



DME develops climate change strategy for energy sector

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The Minister of Minerals and Energy, **Buyelwa Sonjica**, on Tuesday stated that the Department of Minerals and Energy (DME) had started to develop a climate change strategy for the energy sector, which was scheduled for completion by the end of September.

The document would focus on greenhouse gas emissions, and would support the department's mitigation activities.

"The purpose of the strategy is to assist the DME in establishing an effective response to climate change, which takes into consideration the key drivers and challenges for the sector," Sonjica added.

She said the strategy would ensure that the DME contributed meaningfully to mitigation efforts, and would position the department to address implications of international climate change negotiations on the country's energy industry, maximising potential benefits and minimising risks where possible.

She further noted that the strategy would consider technological opportunities in energy efficiency, renewable energy and carbon capture and storage, while addressing possible mitigations measures for the energy industry as a whole.

The Minister also noted that widespread adoption of energy efficiency measures would enhance security of electricity supply, promote the competitiveness of South African industry, improve the balance of trade, and support a host of environmental objectives.

Addressing delegates at the National Climate Change Summit in Midrand in Gauteng, Sonjica added that sustained efficiency drives for the household, commercial and industrial sectors, were required, "to ensure that we capitalise on these efforts and promote continued economic growth, prosperity and environmental protection".

She acknowledged that energy and climate change were intimately connected, thus the DME should play a role in preventing the worst impacts of climate change, while protecting the energy sector and ensuring that it remained a key platform for economic growth and development in the country.

While South Africa relies heavily on coal for electricity provision, which lifts the carbon-dioxide emissions of the nation, Sonjica said that the DME and allied agencies had implemented a range of policies and practical measures to start "re-orienting" the energy sector towards a more climate-friendly path.

She said that international funding, and mechanisms such as the clean development mechanism should be tapped into. Renewable energies were also highlighted as an area where more focus should be placed, and public and private investment should be supported.

CDM PROJECTS

Meanwhile, Sonjica recognised the slow uptake of the Clean Development Mechanism (CDM) in South Africa, and stated that the department was committed to the issue, and was putting initiatives in place to encourage industry to unlock their carbon assets.

"Few industries in South Africa are taking advantage of the CDM and we therefore forfeit the social and economic benefits associated," she added.

"We are aware that the CDM is time sensitive, and that is why we treat your applications with urgency."

The Minister further commended companies in South Africa that had "taken the plunge" and had CDM projects up and running. Companies such as Sasol, Omnia, and Corobrik had CDM projects, and a number of municipalities also had projects in place.

Sonjica stated that mechanisms, such as the recently announced tax rebates for energy efficient technologies and the proposed renewable energy feed-in-tariff, were put in place to assist industrial investors.

The Designated National Authority (DNA) was also established under the aegis of the DME to assist potential CDM investors with guidance and programme development.

A DNA representative stated that South Africa has 14 registered CDM projects, some of which have already been issued with Certified Emissions Reduction certificates.

Compared with other developing countries, such as China and India, South Africa lagged far behind with the number of registered projects. However, South Africa was ahead in numbers when compared with other African countries, which admittedly did not emit near as much as South Africa.

There were also 40 project design documents, or formal project proposals, which the DNA was currently processing. Of these 40 project proposals, 26 were at the validation stage, and some have been submitted to the CDM board.

The DNA has promised that all companies wishing to register projects would have a response from the DNA within 45 days of submitting all relevant documentation.

The process of project registration has often been described as cumbersome, as there is a significant amount of documentation involved. Companies must submit environmental-impact assessments for the project, a record of decision, a water license, and independent power producer licence, along with a validation report and other project documentation.

The DNA representative said that the department was aware of the fact that many companies felt that there was very little reward compared with the effort of setting up a CDM project. She added that there was no way that all the validation procedures could be done away with.

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