

JOINT DECLARATION OF INTENT

BETWEEN

**THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY**

AND

**THE FEDERAL GOVERNMENT OF THE
REPUBLIC OF SOUTH AFRICA**

ON

**THE ESTABLISHMENT OF AN ENERGY
PARTNERSHIP**



INTRODUCTION

The Federal Government of the Federal Republic of Germany and the Government of the Republic of South Africa (hereinafter jointly referred to as the “Sides” and in the singular as “a Side”) wish to further promote friendship and cooperation between South Africa and Germany. They are determined to enhance the bilateral dialogue and practical cooperation between the Sides in the energy sector by establishing an energy partnership, which builds on and further enhances the ongoing successful cooperation programmes and dialogue between both Sides in the energy sector. The main objective of the energy partnership is improving and developing a sustainable energy infrastructure, in particular through the increased use of renewable energy and energy efficiency. Both Sides acknowledge activities under various existing bilateral and multilateral dialogues and take note of the recent advancement in renewable energy efficiency technologies, the available renewable energy resources in South Africa and the consequent opportunities for their widespread applications. They recognise that the creation of appropriate market environments for the increasing role of private sector involvement along with an enabling framework for strong public-private partnerships is very important for successful commercial applications and for the long term availability of renewable energy and energy efficiency technologies.

The energy partnership is supposed to complement the existing Declarations of Intent on “South African – German Cooperation in the Area of Energy and Climate” (November 2010) as well as on the “South African Renewables Initiative (SARI)”. The Declaration of Intent on “South African – German Cooperation in the Area of Energy and Climate” sets out the specific areas of cooperation, goals of joint activities, and competent authorities. That Declaration of Intent also provides the strategic framework for South African – German Development Cooperation in the energy sector. The SARI International Partnership has been established collaboratively to support the accelerated scale up of investment for the development of renewables in South Africa.

The energy partnership will inter alia build upon these Declarations of Intent and will provide a general framework for political dialogue and cooperation in the energy sector of both Sides.

Therefore both Sides have come to the following understanding:



1. OBJECTIVE

The Sides underline their shared objective to guarantee the secure and sustainable supply and utilization of energy also in the light of international climate protection efforts. The Sides further recognize the importance of science and technology in promoting renewable energy and energy efficiency and underline the importance of and aim to strengthen international cooperation on energy research and development. Therefore the Sides intend to intensify their cooperation on the promotion of sustainable and efficient services, especially renewable energies and energy efficiency.

2. SCOPE

- (1) The Sides will continue with their existing cooperation programmes and projects on energy. These programmes and projects will continue to be coordinated by the respective competent authorities.
- (2) The Sides will engage in dialogue on energy policies and on the coherence of cooperation programmes, monitor the results of cooperation efforts and prepare joint reports for the Ministers.
- (3) The Sides will focus on the following areas:
 - (a) renewable energies (such as hydro-power, wind power, solar photovoltaic, solar thermal energy, geothermal energy, hydrogen) and their use in the generation of electricity and heat and for transportation;
 - (b) the promotion of energy efficiency;
 - (c) the promotion of new and upscaled carbon market instruments for financing investments in the field of renewable energies and energy efficiency;
 - (d) opportunities for cooperation in the field of nuclear safety and security;
 - (e) criteria for sustainability and environmental integrity of project activities: legal framework, applied policies, measures and instruments - including economic instruments -, and suitable financing models for promoting renewable energy and energy efficiency; and
 - (f) technological cooperation in the field of Carbon Capture and Storage (CCS),
 - (g) capacity building and skills development in the green technology sector,



- (h) R&D cooperation in the above areas where appropriate.
- (4) The Sides will strengthen their cooperation on capacity building, institutional arrangements, including public awareness-raising, personnel exchange and training.
- (5) The Sides will encourage private sector companies to cooperate closely and to explore further business opportunities.
- (6) The Sides accept the adequate and effective protection of intellectual property rights, in accordance with World Trade Organisation regulations and national and international laws, which stem from the activities carried out in implementation of this Joint Declaration of Intent.

