



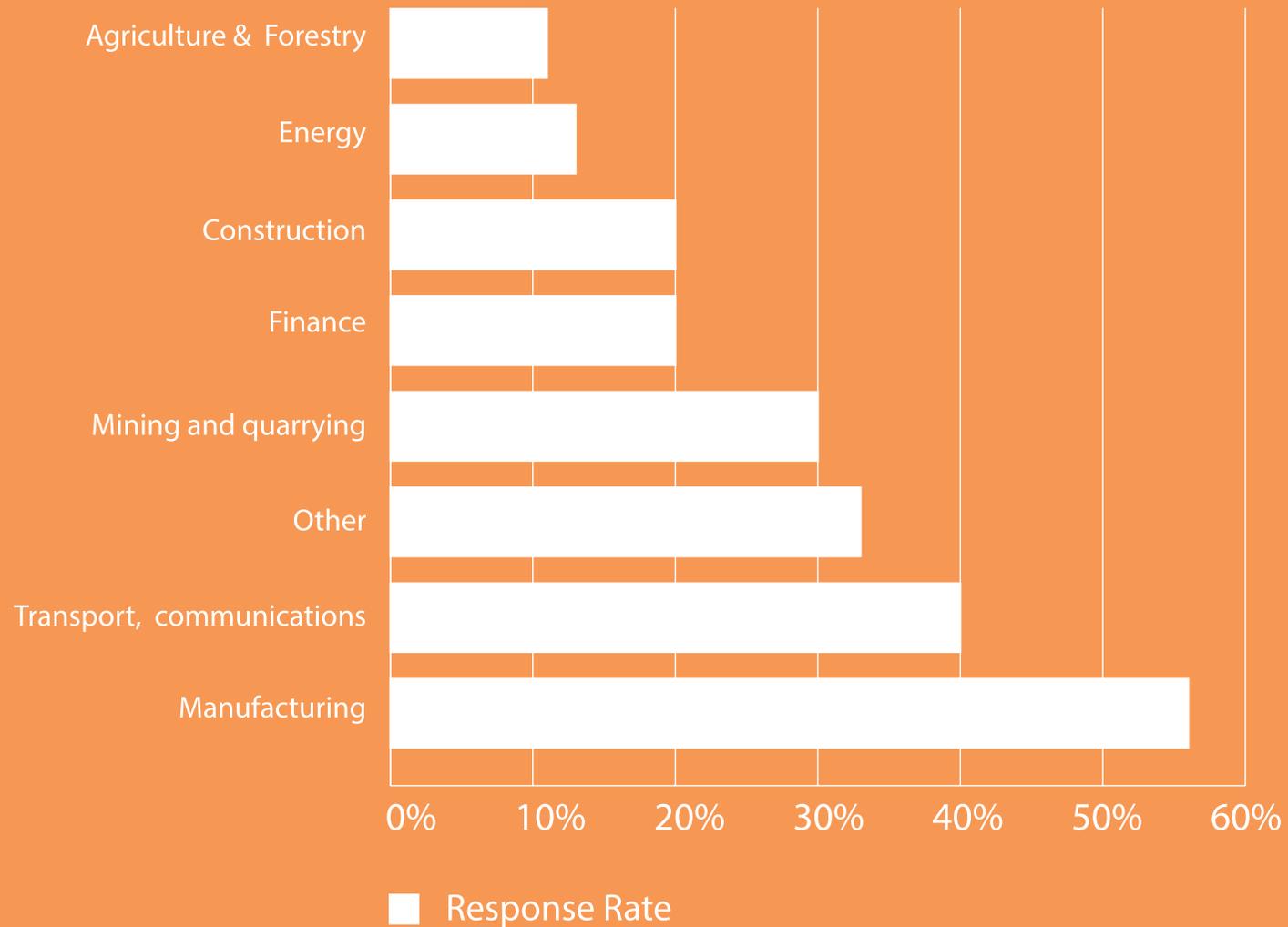
# Corporate Renewable Energy Procurement in South Africa

Why are so many companies in South Africa that are not independent power producers implementing renewable energy projects?

