



**the dtic**

Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO. 682

**Ms S J Graham (DA) to ask the Minister of Trade, Industry and Competition:**

- (1) With reference to the Energy One Stop Shop for independent power producers, what is the latest update on the (a) status of the operation and (b) progress made to date;
- (2) whether there is any level of authority for expediting the licensing process; if not, who is responsible; if so, what are the relevant details;
- (3) what (a) problems have been identified with the system, (b) measures are being taken to rectify the identified problems, (c) on what date does he envisage the (i) identified problems will be resolved and (ii) system will be established and fully functional? NW823E

## REPLY:

The following reply has been compiled by the Energy One Stop Shop, and Invest SA.

(1) The EOSS was launched on the 27th July 2023 at **the dtic** Campus.

The following have been actioned since the launch:

- Website launched and operational – [www.energyyoss.gov.za](http://www.energyyoss.gov.za)
- Registration Portal for Energy Projects live and operational.
- Tracking and Monitoring Database operational.
- Technical Working Group established (with all relevant Departments)
- Partnerships forged with Key Industry Stakeholders (e.g. MOU with Energy Council of SA).
- Linkages with Key Government Entities (Presidency, IDC, NEF, Infrastructure SA, IPPPP Office).
- Representation on various Working Groups (Legal and Regulatory Workstream, ESKOM Transmission Workstream and NECOM).
- Single Window Application Implementation Plan developed with the IFC (World Bank Group) and currently being reviewed by various Industry Bodies through the Energy Council of South Africa (ECSA). Support of the IFC is valued at approximately US 1,5 million. The envisaged implementation date is 1<sup>st</sup> quarter 2025.
- The first phase of Mapping of Municipal processes and standardised procedures conducted by UK Pact Consultants and will be concluded by the end of October. Support by the UK Pact programme is valued at R1,5 million.
- Escalation letters have been sent to Municipalities where applicable.
- EOSS participated in various Energy Related Events (Conferences, Indaba's and Workshops, Energy Action Lab) Nationally and Provincially.
- As part of the EOSS task to develop processes and mechanisms to fast track and unlock challenges (licensing and permitting approvals) experienced by developers, it was determined that a Single Window Application approach should be followed to streamline the application process for developers of energy projects. This is also supported by the Energy Council of South Africa as one of the interventions and outlined in the proposed Omnibus Bill.

- As several Departments are the Competent Authorities in their areas of expertise (e.g. DFFE), the various processes at these Departments had to be mapped to determine the extent to which overlaps exist. Through the support of the International Finance Corporation (IFC) these processes have been mapped (approval processes, timelines and checklists), recommendations made and an implementation action plan proposed. This has been shared with Industry through the Energy Council of South Africa (ECSA) for review and comments. Once amended the implementation plan will be socialised with all the relevant Departments for adoption and execution. Currently the EOSS together with the Departments are looking into the harmonisation of all IT Systems to develop the streamlined Single Window Application System. The anticipated date for the pilot will be ready for testing by 3<sup>rd</sup> quarter of 2024 and full implementation by the 1<sup>st</sup> quarter for 2025.
- A parallel process was embarked upon, of mapping approval and permitting processes for Energy Projects at municipal level and the impact of these on the implementation of Energy Projects. The workstream has been engaging with Municipalities, Developers, Departments and the Energy Industry to determine the effectiveness of the approval and permitting process at Municipal level. The first phase of the project came to an end in October 2023.

The EOSS received **114** projects from the Presidential Embedded Generation Task Team to track and unlock bottlenecks encountered by Energy Developers (mainly independent power producers IPPs). These projects are at various stages of development. Of the **114** projects, 26 were prioritised for immediate focus after consultations with developers and owners of projects. **2** projects were cancelled by developers and four (**4**) acquired SIP status, thus the EOSS is tracking **20** projects that have a few remaining challenges. The **114** projects upon receipt equated to 16 859MW and R109 billion in potential investment. In addition, besides IPP projects the EOSS unblocks for companies encountering challenges with municipalities and Eskom such as PG Bison, Teraco, Humtamaki amongst others.

