

August 2018

STREAM ECONOMIC SECTOR INTERVENTIONS STREAM, BRIEF 2

CLIMATE JOBS POLICY BRIEF SUMMARY

Summary brief¹ prepared for the Labour Caucus in the Jobs Summit Economic Sector Interventions working group by the Institute for Economic Justice (IEJ.)

Stream: Economic Sector Interventions Stream, brief 2

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1. NATURE OF THE PROBLEM

The Jobs Summit needs to build climate considerations into all job creation and investment initiatives. Climate change impacts put developmental gains to date and future development at risk, and global efforts to reduce carbon emissions – not least by our trade partners – expose our economy. Both the science and economic trends are clear that action is urgent. It is therefore imperative that all economic endeavors should shift to be as low-carbon as possible and all must be climate-resilient by design. Not to do so is to make our economy and residents – particularly the poor – increasingly vulnerable and to lock us further into a perverse economic pathway.

1.1 Labour market shifts and opportunities

In the transition to a low-carbon, climate-resilient economy, there will be enterprises that need to shrink, particularly in fossil fuels all along the supply chain, and others which need to change production processes, such as cement manufacture. This has implications for workers and employers in terms of skills development and social protection.

At the same time, the new economy offers job creation and intensification potential. Investors are receptive to opportunities coming off a low base with potential for exponential rates of return, and lower investment risk is starting to swing away from carbon-intensive to lower carbon. South African business and labour may miss the boat if we do not actively move to realise these potentials and to develop the new competencies and skills which

will be required to equip the work force.

1.2 Just transition

The transition to a low-carbon, climate-resilient economy must be a just one, which addresses the challenges of poverty and inequality as pinpointed in the National Development Plan. This cannot be left to the market. The Jobs Summit would do well to set up a Just Transition Taskforce driven from the Presidency, and involving all social partners, akin to that set up by Canada² and being considered in other countries. NEDLAC is already geared to be an institutional home for such.

1.3 A note on climate resilience

Climate resilience is about strengthening the capacity of people, environment and the economy to prepare for, withstand and respond to the geophysical and economic impacts of climate change. An ecosystems-based approach is essential in the transition. Catchments, rivers and wetlands are key to sufficient and clean water supply; healthy marine environments to the fishing industry and small-scale fishers; sustainable agricultural practices to sufficient yields in a climate-constrained context; better urban and rural land use planning and practices to supporting livelihoods and the capacity of natural systems to cope with climate change; and flourishing natural landscapes and species to tourism.³The potential jobs impacts of these interventions are

significant.

2. PROPOSALS FOR JOB CREATION OR INTENSIFICATION

The research brief identifies opportunities for initiatives that both create jobs and livelihoods, and advance a low-carbon and climate-resilient economy – using the imperative for the latter as a vehicle for the former. In this summary we outline some job creation opportunities in the sectors of mining, manufacturing, energy agriculture, and land use, which will be elaborated further, including proposals for enabling policy and financing. The areas below create significant opportunities for the private sector; labour and civil society need to mobilise to ensure that business and government commit to a package which ensures a just transition, in which workers and communities benefit from these transformations.

2.1 Mining

- Promote mining development which supports the metals and minerals necessary for manufacturing clean technologies.⁴
- Where mines close/ have closed absorb laid-off miners in infrastructure development in the municipalities where mines exist.
- Repurpose abandoned mine shafts for pumped storage of electricity. Rehabilitate ecosystems and drive other economic activities around abandoned mines or contaminated areas, thereby creating local jobs and benefitting local communities.⁵ Mining-affected community organisations have firsthand knowledge and can help shape programmes.

2.2 Manufacturing

- Beneficiate minerals for parts for green transport vehicles, such as electric and hybrid vehicles.
- Localise assembly of such vehicles, and explore manufacturing of niche electric vehicles.⁶
- Localise production of water treatment and water conservation technologies.⁷
- Re-manufacture, and use industrial and household waste as inputs, e.g. slag and fly ash used in ecoblend cements.⁸ Moves to formalise waste economies must involve informal waste workers.⁹

2.3 Energy

- Localise manufacturing of those parts for renewable energy technologies, smart meters, and small scale embedded energy generation, where we can compete with imports.

- Enable Eskom to invest in renewable energy at scale, with state procurement thereby creating an adequate and secure market to support localised manufacture, added to regional potential.
- Negotiate an agreement with Labour on the IPP programme which addresses legitimate jobs concerns.
- Instead of a fragmented approach, coordinate the enterprise development and socio-economic elements of the Renewable Energy Independent Power Producers Procurement Programme to multiply local benefits, including jobs.

2.4 Agriculture

- Support small-scale farmers in particular to adopt conservation agriculture practices such as low-tillage, which reduce farmers' costs from fuel and maintaining tractors, while reducing emissions from diesel and sequestering carbon in the soil. Conservation agriculture renders farms more resilient in the face of climate change and water scarcity, thereby protecting jobs.¹⁰
- Graze commercially-farmed cattle and sheep on natural grasslands, instead of in feedlots. This creates jobs in rural areas, reduces pressure on South Africa's maize supplies freeing it up to feed people, uses less water and, if stocked at appropriate rates, is good for the country's grasslands.
- Produce biofuels for aviation, with a potential for large scale job creation in sub-Saharan Africa.¹¹

2.5 Land rehabilitation and restoration

- Translate the Working for Water programme into secure and decent jobs, since these workers perform labour essential to securing our water supply through ongoing clearing of alien vegetation. Solve the logistics so that the vegetation can become an input into biofuels.
- Plant spekboom in certain rural areas¹², thereby creating jobs and increasing the carrying capacity of the land which ultimately improves rural economies.

1. This summary brief will be followed by a more detailed brief on the identified areas.

2. www.canada.ca/en/environment-climate-change/news/2018/02/just_transition_taskforce.html

3. Tourism contributes 9% of the country's GDP taking direct, indirect and induced benefits into account.

tbcsa.travel/wp-content/uploads/2018/03/WTTC-Report-SouthAfrica2018.pdf

4. www.wwf.org.za/our_research/publications/?25521/A-low-carbon-sunrise-for-the-mining-industry

5. For example, jobs for 100 persons will be created to rehabilitate the Tweelopiespruit, the receptor dams and wetlands over a period of a year. Liefferink, 2016. Rehabilitation of mine-contaminated wetlands, eco-systems and receptor dams; AIDC and Frederich Ebert Stigtung.

6. www.wwf.org.za/our_research/publications/?25541/Farm-torque-electric-orchard-tractors

7. For more information see PAGE, 2018, A Green Economy Industry and Trade Analysis: Assessing South Africa's Potential. The IPAP also recognises this opportunity.

8. www.wwf.org.za/our_research/publications/?25401/eco-blend-cements-for-low-carbon-construction

9. www.businesslive.co.za/bd/opinion/2018-07-04-household-recycling-plan-leaves-waste-pickers-fighting-for-crumbs

10. In India, the state of Andhra Pradesh has launched a plan to transition 6 million smallholder farmers cultivating 8 million hectares of land to natural farming by 2024, supported by the Sustainable India Finance Facility. It aims to reduce farmers' costs while increasing incomes, and restore ecosystem health through diverse, multi-layered cropping.

11. WWF, 2018. Sustainable Aviation Biofuel Feedstock Potential in Sub-Saharan Africa

12. WWF is working with DEA, Rhodes University and NGOs to try and bring the first communal spekboom farm into the fold, as well as some other farmers on marginal land in the Baviaanskloof area of the Eastern Cape.