# 01

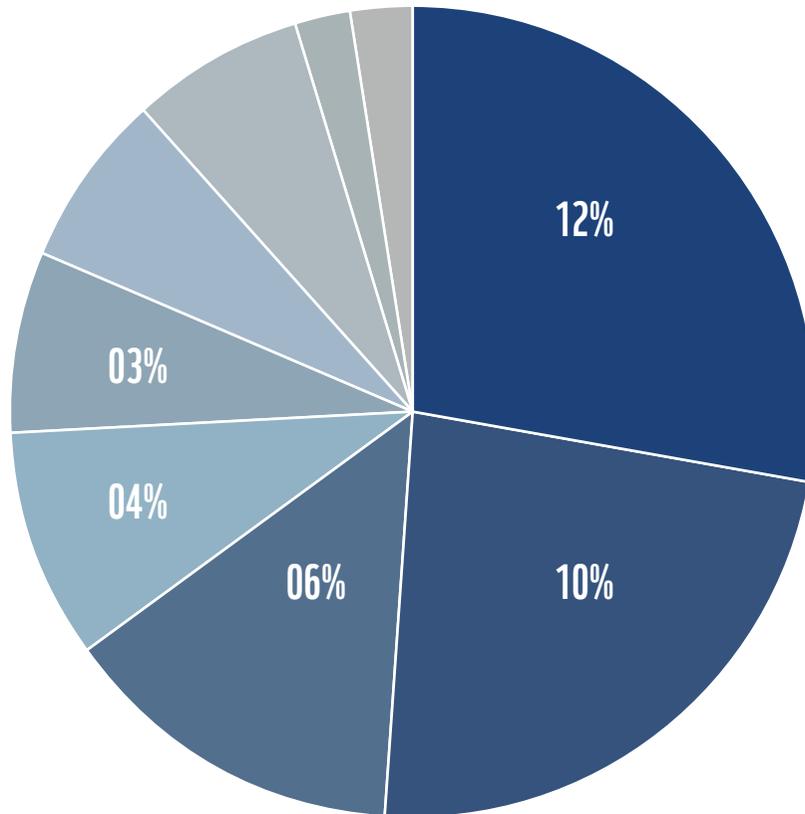
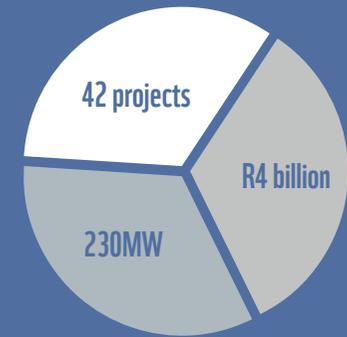
## What we did:

We surveyed the renewable energy projects that were implemented independently by 30 companies across a selection of industries.



# 02 The results:

42 projects, all at pilot scale, representing 230MW of installed capacity at an approximate cost of R4 billion.



- Solar PV
- Biomass to electricity
- Wind
- Waste (combustible solids) to electricity
- Biogas to electricity
- Hydro
- Landfill Gas
- Biomass to heat
- Biogas to heat

# 03 The drivers of this demand:

## Primary drivers:



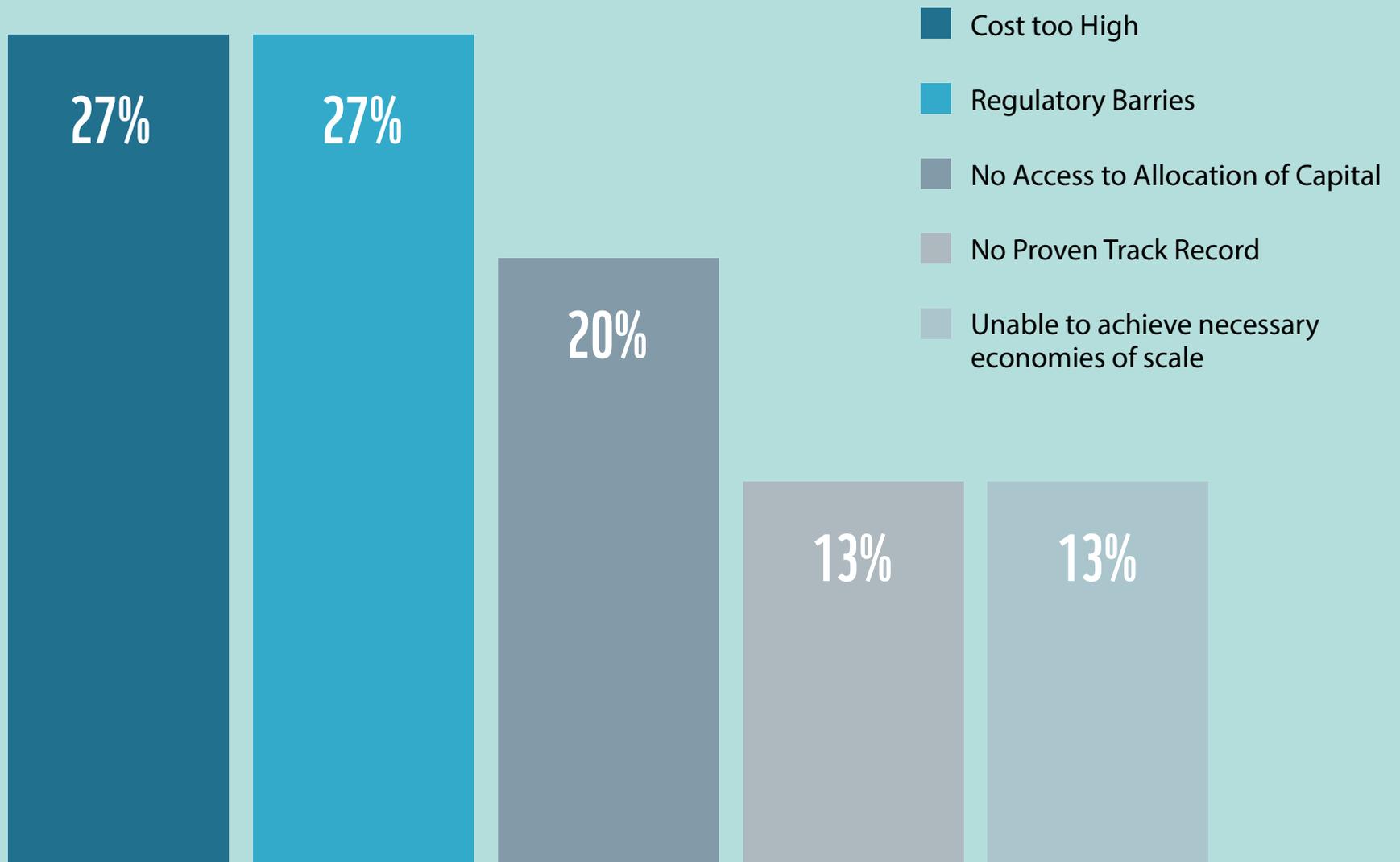
## Secondary drivers:

