



**PRESIDENTIAL  
CLIMATE COMMISSION**  
TOWARDS A JUST TRANSITION

# The Climate Emergency and a Just Transition

Presentation to Parliamentary Roundtable

20 October 2022

# Just Transition Framework



A PRESIDENTIAL CLIMATE COMMISSION REPORT

## A Framework for a Just Transition in South Africa

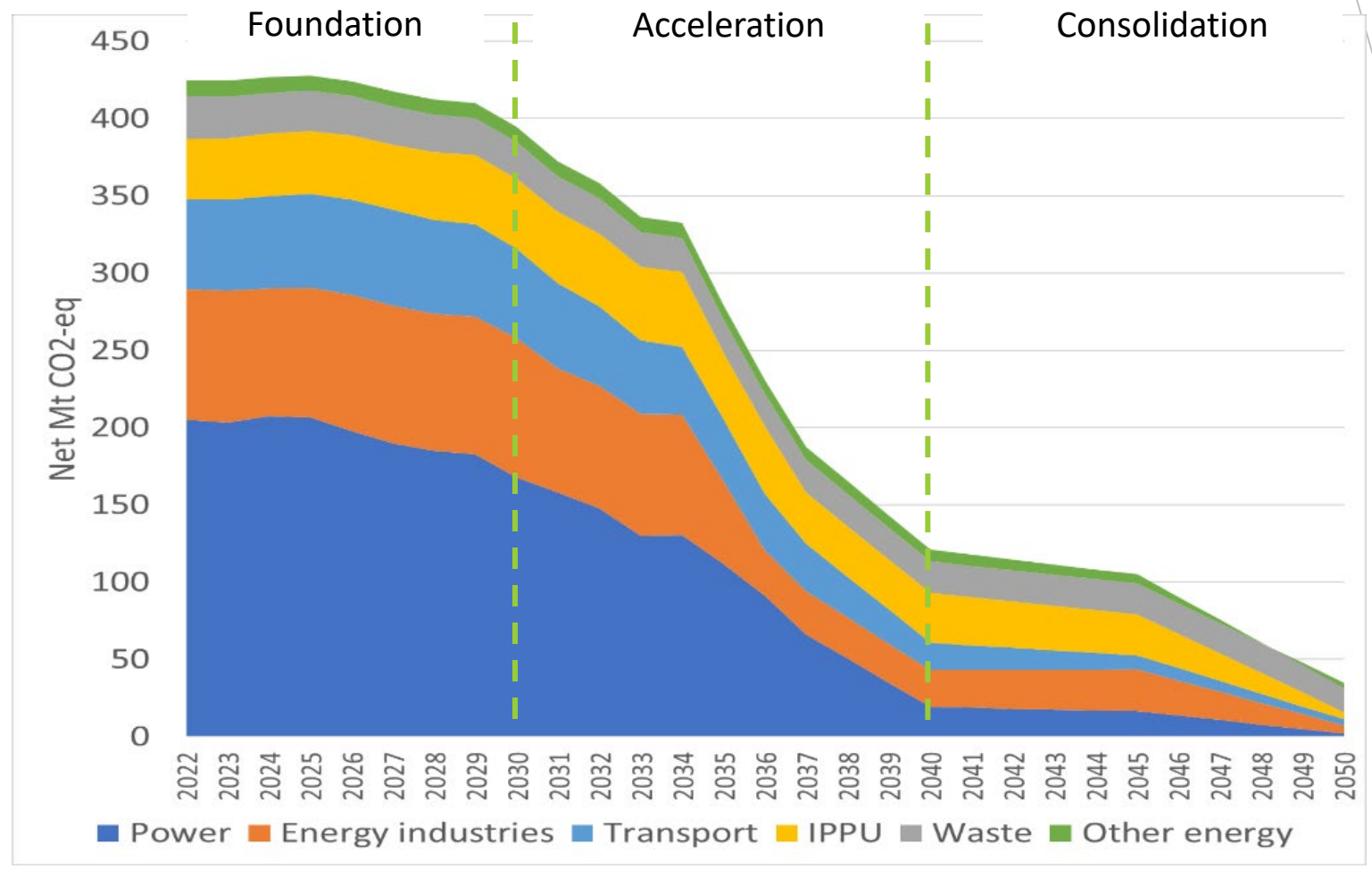
- Seeks an **equitable distribution of risks and responsibilities** in context of historical liability for climate catastrophe
- An **inclusive approach** to transition that involves those most affected in decision making and taps the creative energies of all social partners
- **Active support to workers and communities** affected by mitigation-induced economic shifts and physical impacts of climate change
- Use opportunities created by transition to **structurally change economy** and put assets and resources in the hands of previously disadvantaged



