



PRESIDENTIAL
CLIMATE COMMISSION
TOWARDS A JUST TRANSITION

Executive Director's report to Commission

29 September 2023

Some PCC events since last PCC meeting

Date	Event	Date	Event
7 July	<i>PCC visit to Komati power station</i>	23 Aug	<i>Mayor's dialogue on financing JETs (8 cities)</i>
18 July	<i>67 CEOs Mandela Day Summit</i>	29 Aug	<i>JT dialogue: social support mechanisms</i>
20 July	<i>Energy dialogue: energy poverty</i>	5 Sept	<i>JT dialogue: industrial development</i>
8 Aug	<i>Seminar on JT Finance Mechanism</i>	7 Sept	<i>Webinar on future of grid</i>
10 Aug	<i>Meeting with Deputy President</i>	7 Sept	<i>Youth climate champions bootcamp</i>
10 Aug	<i>Partnership meeting with SAWS</i>	13/14 Sept	<i>Conference on grid management with international operators</i>
11 Aug	<i>JT dialogue on Gender</i>	19 Sept	<i>Webinar on climate smart agriculture</i>
17 Aug	<i>Meeting Nkangala District & LMs</i>	27 Sept	<i>Webinar on innovative adaptation financing</i>



ILO 111th session on Just Transition (5–16 June)

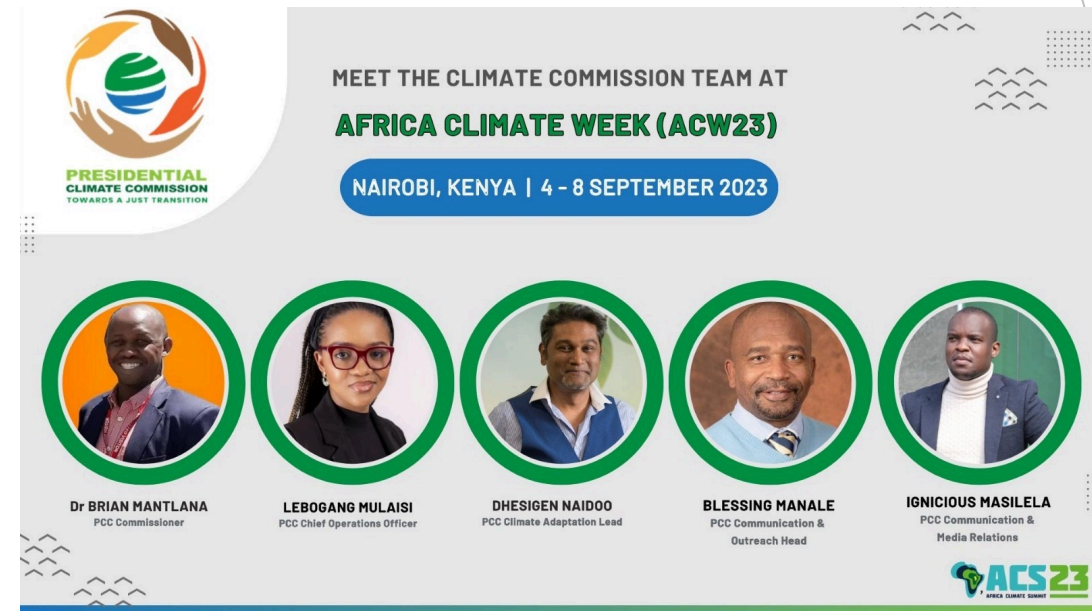
- PCC represented by Mac Chavalala and Mbulaheni Mbodi. Lebogang Mulaisi and Jacques Hugo attended as labour reps
- ILO agreed on urgent action to achieve social justice, decent work, poverty eradication and tackle climate change
- Emphasised importance of gender dimension, technological change and demographic shifts
- Governments, employers and workers are critical agents
 - Private sector is driver of innovation, economic growth, and job creation
 - A well- funded public sector plays an important enabling and redistributive role
- Concerted and coherent action based on effective social dialogue



