Policy Brief

Implementation of the Just Energy Transition Partnership in South Africa

Lessons Learnt for Civil Society Organisations

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Introduction to Just Energy Transition Partnerships (JETP)

The South African JETP was announced during the UN Climate Change Conference in Glasgow (COP26). It is a long-term partnership between the governments of South Africa, France, Germany, the United Kingdom, and the United States, along with the European Union (EU), to support South Africa’s decarbonisation efforts. If it is well designed and implemented, it could become a new model for international cooperation around climate action based on national platforms (Hadley et al., 2022).

Building on the South African JETP, future JETPs with other countries are being developed. These include India, Indonesia, Senegal, and Vietnam, as announced in the G7’s Chair Summary on Climate Neutrality (G7, 2022a). While all G7 countries will participate in the negotiations for all of these partnerships, in the case of each prospective partnership they have identified two countries that will take the lead (see figure below). Further, the launch of a collective initiative to design new JETPs in Africa was also announced at the EU–Africa summit in February (EU, 2022). The countries suggested for JETPs as part of the Africa–EU Green Energy Initiative, in addition to Senegal, are Egypt, Côte d’Ivoire, Kenya, and Morocco, according to an announcement by the French presidency of the EU (French Presidential Office, 2022).

So far, however, the concept of JETPs remains rather vague. Concepts for ambitious and coherent cooperation between countries to keep warming below the 1.5-degree threshold have been developed by various actors since the signing of the Paris Agreement. One of the threads common to these ideas is that these partnerships would have to be based on mutual trust, longer-term commitments, and deeper involvement from civil society actors (see for example, (Weischer et al., 2021).

The respective presidencies of COP26 and G7 2021 (United Kingdom), G7 2022 (Germany), and the Council of the European Union in the first half of 2022 (France), have all published summary documents on JETPs that stress their determination to work closely together to maintain strong political momentum in these processes to bring on board all relevant partners and with a view to making as much progress as possible by COP27 (COP26, 2022; French Presidential Office, 2022; G7, 2021, 2022b).

CHAPTER 1

Background

1 Introduction to Just Energy Transition Partnerships (JETP)

2 The case of South Africa
Also emerging from these documents are some shared principles for JETPs (G7, 2022a):

- Promote national ownership and commitment from partner countries
- Accelerate financial and technical resources through appropriate instruments including concessional loans, guarantees, and grants to reduce the cost of the energy transition for populations and modernise power grids
- Build on a pragmatic, nationally owned, and solutions-oriented dialogue, based on data-led country-by-country assessments, in partnership with relevant institutions
- Focus more widely on achieving the Sustainable Development Goals, based on access to energy and job opportunities (including for youth and women), and on attracting new industries and incubators for innovation

The case of South Africa

South Africa is the world’s seventh-largest coal producer and provides many jobs in the coal industry. It has the most coal-intensive economy of the G20, making it the world’s most carbon-intensive electricity producer. A total of 135,000 people are directly employed in the coal value chain (Climate Transparency, 2021). However, South Africa’s high-carbon energy system is failing to meet its energy demand.

Eskom, South Africa’s public electricity utility company, is in a debt crisis and requires regular bailouts. In addition, it is unable to generate enough electricity to meet the demand. As a result, it has been using load shedding (rolling blackouts) to avoid the collapse of the grid. At the same time, South Africa is grappling with enormous socio-economic challenges including mass unemployment (G7, 2021; Mills, 2022; Stoddard, 2021). However, an ambitious build-out of renewable infrastructure, together with retrofitting of buildings, could create 50,000 jobs a year over the next decade in the construction, operation, and maintenance of wind and solar plants, while simultaneously reducing South Africa’s carbon emissions. Currently, Eskom generates 95% of South Africa’s electricity. Eskom is 100% owned by the South African government and could be the most important implementing institution for South Africa’s just energy transition (Blended Finance Taskforce, n.d.).

The JETP aims to accelerate the decarbonisation of South Africa’s economy, with a focus on the electricity system, and seeks to help South Africa achieve the emissions goals set out in its Nationally Determined Contribution (Gompertz, 2022). It is expected to help steer South Africa away from fossil fuels and prevent up to 1–1.5 gigatonnes of emissions over the next 20 years (Spinant & McPhie, 2021).

The South African JETP recognises that actions to decarbonise the South African electricity sector need to support just transition interventions, including equitable and inclusive transitions for workers and vulnerable communities. Many people in South Africa’s Mpumalanga, KwaZulu-Natal, and Limpopo provinces rely on the coal sector for their livelihoods. Investing in the transition to a decarbonised energy system must include a focus on projects that rehabilitate local areas to guarantee liveable conditions and to support existing community-based economic activities. This investment is intended to unlock new jobs and provide investment opportunities based on local needs, skills, and resources, especially in frontline regions such as Mpumalanga (Blended Finance Taskforce, n.d.). More generally, a just energy transition for South Africa must ensure that the transition to a decarbonised economy is conducted in a way that serves to address present and historical inequality, creates jobs, relieves poverty, enables resilience to climate impacts and energy instability, provides access to affordable electricity, and leaves no one behind.

