

The Transition to a green economy



in South Africa

African Centre for a Green Economy & Trade and Industrial Policies
Strategies (TIPS)

Status of the transition

- **Progress**: The green economy transition in South Africa is **well underway**, it has been recognised as key for addressing the country's development challenges.
- Mainstreaming: The need for transition is clearly articulated in national development policies and associated frameworks and strategies.
- **Sectors:** Sector specific policies and strategies have also been developed e.g. waste RDI Roadmap, carbon tax, and compulsory energy management systems plans etc.
- In general **the opportunity for GE has** not been fully grasped yet, with little investments reaching the ground, SME's and informal economies have largely been left behind.
- **Green Jobs**: Working for Programmes such as working for water, fire, wetlands etc have made significant contribution to **green jobs**

Signature issues



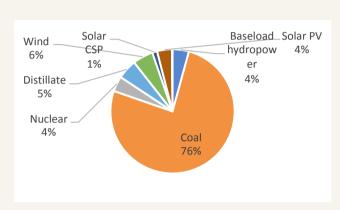
- Understanding of green economy and the necessity for the transition is progressively growing in South Africa
- Inclusivity: There is recognition that the transition must be <u>inclusive</u> by ensuring that all voices are heard and should create job opportunities
- Resource Efficiency: The need for resource efficiency, especially and energy has gained traction with citizens given the severe drought that resulted in significant water shortages and electricity supply challenges with Eskom
- Business: Green economy is presenting significant business opportunities, and many entrepreneurs are taking advantage to develop new enterprises and to meet the demand by big business to implement sustainability strategies.

 Funding Support

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Policies to watch: Wins and warnings

- Carbon tax policy can be regarded both as a win and a warning. It's a clear indication of governent's intend to follow a low carbon development trajectory, but its effectiveness is highly doubted.
- The National Development Plan 2030 and its emphasis on a just transition is useful in helping to shape an inclusive green economy narrative for South Africa



South Africa's electricity generation capacity in MW in 2015/2016

- The Integrated Resource Plan (IRP)
 2018 is a significant win as it recognises
 RE as key to South Africa's energy mix,
 allocating upto 32% of electricity
 generation to RE sources by 2030.
- The industrial policy action plan
 (IPAP) 2017/18 has placed special focus
 on key green economy sectors, andd
 'radical economic transition' for job
 creation.
- Significant biodiversity wins including legal precendence that prohibits mining in wetlands, and need for community engagement.

Action and evidence

- Significant goodwill from top leaders in government, right from the presidency to line ministry, but inter-departmental coordination in government still needs to be strengthened
- Climate finance is starting to flow into the country, through bilateral arrangements and the Green Climate Fund. But this needs to be scaled up and more specifically channelled into the grassroots
- Challenges and opposition to IPPs is growing from coal industry aligned interest groups, which could threaten progress of the transition.

Partners





What is being Done?

Government

Flaghip programmes

- Energy efficiency in public buildings (EE and and demand management flagship programme)
- Diversion of Municipal Solid waste from landfill
- Tsamaya sustainable urban transport
- Rainwater harvesting strategy development
- Small scale embedded energy generation
- Hydrogen and fuel cell technologies
- Wastewater biogas generation for electricity





Other Actors: UN PAGE, Switch Africa Green, GIZ, OECD

UNPAGE

- Contributes to better policy coordination and deepen collaboration on green economy
- Strengthen institutional capabilities through enhanced green economy learning and training and knowledge sharing platforms

Switch Africa Green

 Supports small, medium and micro-sized enterprises (SMMEs)

GIZ

 Supporting government to coordinate and implement green economy strategies with a focus on energy, climate change and governance

OECD

 Working with SA government aimed at promoting inclusive growth

What are we learning?

- Very challenging to effectively mainstream the green economy
- A lot of work needs to happen 'outside' of the mainstream green economy sectors, such as engaging businesses that are mainly profit driven
- Clear and simple messaging on green economy that appeal to ordinary people,

Contact Information

African Centre

Tel: +27 21 713 4390 Email:

info@africancentre.org