

# THE PRESIDENTIAL CLIMATE COMMISSION'S FIRST ANNUAL REVIEW

APRIL 2021 – MARCH 2022



## ENGAGE WITH THE PRESIDENTIAL CLIMATE COMMISSION

Become an active part of the Presidential Climate Commission's growing community, helping to protect the environment and improve people's lives.

### **ONLINE**

Follow @ClimateZA to join the conversation, engage with our events on Facebook and connect with us on LinkedIn.





#### **NEWSLETTER**

Sign up for our newsletter at <a href="https://www.climatecommission.org.za">www.climatecommission.org.za</a> and keep up with our latest analyses, insights and events.



## CONTENTS

REFLECTING ON THE FIRST YEAR4
THE PRESIDENTIAL CLIMATE COMMISSION IN ACTION6
STRENGTHENING SOUTH AFRICA'S 2030 CLIMATE TARGET6
DEVELOPING A FRAMEWORK TO GUIDE A JUST TRANSITION7
BUILDING A SOCIAL COMPACT TO SUPPORT A JUST TRANSITION8
REFLECTING ON THE PRESIDENTIAL CLIMATE COMMISSION'S ESTABLISHMENT10
LAYING A ROBUST FOUNDATION FOR THE YEARS AHEAD12
DEEPENING WORK ON MITIGATION, ADAPTATION AND CLIMATE FINANCE12
DEEPENING WORK ON MITIGATION, ADAPTATION AND CLIMATE FINANCE12
DEEPENING WORK ON MITIGATION, ADAPTATION AND CLIMATE FINANCE
DEEPENING WORK ON MITIGATION, ADAPTATION AND CLIMATE FINANCE

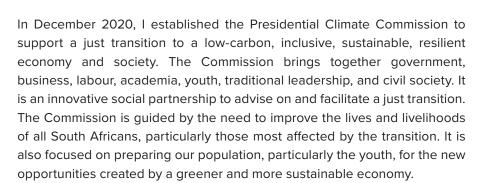


## A MESSAGE FROM THE CHAIR

#### H E PRESIDENT MATAMELA CYRIL RAMAPHOSA

he last year has been decisive for South Africa's transition to a low-carbon, inclusive, climate-resilient economy and society. We have made major strides in the fight against climate change, and in advancing our nation's development and economic competitiveness.

For the first time, our climate targets are compatible with limiting warming to 1.5°C—a goal that all countries agreed to as part of the Paris Agreement to combat climate change. Our Climate Change Bill, which is currently being considered by Parliament, will provide the necessary legal basis for us to meet our ambitious climate commitments. Our newly adopted National Climate Change Adaptation Strategy provides a framework to improve our resilience to extreme weather events. Indeed, advancing our nation's development and building climate resilience are two sides of the same coin. As we strive to prove this in practice, South Africa is emerging as a model for others to follow



We know that the changes that lie ahead will be difficult for some. We will need support from communities, businesses, all spheres of government and other nations. At the 26th United Nations climate change conference in Glasgow in November 2021, South Africa struck a historic US\$8.5 billion deal with the European Union, France, Germany, the United Kingdom and the United States. This first-of-its-kind partnership will help support a just and sustainable energy transition, ensuring energy security and access while also cutting emissions from fossil fuels.

We must get this transition right for the sake of our people, our future economic competitiveness and the global climate change effort. The research makes a clear case for action and our citizens demand it. Let us continue to seize the opportunities presented by a greener and more sustainable economy. Let us act decisively, with urgency and ambition.

H E President Matamela Cyril Ramaphosa Chair, Presidential Climate Commission April 2022





he idea for the Presidential Climate Commission (PCC) emerged at South Africa's 2018 Presidential Jobs Summit, when social partners agreed that a statutory body should be established under the Presidency to "maximise the opportunities for creating new and quality jobs in the context of a just transition to a low carbon economy and climate resilient society."

The PCC was formally created by the President of South Africa in December 2020, comprising 10 government ministers and 23 representatives from major stakeholder groups in South Africa: business, labour, civil society, research and academic institutions, youth, and traditional leadership.

#### The PCC's mandate is to:

- Provide independent and transparent advice on South Africa's climate change response, with the overarching aim of realising a long-term just and sustainable transition to a low-carbon, climate-resilient economy and society.
- Monitor and evaluate progress towards South Africa's mitigation and adaptation goals.