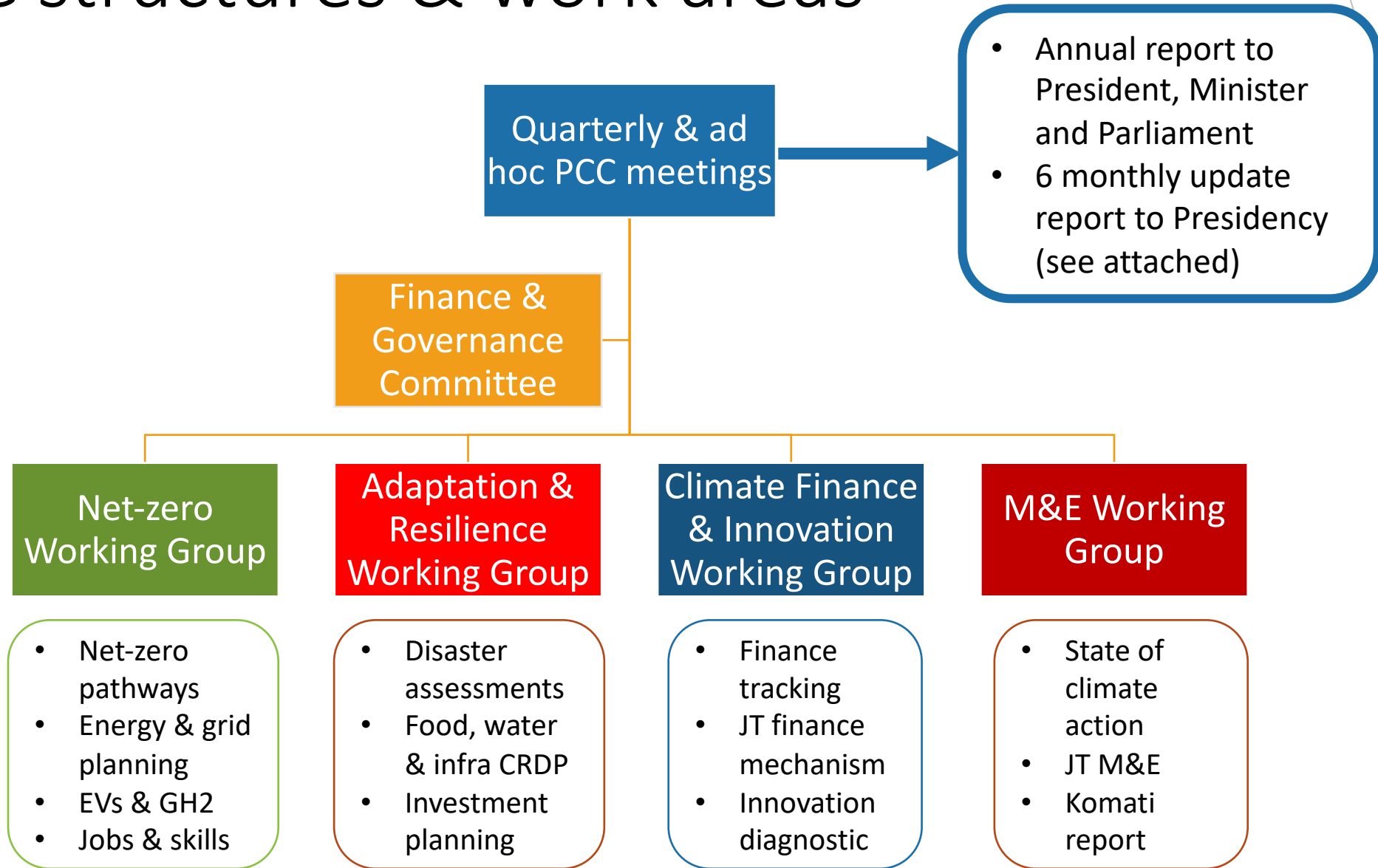
Africa Climate Week, 2 – 8 September 2023