# Emissions trajectory to achieve net-zero by 2050

Modelled on mid to upper range of NDC, 9 Gt budget

- We need to transition our economy to net-zero by mid century to avoid catastrophic climate change and protect jobs and economy
- Bulk of emission reductions in next decade will come from decarbonizing power sector through energy efficiency, renewables, and investments in grid, storage & peaking capacity



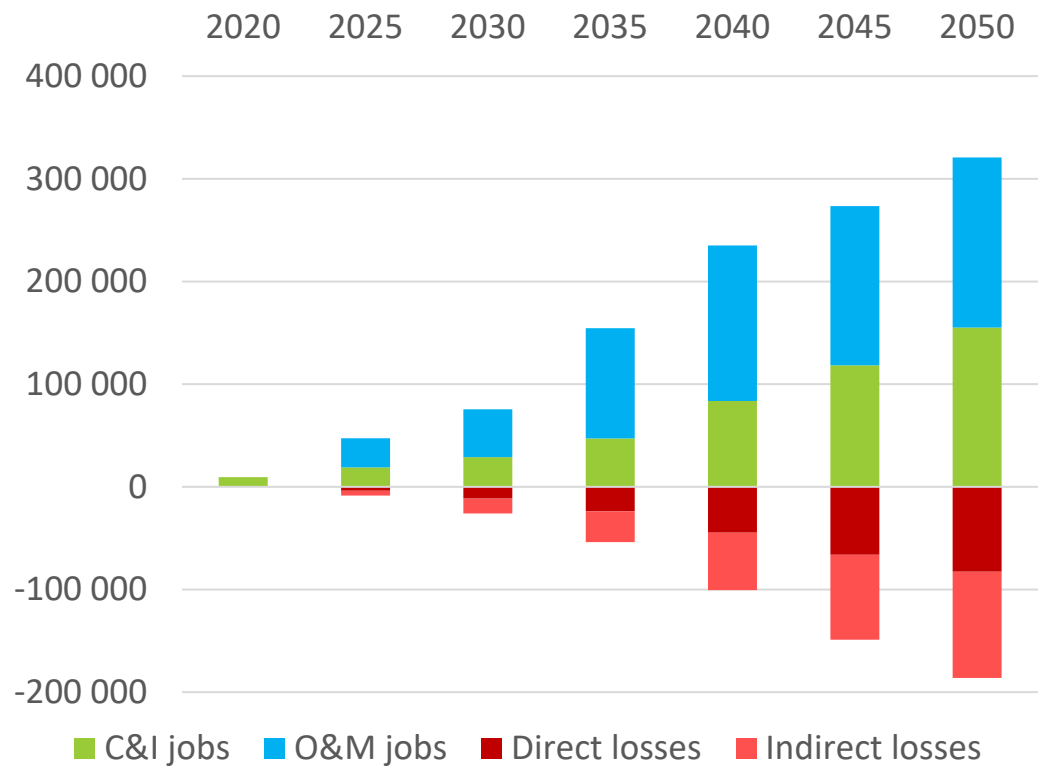
Source: SATIM. IPPU = industrial processes & product use. Excludes AFOLU