- 33%** Project IRR
- 29%** Anticipated future costs
- 13%** Immediate cost saving
- 13%** Anticipated future savings
- 8%** Government Incentives / Rebates / Taxes
- 4%** Access to Carbon Finance

- 25%** Security of long term energy pricing
- 25%** Strategic positioning
- 17%** R&D/Capacity building / Learning by doing
- 12%** Board/CEO decision
- 13%** Shareholder/Owner objectives
- 8%** Security of access to energy

- 44%** Environmental efficiency
- 29%** Adaptation / Long term Environmental Benefits
- 17%** Scientific basis for the decision
- 12%** Enhanced impact of CSI spend
- 13%** Social and Community Benefit

# 04 Barriers to implementation:



# 05 Additional insights:

The choice of project evaluation metrics is very important in promoting RE projects.

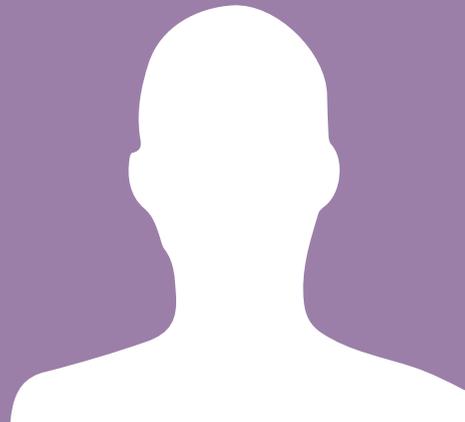
Grant funding can play an important role in catalysing RE projects.

The 'stick' of high energy costs is a much stronger motivator than the 'carrot' of green finance.

Companies seem to be at a wait and see phase: all the projects were at pilot scale.

The drivers of additional RE procurement by companies are lower capital cost, access to funding and a clearer policy and regulatory environment.

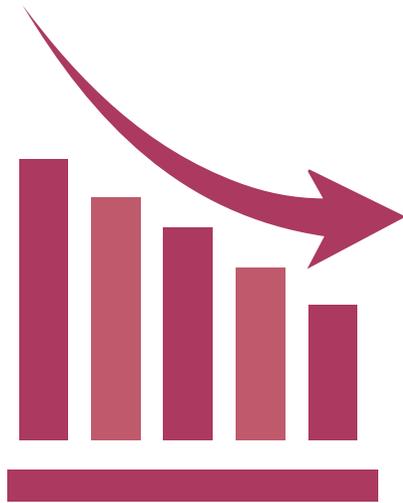
90% of respondents did not identify regulatory issues as either a driver or a barrier.



# 06 Growing Corporate RE Procurement:

How to drive procurement at scale:

**Lower Capital Costs**



**Better Access to Funding**



**Address Policy and Regulatory Environment**





Why we are here

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

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