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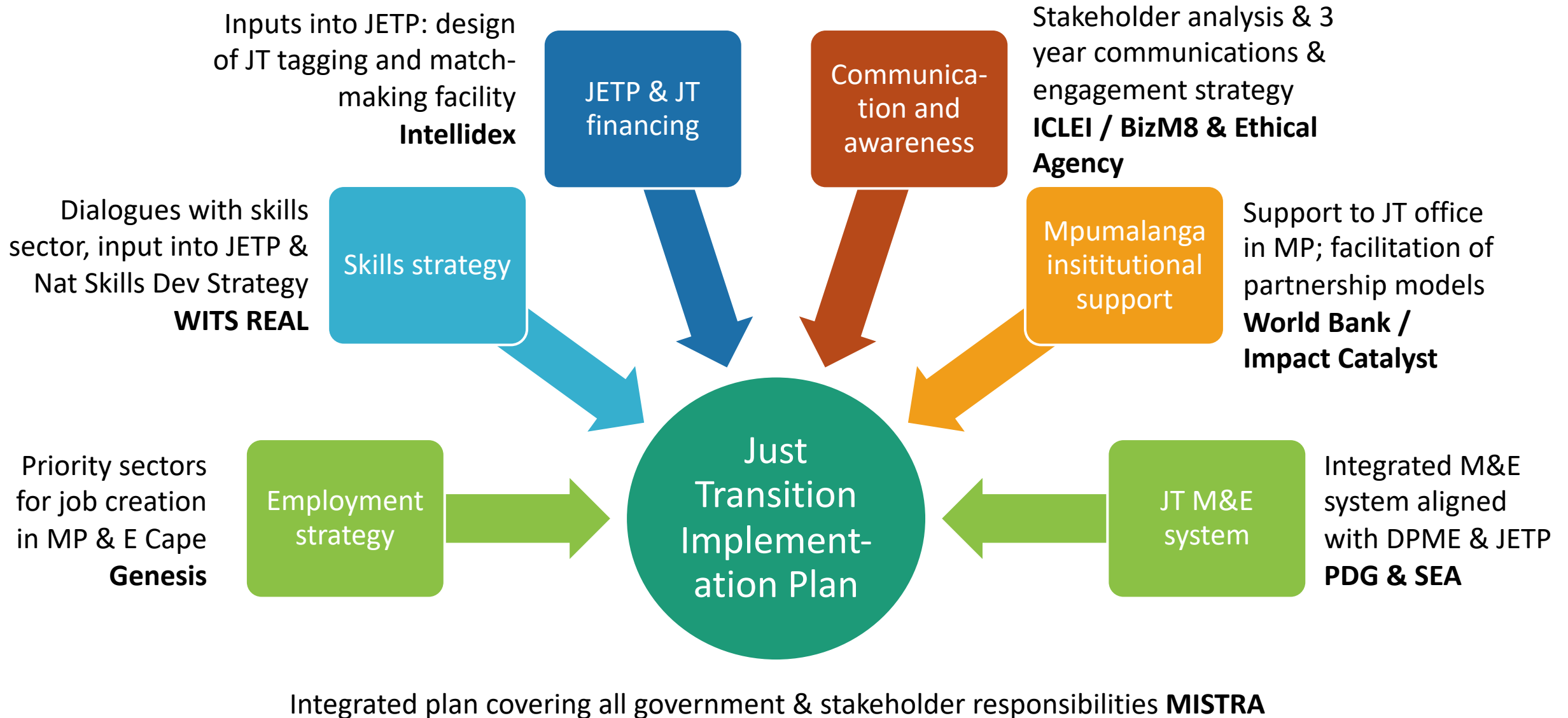
- PCC represented by Brian Mantlana, Lebogang Mulaisi, Blessing Manale, Dhesigen Naidoo, Ignicous Masilela
- PCC hosted two side events:
 - Innovative governance models for a just transition to a low-carbon resilient economy in African countries (co-hosted with DFFE)
 - High level breakfast round table on just energy transition financing (co-hosted with ACF, WRI and DFFE)
- African Leaders Nairobi Declaration called for a new financing architecture that is responsive to Africa's needs including debt restructuring and relief
- African countries and development partners to align technical and financial resources for sustainable utilization of Africa's natural assets
- Africa Climate Summit to be a biennial event convened by African Union and AU Member States