In executing this mandate, the PCC:

- Conducts rigorous and evidence-based research and communicates findings transparently.
- Works in an open and transparent manner with all stakeholders, with the aim
  of building social consensus around the complex and challenging decisions
  required to successfully navigate a just transition.

The PCC is supported by a Secretariat that advances the agenda of the PCC, by commissioning research and policy work, arranging robust dialogue and consultation processes, and preparing strategic communications.



"The science is clear: ambitious action in the next decade will be the last opportunity to keep the 1.5°C temperature threshold within reach. The PCC will oversee this transition and ensure it happens in a just manner that meets socioeconomic requirements."

Mapaseka Lukhele PCC Commissioner

## THE COMMISSION



CHAIRPERSON H E PRESIDENT MATAMELA CYRIL RAMAPHOSA



DEPUTY CHAIRPERSON VALLI MOOSA



MINISTER BARBARA CREECY



MINISTER FIKILE MBALULA



MINISTER ENOCH GODONGWANA



MINISTER PRAVIN GORDHAN



MINISTER GWEDE MANTASHE



MINISTER EBRAHIM PATEL



MINISTER NKOSAZANA DLAMINI ZUMA



MINISTER BLADE NZIMANDE



MINISTER SENZO MCHUNU



MINISTER THOKO DIDIZA



COMMISSIONER HAPPY KHAMBULE



COMMISSIONER MAC CHAVALALA



COMMISSIONER BOBBY PEEK



COMMISSIONER MAKOMA LEKALAKALA



COMMISSIONER BANTU HOLOMISA



COMMISSIONER MANDY RAMBHAROS



COMMISSIONER SETLAKALANE MOLEPO



COMMISSIONER LOUISE NAUDÉ



COMMISSIONER BRIAN MANTLANA



COMMISSIONER BONGANI MWALE



COMMISSIONER AYAKHA MELITHAFA



COMMISSIONER MAPASEKA



COMMISSIONER
JOANNE BATE



COMMISSIONER MELISSA FOURIE



COMMISSIONER TSAKANI NKAMULE



COMMISSIONER JAQUES HUGO



COMMISSIONER SHAMINI HARRINGTON



COMMISSIONER MBULAHENI MBODI



COMMISSIONER LEBOGANG MULAISI



COMMISSIONER
JOANNE YAWITCH



COMMISSIONER NIKISI LESUFI

## REFLECTING ON THE FIRST YEAR

### MR VALLI MOOSA, DEPUTY CHAIR

021 was a remarkable year. The COVID-19 pandemic continued to upend lives, cutting far too many tragically short. The pandemic also continued to highlight the deep social inequality that exists both within our nation, and between nations. Everyone has been touched by the pandemic, but it has struck our poorest and most marginalised communities the hardest. As I write this letter, South Africa's unemployment rate stands at one of the highest levels it has ever been. The divide between the rich and poor is bigger than ever.



While we deal with the immediate challenges posed by the pandemic and our economic recovery, we continue to face a longer, looming challenge, one that is perhaps even more dangerous: climate change. South Africa is in one of the most affected regions in the world, frequently experiencing droughts, floods and other extreme weather events. We need approaches and solutions to tackle our climate and development challenges together. We need a just and equitable transition to a climate-resilient and net-zero emissions society. This is an idea that our President is fiercely committed to, and that I and the rest of the commissioners fully support. There is a compelling case that strong climate action creates wins for the environment and wins for the South African economy.

I am particularly proud that the Commission's recommendations for a more ambitious 2030 climate target, based on robust evidence and detailed modelling studies, were embraced by Cabinet last September. The ambitious climate target also played a catalytic role in securing the US\$8.5 billion just energy transition partnership at COP26 in Glasgow – a partnership that will help accelerate the deployment of renewable energy, green hydrogen and electric vehicles, while transitioning away from coal.

The dialogues that we have hosted over several months on various issues around a just transition have had far reach, engaging ministers, company leaders, civil society, academia, youth, traditional leadership and labour groups – all coming together to discuss what it means to achieve a just transition in South Africa and what it will take to get there. And we continue to collect lessons and evidence, equipping us to provide credible, practical, and timely recommendation in the years ahead. Our aim is to facilitate an open and transparent conversation on the most pressing transitional issues in South Africa.



