

Compressed natural gas sector to unlock significant job creation opportunities

With increasing uptake of compressed natural gas (CNG) continuing among both consumers and corporates, the sector looks poised to unlock significant job creation opportunities in the near future according to Zazi Dladla, director of CNG Holdings.

Speaking at the recent NGV2014 South Africa conference and exhibition in Sandton, Johannesburg, Zazi Dladla, director of CNG Holdings, outlined how key partnerships with government and private sector players can enable significant job creation opportunities, whilst reducing transportation costs and carbon emissions. “The potential of the industry is massive – with the process of switching to CNG in the transport sector alone set to create 776 jobs by the end of 2016. Current demand for vehicle conversions and CNG filling stations means an additional 4 343 jobs will be created in the short to medium term: exceptionally good news for the economy.”

Dladla explained that downstream opportunities would include training programmes, the establishment of CNG filling stations, the assembly of buses and the manufacturing of trailers to transport CNG. “In the long term we would also see the direct manufacturing of equipment such as regulators and cylinders – boosting local manufacturing.” He added that skills development and transfer will ensure that people are adequately trained for these jobs, with a specific focus on upskilling entrepreneurs interested in owning their own filling stations and/or CNG conversion workshops.

“A conversion workshop that converts two vehicles per day, will require an administrator, technician, mechanic and two labourers, while building the seat brackets will require a welder and a labourer,” Dladla explained to delegates. “Filling stations will also each provide jobs for between eight and 17 gas attendants, up to six cashiers, four security guards and a manager, depending on the size of the filling

station.”

He emphasised that conversion to CNG was about far more than job creation however: “The process of switching to CNG is also set to reduce emissions by about 25% and earn R25 million in carbon credits over the next ten years for each 100 buses and 100 taxis converted.”

Dladla called on stakeholders to collaborate and create enabling partnerships that would fast-track and promote conversion from fuel to gas. “With so many opportunities available both locally and beyond our borders, it’s time for players in the space to work together to create the necessary supply networks and channels to reach consumers. A number of countries, such as Tanzania, Nigeria and Cameroon have natural gas resources and CNG distribution infrastructure can be set up within six months in these countries. It’s up to us to convert these possibilities into realities,” he concluded.