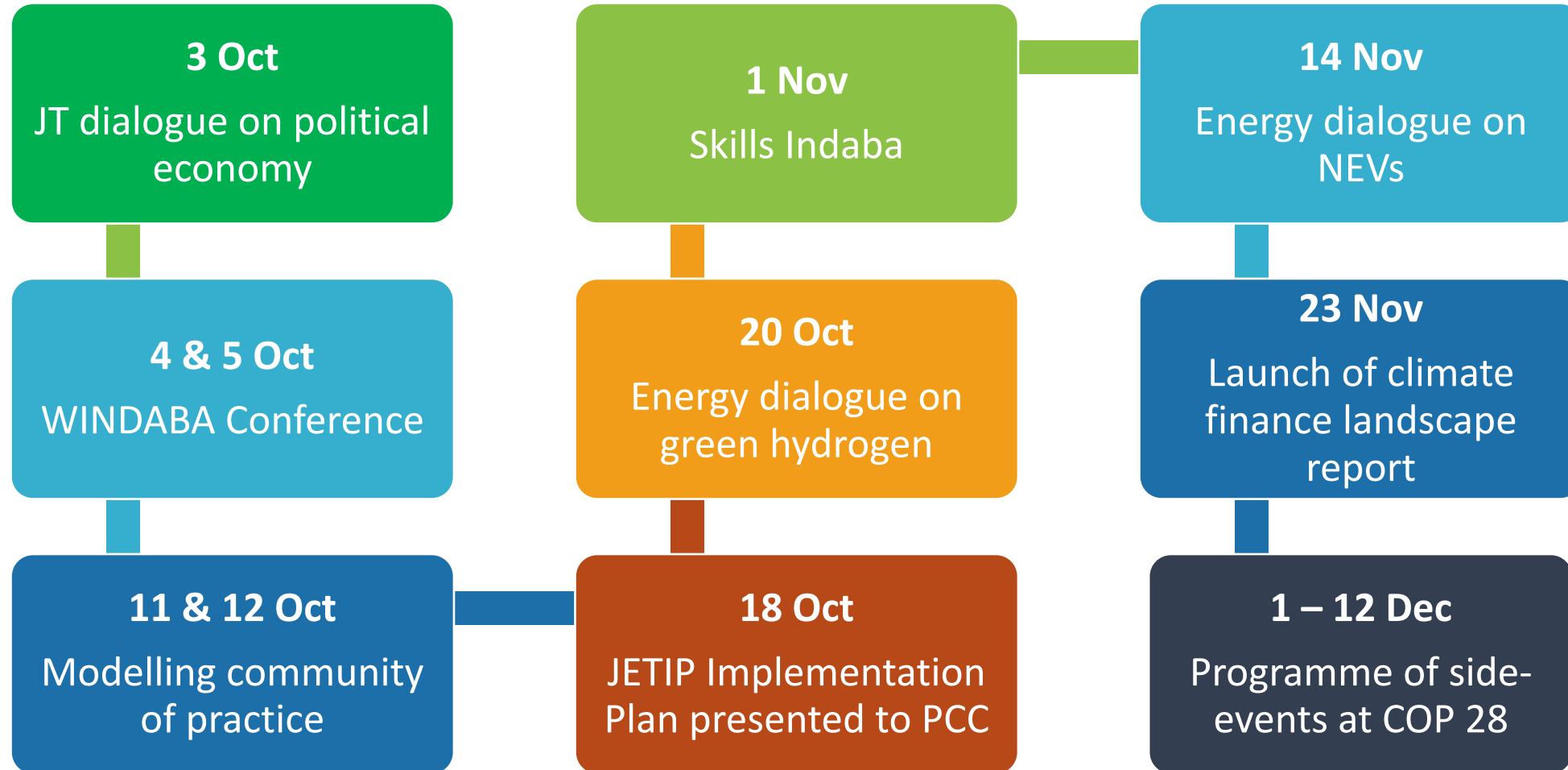
PCC structures & work areas



PCC work to give effect to JT Framework



Some upcoming PCC events



PCC Feasibility Study and Business Case

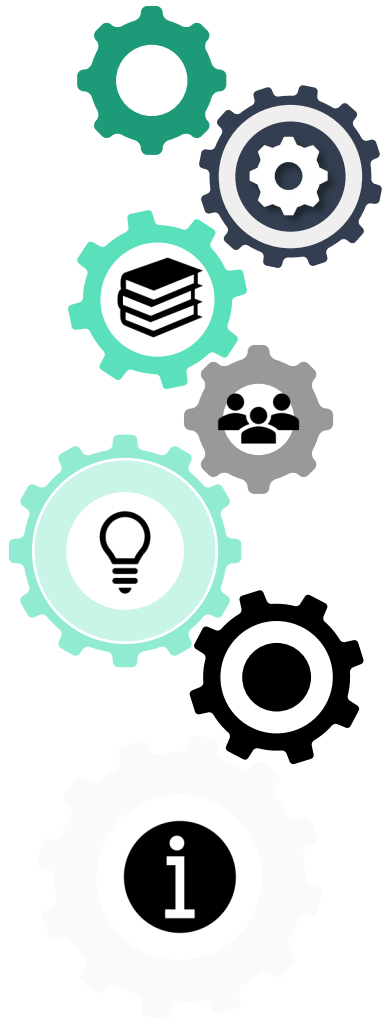


- The Presidential Jobs Summit in 2018 recommended that PCC be established as a **statutory body**
- Cabinet approved the establishment of PCC and its enabling provisions in the **Climate Change Bill**
- PCC initiated a **business case & feasibility study** in conjunction with DFFE, National Treasury, DPME, NEDLAC and DPSA to determine appropriate institutional form.
- Process is in line with National Treasury's **Guidelines for Creating Public Entities** at the National Sphere.
- **Pegasys** appointed to undertake work by December 2023.
- **Finance & Governance Committee** has overseen process.
- Recommendation is to establish PCC as **Schedule 3A public entity**.

