

# NEW RELEASE

The report titled: NATURAL GAS BRIEFING PAPER, September 2016 has been released on the intranet.

## ABSTRACT

The natural gas briefing paper provides an overview of natural gas sources and uses; covering the gas value chain and environmental characteristics; documents trends in the global natural gas industry covering liquefied natural gas with a focus on impact on South Africa; provides a status report on South African production, upstream activity and consumption; summarises the regulatory framework under which gas development takes place; and gives the background to the gas to power programme

*Hopes that natural gas will be a 'game changer' for South Africa are overstated. Expanding the use of gas requires a simultaneous development of gas supply to service new demand. To break through this sequencing problem, Government intends to launch a gas to power programme to create a market for a potential supply of gas that will trigger the necessary supply response*

### Main findings:

- Expanding the use of natural gas in South Africa's energy mix requires the simultaneous development of a gas supply industry and new demand.
- Important components of policy and the regulatory framework for natural gas are incomplete.

Most of the policy matters to be resolved lie outside of the scope of the Bank yet it can play a role in assisting Government to establish regulatory certainty through, amongst other steps, continued support for the IPP office.