

R11.5 Trillion a Year

Is what Minister Barbara Creecy want rich nations to commit to for the transition towards cleaner energy.

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South Africa secures R131bn in pledges to kick-start energy transition

Patrick Wadula



Barbara Creecy, Minister of Forestry, Fisheries and The Environment is leading a high powered delegation at the Climate Change Conference in Glasgow.

Negotiating with and lobbying developed countries to meet their commitments in assisting developing countries to reduce carbon emission and global warming at the United Nations Climate Change Conference (COP26) in Glasgow, Scotland is at the top of South Africa's agenda.

Barbara Creecy, Minister of Forestry, Fisheries and The Environment, is leading a high-powered South African delegation at the summit

and they have already achieved positive results.

South Africa has secured R131 billion in pledges over three to five years from the European Union, Germany, France, the UK and the US, who have committed to support the country in its transition to clean, renewable energy. The plan is to decommission Eskom's coal-fired power stations and repurpose them for renewable energy.

The funding will take the form of grants, concessional loans, investment and risk-sharing instruments, as well and mobilising the private sector to reduce emissions, develop electric vehicles and the implementation of green hydrogen.

Celebrating the partnership, President Cyril Ramaphosa said: "Climate change is an existential challenge that confronts us all, and South Africa is committed to playing its

part in reducing global emissions. The partnership that we have established is a watershed moment not only for our own Just Transition, but for the world as a whole. It is proof that we can take ambitious climate action while increasing our energy security, creating jobs and harnessing new opportunities for investment, with support from developed economies.”

In a broader sense, Crecy says the Glasgow outcome has to be a package deal that advances the negotiations and all three aspects of the Paris Agreement, namely

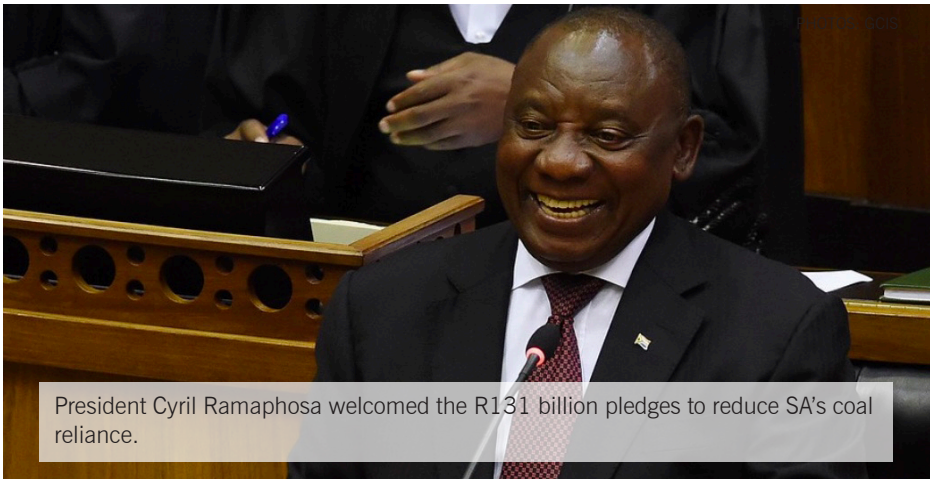
mitigation, adaptation, and the means of implementation of climate action.

For almost three decades, governments across the globe have met nearly every year to forge a global response to the climate emergency. Under the 1992 United Nations Framework Convention on Climate Change (UNFCCC), every country is treaty-bound to “avoid dangerous climate change” and to find ways to reduce greenhouse gas emissions globally in an equitable way.

Over the years, the summit has swung

between fractious and soporific, interspersed with moments of high drama, occasional triumph (the Paris agreement in 2015) and disaster (Copenhagen in 2009).

The COP26 summit was postponed by a year due to COVID-19 and is being viewed by many as pivotal to saving the planet from the continued negative effects of climate change. It aims to curb emissions, negotiate how best to ensure global average temperature increases stay below 1.5°C, reduce coal use, establish rules for a global carbon market, and raise billions in cli-



President Cyril Ramaphosa welcomed the R131 billion pledges to reduce SA's coal reliance.



mate finance.

