

Introducing the new Resource Mobilisation Fund

By  Katja Hamilton

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New minister in the presidency for electricity, Kgosientsho Ramokgopa announced on Thursday (9 March 2023) the launch of the Resource Mobilisation Fund. This, in support of the president's energy action plan established in July last year.



Source: GBS Business School. Chairman of the new Resource Mobilisation Fund.

The RMF is a collaborative effort between government and Business Unity South Africa (Busa).

Chaired by Martin Kingston, the RMF has been established as a public benefit organisation.

To date, a target of R100m has been raised by corporate and philanthropic organisations, both domestic and international - the donors of which are to be named only at the end of next month, Kingston said in a formal media briefing on Thursday (9 March 2023).

Kingston broadcast that the money will herewith "pay for the services required of individuals and organisations".

Kingston is the executive chairman of Rothschild & Co, one of the world's largest independent financial advisory groups, employing 3,600 people in 40 countries across the world.

As chairman of Business for SA, he is also touted as the man leading business's response to Covid-19.

The man leading the RMF

Kingston founded South Africa's Solidarity Fund in March 2020 - an independent, rapid-release vehicle to mobilise resources to assist in the fight against Covid-19.

In April 2020, within the space of 24 hours, the government's chief advisor on Covid-19, Salim Abdool Karim, former finance minister Tito Mboweni, SA Reserve Bank governor Lesetja Kganyago and organised business, represented by the then new umbrella organisation Business for SA, [announced](#) an array of initiatives and plans to mitigate against the destructive impact of the coronavirus on public health, the economy and livelihoods.

“ Efforts led by Department of Health (NDoH) & the National Treasury's Office of the Chief Procurement Officer, in partnership with Business4South Africa (B4SA), an alliance of volunteer resources from across SA business bodies, organisations & companies. <https://t.co/agGrVrl1im>— Karin April (@KarinApril2) [April 25, 2020](#) ”

In the same year, Kingston [approached](#) Webber Wentzel to assist in managing the private sector's response to the Covid-19 pandemic.

In December 2020, Webber Wentzel was engaged by the National Department of Health (NDOH) to assist in the drafting of all of the vaccine related agreements which the NDOH was entering. This includes the agreement between the NDOH and the African Union where the AstraZeneca/Serum Institute vaccines were sold to the African Union, the agreement with Jansen (Johnson and Johnson) and that with Pfizer.

"We will be working in support of and in partnership with government as indeed we did during both the initial stages of the vaccination roll-out," Kingston said.

Reducing the severity of load shedding

Said Ramokgopa, "The electricity crisis is the single most important challenge for our society to address. Without an affordable, reliable supply of electricity, business cannot operate, the delivery of essential services is compromised and people's daily lives are disrupted..

"The energy action plan aims to reduce the severity and frequency of load shedding in the short term and achieve energy security in the long term."

Kingston explained that in the run up to the launch of the RMF, President Cyril Ramaphosa approached business to donate technical resources to the National Energy Crisis Committee (Necom) and that business's role will be to source, coordinate and deploy capacity to the government on an expedited basis.

“ [PODCAST] Martin Kingston - a leading businessman, presents his innovative solutions to tackle the distinct challenges currently facing the nation on [#FixSA](#) with [@maggsonmedia](#). ”

Download the episode below: [#Moneyweb #Businesshttps://t.co/31D1bO3SMF](#)— Moneyweb News (@Moneyweb) [February 12, 2023](#) ”

"At this point in time we need to facilitate the procurement of expertise to help implement the energy plan as a matter of urgency so that we can enable a sustainable energy supply and enable economic growth, as well as to address load shedding over a period of time."

Ramokgopa explained that the president's energy action plan has the following key pillars: "The first is to fix Eskom's coal-

fired power stations, the second to improve the availability of existing power supply tools to enable private investment in generation.

"Thirdly to accelerate procurement of new capacity from renewables, gas and battery storage and to encourage businesses to invest in rooftop solar power. Lastly to fundamentally transform the electricity sector to achieve long-term energy security."

Kingston added that the RMF currently has four directors and that their responsibility is to act independently of government and business structures, and with the sole interests of the resource mobilisation fund.

Section 30 of the Income Tax fund

"All of the responsibility lies with the RMF Board focusing on fundraising procurement, the appointment of service providers and then the donation of those skills and capacity to government, monitoring and overseeing the budget and ensuring there's an appropriate communication strategy," Kingston said.

“ *Martin Kingston resigns from SAA board* | @Fin24 <https://t.co/gzBXPnZN5M> pic.twitter.com/8b1jSmaQFt — News24 (@News24) [January 17, 2020](#) ”

The RMF, Kingston said, is mandated to comply with the detailed requirements of Section 30 of the Income Tax Act to obtain and to maintain its PBO status.

"The RMF has received approval from Sars as a public benefit organisation (PBO) for the provision of funds, assets, services, or other resources by way of donation to department of State or administration in the national or provincial or local sphere of government of the Republic."

A promise of transparency

In addition to independently sourcing, procuring and deploying resources as identified by Necom for the energy action plan, the RMF has committed to provide monitoring and evaluation feedback and reports to funders and other stakeholders, Kingston added.

in the meantime Eskom is implementing a detailed generation recovery plan to improve its performance. Ramokgopa confirmed that, "Eskom is focusing on six power stations that contribute the most pollution".

Further details of Eskom's planned roll-out can be read [here](#).

ABOUT KATJA HAMILTON

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