The upcoming year is critical. We will continue to press forward with our work of creating a just transition framework for South Africa that is shared by all, while deepening our major programmes of work focused on mitigation, adaptation, finance, and monitoring and evaluation. At the same time, the Presidential Climate Finance Task Force will hammer out the details for the crucial US\$8.5 billion Just Energy Transition Partnership ahead of the annual climate change conference (COP27) in November.

I am not naive about the challenges that lie ahead, but I firmly believe brighter days are approaching. As I look beyond the pandemic, I can envision our country closing the gap in inequity, addressing poverty and creating more decent work for all, while drastically reducing greenhouse gas emissions and becoming more resilient to the impacts of climate change.

I am grateful to our commissioners who have devoted significant time and ideas to the Commission in our first year of operation. I am grateful to our Secretariat who has so ably managed our work programme. I am also grateful to government, corporates and donors who have generously supported the Commission on this journey. I trust you can all be proud of what we have achieved together.

#### Valli Moosa

Deputy Chair, Presidential Climate Commission April 2022



# THE PRESIDENTIAL CLIMATE COMMISSION IN ACTION

In 2021, the PCC focused on three urgent priorities: strengthening South Africa's 2030 climate target, developing a framework to guide a just and equitable transition, and building a social compact to support this transition.

## STRENGTHENING SOUTH AFRICA'S 2030 CLIMATE TARGET

In early 2021, the President requested that the PCC support the public consultation process to build consensus around South Africa's updated nationally determined contribution (NDC). The NDC is a document that is submitted to the United Nations Framework Convention on Climate Change as part of South Africa's international commitment to addressing climate change. The NDC sets out the targets, policies and actions that South Africa will undertake through 2030 in the transition towards a low-emissions and climate-resilient economy.

In executing this task, we convened public dialogues with a range of stakeholders to discuss the draft NDC and identify opportunities to enhance it. We also examined South Africa's existing modelling landscape and commissioned new modelling work to investigate the country's mitigation trajectory. Based on this robust evidence base, we provided recommendations to government for a more ambitious NDC, achieved through a just and equitable transition. These recommendations were made with broad social consensus, underpinned by a clear economic and social case for stronger climate action. The government adopted the NDC recommendations in full, affirming the value of the PCC's technical work and public engagement.





"The PCC accelerates the collaborative actions in the just transition process to facilitate climate action today; tomorrow will be too late."

Jacques Hugo PCC Commissioner st Transition Framework -stakeholder Conference 5 - 6 May 2022, Midrand



## DEVELOPING A FRAMEWORK TO GUIDE A JUST TRANSITION

Over the past year, we developed a framework to guide a just and equitable transition in South Africa – in essence, a planning tool that sets out the actions that government and social partners should take to achieve a just transition, and the outcomes to be prioritised over the short, medium and long run. This framework aims to bring coherence and coordination to just-transition planning in South Africa.

In developing the framework, we commissioned a series of policy briefs on key issues relevant to achieving a just transition, building on years of research and consultation processes on the just transition, including those run by South Africa's National Planning Commission. We conducted a series of workshops and events on these issues, incorporating views of government ministers, civil society, business, labour, traditional leadership, youth and the research community, among others, to form a comprehensive view of the major topics for a just transition framework. We also embarked on a series of in-person community consultations, to better understand the needs of communities that are being affected by climate change. These consultations gave life to the principles of justice in the transition, ensuring that the framework is tailored to those most impacted by the changes that lie ahead. The framework will be finalised in the second quarter of 2022, following a multi-stakeholder conference, and then presented to Cabinet for adoption.



"A transition to a low-carbon and climateresilient economy must be well managed, or South Africans will find themselves the victim of decisions taken in service of geopolitical or domestic special interests that do not necessarily benefit all. This is the responsibility that the PCC carries. The PCC's Just Transition Framework allows for a national consensus that can underpin such a managed transition."

Louise Naudé PCC Commissioner

## BUILDING A SOCIAL COMPACT TO SUPPORT A JUST TRANSITION

The PCC's core mandate is to build a social compact to support a just transition, with the aim of facilitating a shared perspective on what it means to achieve a just transition and what it will take to get there. In delivering on this mandate, we have focused on deepening the evidence base for just and equitable climate action, promoting understanding through targeted communications, and engaging with all stakeholder groups openly and transparently.

