

**REMARKS BY THE MEC FOR FINANCE, ECONOMIC DEVELOPMENT AND TOURISM, MR PV MKHATSHWA, MPL, ON THE OCCASION OF THE PROVINCIAL ENERGY SUMMIT HELD AT THE RIDGE HOTEL AND CASINO, eMALAHLENI, eMALAHLENI LOCAL MUNICIPALITY**

**Tuesday, 24 May 2022**

Programme Director;

Premier of Mpumalanga, Ms Refilwe Mtshweni-Tsipane;

Executive Mayor of the host District Municipality;

Executive Mayor of the host Local Municipality;

Colleagues in the Executive Council;

Councillors present;

Director General and Heads of Departments present;

Representatives of organised business;

Members of the Media;

Ladies and Gentlemen;

***Good morning!***

1. Programme Director; thank you very much for affording me this opportunity, to pave the way for the main address by the Premier.
2. Honourable Premier; and our esteemed guests; the Highveld region is part of the economic backbone of the provincial economy. Why am I saying that?
3. *Firstly*, the source of the main stem of the Olifants River Catchment is found in the Highveld region. The Association for Water and Rural

Development, a non-profit organisation, in one of its research reports in 2005, has this to say about the Catchment, and I quote:

*“The Olifants River Catchment is a major tributary of the Limpopo River and an international watercourse, shared between South Africa and Mozambique. From both an aquatic and terrestrial perspective, the Olifants River Catchment is a rich and diverse landscape. It is home to areas of endemism and high bio-diversity, particularly along the Drakensberg Escarpment which includes the Blyde and Legalameetse Nature Reserves, and some tributaries of the Olifants....Currently, the Olifants River is the only tributary that sustains flows of the Limpopo River in the dry season...”* – unquote.

4. *Secondly*, mining in Mpumalanga accounts for approximately 83% of South Africa's coal production, and the Highveld region happens to be the heartland of most of these coal mining operations. Most importantly, the mining sector contributes approximately 25 per cent to the provincial GDP.
5. *Thirdly*, the Highveld region is home of energy production, for not only the Province, but the country as whole and beyond. The majority of Eskom's power station are located in this region.
6. *And lastly*, the Highveld region is the strong base for food production. Most of the arable soils in the Province are also found in this region.

7. Now, having said all the wonderful things I have just mentioned about the Highveld Region, which predominantly covers the Nkangala District, the question is: ***Why has the Honourable Premier brought all these great minds together here today?***
8. This is because the large areas of the Catchment have been substantially modified, and the upper catchment is almost totally transformed through agriculture and mining; and a number of eco-systems are endangered and many more are vulnerable. Of critical importance, climate change is likely to see a major transformation of the already threatened grasslands and savannas.
9. Programme Director; energy production through opencast coal mining and coal-fired power stations, while contributing meaningfully to the economy of the Province as well as the country, has unfortunately, also transformed the landscape on the Mpumalanga Highveld, and filled the atmosphere with greenhouse gas emissions which have now become a spotlight of the country and the globe.
10. Researchers are constantly warning us that if we are not intervening on the greenhouse gas emissions, the Province is projected to be affected by higher annual average temperatures by 2050, which will adversely affect water and food security. Evaporation rates will also likely increase and agricultural outputs may reduce.
11. The Intergovernmental Panel on Climate Change special report on Global Warming of 1.5 °C tells us that we have until 2030, to stop

climate change in its tracks. The time for ambitious climate action is now.

12. Therefore, we are today to explore new routes that could foster economic diversification of the region, and rejuvenate its economy and society.
13. Without doubt, assuming the green future posture, as a Province, would be the way to go, and the energy sector is an obvious starting point to pave a low carbon economy pathway.
14. Evidently, renewable energy carries great potential to avoid the iceberg; hence the theme of this Summit is: ***“Towards a ‘Just Transition’ and seizing Opportunities presented by Renewable Energy”***.
15. ***Let’s grow Mpumalanga together!***

**I thank you!**