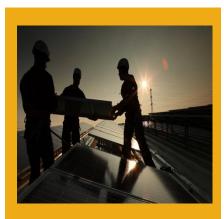
Skills development in the Renewable Energy Sector in South Africa









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South African Renewable Energy
Council
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Summary

- Overview of the SA RE sector IRP and green economy accord the need for qualified people – quantifying it
- Status quo who's doing what
- Industry initiatives (REIPPP)
- Partnership between Government and Private sector
- Further funding (REIPPP)
- Skills what do we need to make sure we need it?
- Road ahead



Skills - Overview of the SA RE sector

- In general South Africa is short of technical skills
- In RE as new field, same is true great opportunity to create high level jobs
- At NEDLAC deliberations on the Green Economy Accord, SESSA, SAPVIA, SASTELA and SAWEA did an industry projection on skills requirement assuming the GEA is followed:
- Following words went into text: "commits to.....the following job-creation targets in the renewable energy sector by 2020: 50 000 green jobs, of which approximately 6,500 will be engineers and technicians."

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Solar water heaters and energy efficiency – SESSA initiatives

- SESSA in collaboration with CSIR and DST are creating a platform that will identify 2nd and 3rd tier manufacturers for the Eskom Solar water heating roll-out
- Through this process enterprise development and job creation will occur
- Skills development and continuous education will be part of the initiative – it will be a monitored and measurable programme
- Individual SESSA members are busy with pilot projects already



Grid connected electricity projects and skills: Who's doing what – SAPVIA, SASTELA, SAWEA

- SA Renewable Energy Training Centre in development extensively work-shopped
- Planned as an ZAR 80 million facility CPUT's Bellville campus
- Funding applied for at DHET
- SANEDI has appointed an interim manager additional funding from GIZ
- Senior lecturer/researcher in wind energy at Stellenbosch and CPUT advertised but not yet filled.



Project level status quo

- In terms of the REIPPP tender process, 1% of capital is payable by the developer at financial close as a project development fee. This can be ZAR 20 million in a large project
- In addition 1.5% of turn over has to be spent on socio economic development within a 50 km radius – these are also large amounts that can have significant positive impacts
- Thus, on project level, though not co-ordinated, many developers are independently working on skills development



Project level skills development – an example

- One developer plans "to provide tertiary training to three students in the environmental field (as it relates to wind energy) and three in the technical field (as it relates to wind energy) each year for the lifetime of the project (twenty years), adding up to over 100 people trained."
- There are more such examples



RE skills in SA - Other initiatives

- GreenCape/GIZ/Bavarian Western Cape Partnership are collaborating with the relevant SETA to create accredited courses for wind farm and PV maintenance staff (biogas in future)
- Since 2011 Quality Council Trade and Occupation Qualification for wind turbine maintenance and service at NQF level 6 (2 levels above trade test) – with international benchmarking
- In Oct 2012 same will happen for PV farm maintenance and service technician with international benchmarking
- Same is planned for bio-digesters
- GIZ/SAGEN did a skills audit on RE in SA



Partnership between government and industry

- There is a need to train government officials in the detail of Renewable Energy
- This includes people working in permitting and licensing but also policy makers
- GIZ took a delegation of about 15 people to Berlin in the last month with great success – industry was represented also
- SAREC suggests a collaborative programme to jointly with government create a programme that can train government officials in RE
- All parliamentarians invited to Windaba information on 22 October in CTICC



Partnership between government and industry – municipal level

- Distributed generation can provide more efficient energy, more jobs per MW and more local content
- There is a need to provide skills at distribution and municipal levels in terms of:
 - Technical evaluation of grid connection applications
 - Administration of customer accounts and Net Metering
 - Municipal electricity service department budgeting
- This requires high number of qualified resources, go needs a plan to skill up munics



Further funding

- Skills development needs funding
- The Project Development Fee mentioned above seems intended to cover the costs of the REIPPP programme this is understandable
- It seems however running into hundreds of millions there may be money left over
- Suggest consideration be given to ploughing this back into local skills development



Skills development – what do we have to do to make sure we need it?

- We need a RE Industry
- For this we need an on-going and long term renewable energy market commitment from government
- Sufficiently firm and medium term to ensure localization of equipment supply and services
- Further improvement of transparent and regular communication between RE private sector and government

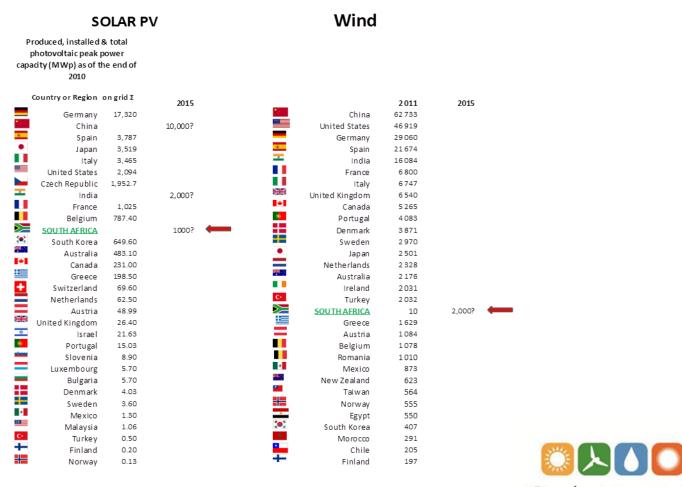


ROAD AHEAD

- Ensure financial close for round 1 projects before 30/09/12 so we can be sure there is going to be an industry
- Industry will continue the initiatives described herein much progress has been made
- Partnership with government to be activated soonest to cerate a skills training programme for government officials on RE
- Additional funding should be jointly investigated by government and industry



AN EMERGING GLOBAL PLAYER: SA'S POSSIBLE PLACE IN THE 2015 GLOBAL PECKING ORDER (PV AND WIND)





THANK YOU



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