



NAEWASA NATIONAL EXECUTIVE OFFICE
OFFICE OF THE SECRETARY GENERAL

The First, 4th Floor
Cnr Biermann and Cradock Avenue
Rosebank, Johannesburg, 2196

Email: admin@naewasa.co.za
Website: www.naewasa.org
Registration number: 2017/276275/08

Peroleum and Liquid Fuels Charter Council (PLFCC)
The Members
Department of Energy
Private Bag x 96, Pretoria, 0001
192 Visagie Street, Cnr Paul Kruger & Visagie Streets
Pretoria

URGENT

NAEWASA/PLFCC/01/2018

PER EMAIL:

[Redacted list of email addresses]

17 August 2018

RE: NAEWASA's recommendation on Energy Transformation Fund

Dear PLFCC Members

National African Energy Wholesalers Association of South Africa (NAEWASA) recommends for Energy Transformation Fund (ETT) set up for Black New Entrants in the Energy sector.

BACKGROUND

The proposal is in line with our recommendations and negotiations with the Department of Energy (DoE) previous Minister, Honourable David Mahlobo (MP) during our first meeting on Monday the 30th October 2017 and again NAEWASA meeting with the current serving Energy Minister, Honourable Jeff Radebe (MP) on Monday the 4th June 2018.

The DoE Deputy Director General, Mr. Tseliso Maqubela has been of assistance in the process as he was present during the two meetings mentioned above with Ministers and we further had a follow up meeting on the 7th June 2018 were **RESOLUTIONS** were taken for the DoE to engage the Department of Tourism (Tourism) and National Empowerment Fund (NEF) to understand more about their current model on the similar Fund as NAEWASA used the same Tourism Transformation Fund as a baseline.

PRESIDENT: AN MALUMANE DEPUTY: RM MASHABA SECRETARY GENERAL: PI SELELE DIRECTOR: ET NDZIMANDE

STRATEGIC THRUST AND INTENT

It is important for all PLFCC Members to note that on the 7th June 2018, Ms Rebotile Komane, Mr. Ngwako Kekana and Mr. Tseliso Maqubela attended the follow up session with NAEWASA as part of the Resolution that we had taken during our meeting with Minister Radebe and Mr. Kekana presented that the empirical evidence report on Transformation Audit exercise that began in 2017 unfortunately demonstrates that Transformation has still not been realised in the sector. He further commented that the ETT may serve as a redress tool to assist New Entrants in the sector so that we may be empowered but more importantly, the same ETT should be discussed at the Charter Council as part of the Petroleum and Liquid Fuels Charter alignment process that is ongoing so that it may form part of the Policy.

Since we are at negotiation phase with the Department of Energy, the Department of Trade and Industry and other critical Stakeholders of the PLFC, we have always maintained that this Transformation Fund is the most sensible solution to address the current challenges majority of our Wholesalers experience each time they participate in product transactions and deals.

It is common cause that the Oil and Energy Sector is capital intensive, requires industry related expertise and access to fair processes and instruments for New Entrants to participate meaningfully in the mainstream economy and to this end, we have gone through vigorous Stakeholders engagements to foster identified solutions to assist the Oil and Energy New Entrants.

We have just recently presented to one of our Stakeholders, the Department of Trade and Industry (the dti) on the same identified solutions and it is for this reason that we present and recommend to the PLFCC the urgent need to set up the ETT as one of the pillars to foster Radical Economic Transformation (RET) and National Development Plan (NDP) objectives.

We wish to express our appreciation for your urgent attention to this matter and given the urgency as well as the seriousness of the proposed ETT, we would appreciate swift deliberations and conclusion.

Yours sincerely,



MRS PRISCILLA SELELE
SECRETARY GENERAL
NAEWASA

DATE: 17/8/2018