



Newsletter

December 2021 (2/2)





Letter from the President – Lourens Nel



The end of the year 2021 has once again come upon us and will soon break away for the December school holidays and celebrate the festive season. The year 2022 might filled with mixed enthusiasm and anticipation mostly because of the Covid-19 pandemic which placed upon our path various limitations, loss of valuable lives and financial strain and forecasted there will be more loadshedding and political movement before we will see solutions. There is however comfort knowing South Africans remains firm in their believe systems and always has a comeback plan for a better future. Collectively we will find workable solutions benefiting all. To achieve this, we need to learn to listen and respect one another. We need to learn how to listen before we speak. In 2022 we need to have a new mission, vision, and goal according to Mahatma Gandhi's words: if we want to change the world, we need to start with ourselves.

SARWA had a good year. We were fortunate having our 23rd SARWA Annual Educational Conference during March 2021. The first virtual online conference was as success with good attendance. Another first for SARWA was the introduction of the Servitude Valuation and Land Rights Acquisition course and workshop held end August. Unfortunately, our other courses and the October COP workshop could not proceed because of poor support. The executive committee remain resolute ensuring proceeded efforts towards finding solutions on how we can increase our member count and event attendance in 2022.

The annual EXCO Bosberaad will be at Stellenbosch next year. And a one-day seminar for our members in the Western Cape. Online virtual platforms create new opportunity and affordability for our members in other regions attending SARWA events and courses. For next year, per norm, SARWA will have the 24th Annual Educational Conference at the CSIR in Pretoria, with a live online virtual platform for our member audience and international affiliations who cannot attend in person. I personally prefer social interaction attending the event in person, meeting old friends, and making new. However, for members in other regions and countries, affordability and travel expenses have become a priority.

On 6 to 9 June 2021, I attended online the 67th International Virtual Education Conference, in San Antonio, Texas, USA. The travel ban did not allow traveling to the USA. The online virtual boot was very well structured and managed by the IRWA team, with interesting topics.

This is the last letter for the year 2021. I wish you all a festive season and holiday. Until 2022!!



Kind regards,

Lourens Nel



SARWA 24th Annual Education Conference, March 2022

The 24th Annual Educational Conference 2022 at the CSIR International Convention Centre in Pretoria, is the SARWA highlight of the year event.

We certainly hope the event will not jeopardized by the Covid-19 pandemic. But the health and safety of our members are key, and the event will be available on a virtual platform as well.

The event remains exciting and as usual promises great informative and interesting presentations by speakers contribute voluntarily towards education within the Right of Way industry.

Part of the event highlights is the Annual General Meeting (AGM) and announcements of new SARWA members.

Rio Kgatle will be the incoming president taking over from Lourens Nel, who will become the next International Director. Both will represent SARWA at the 68th IRWA Annual Educational Conference 2022 in Cleveland, Ohio.

"Keep an eye out for the program with details for next year's conference".



HIGHLIGHTS…….

JUNE 6 - 9, 2021

The International Right of Way Association's 67th Annual International Education Conference 2021 held in San Antonio, Texas, USA, was a major success. It was a hybrid (Virtual and in-Person) conference, with just over 200 international virtual attendants. IRWA have offered various educational and learning opportunities, as well as the networking events.









IRWA 2021 President, Jake Farrel, SR/WA…

Upcoming IRWA Conference, 68th Annual International Education Conference, 5 – 8 June 2022, Cleveland, Ohio, USA.



RAND WATER ENCROACHMENT WORKSHOP (VIRTUAL)

13 SEPTEMBER 2021

An encroachment workshop was arranged by Rand Water with municipalities, Eskom, Transnet, Sasol, Roads dept and other stakeholders. Presentations covered the following by the affected parties (Rand Water, Sasol, and Eskom) on current measures they employ to address encroachments towards, -

- Challenges, risks, legislation, budget, resources, actions to address formal and informal encroachments, including success in relocating,
- Re-introduction of South African Servitudes and Encroachments Management Agency (SASEMA)
- The way forward and action plan towards short- and long-term solutions.

Almost 70 attendees participated in the interactive presentations and deliberations. Q&A sessions where attendees had the opportunity to ask questions, comments to presentations and clarity on any matters raised. The session was chaired by Rand Water and once all presentations completed, the following recommendations were provided, -

1. Formation of a Utility Forum to be chaired by Mr Stanley Bracey (Sasol) and,

2. Formation of a Stakeholder Relations Forum to be chaired by Mr. Gregg Mulzack – (Rand Water).

Nominations to these forums were provided in getting the committees started. The key objective is to understand and find solutions in addressing encroachment challenges. As we know, informal encroachments are "political" in many ways as it affects people and structures. By creating these forums with members from key organizations will assist in forging a positive direction in addressing legislative challenges, processes to remove and relocate informal dwellers and budget to assist in all encroachments.

SARWA is correctly aligned to the objectives of the workshop. Rights of Way involving servitudes and the impact of encroachments has land practitioners having to survey the extent of the encroachment and sometime negotiate with informal dwellers. Where servitude and property rights are involved, land and right practitioners must be engaged.

Rand Water would like to thank all attendees and hope that the way forward in addressing encroachment challenges is successful.

Viresh Singh
SARWA - International Director

SARWA ONLINE EDUCATION

"2021/2 Webinar workshops" ….