# Mitigation-induced employment shifts

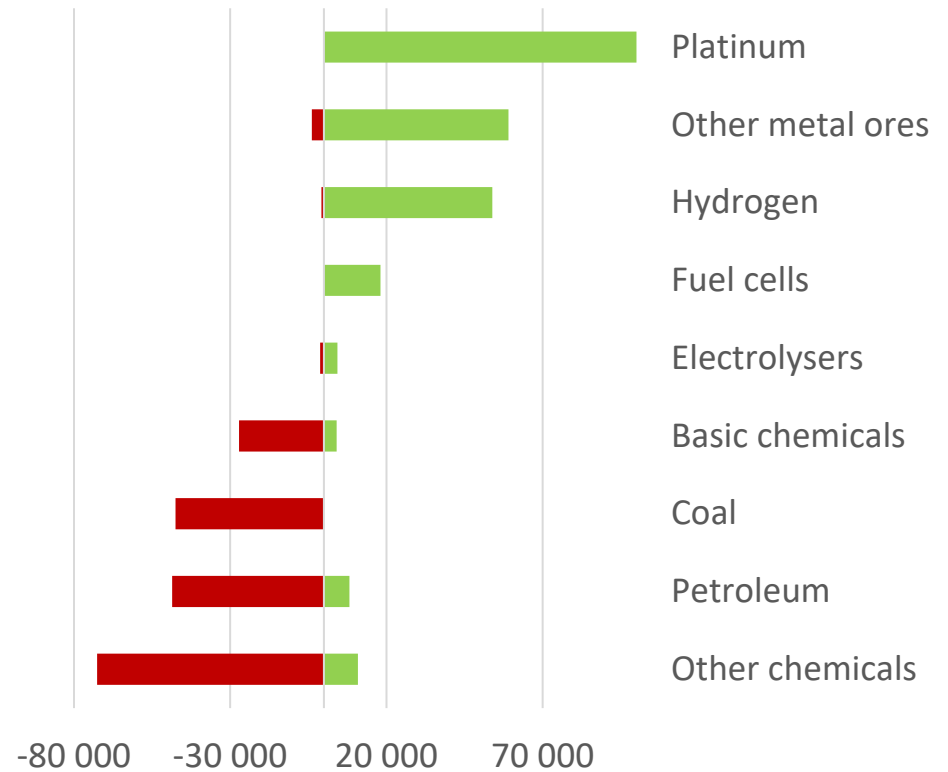
NBI estimates 1.4 mn net jobs created before 2040 vs. 0.6 mn in IRP constrained pathway

## Aggregate employment shifts



Source: NBI Just Transition Pathways.