The PCC's quarterly meetings are broadcast live to all, as are its dialogues, colloquia and other events. Over the past year, the PCC has discussed the importance of a just transition in South Africa, the emissions trajectory to take the economy to net-zero emissions by 2050, initiatives undertaken by major emitters to get to net-zero, the opportunities that exist in the hydrogen economy, and the climate finance required to support a just energy transition. The PCC has enjoyed the participation of some of the country's key leaders and thinkers in these meetings, including Reverend

Thabo Makgoba (Anglican Archbishop of Cape Town), Mr Bheki Ntshalintshali (Secretary-General of the Congress of South African Trade Unions), Professor Malegapuru Makgoba (outgoing Chairperson of the National Planning Commission), Mr Mark Cutifani (CEO of Anglo American), Mr André de Ruyter (CEO of Eskom), Mr Fleetwood Grobler (CEO of Sasol), and Mr Mxolisi Mgojo (CEO of Exxaro). In addition, the participation by the commissioners has been excellent, indicating a clear commitment at the highest level to ensuring a just transition in South Africa.

These meetings and events have helped reshape the understanding between climate change and economic development; introduced new lessons, ideas and solutions; fostered active discussions and debates; refined a vision for achieving a just transition; and influenced several major decisions taken by government.



"We must be inclusive in our engagements, with a focus on the poor and working class. We must also continue to solve South Africa's triple challenges of poverty, unemployment and inequality to improve our nation's socio-economic outcomes."

Mbulaheni Mbodi PCC Commissioner



Over the past year, together we have learned that:

- The climate transition will involve deep systemic change in South Africa's economy and society, and accordingly must be supported by a range of policies and actions, implemented by all social partners.
- The leading edge of South Africa's transition is the energy sector, but effects (and opportunities) will cross all economic sectors.
- It is essential to access sufficient resources to support a just and equitable transition, which includes public and private finance, from both domestic and international sources.
- Open and transparent discourse, based on a solid foundation of evidence and research, is vital for building trust and reaching consensus on the difficult transitions that lie ahead.



"The PCC creates a unique space that brings together decision-makers from different sectors to have difficult conversations and reach. The PCC creates a public platform to present the best scientific and technical evidence on climate action and the just transition."

Melissa Fourie PCC Commissioner



## REFLECTING ON THE PRESIDENTIAL CLIMATE COMMISSION'S ESTABLISHMENT

### DR CRISPIAN OLVER, EXECUTIVE DIRECTOR

The PCC's mandate is twofold: we are required to give expert, independent advice on all matters relating to the climate transition, and we are charged with facilitating consensus around pathways and bringing stakeholders together around key decisions. These functions require a unique set of skills and capacities, ably delivered through the commissioners and a full-time Secretariat staff.

From an institutional perspective, the last year has focused on laying a robust foundation for the Commission. The Climate Change Bill, which will establish the PCC as a permanent statutory body, is still being processed through Parliament. This means that the PCC does not yet have its own legal status and budget; instead, it operates in terms of an executive decision by President and Cabinet, which approved terms of reference for the Commission. In the interim, the Commission has adopted an Operational Charter which sets out its governance arrangements and structures. We have also finalised the process of locating the PCC Secretariat at the National Economic Development and Labour Council, while the long-term legislation and regulations are being finalised.

In other operational matters, the Department of Forestry, Fisheries and the Environment (DFFE) and the Department of Planning, Monitoring and Evaluation (DPME) are required to support the work of the Commission and resource the Secretariat. The DFFE has seconded two staff to support the work of the PCC and has made a core budget available. These resources are, however, limited compared to what is required. Fortunately, other donors have been able to fill the gap. The African Climate Foundation has offered to provide interim support while we set up our core operations, with other donors also willing to assist with various technical pieces of work. This has enabled us to make significant strides in several work areas.





I started work in March 2021 with one other staff member seconded by DFFE. Over the course of the year, we recruited 10 full-time staff to work for the PCC Secretariat, and with this dedicated team we are certainly making waves. We now have senior managers responsible for each of our operational areas – mitigation, adaptation, just transition and climate finance – as well as a Chief Operations Officer who takes charge of all our core enabling and support services. The Finance and Governance Committee has supported a staffing growth plan for the Secretariat, and over the next two years we will continue to grow to approximately 20 full-time staff.

With the team that we have in place, I am confident that we will be able to navigate what has often been an uncertain transitional period and continue to perform to the highest level. For those of us employed to do this work, it is a unique privilege. We are working on matters that cut to the very heart of the development of our country and our jobs are extremely fulfilling. We look forward to working with the commissioners and all our stakeholders as we continue to advance the exciting work of the Commission.

