

South Africa, China sign power deals during Brics summit

By <u>Promit Mukherjee</u> 25 Aug 2023

South Africa signed a raft of deals with China to help it overhaul its creaky energy sector including upgrading its nuclear power plant as the government seeks to ease a severe energy crisis hobbling the economy.



Source: Brazil's President Luiz Inacio Lula da Silva, China's President Xi Jinping, South Africa's President Oyril Ramaphosa, India's Prime Mnister Narendra Modi and Russia's Foreign Mnister Sergei Lavrov pose during Brics summit in Johannesburg, South Africa.

The agreements, signed with Chinese power companies on the sidelines of the Brics summit in South Africa, includes upgrades to the southern African country's electricity transmission and distribution network.

"We are moving at the speed of the fastest, we are not going to move at the speed of the slowest," electricity minister Kgosientsho Ramokgopa said after signing the deals.

China's power transmission grid network, generation capacity and renewable energy plants are the largest in the world and were set up in a short time and it is this expertise South Africa wanted to learn from, Ramokgopa said.

South Africa's state utility Eskom has a power supply shortfall of around 4,000 megawatts (MW), accounting for a tenth of its installed capacity and resulting in record power cuts.

Its transmission capacity is highly constrained, preventing any alternative power sources to come online. The bulk of its

distribution infrastructure - an array of thousands of transformers and substations supplying power to households - often burn out leading to long hours without power.

China will help to extend the life of Eskom's coal-fired power plants, offer technology to cut emissions at a lower cost than available elsewhere globally and China might also set up transformer and solar PV panel manufacturing facilities in the country, Ramokgopa said.

It will also help South Africa upgrade its nuclear power plant, he added.

President Cyril Ramaphosa said on Tuesday that China, its biggest trading partner, would supply emergency power equipment worth R167m (\$8.9m) and a grant of around R500m for the power sector, without giving timelines.

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