Course Land & Rights Education Program	1
Course 213 **Conflict Management**	2
Course 100SA **Principles of Land Acquisition**	3
Course 103 **Ethics and Rights of Way**	4
Course **Servitude Valuations & Land Rights Acquisition**	5

For more information, forward your enquiry to info@sarwa.co.za

who we are?

The South African Rights of Way Association (SARWA) is a professional member organization comprised of public service infrastructure land & rights practitioners. Since its inception as a not-for-profit association in 1998, SARWA served professionals who acquire, manage, and transfer the land & rights needed for infrastructure. SARWA is also affiliated as a Regional Partner of the International Right of Way Association (IRWA) where together there are nearly 10,000 members that hail from over 15 countries around the world. These members are united by their profession and their commitment to pursuing training and professional development through courses, chapter meetings, seminars, and the annual education conference.

SARWA is a volunteer-driven organization comprised of multi-disciplined professionals employed by private industry and government departments such as:



We are considered the unsurpassed source of land and rights educational programs, providing education and networking opportunities to differentiate our members in the professional marketplace. Our industry-specific education and advanced curriculum allows for professional continuous development training which covers Electricity Utilities, Public Departments, Oil & Gas Pipelines and Transportation. SARWA is working towards SAQA accreditation and industry-wide recognition of our designations and certifications. And to elevate the role of right of way professionals by strengthening their industry relevance.

SARWA aim at making a difference in

- the quality standards and ethics throughout the industry and around the globe
- representing projects, landowner, and taxpayer to ensure landowners treated fairly, equitably, and uniformly while completing projects on time and within the budget constraints.
- enhancing the quality of lives in the communities we work in, with better and more accessible transportation, energy, and utility systems.

For more information, please visit www.sarwa.co.za and REGISTER or email info@sarwa.co.za.

EXCO updates & meetings…

The Executive Committee is responsible for the day-to-day planning and management of SARWA, a non-profitable educational organization. The panel consist of members of SARWA, voluntary avail their time and expertise to bring continuing educational material, speakers, and events to the members.

The executive committee members are professionals in private industries, state-, and state-enterprise institutions.

Annual meetings and workshops help improving the importance of education, and identifying new speakers of interest and training, pertaining the National Rights of Way Industry.

The panel is broken up in individual tasked committees and a chairperson, each responsible for feedback on prior and continuing set tasks. Which include the main SARWA Annual Educational Conference.

The EXCO diary for 2021 is as follows:

Meeting 1	**23 April 2021 (Virtual)**
Training	**Bosberaad, 22 & 23 April 2021 (Mabula Game Reserve)**
Meeting 2	**23 April 2021 (MS Teams)**
Training	**24 June 2021 (Policy & Procedures)**
Meeting 3	**9 July April 2021 (MS Teams)**
General	**16 July 2021 (MS Teams)**
Meeting 4	**17 September 2021 (MS Teams)**
Meeting 5	**12 November 2021 (Gautrans)**
Meeting 6	**21 January 2022 (Gautrans)**



SARWA Executive Committee 2021

MARKETING & COMMUNICATION

Lourens Nel (President & Chair)

Gift Matsabatsa (Secretariat)

EDUCATION

Ernest Grunewald (Chair)

Rio Kgatle (Community of Practice Chair)

Busisiwe Buthelezi

Ziyanda Mdoda

NOMINATIONS & ELECTIONS

Oupa Mashabela (Chair)

Mamokete Mafumo

FUNDS

Ig van Rooyen (Chair)

Viresh Singh (International Director)

Lerato Mokgwatlheng (Treasurer)

PROFESSIONAL DEVELOPMENT

Lungile Motsisi (Chair)

Andries Thebe

ADMINISTRATION

Suz Grunewald (Information)

Dada Nel (Facebook)

Gareth Bester (Website)









21st SARWA Bosberaad, 22-23 April 2021 at Mabula Game Reserve

The Executive Committee had to attend a virtual Bosberaad on MS teams during 2020, caused by the Covid-19 pandemic lockdowns.

The 2021 Bosberaad was held at Mabula Game Reserve and a great success. The ideas and commitment by the board members was energetic. Everyone knows it's challenging times, and hard work is necessary to maintain the good status of SARWA. This is a voluntary commitment as contribution and passion improving education towards the various professions related to the SA Right of Way industry.

The 2022 Bosberaad will be in Cape Town, with a one-day seminar covering costs. During 2020 lockdown, safety measures implemented, and different level restrictions did not allow for physical event gatherings.

The intention for the Bosberaad and seminar planned for Cape Town, is to engage and expand SARWA exposure in the Western Cape. This is part of the initiatives by EXCO to grow SARWA membership and create a footprint in other regions.

And educational events supporting the growth and strength, as SARWA cannot exist as a non-profitable organization without members. For 2022, the conference, and two workshop sessions which include the COP annual workshops, will support fundraising and member growth.



SARWA GOLF DAY 2021



SARWA hosted a golf day on the 27 October 2021 at Reading Golf Cub. In attendance, we had 11 golfers. Each four ball represented a team competing for 1st, 2nd, and 3rd for Individual Player Stableford. The day was hot, and the course was in excellent condition. After 18 holes of golf, it was time for the prize giving.