Strengths and Weaknesses

	Strengths	Weaknesses
Government Component E.g. Government Pensions Administration Agency	<ol style="list-style-type: none"> 1. No need for extensive revision / update of CCB 2. Head of GC has powers and duties similar to HoD 3. Own administrative services with the option of drawing on its host department 4. Larger scale for service provision 5. Separate entity from parent department 	<ol style="list-style-type: none"> 1. Not a separate juristic person 2. Limited independence 3. Reliant on HoD to prioritise GC 4. Reduced agility 5. Limited flexibility for alternative sources of funding
Specialised Service Delivery Unit E.g. Expanded Public Works Programme	<ol style="list-style-type: none"> 1. No need for extensive revision / update of CCB 2. Support from Department's SCM, IT and financial structures 3. Specialised services 	<ol style="list-style-type: none"> 1. Not a juristic person 2. Lack of independence 3. Accountability to HoD 4. Reliant on HoD to prioritise SSDU 5. Reduced agility 6. Limited flexibility for alternative sources of funding 7. Surplus funds surrendered to NT
National Public Entity (3A) E.g. SANBI	<ol style="list-style-type: none"> 1. Juristic person with own governing authority 2. Powers or duties assigned in terms of enabling legislation 3. High levels of independence 4. Improved agility 5. Financial flexibility 	<ol style="list-style-type: none"> 1. Legal provisions in CCB and/or own legislation required 2. Requires own SCM, IT and finance divisions 3. Surplus funds surrendered to NT

Proposed Institutional Form: National Public Entity (Schedule 3A)



1. **Own juristic person** with the required level of independence to allow PCC to deliver upon its legislated mandate.
2. **Accountable to the Executive Authority (Minister)** in accordance with the legal prescripts that are provided in the supporting legislation i.e. CCB
3. **Reliant on enabling legislation** i.e. CCB to set out governance arrangements and assignment of powers and duties.
4. Institutional form needs to allow for **diversity of funding sources**.
5. PCC has **recommended provisions in the CCB** that support the proposed institutional form
6. **Phased approach** with PCC incubated within NEDLAC while regulations & budget finalised and support services established (consider shared services model)
7. The Commission is not recommended as **Accounting Authority**. Instead, it is proposed Executive Director performs this function.



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Thank you to Working Group Chairs, Commissioners and stakeholders who have been actively leading and participating in PCC work programme and events

Appendix 1: Schedule 3A entities Without Boards / Councils



- 157 Schedule 3A public entities - Most 3A entities have a board / council that is the accounting authority in terms of PFMA. Smaller entities have appointed CEO, ED or DG to be the accounting authority rather than a separate Board. This is dependent on the entity's size and functions.
 1. African Renaissance and International Cooperation Fund – No board, DG is Accounting Authority
 2. Companies and Intellectual Property Commission - No board, Commissioner (CEO) is the accounting authority
 3. Companies Tribunal – No board, Chairperson is accounting authority
 4. Compensation Fund, including Reserve Fund - DG is accounting authority but also has Compensation Board in place
 5. Competition Commission – No board, Commissioner (CEO) is the accounting authority
 6. Competition Tribunal – No board, Chairperson (CEO) is the accounting authority
 7. Financial Intelligence Centre – No board, Director is the accounting authority
 8. International Trade Administration Commission – No board, deputy chief commissioner is accounting authority
 9. Marine Living Resources Fund – No board, DG is accounting authority
 10. National Consumer Commission – No board, Commissioner (CEO) is accounting authority
 11. National Consumer Tribunal – No board, Executive Chairperson (CEO) is accounting authority
 12. National Credit Regulator - No board, CEO is accounting authority
 13. National Regulator for Compulsory Specifications - No board, CEO is accounting authority
 14. Office of the Ombudsman for Financial Services Providers – Has a board of Ombud Council, but Commissioner of Financial Sector Conduct Authority is accounting authority
 15. Office of the Pension Funds Adjudicator – No board, Commissioner of Financial Sector Conduct Authority is accounting authority
 16. Office of the Valuer-General - No board, Valuer-General (CEO) is accounting authority
 17. National Skills Fund – No board, Acting DG is accounting authority
- Examples of commissions with boards
 1. Commission for Conciliation, Mediation & Arbitration, Water Research Commission