## Sectoral employment shifts



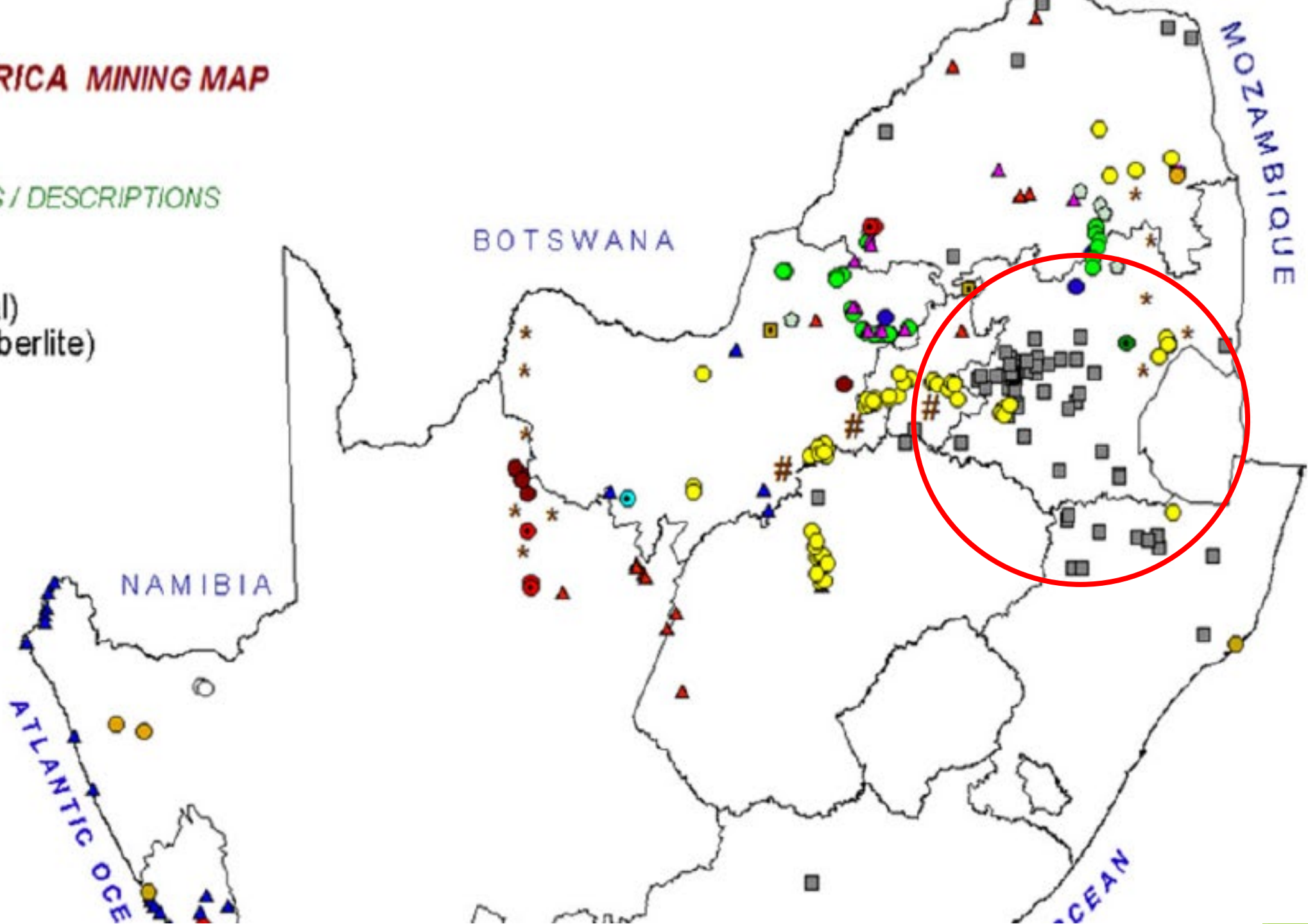
Source: World Bank Staff SAGE and microsim models.



# SOUTH AFRICA MINING MAP

## COMMODITY SYMBOLS / DESCRIPTIONS

- Gold
- ▲ Platinum
- ▲ Diamond (Alluvial)
- ▲ Diamond (in Kimberlite)
- Copper
- Chrome
- Iron
- Lead
- Manganese
- Nickel
- Titanium
- Vanadium
- Zinc
- ◊ Andalusite
- Coal
- Fluorspar
- ◆ Phosphate
- Vermiculite
- \* Asbestos



# MESSAGES FROM COMMUNITY ENGAGEMENTS

## Emalahleni community engagement

*Mpumalanga leading the way in thinking about the Just Transition*

- Community ownership of power supply systems
- Education & awareness
- Skills development
- Create opportunities for youth
- Engage with communities to understand development needs & wants
- Women play a key role in adaptation & the Just Transition
- Mines & industries need to engage meaningfully with communities
- Demonstrate economic viability of alternative solutions & ensure job creation will meet demand

## Lephalale community engagement

*What does life look like after coal?*

- Understand the economy-wide impacts of the Just Transition
- Use demonstration cases to examine feasibility of alternatives
- Use available technology to reduce impacts of mines & power stations
- Safeguard existing value chains
- Prioritise skills development for youth
- Urgently address basic service delivery issues
- Use district model to implement the Just Transition dialogue
- Make space for indigenous knowledge and related life systems
- Invest in agriculture & safeguard arable land

## Durban South Basin community engagement

*A community surrounded*

- Community ownership of decentralised power supply systems
- Use available technology to reduce impacts refineries & other industry
- Integrate reparation mechanisms into policy
- Government to engage meaningfully with community
- Redevelop existing infrastructure & balance environmental goals
- Make use of skills base available within community
- Industry to be held accountable to fenceline communities
- Industry to engage with communities regarding refinery closure, rehabilitation & compensation