In the Individual Player Format (IPS), the following golfers received trophies for their outstanding play, -

1. First place – **Viresh Singh**
2. Second place – **Wimpie Henning**
3. Third place – **Romano Pillay**

Like we had in the past, the SARWA golf days were represented from Rand Water, Sasol, Eskom, Transnet Pipelines, and other members of SARWA. We want to increase the number of golfers for 2022 to have at least eight x 4 balls. Planning in the new year to start early so that the golf course is booked, and members availability is confirmed. We had a great day and SARWA thanks all golfers that took time off to come play. The motto: Come play and enjoy.





Highest And Best Use

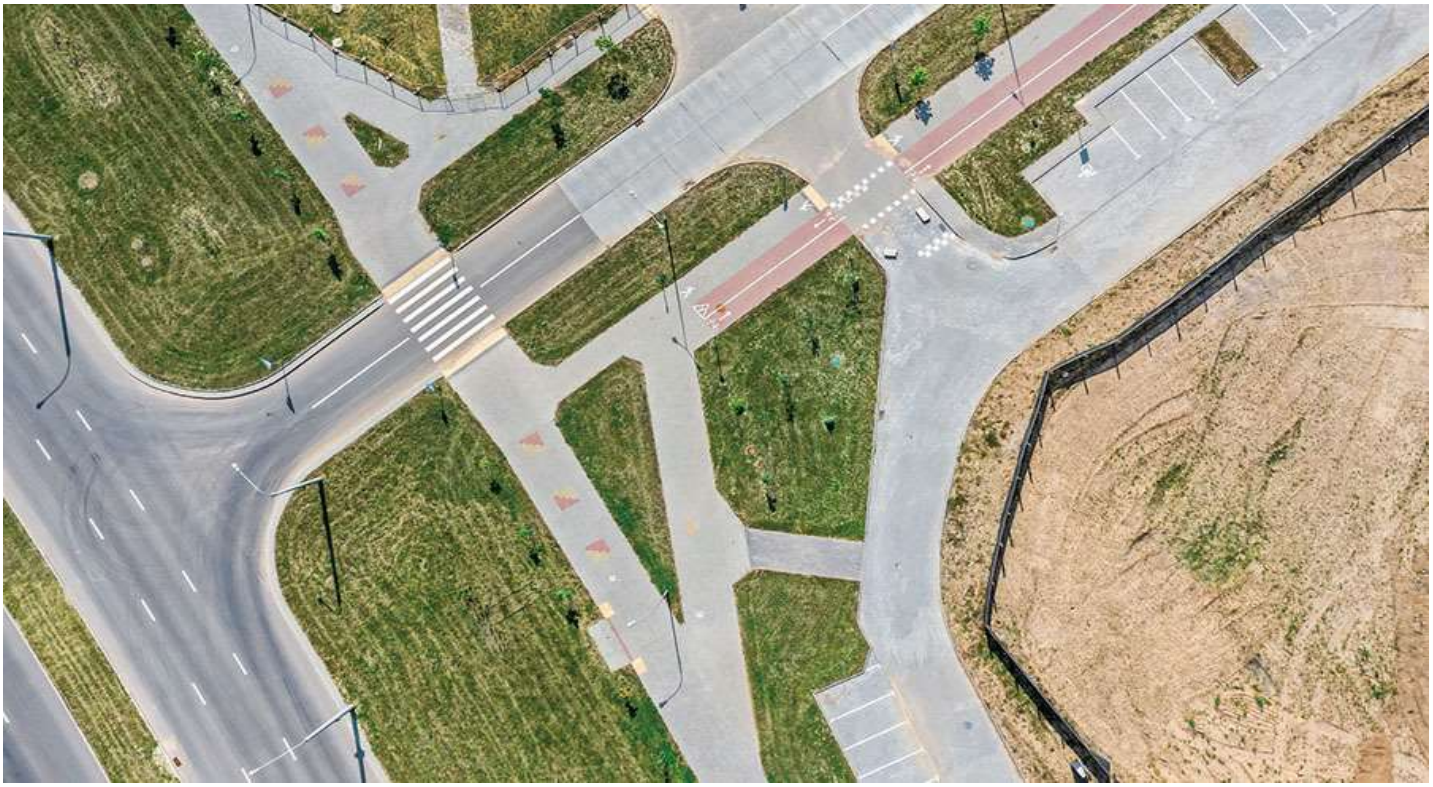
A new look into the future featured

BY MISTY K RAY, MAI, AI-GRS AND DONALD J. SHERWOOD, MAI, SR/WA, R/W-AC

The Appraisal Institute defines highest and best use as "the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible and that results in the highest use." Traditionally, highest, and best use was limited to the four criteria including legal permissibility, physical possibility, financial feasibility, and maximum productivity. Often, a funnel will be used whereby the five basic real estate markets (residential, commercial, industrial, agricultural, and special use) are poured into the funnel, thus narrowing down the use by process of elimination. For example, assume one is valuing a 3.5-acre vacant tract of land located along a major highway at the edge of town, and the site is zoned "C" for Commercial.

