



Speech By

Hon Jeff Radebe, Minister of Energy at the Women in Energy dialogue on transformation held at Midrand Conference Centre, Johannesburg, South Africa on the 20th of August, 2018.

Programme Director

Mr Thabane Zulu, Director General of the Department of Energy

Ms Anne Githuku-Shange, UN Women Multi-Country Representative

Ms Nontsikelelo Sisulu, Representative of the Sisulu Family

Senior Government Officials,

Invited Speakers,

Delegates,

Distinguished Guests,

Ladies and Gentlemen,

Good morning.

It is indeed a great pleasure for me to address you today when as a nation we are celebrating women's month and the centenary of our icons. The year 2018 marks 100 years since the birth of two of our icons and heroes of our revolution who dedicated their lives in the struggle for freedom and contributed immensely to the birth of a new South African nation.

We celebrate the birth of the founding father of our democracy Nelson Rolihlahla Mandela under the theme: "Be the legacy", as well as Mama Albertina Nontsikelelo Sisulu one of the shining examples of our struggle who dedicated her life to the service of her people under the theme: "A Woman of fortitude." As this year, marks the centenary of Mama Sisulu, it provides all of us an opportunity to pay tribute to and draw inspiration from her courage, fortitude, selflessness and dedication. In addition we also remember other heroines, past and present and reclaim women's struggle heritage and women space in our history as a country.

I have initiated a dialogue with you so that I have an understating of the challenges and successes you have experienced in the sector, your aspirations and your expectations from my office. In the deliberations, it will be important to discuss how we collectively transform the sector.

The Potential of Women

It has been proven and I am convinced that women contribute to and play a significant role in the global economy. The Studies have shown that if women played an identical role in labour markets as men, they could contribute between US\$12 trillion and US\$28 trillion to global annual gross domestic product. In addition, gender diversity in high-level decision making is shown to correlate with improved business performance and investment. This is supported by evidence that companies with more women on their boards perform better with regards to their return on investment, sales and equity. Therefore, investing in the advancement and participation of women in the energy sector labour force is not only the right thing to do, but also the smart thing to do as it is an economically viable business decision. Despite empirical evidence, data shows that women's participation in the energy sector, particularly as high-level decision makers, remains low. For example, women comprise only 16% of board positions among 200 top utility companies. Studies conducted in 2015 found that women occupy only 4% of the Chair positions on the World Energy Council (WEC) and 18% of the Secretary positions. South Africa is not different from this global picture.

An Ernst and Young study confirms that having greater numbers of women on boards translates into higher returns on equity and

investment, with the top 20 most diverse utilities outperforming the less diverse ones—a difference that can constitute millions of dollars in profit.

Women need to be at the forefront of entrepreneurship and innovative energy solutions in the production, distribution and servicing of energy technologies. Evidence shows that women entrepreneurs are in a better position to interact and engage with consumers. Evidence is abundant which demonstrates that when women get an opportunity, they have the capacity to excel both as entrepreneurs, experts and leaders in the energy sector.

In South Africa, the role and participation of women in the energy sector as employees, investors, innovators and entrepreneurs is limited. I have been informed that despite legislation being in place to enable the transformation of the energy sector, limited success has been achieved as women and youth are conspicuously absent in the energy.

Using Energy to Ignite the Women and Youth Empowerment

Ladies and gentlemen, energy is the engine for economic growth and development in an economy but especially in the developing countries. We are all aware that Africa is from an energy perspective defined dominated by energy poverty. Most of our countries in the African continent do not have access to

electricity for lighting, cooking and space heating. Energy poverty especially affects women and children. Access to sustainable energy is the cornerstone to a better life, access to health, education and jobs. Without energy there is no economic growth, industrial development and job creation. Women are still not well represented in energy leadership positions, business, and are underutilized around the world for climate change and energy policy.

I would like to encourage women in the energy sector to unite in the fight of energy poverty which affects mainly women, especially those in poor communities in the township and rural areas. We need to increase our efforts to ensure that women and families have access to clean and sustainable energy and that women benefit from investments in the energy sector as consumers, investors, entrepreneurs, professionals, financiers and researchers and academic.

I appeal to all stakeholders to use this platform to build on practical, implementable plans and initiatives to support the nurturing of those women who are taking a giant step to participate in the energy sector.

Youth Unemployment

South Africa's youth unemployment rates are now considered to be alarming. The latest figures show that about 48% of South Africans between 15 and 34 were unemployed in the third quarter of 2016. The situation has worsened over the past years, it is within this context that President Ramaphosa launched the Youth Employment Service (YES), which an initiative between business, government, labour, civil society and young people aimed at improving young people's prospects of finding employment.

Let today's dialogue be the beginning of a long relationship, we must take a big step towards entrenching youth in the energy sector as professionals, investors, business owners and workers of the sector. Through the SADC Energy Ministers meeting held in June, 2018, regional energy Minister have approved that energy programmes and projects in the regions should include women.