Temperatures around the world are about 1.1 – 1.2°C above pre-industrial levels, and greenhouse gas emissions are still on an upward trend. Carbon dioxide output had plunged globally during the COVID-19 lockdowns last year, but this was temporary and have begun to surge as economies recover. To stay within the 1.5°C goal, global emissions need to come down by about 7 percent a year for this decade.

Since the Paris Accord in 2015, scientists have issued increasingly urgent warnings that the goal of 1.5°C is slipping out of reach. To meet this target, global emissions must decline 45 percent by

2030 from 2010 levels and reach net zero by 2050.

This requires enormous changes to countries' transport systems, energy production, manufacturing, and farming. Global pledges will see global emissions rise by 16 percent by 2030.

Creecy said that as part of a \$2,5 million (R38,5 million) allocation from the Clean Technology Fund, South Africa secured \$1 million (R15,4 million) to develop a Just Transition investment plan.

“The focus of this investment plan is the Eskom energy transition, including the repowering and repurposing of retiring coal plants and investment in new low

carbon generation capacity.

“We hope to use the informal side meetings that take place at COP26 to generate further interest in supporting the country’s Just Transition to a low carbon economy and climate-resilient society,” Creecy said.

The Green Climate Fund, which aims to respond to and invest in climate-resilient developments, is skewed towards mitigation efforts, which limits adaptation efforts and has received less than \$5.5 billion (R84,6 billion) a year between 2014 and 2018.

She said there would be discussions with the global Climate Investment Funds (CIF) to

brokered a deal that could release up to \$500 million (R7,7 billion) to fund a shift away from coal-fired power.

“We see the decision by the CIF as a small, but an important first step towards laying the foundation for ... our Just Transition,” she said

More than 10 years ago, developed nations pledged that by 2020 they would raise \$100 billion (R1,5 trillion) each year to assist developing nations transition to cleaner energy.

The pledge has not been met and developing countries are increasingly frustrated with the feeling of not being taken seriously and being set up for failure in meeting with their own commitments to reduce global gas emissions.

South Africa produces more than three-quarters of its electricity and more than a quarter of

SA's make or break list

Barbara Creecy, Minister of Forestry, Fisheries and The Environment, faces a mammoth task at COP26 as she puts forward South Africa's case and challenges developed countries to meet their part of the agreed bargain.

Here are some of South Africa's challenges and positions. These, together with the future of long-term climate finance deliberations under the convention, will be a make or break for COP26:

- South Africa's mandate at Glasgow includes negotiating for the full implementation of the United Nations Framework Convention on Climate Change and the Paris Agreement.
- South Africa has been tasked with developing an investment plan making use of a Clean Technology Fund allocation of between \$200 million (R3,1 billion) and \$500 million (R7,7 billion).
- South Africa will not be in a position to implement ambitious mitigation targets unless there is a sustainable financing programme.
- South Africa will also argue that as yet there is no common global understanding or guidelines to implement regulation that requires all parties to make financial flows consistent;
- South Africa envisages an outcome at COP26 that will enable practical progress.



US President Joe Biden speaks during an event about the “Global Methane Pledge” at the COP26 UN Climate Summit, Tuesday, Nov. 2, 2021, in Glasgow, Scotland.
Evan Vucci / AP

its liquid fuels for transport from coal, making it the world’s 12th-largest greenhouse gas emitter and fourth most carbon-intensive economy.

According to the Organisation for Economic Co-operation and Development, the total global climate finance was \$79,6 billion (R1,2 trillion) in 2019, an increase of just 2 percent from 2018.

Creedy said it was important that developing and developed nations re-establish trust between them by ensuring that financial commitments are honoured, adding that the promise of \$100 billion

(R1,5 trillion) a year needed to be increased to \$750 billion (R11,5 trillion) a year after 2025.

The conference needed to secure more “ambitious pledges” to further cut emissions, lock in billions in climate finance and complete the rules to implement the Paris Agreement with the unanimous consent of the nearly 200 signatories.

Economic pressures and travel bans due to COVID-19 have exacerbated the divide between wealthier and poorer nations. and has meant that some representatives can not attend COP26.

This has meant that the conference is not well attended and already the United Nations, the UK and the US have conceded that COP26 will not achieve its goals.

