

29 June 2022

Mr Cyril Matamela Ramaphosa
President
Republic of South Africa

Per email: president@po.gov.za / malebo@presidency.gov.za / musi@dpme.gov.za

Dear Mr President,

RE: URGENT APPEAL TO RESOLVE SOUTH AFRICA'S ENERGY CRISIS

Both BLSA and BUSA have had urgent meetings with ESKOM's André de Ruyter today to understand the current stage 6 loadshedding crisis we are facing and the impact it has on our country's economy and citizens. This has long been understood by business, which has proactively positioned itself to support government's efforts to ensure security of energy (specifically electricity) supply. Unfortunately, efforts to this end over many years have either failed or not gone far enough to resolve the underlying challenges: operational, financial, and structural afflicting ESKOM and the broader energy ecosystem. Urgent action is now required, and we appeal to you as President of the country to act firmly and decisively to address this national crisis.

Just in the last 48 hours we have heard concerns around further sovereign ratings downgrades which may now be on the cards. Coupled with a plunge in consumer confidence in the second quarter, influenced by ongoing loadshedding, our underperforming economic growth appears set to continue.

Of more immediate concern, the JSE has also expressed concerns around the implications of stage 6 loadshedding on the markets in the face of international investor concern around our country's seeming inability to address our electricity supply constraints. We cannot continue to fail our citizens through underwhelming efforts to address this major obstacle to investment, economic growth, job creation, and poverty alleviation.

Our request is that, as a matter of urgency, we debottleneck regulatory processes such as the land zoning environmental impact assessment approvals and grid access to enable the private sector to contribute significant capacity in the shortest possible time to help alleviate the crisis. We furthermore urge you to reinforce law enforcement efforts to deal decisively with acts of sabotage undermining our energy security.

We are at your disposal to discuss our appeal at your earliest convenience.

Yours Sincerely,



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