



INDEPENDENT POWER PRODUCERS OFFICE

In partnership with



THIRD JAPAN-AFRICA BUSINESS FORUM (JABF 2021)

29 June 2021 at 16:30 – 19:10

LIGHT UP AND POWER AFRICA

**PETRUS MADUNA NGOBENI -
ACTING CHIEF OPERATIONS OFFICER AT IPP OFFICE**

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1. Overview on the Independent Power Producers Procurement Programme (IPPPP) and the mandate of the Independent Power Producers Office (IPPO)
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mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



IPP Programme - 10 years of Empowering Change

During 2021, we will commemorate 10 years since the establishment of the Independent Power Producer Procurement Programme (IPPPP)



IPP OFFICE MANDATE

Facilitate and deliver on the IPPPP Objectives on behalf of DMRE

01 *To enhance private sector participation in electrical power generation capacity in the country.*

02 *To contribute to broader national development objectives.*

SERVICES PROVIDED

- 01 Procurement management
- 02 Monitoring, evaluation and contract management
- 03 Professional energy advisory services



MANDATE DERIVED FROM

- 01 The **capacity allocated** to renewable energy and non-renewable generation **in the Integrated Resource Plan (IRP)**
- 02 **Ministerial Determinations** issued by the Minister of Mineral Resources and Energy (in terms of **Section 34 of the Electricity Regulation Act (ERA)** and the NewGenRegs)
- 03 **Mandate Instructions** issued by DMRE to the IPP Office

The IPPPP has been the major driver behind South Africa's growing Renewable Energy Footprint....



112

IPPs **selected**
as preferred
bidders

6422
MW

electricity
capacity
procured

4949
MW

already **operational**
from **76 IPPs**

56206
GWh

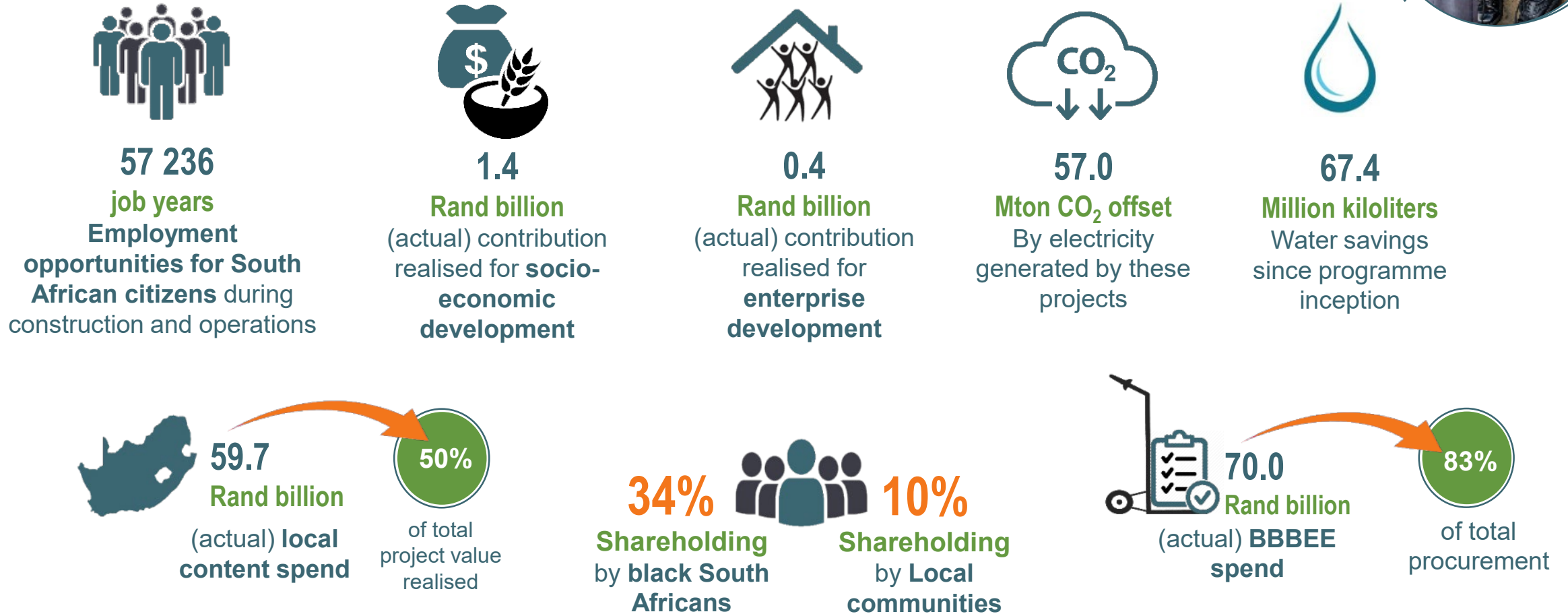
energy **generated**
by renewable
energy sources