One of the key issues now is to ensure that the talks run smoothly. COP15 in Copenhagen (2009) was widely perceived as a failure, although it produced a partial agreement that became the foundation for Paris. The hope is that the obvious COP26 challenges aside, a clear road map will be drawn up that can credibly keep the world from exceeding the 1,5°C goal.

SA's critical role in global climate battle

South Africa is a key roleplayer in international efforts to fight climate change and global warming

Lucas Ledwaba



Every year in early October, villagers would begin preparing their fields in anticipation of the annual rains, reminisces subsistence farmer Jantjie Ramokone.

After the rains, they would use oxen to plough their patches of land. It was one hectare per household on the outskirts of the village as allocated by the traditional authority. They cultivated sorghum, millet, mealies,

melons, beans, morogo, sweet potatoes, pumpkin and other crops. They also tended cattle and goats to provide milk. During the rainy season, the veld around the village teemed with wild fruit that supplemented their diets.

“That was our way of life. We were farming so that we could eat. We never bought food. We ate what we produced,” he said. “It was exciting times.

We would be walking to the fields, singing, calling each other to go work the land because the rain was coming,” reminisced 68-year-old Ramokone with a smile.

This was a way of life in most rural parts of the country where communities produced their own food and relied less on buying from local retailers. But changing weather patterns resulting from climate change are slowly

bringing an end to this traditional way of life and endangering food security.

Small-scale farmers with fewer resources have been hit hard by unusual weather patterns. Experts predict the trend will continue if nothing is done to mitigate the effects of climate change.

Peter Johnston, Climate Scientist and Researcher at the University of Cape Town noted in an article that published by UCT, that “the threat of changing rainfall seasons leading to shifting rainfall dates plays havoc with planting dates and crop management.

Wide-ranging crop yield reductions may not affect a country with access to grain imports, but many countries with a large subsistence agricultural base face severe food shortages when crops fail.”

In March this year, the cabinet approved the updated draft Nationally Determined Contribution (NDC), regarded as the cornerstone of the country’s climate change response.

The NDC is South Africa’s commitment to the global climate change effort in terms of the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris

Agreement, of which South Africa is a signatory.

Under the Paris Agreement – a legally binding international treaty on climate change adopted by 196 parties at the Conference of the Parties (COP21) in Paris in 2015 – all parties are required to prepare, communicate and maintain successive NDCs every five years. South Africa’s first NDC with the UNFCCC was published in October 2015.

South Africa has described the Paris Agreement as “a political landmark” and “a remarkable turning



PHOTOS: GCIS



Barbara Creecy, Minister of Forestry, Fisheries and The Environment is leading a high powered delegation at the Climate Change Conference in Glasgow.

point for climate action, sending a clear signal that a low carbon and climate-resilient world is inevitable”.

The Paris Agreement’s three fundamental aims are to keep the global average temperature increase “to well below 2 °C above pre-industrial levels and pursue efforts to limit it to 1.5 °C”. This will “foster climate resilience and low greenhouse-gas emissions development, without threatening food production establish means of finance to achieve these goals”.

South Africa’s obligations under the Paris Agreement include the

mobilisation of financial resources and capacity building to implement the NDCs.

The country is also obliged to ensure that there is institutional memory for the reporting cycles (every five years) and to ensure that there are adequate institutional arrangements for planning, preparing and submitting NDCs every five years.

Barbara Creecy, Minister of Forestry, Fisheries and The Environment, has called for a resolution on the setting of common timeframes for NDCs. Creecy said South Africa has a five-

year timeframe which is in line with Africa’s position of not locking in low emissions over a long period.

“The Glasgow outcome should be a package deal that advances the negotiations and all three aspects of the Paris Agreement, namely mitigation, adaptation and the means of implementation of climate action. South Africa stands ready to play a constructive role for the success of COP26,” Creecy said.

The department has argued that it already has a well-developed base for mitigating climate change and building climate resilience in



PHOTOS: GCIS

its Near-Term Priority Flagship Programmes, which are strategic, large-scale measures of national significance.

“They are the game-changers in South Africa’s climate change response landscape and represent the low-hanging fruit that can potentially catalyse South Africa’s long-term climate action.”

