
Press Release

A long road to transition to a green economy

Stakeholders in the energy sector, from government officials to policy makers, activists, researchers and employers received a wakeup call today on what South Africa really needs to do to effect a just transition towards a green economy.

This emerged during a Trade & Industrial Policy Strategies (TIPS) Development Dialogue webinar, which focused on exploring the energy-level impacts associated with a just transition away from coal. Various speakers highlighted that more needs to be done around rolling out renewable energy, ensuring energy access in the face of high levels of energy poverty and setting up the right kind of structures and mechanisms to plan and implement a just transition.

This dialogue was the fourth in a series of conversations focused on how to effect a just transition to a green economy in South Africa's context of inequality, poverty and unemployment; and how to effectively address the negative impacts of climate change on vulnerable stakeholders, such as communities and workers.

At the outset, TIPS senior economist Gaylor Montmasson-Clair pointed out that "we are all trying to find the answers to effecting a just transition" but, in South Africa, there is no common understanding of what a just transition is and hence the need for ongoing dialogue. The session saw debates around how to: move towards an increased use of and rolling out of renewable energy; plan for the scheduled closing of coal-fired power stations over the next 30 years; set up institutions to drive a just transition; and develop strategies to ensure a truly just transition in the country.

What emerged very sharply was that, whilst it is important to draw on international experience, a South African just transition has to be rooted in the domestic context. Richard Halsey, a researcher at environmental non-governmental organisation Project90by2030, stressed the need to involve and work with local communities affected by the energy transition. He pointed out that local engagement is not straightforward. It does not happen overnight and requires the building of trust and processes. He also highlighted that, when planning a move away from coal, there is a need to look at a range of issues, such as what happens to energy supply, the environment, workers and communities, ownership and business practices.

The head of Eskom's newly-established Just Energy Transition office, Mandy Rambharos, stressed repeatedly that any move along the path of a just energy transition would require partnerships and co-operation. In highlighting Eskom's commitment in equal measure to both the "just" and "transition", Rambharos pointed out that Eskom is developing plans to mitigate the impact of coal-fired plants closing down. In addition, the utility is committed to a path of renewable energy and is exploring various financing options in this regard.

Taking up the issue of Eskom, Dominic Brown, the Coordinator of the Economic Justice Programme at the Alternative Information and Development Centre, proposed that Eskom should be transformed into a fully public renewable energy entity. Brown also raised that, contrary to popular belief, the transition to renewable energy is not on the way globally. He argued that based on available data there is currently no meaningful



energy transition happening “we are seeing an energy expansion globally, with a parallel rise in fossil fuels and renewable energy, but we are not seeing a displacement of fossil fuels in the energy mix.”

Nthabiseng Mohlakoana, a researcher and lecturer at the Centre for Complex Systems in Transition at the University of Stellenbosch, highlighted the complexity of issues which need to be dealt with in terms of effecting a just transition in South Africa. Mohlakoana explored the challenges of ending energy poverty in the face of a just transition. She raised that, despite 91% of South African households having access to energy, about 16.6 million people in the country still use candles as their primary source of light. She cautioned that whether the energy transition to renewable energy technologies will contribute to improving energy access would depend on how the transition was implemented. Her input reinforced the notion that a just transition had to be inclusive so that poor communities are not further left behind, notably in terms of access to energy.

The next webinar in the series on a just transition will take place on 1 December and will explore how the country can finance a just transition to a green economy.

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For more information, contact Gaylor Montmasson-Clair on 071 31 99 504 or gaylor@tips.org.za.