R209.7
billion

investment attracted for
energy infrastructure in all
bid windows

All data as at 31 December 2020, after 7 bid rounds (Bid Windows 1, 2, 3, 3.5, 4 and Small Bid Windows 1 and 2)

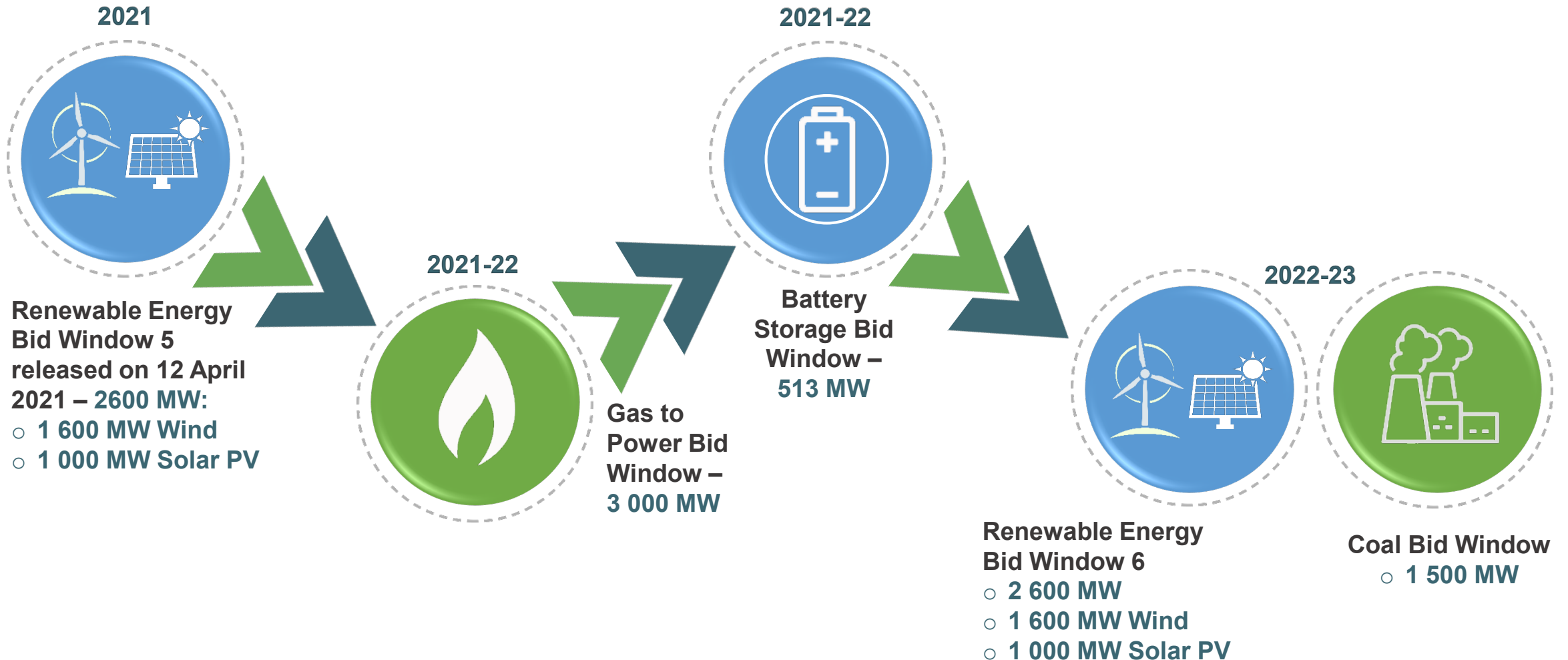
The IPPPP also uniquely incorporates fundamental socio-economic development objectives



All data as at 31 December 2020

During 2021-22 the Department will roll-out the procurement of 5 bid windows (11 813 MW) in line with the Second Determination under IRP2019

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Moving towards a green economic recovery



There is widespread concurrence that a massive investment programme in sustainable energy would be the stimulus that will have the best short- and long-term multiplier effects...