According to the department, many components of these programmes have been implemented with notable success and signify remarkably bold steps towards a low carbon

and climate-resilient economy and society.

“The NCCRP gives effect to the Flagship Programmes and recognises them as an integral part of South Africa’s climate change response policy.”

Creecy noted the impact of climate change and the country’s responsibility towards fighting its implications. “South Africa is among the many vulnerable developing countries that are already experiencing the impacts of climate change. This is evident from the increased frequency of extreme weather con-

ditions such as floods, droughts and heat-waves that threaten lives, food security, and infrastructure,” Creecy said.

“It is crucial for South Africa and Africa as a whole, to see adaptation treated in a balanced manner at COP26 and to be on the agenda in Glasgow and implemented thereafter. We hope to use the informal side meetings that take place at COP26 to generate further interest in supporting the country’s Just Transition to a low carbon economy and climate-resilient society,” she said.

South Africa is a signatory of the UNFCCC and the Kyoto Protocol, which legally binds developed countries to reduce their greenhouse gas emissions by 5.2 percent below the 1990 levels by 2012. South Africa signed the 1997 initiative in 2002, and it entered into force in 2005.

Creedy said South Africa’s adaptation communication in line with the Paris Agreement outlines five goals, articulates the efforts that are to be implemented, and details the associated costs for the period 2021 to 2030.

“The adaptation communication will enable support for key sectors

that are affected by the impact of climate change, including human settlements, agriculture, water and energy. It will also affirm the leadership role which South Africa has played in the international climate regime on adaptation,” she said.

Following the adoption of the Paris Agreement, the Southern African Catholic Bishops’ Conference through its Parliamentary Liaison Office, noted that South Africa is dealing with a new kind of agreement. “Inconsistencies in law, policy and planning must be rectified; and a balance must be struck between the imperatives of mitigating climate change on the

one hand, and adapting to it on the other.”

Creedy vowed that SA “goes to Glasgow (COP26) with a clear mandate to negotiate for the full implementation of the UNFCCC and the Paris Agreement, including the global goals on mitigation, adaptation and support for developing countries, to avoid the worst impacts of climate change on our people and the environment.”

With such determination and zeal, perhaps another generation of subsistence farmers who can depend on the weather patterns will emerge.



Green economy to create jobs and enhance growth

Charles Molele



INVESTMENT in the green economy and green technologies will be one of the key topics that the South African government is set to discuss at the COP26 conference in Glasgow, Scotland.

Investors are already reluctant to invest in fossil fuels, posing a huge economic risk for South Africa, Africa and other developing countries. Whether it is cutting energy costs or reducing its carbon footprint, the pressure for businesses to adopt

green practices is high, and it is only going to grow.

According to conservative estimates, most African countries are by 2030 projected to lose between 2 and 5 percent of gross domestic product to climate change, posing a huge risk to economies.

In a recent weekly newsletter, President Cyril Ramaphosa said South Africa needed to act with urgency to reduce its greenhouse gas emissions and cre-

ate a low carbon economy.

Ramaphosa warned that the country could face major trade barriers unless it transitions to a low-carbon economy at a much faster pace. The government argues that the green economy opens access to new green financing opportunities such as the possibility of significant job creation. The green industries also form part of the key components of the country's Economic Reconstruction and Re-



covery Plan.

The COVID-19 economic stimulus packages and recovery plans that governments across the world are now putting in place have the potential to create a revival that is both green and inclusive. This can be defined by its potential to create income opportunities, job creation and growth, at the same time accelerating action on the medium and long-term environmental goals, nationally and globally.

South Africa is serious in its pursuit of “green industrialisation” by shifting into areas such

as green hydrogen and electric vehicle production. The green industries also form part of the key components of the country’s Economic Reconstruction and Recovery Plan.

Ramaphosa last month unveiled the new line of vehicles from Japanese auto manufacturing giant, Toyota, at the Prospecton plant south of Durban in KwaZulu-Natal. The newly-launched production line includes a hybrid model the Corolla Cross, which is fuel and battery operated and will be exported to 40 countries across Africa.