## Xholobeni community engagement

*A community divided*

- Invest time in understanding community dynamics, conflicting plans for future development
- Engage meaningfully with traditional leadership
- Bring district & local governance to the table
- Demonstrate tangible steps & benefits of Just Transition to build trust

## Gqeberha community engagement

*Nothing for us, without us*

- Community ownership of power supply systems
- Grey water recycling
- Additional engagement with CCBOs, NOPs & communities
- Education & awareness
- Skills development
- Improved WASH & waste management services
- Increased visibility, engagement & response from governance bodies
- Create opportunities for youth
- Leverage indigenous knowledge systems
- Honesty & transparency in financial tracking & reporting

## Northern Cape community engagement

*Build understanding & cooperation*

- Invest time & resources into building understanding of Just Transition process among stakeholders
- Expand the area of engagement to include dispersed community
- Examine implications for job losses under the Just Transition
- Improve cooperation among renewable energy sector & communities
- Use available technology to reduce impacts of mines
- Capture voices of women & youth in the Just Transition Framework
- Critically examine inclusivity
- Increase engagement of governance with communities

## Carolina community engagement

*Rehabilitating a ghost town*

- Well-functioning municipality with good leadership
- Clear vision for the Just Transition
- But lack of alignment between all levels of government
- Social & economic challenges related to mining & trucking
- Little or no accountability for mines
- Involve communities in rehabilitation efforts
- Back-to-basics agriculture to safeguard food security
- Build collaboration & consensus between mining, farming & tourism sectors to develop way forward
- Opportunities & skills development for youth

## Secunda community engagement

*Asking for honesty from business & government*

- Community ownership of decentralised power supply systems
- Quantify the potential impact of the Just Transition process & communicate transparently
- Utilise existing skillsets from communities
- Revitalise manufacturing sector
- Identify Just Transition ambassadors following community engagements
- Revitalise public transport systems
- Remove corrupt officials from power
- Create job opportunities for youth
- Address existing inequalities & leave no one behind





Active  
labour  
market

Industrial  
policy

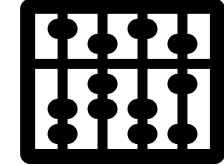
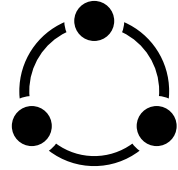
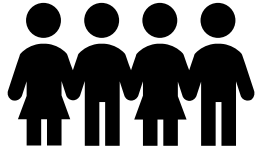
Social  
support

- Skills development, apprenticeships & reskilling for future labour force
- Align basic and higher education with future economy
- Employment incentives, job placement and EPWP

- Build local RE & battery manufacturing industry
- Infrastructure and incentives to support EVs green H2 & minerals
- Use public procurement to accelerate change
- Support small business and localization

- Access to basic services, health care and sustainable human settlements
- Building community resilience & livelihoods
- Income support for displaced workers and early retirement provisions

# Governance



## Inclusion

- Actively involve affected communities
- Leverage capacity of social partners

## Integration

- Coordinated approach to just transition within government
- Modernise energy system governance

## Corporate responsibility

- Work with corporates to deliver on ESG & JT obligations
- Implement social & labour plans & rehabilitate mines

## Regional development

- Support MP Green Cluster Agency
- Coordinate economic development initiatives

## Accountability

- Hold agencies accountable for delivery
- Measure and success

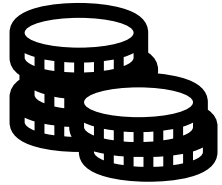


# Some initiatives that are underway in MP

- Establishment of Mpumalanga green economy strategy and Green Cluster Agency
- Creation of Just Transition Unit in MP DGs office
- JETP investment plan contains fund for supporting socially owned renewables and local economic diversification and skills development
- Decommissioning of Komati with investment in local economic diversification and establishment of RE training centre with SAROTEC
- Impact Catalyst doing detailed project planning and facilitation with private sector partners
- SASOL's investment in green H2 production at Secunda, combined with various renewable energy, battery and other green energy investments underway e.g. Windlabs acquisition by Seriti Resources
- GiZ supported programme around Just Transition implementation in partnership with TIPS and GreenCape
- USAID and Power Africa mobilising of local government around JT implementation



