

GREEN economy

Review of South Africa's Industrial Policy



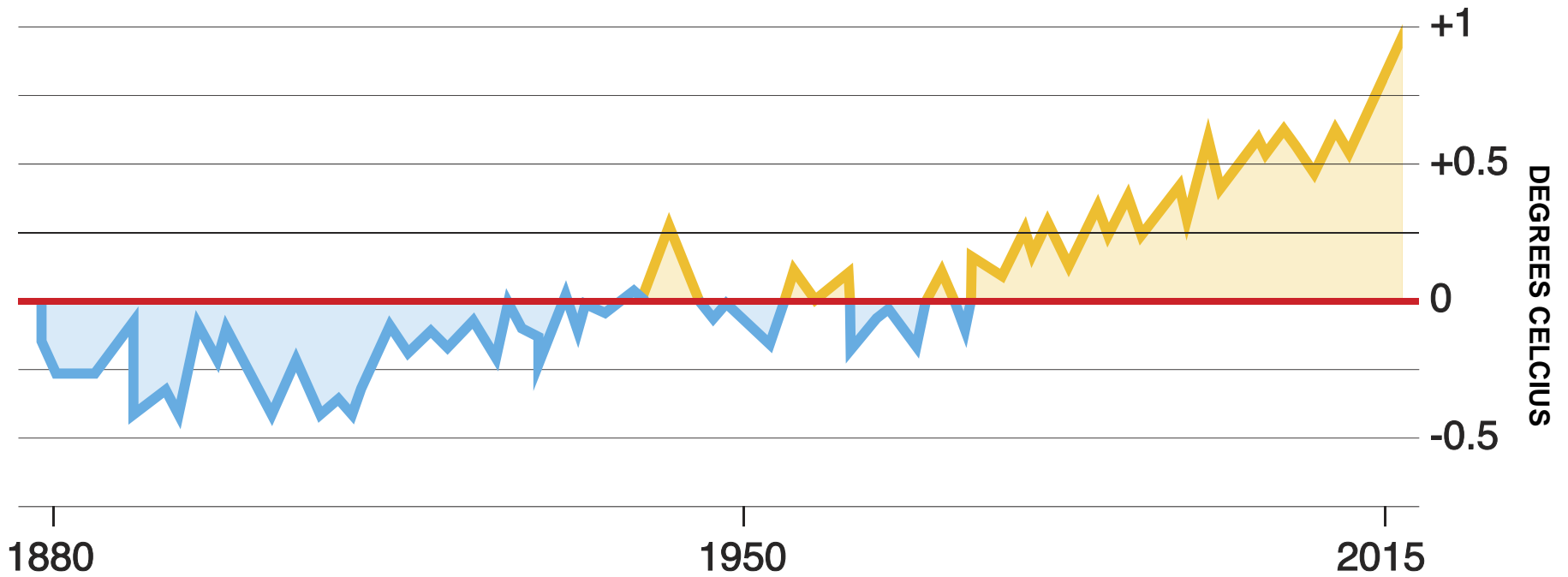
This project is funded by
the European Union



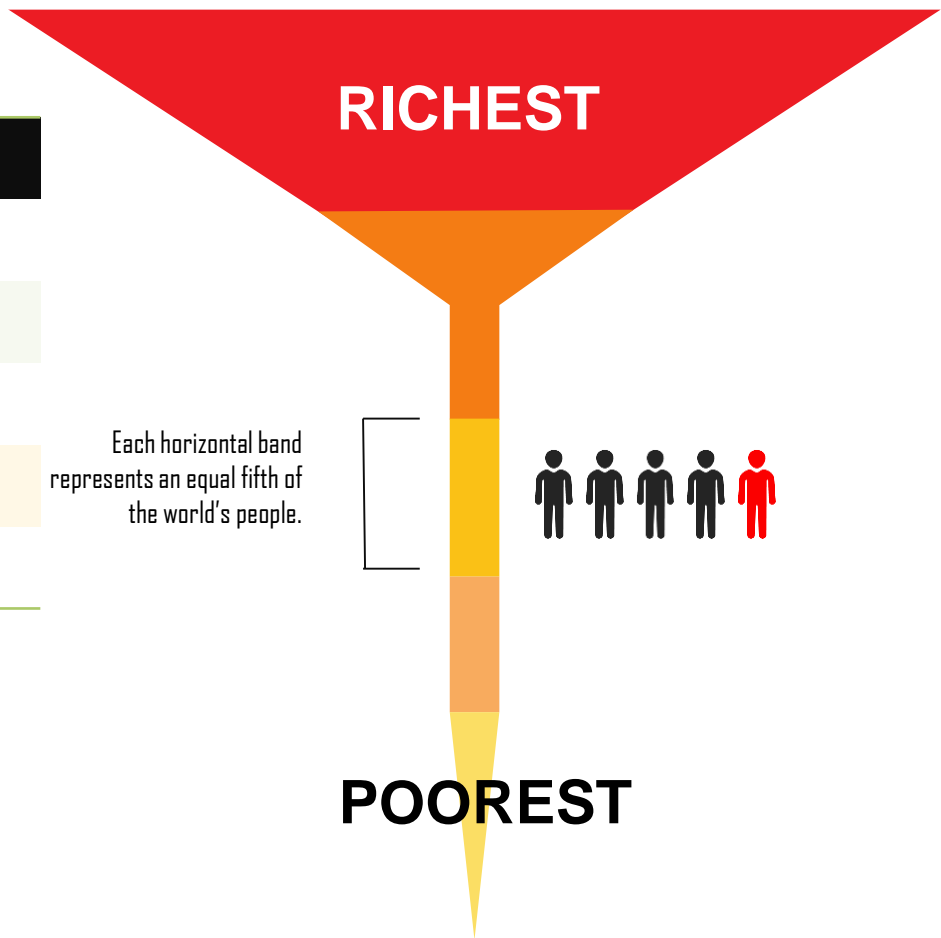
**1. The challenge:
Integrating productivity-
enhancing structural change
and green transformation
in a socially equitable manner**

Rising temperatures

Global surface temperature deviation



WORLD POPULATION	WORLD INCOME
RICHEST	82.7%
SECOND	11.7%
THIRD	2.3%
FOURTH	1.9%
POOREST	1.4%



**At the same time:
Extreme poverty not eradicated**

2. How is GIP different?

- 1) Focus on **environmental externalities**;
- 2) Clear **ex-ante distinction** between “good” and “bad” technologies (based on their environmental impacts);
- 3) **Urgency** to achieve structural change;
- 4) **Enhanced uncertainty** due to long time horizons;
- 5) Need for particularly encompassing **policy coordination**;
- 6) Motivation to manage **global commons** sustainably

3. The economic case for going green



Solar and wind energy in Morocco

Economic co-benefits of greening:

- Improving **trade balance**
- Reducing vulnerability from oil price shocks & improving **energy access**
- Creating **jobs**: e.g. installation & maintenance of solar home systems
- Technological learning (engineering training, new S&T programmes)



5. Overview of review methodology