In this case, the legal constraints of zoning would eliminate residential and industrial uses while its size would limit agricultural uses. The appraiser next looks at the site and concludes that the highest and best use is for commercial use. This, of course, assumes that market demand exists, and that supply is in balance. This simplest analysis falls short of what is required within USPAP and often fails to properly identify alternative uses or simply glosses over market-driven trends.

"Appraisers are taught that highest and best use is the cornerstone of the appraisal process. Additionally, highest, and best use is often the source of divergences of value between two appraisers. The purpose of this article is to inform appraisers and users of appraisal services of new teachings in highest and best use analysis".



Highest and Best Use and USPAP

According to the 2020-2021 Uniform Standards of Professional Appraisal Practice (USPAP), Standard Rule 1-3, "when necessary for creditable assignment results in developing a market value opinion, an appraiser must (a) identity and analyze the effect on use and value of (i) existing land use regulations; (ii) reasonably probable modifications of such land use regulations; (iii) economic supply and demand; (iv) the physical adaptability of the real estate; and, (v) market area trends; and (b) develop an opinion of the highest and best use of the real estate."

It should be noted that a more detailed highest and best may not be necessary in all circumstances. For example, if the subject is a single-family dwelling in an existing single-family development with strong market activity, it is likely that an exhaustive analysis of highest and best use is not necessary. However, in right of way projects, often the nature of the acquisition may require more analysis, particularly in partial acquisitions.

The Eight-Step process of Highest and Best Use

In the 2020 "The Appraisal of Real Estate," 15th Edition, Appraisal Institute, Chapter 18 expands upon the concept of highest and best use. Whereas many appraisers and users of appraisal services are aware of the basic concepts (such as the four criteria test), additional market data and marketability analysis may be warranted to produce a creditable opinion of value. The following chart, taken from the Appraisal of Real Estate, can assist the appraiser in better supporting their opinion.

Reprinted from The Appraisal of Real Estate, 15th ed. (Chicago: Appraisal Institute, 2020), 318.

1 Dividing the analysis of highest and best use into eight parts provides a new framework to better analyze this important concept.

Under the traditional method, Step One analyzes the property's physical and legal constraints. This is the part of the analysis most appraiser's grasp. In Step One, one should be delving into the property's potential productivity. This includes a study of its ease of access, location, visibility, proximity to utilities, physical characteristics of the site and zoning/deed restrictions. However, moving into the remaining steps is often ignored or glossed over.

Under Steps Two through Six, the appraiser should delineate and analyze the market. In the example of the vacant 3.5-acre site, one must determine the market for the tract of land. Under the zoning, what uses are permitted? Can the zoning be modified or changed? What is the level of competition?

2 Using this example, assume that the 3.5-acre site is physically possible and legally permissible to develop a hotel, an office, or a strip shopping center. Under the eight-step process, one would need to explore the potential demand for each use, analyze the supply of sites competing for this use and determine if there are pending projects that would compete with the subject. In our example of the 3.5-acre site, if we determine that the demand for office space (for example if the vacancy factor is 20 percent), we might question if new development is likely to occur. In the case of hotel use, we should explore if occupancy (demand) is sufficient to warrant new construction. Basically, one is determining if the existing supply satisfies the current market demand and if anticipated demand is sufficient to warrant new construction.

Under Step Seven, construction costs and the availability of financing will play a role in the analysis. The use which produces the highest financial reward will be the highest and best use.

3 In our example site, we have found that office demand was flat and construction costs render new development as unfeasible. Thus, this use can be eliminated. However, we noted that within the neighborhood (or market area), several new hotels have been constructed. Also, the local retail market appears strong with new development and strong occupancy. In our research, we find that sales of retail sites are averaging $7.50/SF whereas hotel sites are averaging $10.00/SF. However, while hotel sites are costing more, the subject site's ability to secure an anchor tenant (such as a grocery store, which is an economic draw) may create a competitive advantage over the use as a hotel site.

In Step Eight, the conclusion of highest and best use must consider the timing of development and availability of market participants. Ultimately, who is going to purchase and use the site? The comparable sales selected in the valuation should match the timing, use and user conclusions.

EIGHT STEPS OF THE HIGHEST AND BEST USE ANALYSIS PROCESS

Step 1.	Property Productivity analysis	Analyze property productivity attributes (site, legal, and location) to eliminate uses and determine most probable uses	Physical possibility Legal permissibility
Step 2. **Step 3.** **Step 4.** **Step 5.** **Step 6.**	Delineate the market Demand analysis Supply analysis Residual demand analysis Subject capture analysis	Perform market studies to determine the economic demand and timing for probable alternative uses Perform marketability analysis	Data required for analysis of financial feasibility
Step 7.	Financial analysis of alternative uses	Complete a financial analysis of alternative land uses to determine which use has the highest residual land value	Financial feasibility
Step 8.	Highest and best use conclusions	Perform highest and best use reconciliation and draw conclusions: • Use • Timing • Market participants - Users of space - Most probable buyer type	Maximum productivity

Conclusion

For condemnation projects, it is important to recognize that the valuation of the remainder after may (and often does) change the highest and best use. For example, a proposed partial acquisition may alter access into the property. Other potential problems that should be considered include creation of easements that limit the use and utility of the remainder, additional development costs created by the acquisition, irregular shape and/or size configuration, problematic interior site circulation, limitations because of new governmental restrictions, etc. Another issue might arise by the creation or elimination of surplus or excess land, the creation of non-conforming uses, and/or the creation of an interim use.

