The Transition to a green economy in South Africa

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 inclusive, 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

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 government’s intent 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

• The Integrated Resource Plan (IRP) 2018 is a significant win as it recognises RE as key to South Africa’s energy mix, allocating up to 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, and the ‘radical economic transition’ for job creation.

• Significant biodiversity wins including legal precedence 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.

What is being Done?

Government

Flagship programmes

• Energy efficiency in public buildings (EE 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

Email: info@africancentre.org

Tel: +27 21 713 4390

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