#### **Dr Crispian Olver**

Executive Director, Presidential Climate Commission April 2022



## LAYING A ROBUST FOUNDATION FOR THE YEARS AHEAD

In our first year, we laid a robust foundation for our future work. This includes deepening our workstreams on mitigation, adaptation and climate finance, as well as creating the PCC's Operational Charter.

#### DEEPENING WORK ON MITIGATION, ADAPTATION AND CLIMATE FINANCE

Over the past year, the PCC appointed senior managers for the mitigation, adaptation and climate finance workstreams; deepened the evidence base in these workstreams; brought together key stakeholders; and developed strategies to guide work in the years ahead. Select examples include:

- Organising several public events to provide a South African perspective on the latest climate science produced by the United Nations' Intergovernmental Panel on Climate Change. These events profiled South African experts and scientists, putting climate risks in sharp focus and providing insights into the systemic changes that are required to move on to a pathway towards low emissions and climateresilient development.
- Commissioning an expert perspective series.
   This series includes short essays from senior experts and practitioners that focus on the enhanced adaptation and resilience capacities that will be necessary in South Africa and how these enhancements can create new economic opportunities, including new jobs.

- Embarking on several modelling studies.
   One study aimed to understand the energy transformation that is possible in the country and related effects on the economy, human health, jobs and livelihoods, and investment needs. Another study aimed to examine South Africa's development pathways in the face of climate risks, helping to build the understanding needed to guide future investments in communities and infrastructure.
- Undertaking a comprehensive analysis of the climate finance landscape. This analysis mapped current finance investments and identified various sources from which climate finance could be mobilised to support a just transition.



"Climate finance can unlock new and disruptive technologies, which in turn open up different employment and value creation avenues that may not be thought possible today."

**Shamini Harrington** PCC Commissioner



Lebogang Mulaisi
PCC Commissioner

"Adaptation is crucial for a just transition in South Africa to ensure that industries and communities adapt so that no one is left behind."



"Without urgent and adequate financial flows from developed country partners, South Africa's rich coal heritage poses a huge challenge for a just transition. Our eyes are on the historic US\$8.5 billion Just Energy Transition Partnership for financing a just transition away from coal."

H E President Matamela Cyril Ramaphosa Chairperson of the Presidential Climate Commission

- Creating and supporting a CEOs forum, with the just transition and climate finance central to the agenda. The CEOs forum includes national development finance institutions (Industrial Development Corporation, Development Bank of Southern Africa, National Empowerment Fund, the Land Bank and the Government Employees Pension Fund). Various technical and working groups have been formed with the aim of further articulating climate finance needs, as well as mechanisms and instruments that will be required to facilitate a just transition.
- Concluding the PCC's climate strategy. The aims of this strategy are to help scale up climate finance; develop a just transition financing mechanism; reduce or remove the barriers to funding and investment flows; and embed green outcomes in the country's infrastructure and investment programmes.

## CREATING THE OPERATIONAL CHARTER

In 2022, the PCC approved its Operational Charter, following consultation with the commissioners, the Presidency, and the DFFE and DPME (as departments responsible for supporting the establishment of the Commission and Secretariat).

The Charter guides the Commission's day-to-day activities, including its:

- · Objectives, functions, powers and duties
- Core issues of governance, administration and staff
- · Financial and accountability mechanisms
- Provisions for delegation of powers and duties.

The Charter indicates that:

- The PCC follows the guidance, procedures and protocols of the Public Finance Management Act (1999) in the interest of public accountability and transparency.
- The PCC is independent, impartial and subject to the Constitution and applicable legislation.
- Each commissioner exercises their powers and performs their functions objectively and in good faith, and in compliance with the Constitution and applicable legislation.



Joanne Bate
Commissioner

"For South Africa to effectively meet its decarbonisation and GHG emissions goals, whilst ensuring continued economic competitiveness and growth, social upliftment, and job creation, it is imperative that we find fit-for-purpose, high quality and affordable financial solutions. The pledges made by the developed world, to provide grants and highly concessional financing packages to developing countries, will be essential for us to meet our global fair share contributions to our collective Net-Zero pursuit."