In conclusion, the concept of highest and best use has become more complex and requires more diligence by appraisers, especially in right of way appraisals.



Misty K. Ray, MAI, AI-GRS is president of AdVal Analytics, LLC in Fort Worth, Texas, and has been in the fee appraisal business for more than 35 years. She specializes in eminent domain appraisal and frequently serves as an expert witness. She has also been actively involved with the Appraisal Institute throughout her career.



Donald J. Sherwood, MAI, SR/WA, R/W-AC is the owner of Donald J. Sherwood, LLC, and specializes in appraisal review and teaching. He is a previous recipient of IRWA's Balfour Award as well as the Howard Armstrong Instructor of the Year Award. Donnie has been an appraiser for over 43 years.

THE SARWA MANDATE

SARWA facilitates the networking of the different practitioners and disciplines, involved in and associated with the acquisition of property rights.

It also promotes the development of its members through education and training. Underwrites the fair, ethical, transparent and professional conduct of its members.

OUR VISION

To be known as the leading Lands & Rights educational and professional registration body in South Africa.

OUR MISSION

- Utilize most recent national and international Lands & Rights material, updated for South African legislation, as learner material.
- Register learners on a national database on several Lands & Rights Professional levels after successfully completing the prescribed courses and practical experience.
- Continue to launch educational courses and seminars throughout South Africa as a means to support continuous development of professionals in the Lands & Rights field.
- Provide a platform for networking with industry associated professionals. Develop programs for the recognition of prior learning.

SARWA IRWA SOUTH AFRICA CHAPTER 83



other news

EXCO Bosberaad for 2022 in Cape Town

The Executive Committee Board is reaching out to the Western Cape for workshops and seminars. The 2022 annual Bosberaad session will be at Stellenbosch, Cape Town, combined with a one-day seminar offering four speakers and introduction towards growing SARWA in other regions.

SARWA Cape Town seminar 2022



Wetlands in SA

Wetlands are areas where water covers the soil or is present either at or near the surface of the soil all year or for varying periods of time during the year, including during the growing season.

We all – Landowners and Mining companies included – need to be aware that, -

- ✓ 50% of all SA's Wetlands have already been **destroyed** over time…
- ✓ 48 % of the remaining wetlands are **critically endangered**…
- ✓ Over 70 % of SA's wetlands are **not protected**…
- ✓ And are being compromised yearly…
- ✓ Only 2.4 % of SA's **land cover = wetlands**

Wetlands are the **most endangered** Ecosystem in South Africa, and we need to preserve them.

This is the reason the Dept. of water affairs places so much attention on **wetland protection**, and why we must go through this process of General Authorization. *Any activity within 500m of a wetland requires a GA application and risk assessment*…





2021 SARWA Golf Day









1 Viresh Singh once again won the SARWA trophy for best player of the day, and both trophies for closest to the pin. 2 Wimpie Henning won second place, and 3 and Romano Pillay third highest. His trophy collected by teammate.

Reading Country Club

The COP 26 UN Climate Change Conference was hosted by **the UK** in partnership with **Italy**, which took place from 31 October to 12 November 2021 in the Scottish Event Campus (SEC) in Glasgow, UK.

South Africa will be a valuable role player and contributing from this initiative. The 27th session of the Conference of the Parties (COP 27) to the UNFCCC will take place in **Sharm El-Sheikh, Egypt**.

Environmental Project Screening in Environmental Impact Assessments (EIA's)

Screening is the process of identifying whether an Environmental Impact Assessment (EIA) is required or not. It is a formal study and process used to predict the environmental consequences of any development project. The **screening tool** provides a site-specific EIA process and review information, to determine whether a proposed project is likely to have significant effects on the environment.

The environmental screening tool is described as an online, geographic information system (GIS) that allows a proponent intending to apply for environmental authorization in terms of the EIA Regulations Act of 2014 as amended, to screen their proposed site for any environmental sensitivity.

The benefits of environmental screening are:

- ✓ Reducing the cost and time of project implementation.
- ✓ Cost-saving modifications in project design.
- ✓ Increased chances of project acceptance.
- ✓ Avoiding impacts and violations of laws and regulations.
- ✓ Improved project quality.

