

The transition towards a

South Africa is well on its way towards laying the foundation for a carbon-free society as part of a just transition. Electricity and financing of green projects are the pillars of this move.

The electricity situation in South Africa

The transition to clean power is critical to South Africa's decarbonisation journey: 77% of South Africa's greenhouse gas emissions are from energy – either electricity, heat or transport used by industry and households and 86% of SA's electricity comes from coal fired power stations. To enable the energy transition, electricity planning and governance need to be brought in line with rapidly changing technology options and an economically feasible emissions trajectory.

The Department of Mineral Resources and Energy (DMRE) has embarked on a process to update the 2019 Integrated Resource Plan. In support of this process, the Presidential Climate Commission (PCC) will be convening a series of public debates on South Africa's evolving energy mix, focusing on the electricity system.

These consultations will form the basis for the PCC's recommendations on an Energy Transition Plan for South Africa, which will serve as an input into the DMRE IRP process. The policy briefs will cover a review of electricity system modelling studies, a comprehensive legal review for energy investment, and a review of the impact of air quality standards for the future of the energy mix. The aim is to address the technological and social (governance, policy, political and economic) issues at stake in a balanced, evidence-based exchange.

Balancing Demand and Supply

The first session, on 14th July, will frame the challenge for South Africa. How do we facilitate a balance of electricity demand and supply that supports climate-compatible economic development? Technology options and market conditions are changing rapidly, shifting the context for electricity planning. Individual investment choices have implications for the system as a whole and how we



Workers give a thumbs up to opportunities in green and clean jobs. /supplied

understand concepts such as baseload and peaking power.

Re-energising Skills – Jobs and the just transition

What are the different scenarios for energy job creation produced through various modelling exercises and what is required to ensure that modelled employment materialises (reskilling, investment, policy certainty) as we answer whether green jobs can be created in areas impacted by the coal phase-out?

Beyond Fossils - The pace of coal closure understanding

Which different scenarios have been investigated for the closure of coal power plants, and examining the

different implications for job losses, job creation and climate finance in these different scenarios? To manage different transition paces, what measures must be put in place, and over what timeline?

CO-CREATING CLIMATE RESILIENT DEVELOPMENT PATHWAYS

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South Africa is on an intense journey building toward a low-carbon economy characterised by justice and equity, guided by the Just Transition Framework. We have also recognised that the local government arena – cities, towns and districts – is a primary theatre of operation for the just transition.

The project aims to give shared meaning to development pathways that are climate-resilient, as a set of ideas and a practical approach to learning. Embodying our histories and sensing a variety of possible futures, how can we engage a pathways approach to collectively reshape South Africa's development pathways to become zero-carbon and adaptive to a changing climate in a way that creates wellbeing for all?

The CRDP project also examines the opportunities and risks associated with alternative fuels – notably natural gas and hydrogen and the implications of an energy transition toward a renewable dominated landscape as expressed in South Africa's NDC and Net-Zero targets by important players

in the Social Partners pantheon.

FINANCING A JUST TRANSITION

At the UNFCCC COP26 in November 2021, the governments of South Africa, France, Germany, the United Kingdom, the United States of America and the European Union – together forming the International Partners Group (IPG) – announced a new ambitious, long-term Just Energy Transition Partnership (JETP) to support South Africa's decarbonisation effort in the context of domestic climate policy, including transitioning its economy towards cleaner energy sources.

The update outlines the progress that has been made towards the creation of an enabling policy environment to support South Africa's Nationally Determined Contribution (NDC), including the tabling of a Climate Change Bill in Parliament; reforms underway in the electricity sector; the finalisation of the Hydrogen Economy Roadmap and the Renewable Energy Masterplan; and the development of a just transition framework through the Presidential Climate Commission.

The JETP is a path-breaking initiative and the first of its kind. It is long-term and ambitious in its aspiration to support South Africa's pathway to a low carbon economy and climate-resilient society; to accelerate the just transition and the decarbonisation of the electricity system (including rehabilitation and repurposing of mines); and to support the development of new economic opportunities such as green hydrogen and electric vehicles amongst other



An underground coal miner ponders about his future in the transition. /supplied