Systems at the forefront of the **global energy transition away from fossil fuels to environmentally sustainable, secure, reliable and low-cost energy systems**, are:



Renewable energy technologies

+ Energy storage systems + Gas

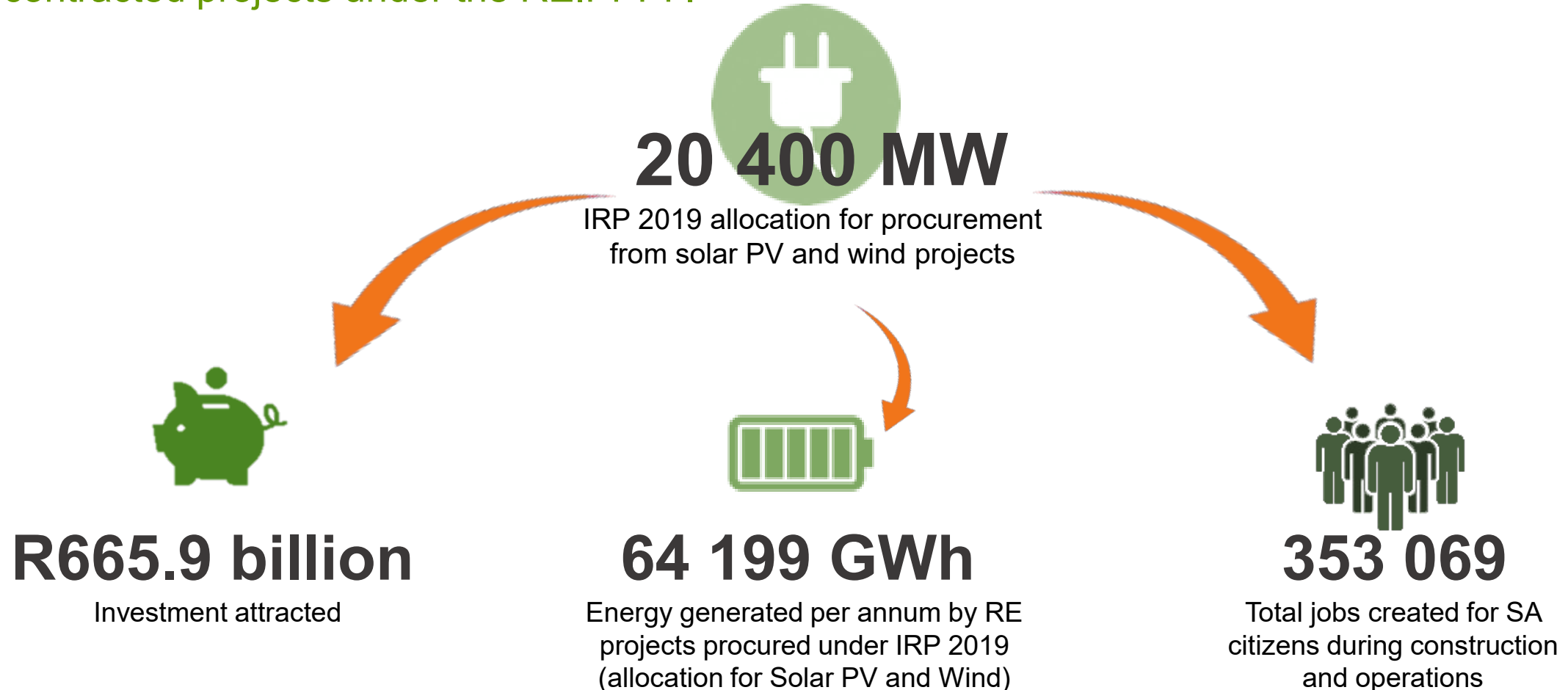
To help overcome resource variability and intermittency

Investments in sustainable energy systems will put **large numbers of unemployed people to work as quickly as possible** (high short-term multiplier), and **create assets that meet essential productive long-term future needs** (high long-term multiplier).

Investment decisions must align with the vision of a sustainable and just future

Potential impact of the RE procurement roll-out

Conservative estimates of the potential impact of the roll-out of solar PV and wind projects, as allocated in the IRP 2019, based on actual (planned) figures from contracted projects under the REIPPPP.



Most of the contracted REIPPPP projects are consistently achieving more than planned, hence figures provided could be understated.



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Thank you

**Bylsbridge Office Park, Building 9,
Cnr Jean and Olievenhoutbosch Ave,
Centurion**



+27 (0)87 351 3000



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DEVELOPMENT BANK OF SOUTHERN AFRICA
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