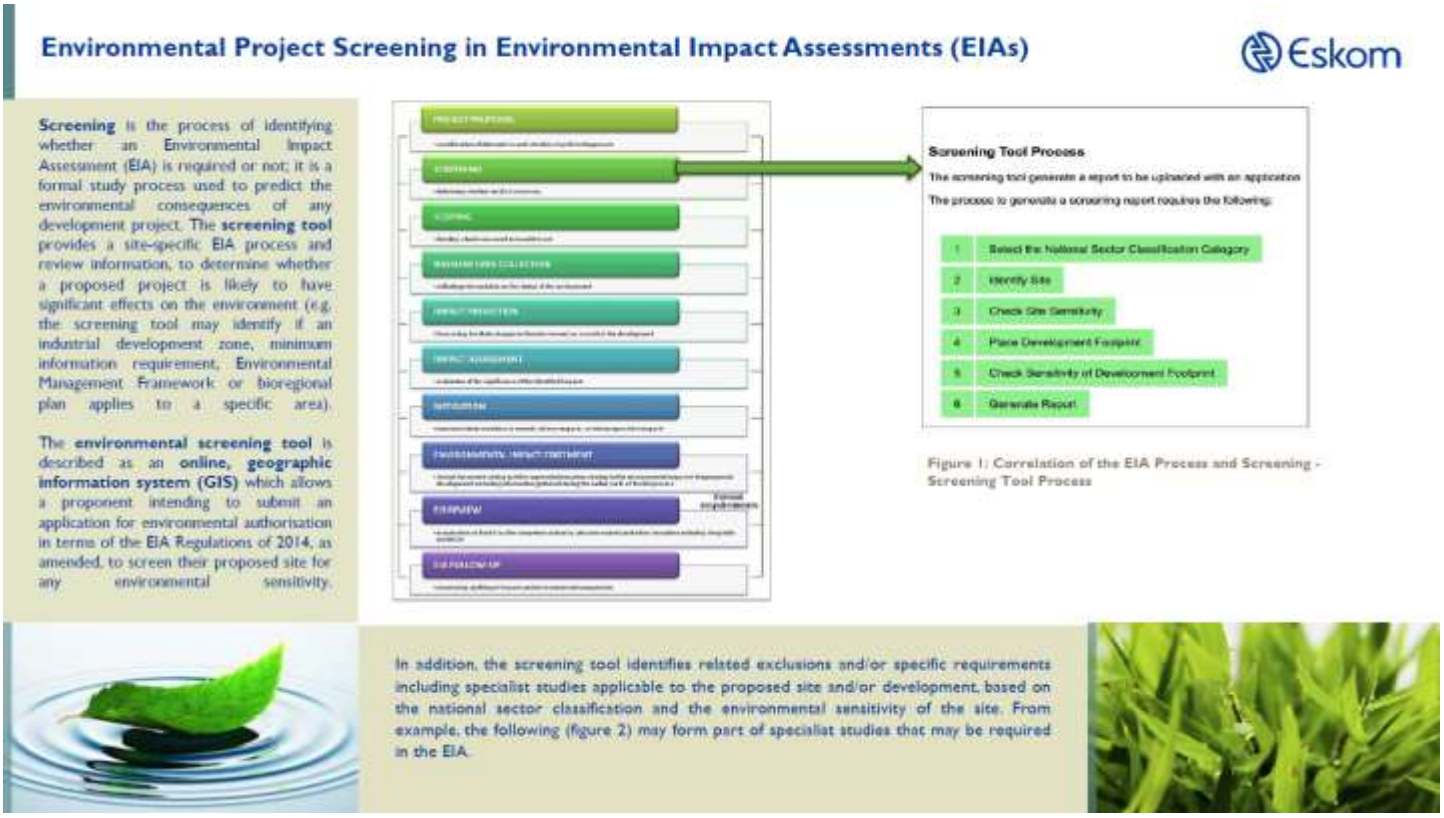


Figure 1: Correlation of the EIA Process and Screening - Screening Tool Process

Environmental Project Screening in Environmental Impact Assessments (EIAs)



Figure 2: Specialist Studies that may result from the Environmental Screening Tool

Finally, the screening tool allows the generation of the screening report referred to in Regulation 16(1) (v) of the EIA Regulations of 2014, as amended, where the report is required to accompany any application for environmental authorisation. As such, the tool has been developed in a manner that is user friendly and no specific software or specialised GIS skills are required to operate this system.

How then does one ensure that EIA processes are seamless and do not delay project delivery?

It starts with every individual involved in a project having to consider the likelihood of Eskom projects having an impact on the environment and ensuring that environmental professionals are involved in or notified of all projects to be undertaken. Most project delays and non-compliances regarding EIAs and projects, are due to project managers and teams not communicating the project to the environmental team on site.

Eskom project teams should therefore take into consideration:

- The careful use of the environmental screening tool when the new project proposal arises.
- Ensure that environmental practitioners have influence at an early stage in the design of the project.
- Conduct a desktop review to understand the project deliverables and potential impacts on the environment and vice versa.
- It is imperative for environmental practitioners to know the project description and location, where the coordinates of the project can be captured into the screening tool in order to have an effective report.
- The report will eventually reveal what is happening on the ground, i.e. whether the location of the proposed project will require the EIA process to be undertaken, or the necessary environmental specialist studies to be conducted, and by so doing, it would identify the heritage areas, watercourses/streams, biodiversity, etc.
- Environmental practitioners must further conduct a site verification on what was observed in the desktop review and generate a detailed report.
- The report will determine the scope of work for the Environmental Assessment Practitioner (EAP) on what must be done.

The benefits of environmental screening are:

- Reducing the cost and time of project implementation.
- Cost-saving modifications in project design.
- Increased chances of project acceptance.
- Avoiding impacts and violations of laws and regulations.
- Improved project quality.

All users are required to agree to the terms and conditions before proceeding from the Home Page. The terms and conditions are downloadable by clicking on this Terms and Conditions link.

The summary document of Screening Tool Upgrades dated on 12 July 2021 can be found here.

Some of these documents can then be accessed through the screening tool via links for consideration during screening.

https://screening.environment.gov.za/screeningtool/index.html#/pages/welcome

First carbon registry to reward SMMEs for going **GREEN**

3SMedia | Nov 11, 2021



For the first time, Southern Africa will have a green toolbox to offer small firms extra rewards for cutting pollution.