Status in Clean Energy

The energy sector is currently transitioning towards more renewable energy and diversified supplies are creating opportunities from the sector. Renewable energy sector as a new and developing industry globally and in South Africa, should deliberately be managed to create space for women as investors, entrepreneurs, leaders and professionals to service the sector.

South Africa has successfully launched a renewable energy programme focusing on Independent Power Producer Programme (IPP). I understand that women are excluded from meaningful participation in the renewable energy sector not only in South Africa but the whole of Africa. The renewable energy sector is an emerging industry and we can deliberately and consciously ensure that women are incorporated in the sector in a meaningful way. The IPP programme should provide a plan to ensure participation of women across the value chain which includes ownership, management control, employment and procurement. This will ensure that women are entrenched in the sector.

However, it should be noted that for women to actively participate, as active entrepreneurs in the energy sector it requires that women have the skills needed as well as general knowledge of the sector.

I would like the young people to note that the renewable energy sector is also associated with significant job creation across the entire value chain, including at the points of project development and installation; operation and maintenance; and manufacturing. In 2016, global renewable energy sector employed 9.8 million people—an 11% increase from the year before—and the trend is likely to continue. As job creation in the renewable energy sector continues to rise, it is also important to ensure inclusive

growth in the sector – by allowing both young people and women to share their skills and benefit from new labour opportunities.

Besides the IPP programme the Department is also focusing on the solar water heater programme, which will create opportunities for young people to work as project managers, installers and providers of maintenance services to the sector.

Energy efficiency is another important element of the energy sector which has significant business opportunities where women can create a niche for themselves.

Status in Oil and Liquefied Petroleum Gas

The oil and gas sector through the liquid fuels charter has initiated an empowerment programme. I understand that women have through the Women in Oil and Energy (WOESA) and other initiatives organised themselves to try and break into this male dominated business. Some progress has been made with women securing license to operate service station, being wholesalers and distributors of liquid fuels products and accessing significant stakes in the sector.

The success stories have been limited as again women experience challenges to grow their business. I understand that women access to lucrative procurement opportunities is very limited as big business is not keen to work with new entrants in the sector. The challenges that the new entrants face includes

inability to participate in tender process in the private sector as these are usually extended to accredited service providers and excludes women and new entrants in the sector. Women working in the energy sector as professional and support services providers also experience challenges. This is despite the fact that South African labour policy is quite progressive.

South African employment equity and gender parity policies needs to be implemented to ensure that there is 50/50 at all employment levels including senior management and executive levels. Countries such as Italy and Nicaragua have successfully implemented policies to ensure that more women are employed in the energy sector.

Women's engagement in the energy sector is critical. However, this cannot be accomplished without establishing and sustaining strong political will among decision makers, financial institutions and leaders across sectors to ensure equal opportunities for women and achieve economic benefits from a more diverse and innovative workforce.

Procurement policy review in the sector

The declaration called for a review, within the confines of the law, the government procurement policies and targets set for women to ensure that a meaningful percentage is set aside for women who constitute more than 50 percent of the South African population. National Treasury has already reviewed the policy

currently being implemented in government. The Department of Energy is working on the gender strategy and implementation plan. The Department has requested state owned companies to indicate how they intend to empower women from an employment equity and business opportunity empowerment perspectives. Before the end of this financial year, these plans will have been submitted for implementation. The Department will have to account to you on the implementation progress.

Access to Finance

The other main challenges that you face is access to innovative and affordable financial products: A key constraint to the effective women participation in the energy sector is lack of funding, technical skills and poor project preparation. Special funding instruments should be developed to assist women entrepreneurs. I understand that my officials are in consultation with financial institutions who have now initiated a discussion group which focus on exploring mechanism to support financial needs for emerging economies. I further note that the Department of Women is also exploring ways of unlocking funding for women in business in general. We need more innovative funding models to accommodate women and new entrants in the business sector.

Capacity Building

Access to capacity building is another a key barrier to effective participation of women in the energy sector. The Department will continue to work on enhancing access to information, capability development, mentorship, training and networks that support your business. This initiative can be successful if there is private sector participation where service providers are trained and capacitated to enable them to effectively compete in the sector. Supplier development programmes done in business partnerships will go a long way to assist the challenge of capacity building.

Women in Energy Awards

One of the outcome of the declaration is the need to introduce awards for the women in energy. The awards ceremony will be considered in the future as the department is working out the criterion for awards as well as soliciting for different partners.

In conclusion. I believe that integrating women and young people into all levels of the energy value chain will lead to more effective and efficient energy initiatives, and unleash greater return on investments. The shared future of all South Africans depends on how well the entire country can meet the needs and aspirations of its young people and women. I congratulate you for taking the initiative to invest in this important sector. The department is ready to provide an enabling environment that will assist in the transformation of the sector. The women in energy dialogue will

provide a platform to robustly engage and contribute to the shaping of your future in this sector which is a catalyst to the growth and development of our economy.

I thank you.