

Collaboration critical for energy projects

Governments need to start understanding that collaboration is critical if they want banks and financiers to start funding small to medium size businesses and/or small to medium size oil and gas companies.



Mtho Xulu, president of the South African Chamber of Commerce and Industry

“Governments, I believe, need to start understanding that we live in a world of collaboration and some of the best ideas are sitting outside government,” said Mtho Xulu, president of the South African Chamber of Commerce and Industry (SACCI).

“If they [government] can just focus on their policy instrument and implementation to make sure that there is affordability and sustainability, and then allow the private sector to be the ones to build, run and operate all infrastructure projects and develop opportunities, we will really go a long way.”

In the South African context, particularly concerning the country’s debt-ridden utility company Eskom, he said the issue is clear and that it can only be effectively addressed if there is a collaboration between the private and public sector.

“We have a lot of resources sitting outside government, waiting for the government to make a move. Governments must focus on making sure that people have access to affordable energy, and that does not mean that they must own the power.”

Agreeing with the importance of collaboration in the power sector, in particular, Bambili Group’s Nyonga Fofang noted the challenges the sector presents due to the complex nature of distribution models and said public-private partnerships are

necessary because of the massive impacts they have on peoples lives whether they have or have not been put in place.

“You need to have some kind of a collaborative nature in terms of how you deliver that resource. Simple confidence-building measures in terms of appropriating opportunities between the private sector and government make a big difference.”

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