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Energy security should feature prominently in address

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The need for national and household energy security will feature prominently in the State of the Nation Address (Sona) today. Citizens are concerned about the efficiency of the nation's energy system, and its impact on socio-economic development.

The debate, which is mainly led by government, trade unions and organised business, centres on Eskom's balance sheet and ownership structure. These dimensions are integral aspects of policy-makers and stakeholders' desire to create energy security. However, South Africans must consider other long-term strategic factors when discussing energy security in the country. The current preoccupation with privatisation or state ownership models elevates one element in the debate.

This is problematic because energy security challenges will not be resolved through ownership

or governance changes only. Both these factors are essential, but the Sona speech needs to address the following crucial trends.

First, the shift towards alternative energy sources and technologies across the globe such as renewables and fuel cell technology. There is ample evidence which suggests that these alternative energy sources produce positive ecological and socio-economic outcomes.

These development outcomes cut across different areas of human development. South Africa's overreliance on coal as a primary energy source is not sustainable in the long run, especially if the country wants to maintain economic competitiveness.

Second is the restructuring of work and employment potential of alternative energy sources. The ongoing debate on job losses in the coal mine value chain limits the nation's approach to employment in a reconfigured energy system.

Society is mainly preoccupied with job losses, and there are minimal discussions on employment potential or social security safety nets for employees who need to transition to other forms of work.

For example, increasing the share of renewable energy in our system has the potential to create jobs and produce multiplier socio-economic effects. But this can only be achieved if the country adopts a value chain approach when developing this energy source. The same applies to developing fuel cell technology using SA's Platinum Group Metal endowment. This strategy is articulated in various research reports published by the Mapungubwe Institute for Strategic Reflection.

The third element is planning and avoiding extreme or absolutist policy propositions without considering the balance of empirical evidence. The calls to totally remove certain sources of

energy from the system or outrightly reject alternative technologies are not useful. These proposals create divisions among key stakeholders and limit South African's policy choices. A more prudent approach considers short, medium- and long-term energy security needs in determining the country's energy structure.

It also pays attention to the socio-economic impact of energy mix planning. This includes developing a clear criterion for choices on the contribution of each energy source or technology. Some essential indicators in the criteria should address the following political economy issues: building local content, skills development, carbon emissions, innovation, economic transformation and long-term employment creation. All three considerations explained above should be at the heart of SA's public debate on energy restructuring.

■ Mabasa is a policy researcher and thought leader