type of energy sources we can produce. Africa must take full custodianship of its energy and development trajectory and be certain of its outcomes. It is against this backdrop that financing of Africa's Just Energy Transition must receive special concessions with more focus on developmental grants.

I trust that this Conference will bear the kind of results that will move us from the debate to practical action. Let us work together to find common solutions to our shared challenges.

I thank you.