# REPORT FROM THE FINANCE AND GOVERNANCE COMMITTEE

The PCC's Charter provides for the creation of a Finance and Governance Committee, which is mandated to exercise oversight and provide direction in areas such as financial reporting processes, risk management, audit and accounting compliance practices – in short, to comply with and operate in accordance with the Public Finance Management Act. The Committee was established to handle financial and governance aspects of the work of the Commission and its Secretariat until the legal prescripts establishing the PCC as a statutory body are in place.

The Committee was formally established following the PCC meeting held on 21 October 2021, and meets quarterly and at least two weeks prior to Commission meetings. The Committee has met twice thus far.

There are five members of the Finance and Governance Committee: three are Commissioners and two are external accounting and governance experts:

- Ms Joanne Bate (Committee Chair and Commissioner)
- Ms Mapaseka Lukhele (Commissioner)
- Mr Setlakalane Molepo (Commissioner)
- Mr Gideon Serfontein
- Mr Mandla Nkomfe.

In the past year, the Committee:

- Considered and approved the PCC's business plan for the period of 2022 to 2024 and will meet quarterly to review progress towards the goals of the plan.
- Made recommendations on the institutional location of the PCC and facilitated the process of submission to Cabinet. Cabinet subsequently approved the interim hosting of the PCC at the National Economic Development and Labour Council until the Climate Change Bill is approved.
- Oversaw operational matters of the PCC, including human resources management, the remuneration of commissioners and Committee members, and the establishment of a risk register for the PCC.

#### OVERVIEW OF PCC EXPENDITURE

The PCC receives financial, technical and administrative support from government, via DFFE, and the African Climate Foundation (ACF). Support from DFFE is provided following the necessary prescripts of the Public Finance Management Act. Support from the ACF is guided by a Memorandum of Understanding between both parties. All funds channelled via ACF are spent and accounted for according to ACF's Procurement and Expenditure Policy, including institutional risks and accountability. The PCC spent around 11 percent of the budget allocated by government for the 2022 financial year over the year due to issues around unlocking the funds. Regarding the financial support from ACF, Bulb Foundation, and Open Society Foundation for South Africa (all channelled via ACF), the PCC has spent around 50 percent of the allocations shown below thus far.



#### LIST OF DONORS

LIST OF DONO	LIST OF DONORS				
CONTRIBUTOR (ALPHABETICAL)	AMOUNT (SOURCE CURRENCY)	PERIOD	CHANNEL	FUNDING FOR	
ACF	R7.8 million	Apr 2021 – Dec 2022	N/A	Salaries of the PCC Secretariat (partial coverage)	
Bulb Foundation	£75 000	Oct 2021 – Sep 2022	Via ACF	Work on climate finance	
Danish Ministry of Foreign Affairs	US\$40 000	Oct 2021 – Mar 2022	Via World Resources Institute	Expert essay series on enhancing climate resilience	
DFFE (on behalf of government)	R33 million	Apr 2021 – May 2024	N/A	Salaries of the PCC Secretariat (partial coverage), remuneration of commissioners, and activities related to the PCC's work such as workshops, travel and accommodation	
European Climate Foundation	R1.33 million	May 2021 – Apr 2022	Via Deutsche Gesellschaft für Internationale Zusammenarbeit	Policy briefs from Trade and Industrial Policy Strategies as inputs to the development of a just transition framework for South Africa	
Germany's Federal Ministry for Economic Cooperation and Development	US\$130 000	Mar 2021 – Dec 2021	Via World Resources Institute	Institutional setup, including the development of the PCC Operational Charter and other operational/legal arrangements	
Germany's Federal Ministry for Economic Cooperation and Development	US\$90 000	Oct 2021 – Mar 2022	Via World Resources Institute	Salaries of the PCC Secretariat (partial coverage)	
NDC Partnership/ Strategic Partnerships for the Implementation of the Paris Agreement	R2.8 million	Jul 2021 – Jun 2022	European Union and Germany's Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection	Stakeholder communications and engagements, including website improvement	
NDC Partnership/ Strategic Partnerships for the Implementation of the Paris Agreement	€100 000	Jul 2021 – Jun 2022	European Union and Germany's Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection	Creation of climate-resilient development pathways	
Open Society Foundation for South Africa	R4 million	Oct 2021 – Sep 2022	Via ACF	Just transition stakeholder consultations and communications	
United Kingdom's Partnership on Accelerating Climate Transition	£246 000	Apr 2021 – Mar 2022	N/A	Salaries of the PCC Secretariat (partial coverage) and just transition pathways	
World Bank	US\$500 000	Jul 2021 – Jun 2022	N/A	Salaries of the PCC Secretariat (partial coverage) and technical work on adaptation	

## LOOKING AHEAD

In future, the PCC will continue to address major challenges at the intersection of climate and development in South Africa with the aim of facilitating a just and equitable transition.



