

MINERAL AND ENERGY LAW COOPERATION BETWEEN NORWAY AND SOUTH AFRICA (MENSA PROJECT)

The MENSA Project is the collaborative project between Oslo University and UCT University on mineral and energy law cooperation between Norway and South Africa.

There are two sides to our MENSA Project. On the one hand there is the cooperation between Norway and UCT University to build expertise at UCT on Electricity Market Design and specifically the legislative mechanisms necessary for this kind of market design. On the other hand there is the part of the project that deals with mineral regulation, in which UCT is transferring its skills and capacity to Oslo University

Electricity Market Design

Electricity Market Design is the gathering of requirements including legal requirements that govern actors on their electricity markets within their energy system, actors that will be involved in generation, conception, transport, trading of electricity.

There is a need to rethink Electricity Market Design because of new obligations in terms of climate change, reduction of the emissions, and also new patterns in terms of conception and generation of electricity.

Electricity Market Design Workshop

The objectives of this specific workshop was to get different stakeholders involved from the electricity market, and get them all in the same room so we can discuss how best to move forward in designing an electricity market within South Africa.

We have got a lot of very passionate students that are involved in the project and they want to learn more about energy law. We also have stakeholders that can produce that knowledge as well as academics that syphon in more information, and then the academics and stakeholders can really communicate well the key problem that we have always had in the past is linking research to the industry. There is always a need for evidence based research and the need to translate research into sharp policy implementation. Therefore it is great that we have key stakeholders in academia, in the regulatory sector, private sector, all in the room, bringing different perspectives.

Through the development and promotion of core common principles for the rethinking of the Electricity Market Design, we intend to influence as well the regulatory framework, not only in Norway and South Africa, but potentially in other countries. The US have a legacy of old, polluting, coal fired power plants, and those power plants, many of them are 50 or 60 years old. A decision had to be made about what is our energy future so this is an area that is important to our work in the United States.

Right now we are at a point where renewable energy and smaller modular investments are much more feasible, but it is a moment that is also threatening us to the industry and the current setup and we need to think very clearly about how do we transition, from this old mindset to a new one in a way that is just and supports the broader South African economy and South African's society.

The one goal we had with today's workshop was for the legal part to start understanding the link between minerals and energy better. What we've also achieved today, is that we managed to get the regulator, various stakeholders, practitioners together in a room to start talking about a problem that we are all experiencing. And it is quite exceptional that we can say that we have managed to have a good conversation between

all these stakeholders. Through the collaboration of Norway and South Africa, we are fully aware of the divergences. We have very different starting points.

However, we see the value of academic work in sharing knowledge - and the final result of our project will be two books. one book on the electricity market design, the core principles of electricity market redesign that could be used by academics in electricity law teaching, but as well by regulators, operators, and companies, and stakeholders in general.

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