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DEPUTY MINISTER OF MINES AND
ENERGY**

**ON THE OCCASION OF
10TH AMEU/AEDU NAMIBIA
TECHNICAL CONFERENCE**

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Good Morning Ladies and Gentlemen. I would like to thank her worship, the Mayor of Swakopmund, Councillor Pauline Nashilundo for the welcoming remarks and extend a vote of appreciation to the stakeholders and industry leaders that made time to attend and support this national event. I would like to acknowledge the attendance of National and South African Councillors from various local authorities, the CEO of the Electricity Control Board, Mrs Foibe Namene, the Managing Director of NamPower, Mr Samson Haulofu, the CEOs of the various Distribution Companies, CEOs of the various support companies, members of the AMEU Southern Africa Exco and Industry Leaders.

The past year, I have been invited to a number of launches of new electrical infrastructure developments on the renewable energy front and can confirm appetite for investment in this Namibian Resource. A Resource that has the potential to put Namibia on the map for power generation.

I have also taken note of the advantages these renewable energy plants offer, being current tender points in the electrical energy delivery value chain, Addressing energy capacity, low operational expenses, possible deployment away from the national grid as islands, and a lower production cost, that are all current stumbling blocks in the industry.

Certainly, also points noted by potential investors and end users, is that the technology is not matured and improvements, especially on the storage front, have to be made, but the signals are there to confirm the future for the industry.

This future has all the earmarks and market characteristics of other technologies that are already on matured levels such as broadband and cellular communications.

It is, therefore implied that this technology will come to us all, to save an undetermined period of time for now.

The Ministry of Mines and Energy has finalised the National Renewable Energy Policy for Namibia and will lean heavily towards the use of the renewable power generation options as main electrical power generation source.

We are all well aware that we are in the midst of significant change in the Electrical Energy Environment and observe this with various viable Solar Generation Plans Nationally. A Wind Generation Plant in Lüderitz and adjustments being made to the National Regulation to provide access to more industry players, support adequate generation capacity at a competitive price.

Technology has helped Namibia realise its untapped resource of sunshine and can play a major role in developing the country at large.

Government is planning to commit itself to a targeted 50% Rural Electrification figure and 100% of all schools, hospitals and other public institutions connected to the national grid by 2020 under the Harambee Prosperity Plan to ensure Prosperity for all Namibians.

This plan is to be finalised soon and it is trusted that these values will remain and be achieved. This will only be possible if there will be an adequate electrical supply that is affordable.

Today is therefore an opportunity to have a look at the Electricity Supply Industry in Namibia, the threats it faces from new technology, the changing market conditions while ensuring affordable electrical supply in Namibia in a sustainable manner.

We are fortunate to have this opportunity to share ideas and collaborate with Electricity Supply Industry Leaders, Suppliers and our Industry Friends from South Africa here today with a vision to enhance the Electricity Supply Industry in our Country.

Electricity is a technology and infrastructure based industry and it is therefore expected that the opportunities available such as Solar, Wind, Battery Storage, Broadband Data Communications, Improved IT Management Systems and others, will be rolled out by the industry to realise the benefits of these existing applications that have already proven.

It is trusted that I may be invited to many such project launches in the not too distant future.

As mentioned, the industry's advancements have made it possible to broaden the investor base and to this purpose, the current Single Buyer model is being reviewed to cater for participation from a broader investor group and provide electrical supply more efficiently and cost effectively.

The tariff determination methodology is also under review to gauge shortfalls and remedy these in the coming years to ensure fairness, transparency and sustainability.

The current drive by technology indicates that customers, large and small, are most likely going to become self-sufficient in producing for their own energy needs. This will affect the usage of electricity and fossil fuels such as wood and oil products and indicates a different world just over the horizon. We are not there yet, as some marketers may make you believe, but it is required for a cleaner and sustainable future and becomes the next logical step.

It is therefore without doubt a compulsory requirement to have a plan to move from our current technological beliefs and dependencies to the technology on the other side of the horizon.

This covers, but it is not limited to the tariff structures to allow migration without creating unfair cross subsidisation or creating false expectations, modified single buyer model to introduce competition, and regulation to ensure that the end user is still being looked after in terms of safety, quality, availability and pricing.

On the Transmission front, the 400kV link from the new Kunene substation to Omatando has been completed during February 2018, but still excludes the end point substations.

NamPower is currently busy with planning for transmission interconnection upgrades from South Africa via the Oranjemund to Keetmanshoop and also from Keetmanshoop to Windhoek routes.

Access to electricity remains a challenging issue and requires commitment and prioritisation by the Distributors to reach the goals of the Harambee Prosperity Plan and Vision 2030.

As technology suggests, off-grid options are also becoming more viable and it is trusted that the use of these are going to become common place amongst Distributors to cater for settlements that cannot be viably connected to the national grid.

On the institutional level, the role of the ECB will be changing soon with the envisaged implementation of the National Energy Regulator Act.

The National Energy Regulator will have an expanded field of responsibilities and will not only cover the Electricity Industry anymore, but also other energy sources.

The challenges are therefore clear and warrant action from the industry to comply. The attendees here today represent a significant portion of the industry, and I put forward the task of creating innovative solutions, in your hands.

It is important for Namibia to take on this task to ensure a world class industry where investment and economic growth can be promoted and sustained toward the Vision 2030 goals.

It is trusted that leaving this event, each attendee will have a greater understanding of the task at hand, how to proceed with implementing it and making a meaningful contribution towards Namibia's prosperity.

The onus is thus on the Electrical Supply Industry to proceed and overcome the challenges detailed with the new innovative means available.

Lastly, I trust on your participation in the fruitful deliberations of the next couple of days.

I thank you

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