1 The initiative which forms part of a move to establish the region's first Carbon Register is being showcased to delegates at the COP26 climate summit in Glasgow.

"We are on the cusp of opening access to a regional solution for Carbon Markets, which will allow all Southern African SMMEs access to extra rewards for cutting their carbon footprint," said Marc Tison, Senior Vice President of SEEDX10.

2 SEEDX10 is tapping into an already established global Carbon Market solution through a global partnership, to enable the Southern African Carbon Register to operate seamlessly across the region without any need for additional regulatory approvals.

A Carbon Register is a mechanism that rewards businesses and organisations for creating carbon credits – these have a value and, through the Register, are tradeable around the world.

The credits are awarded for green projects and initiatives which reduce emissions and can be sold to willing buyers to offset their own carbon footprint.

3 The buyers of carbon credits are large emitters of carbon like Eskom and large corporates, and worldwide demand is expected to spiral as countries scramble to make the carbon savings that are being pledged at COP26, by making the penalties for emissions higher and higher – using mechanisms such as carbon taxes.

"This new Carbon Register will enable SMMEs in Southern Africa and its neighbours to trade voluntary carbon credits – both within their own territory, between territories and globally, in compliance with all sections of the Paris Agreement," said Tison.

4

"The aim is to create a new source of carbon credits from the Southern Africa region as global demand for these shoots up. Without access to a Carbon Register, SMMEs cannot participate in the global Carbon Market. This will unlock a new, exciting, and alternative form of funding for SMMEs to assist them to build and scale their businesses."

With offices already established in the USA, SEEDX10 is launching a Carbon Register for Southern Africa – with a unique offering.
"Our global location is key as it provides us with easier access to global capital markets and new trading markets for our clients who have products developed in the region that have global export potential," explained Tison.

"Small firms cannot at present easily benefit financially from their carbon-slashing initiatives.
"We offer the chance of aggregating the achievements of a cluster of SMMEs to give them the combined critical mass to enter – and to directly financially benefit – from the carbon trading environment.

"Meanwhile, we believe we are launching a unique offering to SMMEs – we will be providing financial incentives to SMMEs who register their green projects through a link-up with Global Impact Holdings (GIH), an established and credible venture-capital provider."
GIH is a fast-growing venture capital player in SA, with a focus on supporting small businesses and making a positive impact on the economy.

"A cluster of small firms or a larger operator in Southern Africa could undertake a carbon-cutting programme and sell the benefits of cutting emissions represented by these carbon credits – to another player anywhere in the world that is unable, or finds it too costly, to reduce their own pollution," explained GIH Executive Chairman Chris Hart.

"It sounds complicated, but this ground-breaking Carbon Register is an exciting and innovative way for Southern Africa to develop cleaner and greener firms and factories and to be rewarded handsomely for doing so.

"If we can bring together and mobilise on a significant scale – groups of SMMEs that are undertaking carbon-cutting initiatives, they could become significant suppliers of carbon credits to the local and global market and help to achieve the global warming reduction target of 2 degrees set by the Paris Agreement at COP25.

"The carbon savings can be made by creating greener factories, reducing their carbon footprint in the design of the factories and offices they are building."

Attempts to date to establish a voluntary Carbon Register in South Africa have failed to take off, but the new initiative will reduce red tape obstacles.

5 "We have secured an exclusive licence to operate this Carbon Register in Southern Africa – to register and issue carbon credits, based on global issuance standards, to a global carbon exchange," said Tison.

"By fast-tracking this benefit, we can avoid all the regulatory hurdles which will delay anyone who is starting from scratch.
"The Carbon Registry business, with internet presence already established at www.sacxr.com, will be incorporated in Botswana, where SADC's head office is. We will be providing each country with its own secure Carbon Register so each country's SMMEs can register their businesses and their green projects.

Meanwhile, governments will be able to trade carbon credits globally and with one another.
"We plan to launch and open the Carbon Register by mid-2022 for the entire region, on the back of a $10m initial private capital raise."
Hart explained that this initiative means that Southern Africa will become the first region in the world to provide financial incentives for small businesses and projects to pursue the benefits of creating carbon credits.

"A real issue for SMMEs is to unlock funding, but carbon credits can create funding for SMMEs. The firms can create these credits and get income," he explained.

"GIH intends to co-fund every credit, providing an alternative mechanism for funding – incentivising SMMEs to sign-up.
"Internationally, if you can get the SMME market running on this, it will make a significant contribution.

"No single country in the world is incentivising – rather than penalising – firms to sign up, but we will facilitate a grant to incentivise them, by bringing in private equity.

"The investors will get a stake in the business. This is bolstered by donor funding to provide the capacity for our own business to be able to provide a sign-up incentive for SMMEs."

The South African market is currently starved of carbon credits, and the Carbon Register will play an important part in developing and growing it.

"We will be making a presentation at a session at COP26 to present the Southern Africa Carbon Register initiative," said Tison.

"This should propel us forward so we can offer Southern African businesses – both large and small – the chance to become respected players in the green economy while being incentivised and rewarded for their efforts.

End

HIGHLIGHTS…….



