

Trends forecast for the renewable energy sector

By  Mercia Grimbeek

7 Jan 2022

As our country joins its global counterparts in driving down carbon emissions, on the home-front our battle is just as pertinent as we continue to push for an accelerated transition to increased energy availability characterised by significantly larger percentages of green electrons in our power supply. Here is our trends forecast for the year ahead in the renewable energy (RE) sector.

Profound transformation of energy generation system needed



Mercia Grimbeek, chair of SAWEA

Renewable energy production needs to be scaled up significantly to meet global climate change objectives agreed to by South Africa, as emission trends are not on track yet. This requires a profound transformation of the energy generation system as government plans still fall far short of emission reduction needs. Renewable energy and energy efficiency provide the optimal pathway to deliver the majority of the emission cuts needed at the necessary speed. Together, they can provide a significant percentage of the energy-related CO₂ emission reductions that are required, using technologies that are safe, reliable, affordable and widely available.

A decarbonised power sector, dominated by renewable sources, is at the core of the transition to a sustainable energy future. Although the power sector has made significant progress in recent years, the speed of progress must be accelerated. Industry, transport and the building sector, to name a few, will need to use more renewable energy. The energy transition makes economic sense and stimulates economic activity in addition to the growth that could be expected under a business-as-usual approach. With holistic policies, the transition can greatly boost overall employment in the energy sector.

Shift to cleaner sources of energy generation

There is a definite trend for the world to shift to cleaner sources of energy generation, and climate change is moving to the forefront of framing long-term business strategy and plans. The finance world is becoming increasingly unsupportive of funding new coal generation projects. Societal pressure is increasing toward more sustainable sources of energy generation in the face of the real effects of climate change.

Industry and manufacturers are under increasing pressures to reduce their carbon emissions and carbon footprint. All of these pressures necessitate governments and regulators to draft regulations to increase the deployment of renewable energy. This in itself is a hugely positive impetus for the South African market. With the current status of the energy market, these trends not only support the execution of the IRP 2019, but definitely encourage a more considerable wind energy generation in excess of that.

We can address fundamental challenges of energy access, energy security and climate change through the deployment of renewable energy. SA can harness our abundant potential of increasingly cost-competitive renewable energy to service the growing demand for electricity and avoid a potential fossil-fuel lock-in.





Potential for new industries, job creation, localisation

International trends indicate an increase in the types of technologies being deployed to maximise the deployment of renewables. Renewable technologies also present ample potential for the creation of new industries, job creation and localisation across the value chain. This presents a unique opportunity for our industry to expand into new avenues of production, driven by new technologies such as storage. Furthermore, it provides opportunities to increase the local manufacturing of various components locally over time. With consistent procurement facilitated by supporting regulations, the opportunities to increase local manufacturing is hugely positive.

How the RE sector uses data to support sector growth

The RE sector is constantly using various sources of data to support sector growth and in certain instances to address sector challenges - the Renewable Energy Development Zones (REDZ) provide areas of expedited development with shorter timeframes and hence a faster rollout of renewables. Similarly, the sector monitors the data released by the system operator to ensure that development is concentrated in areas where capacity is available. In addition, where data reveals grid constraints, it provides the opportunity for the sector to engage the system operator to find efficient solutions to transmission hurdles. Like any other business, the RE sector is constantly accessing commercial data to ensure that the cost competitiveness of the sector remains.



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Wind sector to become driving force in energy transition

Energy transitions can be a driving force for a strategy for a clean energy future, forward-looking industrial development, inclusive social progress and human welfare. The SA Economic Recovery Plan calls for aggressive infrastructure investment and green economy interventions. I predict that the wind sector will become a driving force in the energy transition. The industry will become an enabler for an economic recovery in the next few years through localisation and manufacturing opportunities created as a direct result of increased deployment of wind energy and, in addition, the secondary industries will create even economic opportunities.

Decarbonising the energy sector is more than just fossil fuel replacement. It is a means of job creation through direct construction and subsequent operations and also the associated industrialisation. Furthermore, I predict that the sector will assist in building institutional capacity to develop and implement national policies for increased access to electricity whilst pursuing a low carbon development of the electricity sector. Finally, my vision is a South Africa that has fully embraced the potential of its natural resources. A country that has accelerated the deployment of RE technology and becomes a world leader in clean energy production.

ABOUT MERCIA GRIMBEEK

Mercia Grimbeek, chair of SAWEA, is an expert in the energy sector. Grimbeek, who has served on the board of governance since 2018, has been part of South Africa's renewable energy sector since its inception, 11 years ago.

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