The dashboard below outlines what the EOSS is currently tracking in terms of the Priority Projects:

## **EOSS DASHBOARD:**

**The dashboard below outlines what the EOSS is currently tracking in terms of the Priority Projects:**

## **EOSS DASHBOARD:**

Priority Projects Received:	26
Projects Cancelled:	(2 by developers)
Projects Transferred to SIP:	4
Remaining Projects:	20 (1624,5MW)
Projects Unlocked:	6 = 517,5MW: (Damlaagte - 97,5MW; Sutherland 2 - 140MW; Cennergi - 80MW; Tronox - 200MW, Mogalakwena, PPC Sturdee are on hold because Developer uncertainty e.g. Grid Connections)
Projects Operational:	4 = 78,5MW: Harmony Gold (Eland, Nyala, Tshepong), Gold Fields South Deep
Projects Tracked:	10
Current Challenges:	14 (Land Use, Mining rights, Water rights, ESKOM, Municipal approvals) Commercial Operational Date: 2023 – 2026 (10 Projects).

In the pipeline of remaining **88** projects are **20** updated projects (3136MW) with challenges across Departments and Municipalities. The **20** were prioritised by Developers after the EOSS engagement with them. The anticipated commercial operational dates are between 2024-2027. The EOSS in conjunction with the Departmental Technical Working Group (TWG) is working towards unblocking all challenges encountered.

In addition, through the EOSS live portal, **44** project leads have been identified covering wind, solar, gas and hybrid technologies. Of these the EOSS are tracking 17 projects of 5576 MW.

**(2) Whether there is any level of authority for expediting the licensing process; if not who is responsible if so, what are the relevant details;**

- Yes, a Technical Work Group, consisting of all the relevant Departments that are Competent Authorities. The EOSS TWG was established with the support of NECOM (National Energy Crisis Committee). Memorandums of Understanding (MOUs) between EOSS and the Departments are in the final stage of being signed – it is envisaged that it would be concluded in the first half of 2024.
- Competent Authorities have given undertakings at NECOM to shorten approval process within the legislated time frames e.g. DFFE are now able to process application with decisions within 57 days for a Basic Assessment if in a Renewable Energy Development Zone (REDZ) and the EOSS are tracking projects based on these.
- The EOSS reports to two NECOM Workstreams (Legal and Regulatory WS2) and Transmission (WS10). These structures meet every 2<sup>nd</sup> week or once a month but it also reports to the Ministry and Presidency on a regular basis. The TWG has met more the 8 times – going forward it plans to meet once a quarter as soon as the electronic automated tracking and reporting system for the EOSS has been developed.
- The EOSS also has an MOU with the Energy Council of South Africa – it provides technical advisory and capacity building services to the EOSS Team.

**(3) What (a) problems have been identified with the system, (b) measures are being taken to rectify the identified problems, (c) on what date does he envisage the (i) identified problems will be resolved and (ii) system will be established and fully functional?**

- (a) Delays in approvals by some Departments and Agencies (e.g. ESKOM – Cost Estimate Letters (CELs) and Budget Quotes (BQs).
- (b) Challenges that IPPs are encountering with Departments and Entities are addressed and resolved by EOSS through TWG members. Municipalities remain the biggest challenge as there is a lack of standardised processes in place to deal with Renewable Energy Projects (both in terms of Human Resources and Expertise). A Mapping exercise was embarked upon by the EOSS and a report with recommendations outlining intervention was developed. Through greater

coordination led by the EOSS in conjunction with SALGA and COGTA in supporting municipalities, the EOSS for example with the support of the Presidency and Office of the Premier in the Free State unlocked some major project challenges for Developers such as Sunelex Solar Power in the Matjhabeng Municipality – 605MW.

- (c) Unresolved challenges outside reasonable and stipulated time-frames are escalated to the PMO in the Presidency and NEOCOM for intervention. Challenges are escalated once evaluated and severity determined. A single windows application and tracking system is being developed to automate and harmonise processes – the envisaged fully operational date is end of Q1 2025 subject to budget availability.

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