United Nations | Climate Action

Science, Solutions, Solidarity

For a livable future





New solar project to provide 28m kWh of clean power

3SMedia | Nov 11, 2021



A first-of-its-kind 10 MW solar plant in the Northern Cape has reached commercial operation three months ahead of schedule, providing clean energy to Amazon Web Services via the Eskom grid in a new model of private energy procurement called energy wheeling.

The project, developed by the SOLA Group, will provide over 28 million kWh of clean electricity annually. "This is the first operational large-scale solar PV wheeling project in South Africa, and the model is futuristic: it uses Eskom's grid to connect private buyers and sellers together making the way for more choice and competition. It's the first step forward in creating grid independence where private buyers and sellers of energy can trade with each other," says Dom Wills, CEO of the SOLA Group. Wheeling is a financial transaction that allows power to be produced in one location and billed to an energy user in another region. The plant will provide a low-carbon alternative to coal-fired power without needing to be geographically located at the site of use. This model could also help South Africa significantly in sticking to its carbon emission reductions targets, which are at the forefront of discussion ahead of the COP26 climate change in Glasgow next week. The launch of the solar plant symbolises the positive stance taken recently by the Department of Minerals and Energy, NERSA, and Eskom towards renewable energy generation, which has great potential to solve South Africa's energy crisis and reduce electricity costs. Power generated from wheeling projects will increase the amount of IPPs and relieve the sole electricity provision burden on Eskom.

Local economic development

In addition to lowering their carbon impact, Amazon Web Services' efforts to procure renewable power also show their commitment to creating economic impact in South Africa. The project is more than 63% black owned, with investor Mahlako a Phahla Investments holding stakes in the project.

"This is a significant positioning for our Fund, which is black-women owned and operated, showcasing our commitment to growing our portfolio to bring about desired returns for our investors, and our confidence in the renewable energy space as a viable and attractive sector for local investors," said Makole Mupita, Director at Mahlako a Phahla Investments.

The SOLA Group is a fully South African-owned company which has been developing, constructing, and operating Solar PV projects since the first round of REIPPP, the government's renewable energy procurement programme. SOLA Group is 100% South African owned, including a 40% shareholding by black investor African Rainbow Energy and Power.

"It's immensely important that while we're rebuilding energy generation in South Africa that we're also developing South African companies and skills," adds Wills.

"SOLA has always been committed to transforming South Africa through clean energy, and this project marks a step change in scale." During construction, the plant created 167 jobs, 63% of them from the local surrounding area, and it will sustain permanent jobs for its lifetime in electrical maintenance, cleaning, and security. Wooden waste generated during construction, including pallets and electrical cable drums, were donated to local furniture businesses and special skills schools, to further bolster the SMME contributions of the project.

An engineering triumphs

Technologically, the plant represents the cutting-edge in renewable energy design. The single axis tracking plant consists of over 24 000 bifacial solar modules covering an area of 20 hectares in the Northern Cape, where the solar resource is one of the best in the world. The solar PV facility tracks the sun throughout the day and absorbs irradiance from both the sky and reflected light from the ground, making it more efficient. The plant design will see over 25 000 tons of carbon emissions being avoided annually – the equivalent of taking 5400 cars off the road for a year.

"The successful launch of this project not only demonstrates the viability of a modernised grid with renewable energy at its core," concludes Wills, "it shows the willingness of the government and the private sector to work together on solving South Africa's electricity crisis."

End

COP26: South Africa hails deal to end reliance on coal

By Vumani Mkhize, BBC Africa Business, Johannesburg, Published – 2 November

South Africa is set to receive $8.5bn (£6.2bn) (An estimated R120 billion) to help end its reliance on coal in a deal announced at the COP26 climate summit.

President Cyril Ramaphosa has called it a "watershed moment". The country is currently a major emitter of greenhouse gases because of its addiction to coal, which it uses to generate electricity.

This deal, funder by the wealthier nations, could have both global and local implications. The vast scale of the coal operation run by the country's state power company ESKOM, makes South Africa the 12th biggest carbon dioxide emitter in the world, according to the Global Carbon Atlas.

Some of those at the heart of South Africa's coal country hope that the latest deal could ease the environmental and health impacts of the power sector.

SARWA Community of Practice 2022



The Covid-19 pandemic has negatively affected most our Community of Practice workshops during 2020 and 2021 and cancelled. The education and marketing committee will reconsider other options towards advanced marketing and online webinars. For 2022 arrangements will therefore be integrating hybrid online seminar workshops, which enable trans-border education nationally to SARWA members, aimed at growing towards Cape Town, Durban, and Port Elizabeth. The growing demand for infrastructure and educational tutoring towards service delivery within the right of way industry, urge SARWA working towards a higher NQF-level awarded higher certificate or else advanced qualification. The EXCO board will have their 2022 Bosberaad in Cape Town and host a seminar. The Covid-19 have created a new global culture for online interaction. It is more cost effective and make it possible for more members able to attend, as well as a safer environment. SARWA learned valuable lessons through the reality of the pandemic and made provision for 2021. The COP chairs work on suggestions and innovative ideas, how SARWA can bring interesting and advanced education to our members and aspirant members.

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Suz Grunewald, Dada Nel, Rina and Ig van Rooyen.







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