

## Steel Roundtable Summary

9 April 2024

### Background and Objective

The Manufacturing Circle facilitated a Steel Roundtable on 9th April 2024 to address demand-side opportunities and supply-side constraints in the South African steel industry.

Attendees included member companies, affiliate members and subject matter experts.

### ADDRESSING DEMAND-SIDE OPPORTUNITIES

#### Project Opportunities

Chiboni Evans, CEO, South African Electrotechnical Export Council

Presentation attached

#### SAEEC Renewable Energy Database

##### Objectives

- The SAEEC Renewable energy data-base is being developed as a trade and investment gateway to improve collaboration between South African companies and Development Finance Institutions (DFIs) focusing on the African continent; and provide better visibility of projects. It aims to facilitate better co-ordination to access project opportunities from an SA Inc perspective.
- The database coverage focuses on sub-saharan African renewable energy projects with a total value of \$249bn.
- Open access will be given to key stakeholders including the Manufacturing Circle for publicly available information including the number of projects by sector (wind, solar and green hydrogen), spread of projects by country and project development timing.
- Exclusive access will be given to SAEEC members for more detailed project specific information including project names and descriptions and contact details for project developers, technology suppliers and financiers.
- Information will inform sector focussed Trade Missions and countries to engage on the African continent with regards to Energy Projects.

##### Responses Tabled/Next Steps

- Validation of the information contained in the database is an important aspect which will include inputs and comments by local manufacturers. Relevant MC member companies could assist in interrogating the database information as well as providing inputs to validate calculations for units of materials including steel.
- In July 2024 an Africa Energy Projects Conclave will take place during Infrastructure Africa, where various country delegates have been invited to attend and participate as part of the project validation process.
- The database is currently in pilot phase and is scheduled to go live in September 2024 .
- The MC will continue to engage with SAEEC and keep members apprised of developments.

#### The Steel Growth Fund

Charles Dednam, Principal,

Presentation attached

##### Objectives

- To increase demand for locally produced steel by supplying external markets and enhancing value added exports to support local industry, improve the economy and preserve jobs.
- Support is needed from the primary product input side. This will be achieved by all primary steel suppliers contributing to the fund.

##### Responses Tabled/Next Steps

- Documents have been submitted to the SMP Oversight Committee requiring dtic review.
- Key next step involves getting potential contributors and exporters around the table which can be actioned directly by industry if dtic participation is slow to progress.

### ACCESSING SUPPLY-SIDE CONSTRAINTS

#### The South African Industrial Gas Landscape | Addressing Gas Energy Security

Jaco Human, Executive Officer Industrial Gas Users Association-SA (IGUA-SA)

Presentation attached

##### Objectives

- To alert parties to the South African 'Gas Cliff' crisis that is looming and what the landscape looks like.
- To assess risks:
  - Timing and implications of no gas
- To look at possible solutions:
  - Transitioning towards LNG
  - Gas to projects off the ROMPCO pipeline
  - Eskom gas to power procurement

##### Responses Tabled/Next Steps

- MC to continue engaging with IGUA-SA to exchange information regarding:
  - Short term issues for manufacturers requiring industrial gas supply to their premises.
  - Cost of gas going forward with the possible transition to LNG.
- SA private sector initiatives including
  - Possible development of a gas aggregator (gas market place)
  - Involvement in infrastructure projects members apprised of developments.

#### Tx Grid Industry Position Paper

Philippa Rodseth, Manufacturing Circle

Presentation attached

##### Objectives

- SMP demand Team industry representatives are working to drive opportunities for local manufacturing by supplying into the Tx build programme.
- The aim of the paper is to address and articulate industry concerns and opportunities with respect to the Tx grid build, to initiate a dialogue between the newly formed National Transmission Company of South Africa (NTCSA) and Industry, facilitated by Stellenbosch University's Centre of Sustainability Transitions (CST).

#### Carbon Border Adjustment Mechanism (CBAM) | Industry Update

Virgilio da Molo, BUSA Localisation Project Manager

Presentation attached

##### Objectives

- The purpose of the CBAM survey is to gather feedback from affected companies on the first reporting process and challenges they have faced, and is being conducted on a collaborative basis by BUSA, Manufacturing Circle, SEIFSA and AFSA.

- Survey responses will assist in determining the readiness of South African companies to report, as well as identifying interest to participate in a CBAM Industry Working Group.
- This in turn, can assist in preparing industry inputs to inform potential negotiations with the EU (for example, to include developing a position/motivation for exemptions and or allowances).

#### CONTACT DETAILS

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