

Energy still a key challenge to African industrialisation

Reliable energy was highlighted as a key challenge during a week-long trade and investment mission to Zambia by South African companies.



Chiboni Evans, CEO of the South African Electrotechnical Council

"Without energy, the African continent will remain in a state of poverty. Unless the energy deficit is addressed, Africa will continue talking about industrialisation, growing its manufacturing base, adding value to products and beneficiation of the minerals without having the ability to carry out such aspirations," said CEO of the South African Electrotechnical Council (SAEEC), Chiboni Evans.

"The African Development Bank (AfDB) has stated that in order to industrialise, Africa needs a sufficient stock of productive infrastructure. Estimates are that the continent needs investment of between \$130-170bn a year.

"Through its New Deal on Energy for Africa, the AfDB anticipates that in order for Africa to achieve universal access to electricity by 2025, we will require 160 gigawatts of new capacity, 130-million new on-grid connections and 75-million new off-grid connections. To achieve these goals, it is estimated that the investment needed will range from between \$60-90bn per year," said Evans.

She also made reference to the AfDB report that said in order to industrialise, Africa needs sufficient stock of productive infrastructure in power, water and transport.

Demand outweighs supply

The Chief Commercial Officer of the Copperbelt Energy Corporation in Zambia, Titus Mwambunga, told the South African business representatives that the demand for energy was growing at a rate that is higher than the generation capacity.

To address this challenge, he called on the business representatives to invest in the hydropower generation, interconnectors and grid integration and renewable energy.

South Africa and Zambia share strong bilateral relations, with total trade amounting to R33bn last year. South Africa's main exports to Zambia include machinery and mechanical appliances, base metals and products of the chemical or allied industries.

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