

Executive Director's report

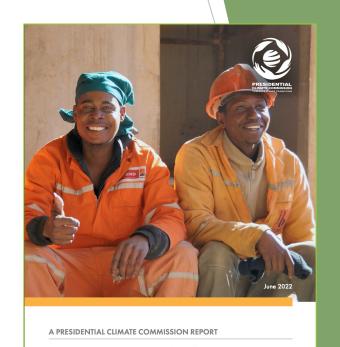
Update on PCC activities

September – November 2022



Just Transition Framework

- Follow up **community consultations** have been held in Secunda, Emalahleni, Gqeberha, eThekwini and Vaal. Communities have expressed frustration at absence of Commissioners and Ministers in meetings.
- Arising out of these consultation, we are developing an implementation model for JT, which looks at ways to enlist stakeholders and empower change makers for local implementation
- PCC is in process of developing a Just Transition Implementation Plan for delivery in Q2 2023
- A detailed **employment strategy** being developed for Mpumalanga, combining top down economic modelling with bottom up opportunity identification
- Skills development workshop with DHET and invited experts taking place on Wed 7 Dec
- Development of institutional capacity to drive economic & industrial strategy in Mpumalanga with province, Green Cluster Agency, ACF, WB and various private sector initiatives



A Framework for a Just

Transition in South Africa





Energy transition

- PCC is gearing up to make recommendations on how to factor carbon constraint and just transition into energy planning system
- Energy dialogues held on key topics:
 - Balancing the electricity system
 - Energy transition finance
 - Electricity industry structure
 - Jobs and the just transition
 - The pace of coal closure
- Extended workshop with Net-Zero Commissioner Working Group and invited experts has put together outline for energy recommendations
- Research done energy modelling assumptions and common findings, energy system regulation, air quality impacts, early coal closure scenarios and costing
- More detailed engagement with stakeholders planned for Q1 2023, following which draft recommendations will be considered by Net-Zero Working Group and PCC



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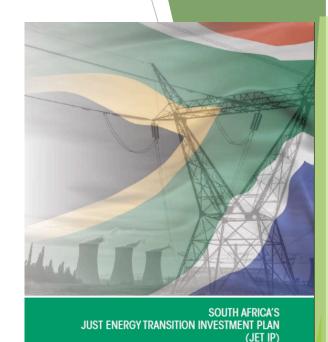
Resilience & Adaptation

- PCC has investigated impacts and response to two major climate crises that dominated 2022 headlines:
 - KZN floods in May 2022
 - Gqeberha 'day zero' water crisis
- High level findings from analysis of the KZN floods serves on this agenda
- The climate resilient development pathways methodology is being rolled out to Agriculture, Water and Built Environment sectors
 - Paper on Just Urban Transitions has been completed and consulted widely with local government sector
- PCC participated in drafting of World Bank CCDR report which has undertaken SA's first aggregate quantification of investment requirements for adaptation and resilience
- Detailed quantification of water resilience investment requirements has now been initiated in partnership with DBSA / NT / NPC
- The PCC is an initiating partner of the African Climate Research Alliance project to build agency on the continent to more successfully deal with climate change.



Climate finance

- PCC has initiated project to **track climate finance flows** over a three-year period in conjunction with NT and finance industry
- The PCC has been participating in PCFTT and supported JETP by arranging engagements with each of the social partners.
 Second round of consultations being arranged, following which PCC will make recommendations on JET-IP
- The conceptual design of a **just transition financing mechanism** has been completed, and the detailed work is about to commence.
- PCC participated in WB CCDR exercise to quantify investment requirements for just transition. More detailed costing of energy and water investment requirements being undertaken with DBSA, NT and NPC.







Communications and outreach

- Stakeholder engagements
 - Arranged follow up community consultations on Just Transition
 - Live streaming of Energy Dialogues and JET IP consultations with social partners
 - Planned Q1 2022 consultations on JET-IP & Energy Transition Plan
- Media and PR
 - Various media statements issued, collaborations with government communicators and communications partners such as community radio stations
- Publications and Reports
 - JTF is being translated into various languages
 - Publications on CBAMs, Just Transition Financing Mechanism, KZN Floods, Gqeberha water crisis and Climate Resilient Development Pathways (4 Volumes)
 - Youth Essay Series under development





International outreach

- PCC has been participating in various ICCN working groups and has been elected to serve on steering committee for next year. Successful ICCN side-event held at COP27.
- ICCN Just Adaptation Paper was adopted and the ICCN Adaptation WG formally established co-led by South Africa and the Philippines.
- In partnership with UNDP, PCC co-hosted side-event during UN General Assembly on 20 Sept focused on just energy transitions in Africa
- In partnership with ACF and PCFTT, a JETP learning exchange was convened with other developing countries and international donors 27 & 28 Sept 2022
- PCC side-events at COP27 focused on various aspects of just transition – financing, energy, resilience and M&E.
 PCC delegation included four youth representatives who made excellent contributions at variety of events



Governance

- Working Groups have been established and are operating effectively
- Secretary to Commission appointed to oversee its smooth functioning
- System for remuneration of Commissioners approved by NEDLAC and Finance & Governance Committee

Finance & governance

Net-zero pathways

Adaptation & Climate finance & evaluation

Monitoring & evaluation

- New Commissioners appointed for under-represented sectors or to replace Commissioners who have resigned:
 - Water Research Commission Dr Shafick Adams
 - National Empowerment Fund Ms Zama Khanyile
 - Banking sector Mr Lungisa Fuzile
 - Agricultural sector Mr Janse Rabie
 - Faith community Bishop Malusi Mpumlwana
- Still awaiting nominations from GreenPeace and SALGA



Institutional arrangements

- Interim hosting of PCC at NEDLAC is operational, with staff and DFFE budget transferred to NEDLAC with effect from 1 November 2022.
- PCC has made presentation to Portfolio Committee hearings on the Climate Change Bill
- PCC has initiated the preparation of a Feasibility Study and Business Case required by National Treasury for establishment of PCC as a statutory body
- A Commissioners' Strategic Planning Session for the development of the PCC Strategic and Annual Performance Plans is scheduled to take place on 23 February 2023 (Gauteng) ahead of the Commission meeting of 24 February 2023.





Finances

Progress with three fiscal hosting arrangements :

NEDLAC

- Remainder of DFFE 22/23 funds transferred to NEDLAC, plus R10m rollover
- NT allocation for 23/24 of R21,5m, rising by R1m in 24/25 & 25/26

African Climate Foundation

 ACF will continue to act as fiscal host for some philanthropic funds such as ECF, GEAPP, Rockefeller and OSF.

NBI

 MoU concluded with NBI to establish a mechanism for channelling private sector funding to the PCC.

- Finance & Governance Committee continues to provide effective oversight as PCC gears up its finances and operational systems
- All fundraising conducted in line with principles approved by Committee
- NEDLAC's Donor Policy recommended as basis for PCC's Fundraising Programme





Thank you

For further information, please contact

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