# Mobilising finance for a just transition



## Domestic savings

- Provide incentives to households & businesses
- Market-based instruments, de-risking tools and new ways to share risk

## Financial integration

- Integrate just transition into taxonomy & disclosure rules
- Remove bottlenecks

## Public funding

- Integrate just transition into fiscal framework
- Establish just transition financing mechanism
- Recycle revenue from carbon tax

## Development partners

- Mobilising resources from multilateral and bilateral **partners**
- Tap into FDI inflows and capital from institutional investors

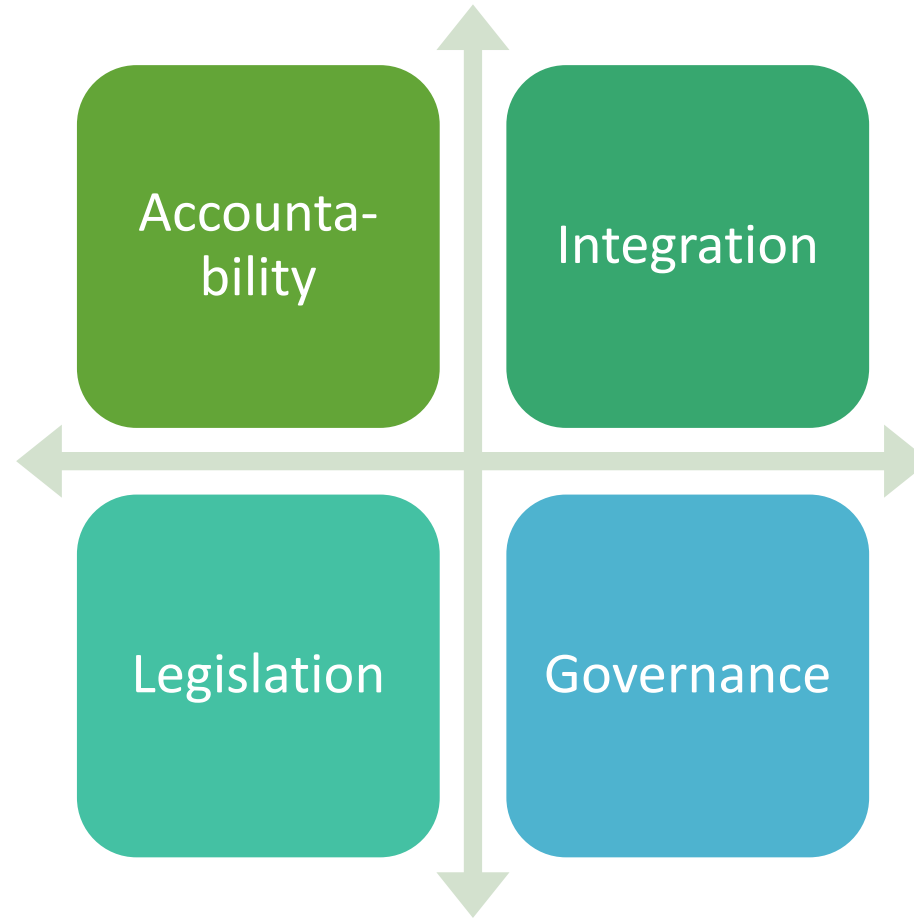
## Philanthropic capital

- Invest in skills pipeline
- Build institutional capacity
- Support bottom-up processes & community led initiatives

# Legislature has crucial role in just transition

Championing overall framework and holding government and social partners accountable for work on just transition

Climate Bill will create regulatory framework for sound governance of climate issues, including just transition



Just transition cuts across different social and economic functions, & needs a coordinated and integrated approach

NCOP has key role to play in ensuring just transition is taken up by provincial and local government





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# Thank you

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