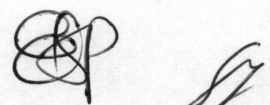
3. COMPETENT AUTHORITIES

The competent authorities responsible for coordinating the dialogue and joint activities under this Joint Declaration of Intent will be:

- (a) in the case of the Republic of South Africa, the Department of Energy; and
- (b) in the case of the Federal Republic of Germany, the Federal Ministry of Economics and Technology.

4. ESTABLISHMENT OF WORKING GROUPS

- (1) The Sides will establish a High-Level Working Group with representatives of the relevant authorities from each country. Each Side can bring additional stakeholders as it deems necessary to any meeting. The High-Level Working Group will meet annually, if possible in conjunction with the Germany – South Africa Binational Commission, and for further meetings as decided between the Sides. The agenda, time and place of the meetings of the High-Level Working Group will be jointly decided upon by the Sides.
- (2) The High-Level Working Group may establish sub-groups as required to develop

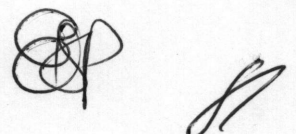


cooperation in specific areas, inter alia those listed under item 2. (3). Sub-groups should meet once every year in conjunction with the High-Level Working Group or within such intervals as may be required, for purposes of discussing, investigating and evaluating opportunities presented by either Side or follow up of actions decided upon at previous meetings. The meetings should be held alternately in the Republic of South Africa and the Federal Republic of Germany.

- (3) The High-Level Working Group and the Sub-groups will have the following tasks:
 - (a) identification of joint activities, programmes and/or projects for approval by the Sides;
 - (b) review of progress on the implementation of joint activities, programmes or projects under this Joint Declaration of Intent and report back to the Sides;
 - (c) consideration of any other aspects relevant to the promotion of bilateral cooperation in the field of energy resources.
- (4) The host Side will chair the meeting. A secretary will be appointed for each meeting and the minutes of the meeting will be approved and signed off by the appointed representative of each Side.
- (5) Each Side will act in good faith and actively seek opportunities in terms of which the Sides can work together for their mutual benefit. Such opportunities as identified by a Side will be proposed to the Working Groups.
- (6) The agenda, time and place of the meetings of the Working Groups will be decided upon by the Sides.

5. EXPENSES

Both Sides understand that the subsistence and travel expenses of participants attending the Working Group meetings and meetings of joint activities, programmes or projects under this Joint Declaration of Intent will be borne by the Sides or their designated authorities.

Two handwritten signatures are located at the bottom right of the page. The first is a circular scribble, and the second is a more linear, stylized signature.

6. CONFIDENTIALITY

The proceedings of Working Group meetings under this Joint Declaration of Intent may be published only with the written consent of the Sides.

7. SETTLEMENT OF DISPUTES

Any dispute between the Sides arising out of the interpretation or implementation of this Joint Declaration of Intent will be settled amicably through consultations or negotiations between the Sides.

8. EFFECTIVITY

This Joint Declaration of Intent will be effective from the date of signature thereof.

9. AMENDMENT


This Joint Declaration of Intent may be amended any time by mutual written consent of both Sides.

10. NOTIFICATIONS

Any notifications concerning this Joint Declaration of Intent will be effected in writing.

11. DURATION AND TERMINATION

- (1) This Joint Declaration of Intent will remain in effect until either Side informs the other in writing, possibly six months in advance, of its intention to terminate cooperation under this Joint Declaration of Intent.
- (2) At the termination of this Joint Declaration of Intent its provisions and the provisions of any other arrangement entered into by the Sides should continue to govern any existing or unexpired commitments assumed or commenced under this Joint Declaration of



Intent. These commitments or programmes should be carried out to completion as if this Joint Declaration of Intent is still in effect.


This Joint Declaration of Intent was signed in duplicate in the English language.

Cape Town, 21st February 2013

**FOR THE GOVERNMENT OF THE
FEDERAL REPUBLIC OF GERMANY**



Mr. Stefan Kapferer



**FOR THE GOVERNMENT
OF THE REPUBLIC OF
SOUTH AFRICA**

Ms. Elizabeth Dipuo Peters