"The most important role of the PCC is to define a vision for a just transition, and the means for achieving that vision. The PCC must navigate tensions of opinions and differences in ideologies to achieve a common understanding and a unifying programme of action."

Happy Khambule PCC Commissioner

Our first priority is to complete work on a just transition framework for South Africa, informed by the views of those who will be most affected by the transition. This framework intends to bring coherency and coordination to just-transition planning in the country, setting us on a footing to seize opportunities and manage risks from the transition in the years ahead.

Alongside the development of the framework, we will also press forward with implementation – how, practically, the Commission will give effect to a just transition. This work covers all facets of the transition: first, to create jobs and skills development strategies to equip our workers, particularly the youth, for the green industries of the future; second, to stimulate research and innovation to support a just transition; and third, to mobilise finance towards a just transition, with a starting point of tracking current finance flows to understand the key drivers of climate investments.

The energy transition will be central to all work in 2022. The timely transformation of South Africa's energy mix is crucial for improving energy security, eliminating energy poverty and reducing emissions associated with fossil fuel-based electricity generation. We will continue with our modelling work to shed light on the type of energy transformation that is possible, including local economic development opportunities and job creation. This includes defining an accelerated coal decommissioning schedule and identifying financial mechanisms to support that transition. In addition, we will prepare a series of energy primers and convene a series of public dialogues to establish a shared understanding about the possibilities for the future energy mix. The goal is to develop an energy plan, shared by all social partners, which the government uses to inform regulatory and planning instruments such as the Integrated Resources Plan.



"For South Africa, the just energy transition MUST refer to a transition towards a low-carbon, climate-resilient economy and society in a manner that does not impede socioeconomic development but does result in an increase in sustainable jobs. The just energy transition is not a sudden shift in economic activity: it occurs in a phased manner over time. The PCC plays an important role in providing a platform for robust, transparent and frank engagement among all sectors of the economy."

Mandy Rambharos PCC Commissioner While work on climate mitigation continues apace, the Commission will also deepen work to enhance South Africa's resilience to the impacts of climate change, in a way that improves lives and livelihoods for all. This encapsulates climate resilience (taking action to ensure our communities can withstand climate risks), as well as broader societal resilience (empowering people and strengthening policies to ensure more just, equal and sustainable outcomes). Our work will aim to accelerate the implementation of South Africa's National Climate Change Adaptation Strategy, through the advancement of climate-resilient development pathways and new partnerships with the science and research community.

We will continue to meet directly with coal miners who have already lost jobs, workers in coal-fired power stations who stand to lose jobs through decommissioning, and people who live in the surrounding communities and are dependent on mining activity to support their livelihoods. We will also continue our engagements with communities, especially in rural areas and former homelands, that are most affected by climate change.

In addition, we will deepen work around monitoring the transition. With the vision and milestones for achieving a just transition increasingly concrete in South Africa, it is essential to develop a process of tracking progress towards those objectives. South Africa has extensive experience in such tracking, which we will build upon with a strong focus on evaluation, ensuring that the tracking work improves policy- and decision-making. This work will encompass mitigation, adaptation, finance and development – with a central objective of tracking how lives and livelihoods are being improved (or harmed) in the transition towards net-zero emissions and climate-resilient development.



A just and inclusive transition from coal to clean energy in South Africa is a matter of social and economic justice, and hence must consider the needs of an ordinary coal miner whose livelihood depends on the coal resource. We appreciate the discussions on a just transition at PCC and the intention to engage those who matter most at the grassroots."

H E President Matamela Cyril Ramaphosa Chairperson of the Presidential Climate Commission

Our work in 2022 will be set against the backdrop of the US\$8.5 billion just energy transition partnership, as South Africa's Presidential Climate Finance Task Team works to finalise the details of the partnership ahead of COP27 in Sharm El-Sheikh, Egypt. The PCC has supported the partnership since the idea was seeded and we will continue to provide support as the contours of the partnership are finalised.

Finally, as we look to the rest of 2022 and beyond, the PCC will continue to build a new model for inclusive and collective decision-making, involving the individuals, workers and communities that are affected in the transition.



## NOTES