“We have called on leaders of developed economies to support South Africa’s efforts to green our economy and to address our very ambitious climate change goals through equally ambitious grant and concessional funding support. We have identified three key priorities for climate action,” President Ramaphosa said.

He said the government will also focus on reducing Eskom’s carbon emissions to accelerate plans for a green-hydrogen economy. Eskom is hoping to unlock about R150 billion in green financing from international

development agencies to finance a transition from coal to renewable energy.

Eskom is pursuing the Just Energy Transition (JET) strategy to accelerate the repurposing and repowering of power stations to grow renewable energy in line with the Integrated Resource Plan of 2019. Eskom is the country's largest greenhouse gas emitter and has committed in principle to net-zero carbon emission by 2050, shutting down its coal-fired power stations.

Change is coming in other sectors too. Sasol recently announced a first-of-its-kind memo-

randum of agreement with the Northern Cape government to conduct a two-year feasibility study for a landmark green hydrogen project in Boegoebaai.

Priscillah Mabelane, Sasol's vice president for Energy Business, said this project could potentially produce at least 400kt of hydrogen every year. The project underpins the province's Green Hydrogen strategy, which was a precursor to the country's Green Hydrogen strategy.

"A project of this magnitude has the potential to create up to 6,000 direct jobs, generating much needed so-

cio-economic benefits including creating further indirect jobs across the ecosystem. We are very excited to be leading this feasibility study as part of unlocking South Africa's ambition to be a global green hydrogen export player," she said.

The move towards the use of hydrogen – which only emits water vapour when used – has been globally hampered by the need to burn fossil fuels when extracting it.

COP26 is a critical pivot point for South African businesses which operate in an economy that is one of the most coal-dependent in the





PHOTOS: GCIS

David Attenborough and Prime Minister Boris Johnson in February at a launch event for COP26. Coronavirus has delayed the conference to November 2021. Credit: Jeremy Selwyn/Getty

world.

The Climate Change Bill demonstrates South Africa's commitment to Carbon Tax and so does its move towards raising to 100MW the embedded generation threshold.

According to surveys, the Organisation for Economic Co-operation and Development says that the impact of COVID-19 has had some positive results. The pandemic has raised the public consciousness and the idea that our lives are

precious. This has led to the integration of environmental and inclusiveness views into recovery and stimulus measures, allowing countries to meet their environmental goals and commitments as they continue to grow.

Ramaphosa: Harness new technology and take action now



President Cyril Ramaphosa

There is no longer any doubt that climate change presents a critical and urgent threat to humanity.

This is so because it will have devastating consequences for our economies and societies if we do not take action now.

Bold action must start with accelerated decar-

bonisation of our energy systems.

This involves harnessing new technologies to reduce our dependence on high-emission fossil fuels, including unabated coal power.

It requires that we move to more sustainable and cost-effective energy sources.

While the energy transition is necessary for reducing global carbon emissions, this transition must also be fair and just.

For many developing economies this requires massive investment in alternative energy sources and other infrastructure.



PHOTOS: GCIS

It requires substantial support for workers and communities throughout the coal value chain who stand to lose their jobs as well as their livelihoods.

A Just Transition requires finance and support from wealthier nations to enable low- and medium-income countries to protect employment and to promote development.

In South Africa, we have committed to ambitious emission reduction targets.

Achieving these targets will require the transformation of our energy system at an unprecedented speed and scale.

This will include the decommissioning, the repowering and the repurposing of coal-fired power stations and the roll-out of renewable energy.

But our ability to do so will be determined by the extent of support that we receive from developed economies. The Political Declaration that we announced this week with the governments of France, Germany, the United Kingdom and the United States, as well as the European Union, represents an important breakthrough in this effort.

Through this partnership, an initial amount of \$8.5 billion will be

mobilised over the next three to five years to support South Africa's Just Transition to a low-carbon, climate-resilient future.

This will enable us to implement our ambitious goals and to develop a model for a just transition that we hope can be used elsewhere. We are entering a brave new world bound together by our common destiny as humanity. We owe this to ourselves, to one another, and to the future generations.

Message from President Cyril Ramaphosa at the COP26 Energy Session.



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Inspiring Minds



**forestry, fisheries
& the environment**

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA