

# JUST TRANSITIONS: SOUTH AFRICA CASE STUDY

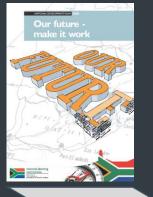
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### WHY CIF CASE STUDIES?

- Explore how just transitions can be achieved alongside the type of transformational change necessary to address climate change
- Explore and share lessons on how CIF investments have contributed to or interacted with just transition efforts
- Contribute to profiling perspectives from the global south

This is not an evaluation as CIF projects were not developed with a just transition framework in mind. It is creating learning spaces.











2008

2011

2012

2016

2017

2018

•Global Financial Crisis

- •Integrated Resources Plan (CO<sub>2</sub> cap & RE)
- •COSATU Policy on Climate Change
- National CC White Paper
- •Green Economy Accord
- REIPPPP

- National Development Plan
- •NDC (2015)
- Decommissioning5 power plants
- Coal TransportersForum Protest
- •NUMSA High Court injunction
- •Jobs Summit (PCCCC)
- Renewable Energy Independent Power Producers Procurement Programme (REIPPPP)
- •6 422 MW procured. RE provides 8.8% of SA electricity.

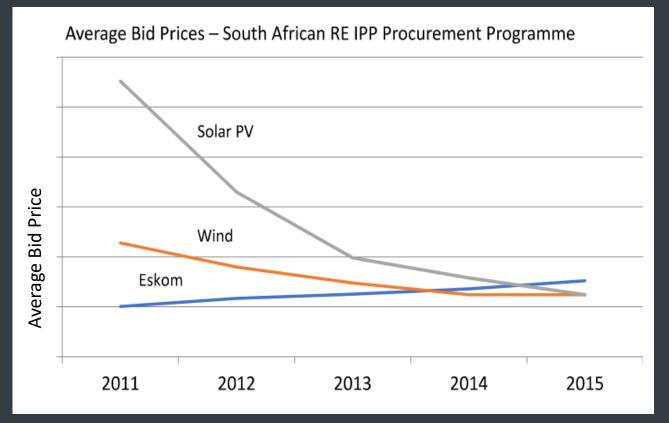
- •Support for LTMS
- •Energy Efficiency
- •CIFs formed
- •Country Investment Plan (2009)
- Sere Wind Farm
- Kiwano CSP

- Support for a number of CSP REIPPPP projects (2012- )
- Sere completed 2015 (Eskom)

- Battery Storage
- Repurposing Coal Power Stations

### COAL TRANSITION

Transition happening faster than planned or expected Chaotic or Just?



### **Drivers:**

- Increased cost of coal and coal based electricity
- Cheaper alternatives
- Reliability of supply
- Reduced demand
- Environmental pressures
- Access to finance
- Declining employment

Green Cape 2020; Eberhard 2018

### JUST TRANSITIONS FRAMEWORK

Emerging framework developed through the Just Transitions Initiative (CIF and CSIS)

Broadly considers procedural justice and distributive justice

- Social Inclusion
  - Recognition
  - Participation
  - Governance

- Distributional impacts
  - Present Distribution
  - Access
  - Restorative justice

- Depth of Transformational Intent
- Across geographic space and extended time horizons

#### Empowerment

Intention: Transformation

#### Social Inclusion

#### Participation

Focused

Intention: Reform

#### **II: Narrow Transition**

Inclusive but focused approach

**Social Inclusion:** recognizes, includes, and empowers a diverse range of stakeholders throughout transition processes.

**Distributional Impacts:** considers a narrow range of impacts for specific sectors and stakeholders.

**Intention:** seeks transformation through inclusive and empowering processes.

#### III: Incremental Reform

Less inclusive and focused approach

**Social Inclusion:** recognizes and includes select stakeholders in aspects of the transition process.

**Distributional Impacts:** considers a narrow range of impacts for specific sectors and stakeholders.

**Intention:** seeks reform via changes within existing social and economic systems.

#### I: Systems Change

Inclusive process and broad impact

**Social Inclusion:** recognizes, includes, and empowers a diverse range of stakeholders throughout transition processes.

**Distributional Impacts:** considers a broad range of impacts across sectors and stakeholders.

**Intention:** seeks transformation through the overhaul of systems incompatible with sustainable development and social equity.

#### IV: Top-Down Transition

Less inclusive process but broad impact

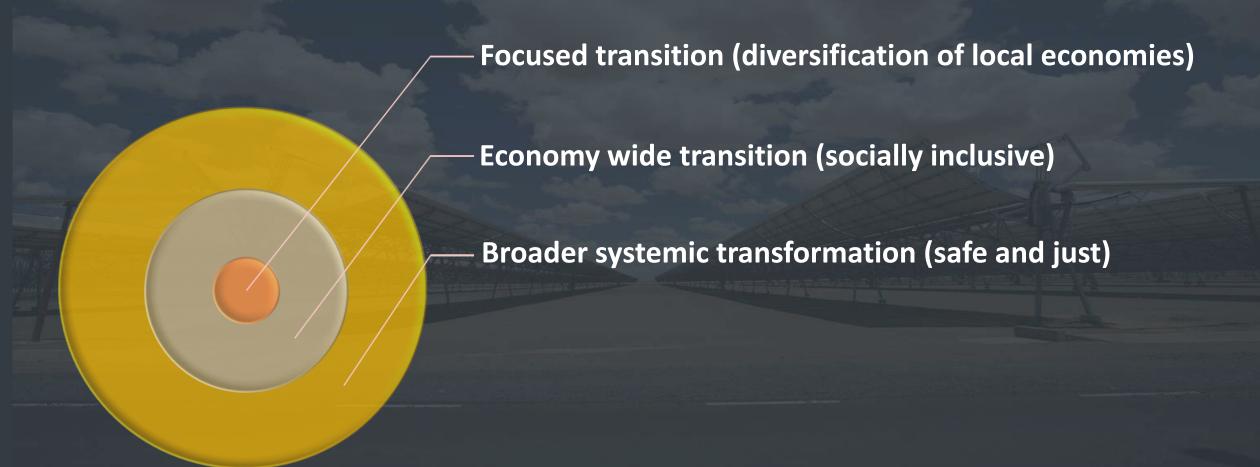
**Social Inclusion:** recognizes and includes select stakeholders in aspects of the transition process.

**Distributional Impacts:** considers a broad range of impacts across sectors and stakeholders.

**Intention:** seeks transformation through consideration of a broad range of distributional impacts.

Distributional Impacts Expansive

## **JUST TRANSITIONS**



## **ENABLING FACTORS**

- Modelling & planning
- Recognition, participation & governance
- Policy clarity, certainty & alignment
- Transformative, transparent & predictable procurement
- Economy wide transitions
- Financing Just Transitions (concessional finance & bankability)
- Aggregating & scaling for impact
- Skills anticipation & development





## IMPLICATIONS FOR PROGRAMMATIC CLIMATE FINANCE

- CROSS-SECTORAL DIALOGUE must include the recognition and participation of all stakeholders (including in modelling and planning processes at the local and national levels)
- PLATFORMS FOR THIS DIALOGUE to occur e.g. the PCCCC need to put in place and adequately resourced
- Support high level POLICY DIALOGUES e.g. the NDP
- Provide <u>CONCESSIONAL FINANCE</u> to transition processes innovation, acceleration and overcoming "vested interest inertia". (Refinancing, transition support, unpriced benefits, etc.)
- Invest in <u>ECONOMIC DIVERSIFICATION</u> in affected areas unlock finance for new livelihoods (e.g. payment for ecosystem services) or green development zones
- Keep focus on procedural and distributive justice for <u>SYSTEMIC</u>
  TRANSFORMATION decent jobs, greater equity, social development in a

## THANK YOU!