If South Africa’s JETP is successful, it could provide a basis for similar approaches in other developing countries and middle-income economies. However, failure would send the opposite message. While the details of the commitments are still being discussed, there are, for instance, concerns about whether the partnership matches the unique needs and challenges in South Africa (Blended Finance Taskforce, n.d.). These have to be adequately addressed.

Figure 1: JETP country structure

IPG = International Partners Group
Source: Own illustration based on G7, 2022b

MOREOVER, INSUFFICIENT COMMUNITY AND CIVIL SOCIETY INVOLVEMENT AND ENGAGEMENT, AND LACK OF TRANSPARENCY OR COORDINATION, WOULD LEAVE THE JETP AT SIGNIFICANT RISK OF LACKING SUPPORT, LEGITIMACY, AND ULTIMATELY EFFECTIVENESS. BUT PROGRESS IN SOUTH AFRICA TOWARDS MEANINGFUL ENGAGEMENT WITH CIVIL SOCIETY AND COMMUNITY STAKEHOLDERS COULD UNLOCK A JUST COAL-TO-CLEAN TRANSITION MODEL FOR THE WORLD (GOMPertz, 2022).
CHAPTER 2

State of play of the South African JETP

1. Structure and development of the South African JETP

2. The role of civil society in the South African JETP

3. Lessons relevant to other countries and the G7/G20 context

Structure and development of the South African JETP

The international partners (the EU, France, Germany, the United Kingdom, and the United States) coordinate their participation in the JETP through the IPG.

On the South African side, in February 2022 the President of South Africa established the Presidential Climate Finance Task Team (PCFTT): its role is explicitly focused on the partnership, and it serves as the counterpart for the IPG. The PCFTT reports to an Inter-Ministerial Committee that is chaired by the President. Its mandate is to engage with the IPG with a view to advising Cabinet on the composition and affordability of the financing package and on its alignment with the South African regulatory environment; coordinate relevant government departments, development finance institutions, and the private sector; and oversee the development of relevant financing mechanisms and facilities to enable the flow of international climate finance to support South Africa’s just transition in the electricity, electric vehicles, and green hydrogen sectors.

The PCFTT is also supposed to coordinate the mobilisation of funds, including the $8.5 billion pledged at COP26 (South African Presidential Office, 2022).

Communication from the PCFTT indicates that it has asked the international partners to submit financial offers for technical evaluation. The technical evaluation of the financial offers includes partners in the National Treasury Department, and consultants. However, at this stage of negotiations, those conducting the evaluation process are keeping the JETP discussions confidential. This is hindering civil society’s understanding of the discussions and makes it difficult for civil society to provide input. This risks creating JETP instruments that are not aligned with societal needs.
Implementation of the Just Energy Transition Partnership in South Africa

The PCC produced the Just Transition Framework for South Africa’s Cabinet approval in early 2022. The framework has since been published. The Just Transition Framework is a strategic plan for achieving a just and equitable transition to net-zero carbon emissions in South Africa by 2050. It will also guide the approach to the implementation of the JETP, with the supposed involvement of actors and stakeholders from different backgrounds (PCC, 2022). The Just Transition Framework will also provide the necessary foundation to guide other planning and policy-setting processes in South Africa (PCC, n.d.).

However, at this stage, there is no civil society representation in these groups and there is some concern about transparency. Just transition and environmental considerations will have to be incorporated into each working group.

In addition to the newly installed PCFTT, there are already existing relevant structures within the government of South Africa, such as the Presidential Climate Commission (PCC). The PCC is a multi-stakeholder body established by the President to advise on the country’s climate change response and pathways to a low-carbon, climate-resilient economy and society. It also facilitates dialogue between social partners including civil society and communities.

In 2021, the PCC commissioned several studies and undertook public consultations to help inform the development of the Just Transition Framework and to unpack some of the issues and the context for the development of a framework that is practical, timely, and actionable, and meets the needs of all social partners. In addition, in July 2021, the PCC hosted a high-level discussion on South Africa’s just energy transition, with a focus on socio-economic impacts, technology choices, and options for financing the transition. Speakers included the Minister of Fisheries, Forestry, and the Environment, the Minister of Mineral Resources and Energy, the Minister of Finance, and the CEOs of Eskom and Anglo American, among others.

The PCFTT and the IPG have decided to establish a cross-cutting finance working group, an implementation working group, and three working groups addressing the power sector, green hydrogen, and the transport sector. These will be the vehicle through which key technical expertise and experience can be mobilised to inform the development of the JETP investment package (JETP-IP).

In Figure 2, the governance structure in connection with the South African JETP is illustrated. The JETP Secretariat advises on the country’s climate change response and just transition pathways. The International Partners Group provides technical support and coordination through five working groups.

Aerial view of Cape Town, South Africa.

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Figure 2:
Governance structure in connection with the South African JETP

- Advised by think tank
- Provides technical support and coordination through five working groups

- Advises the cabinet
- Coordinates government, finance institutions, and the private sector
- Enables the flow of international climate finance

Advised by think tank
Provides technical support and coordination through five working groups

Advises on the country’s climate change response and just transition pathways
Facilitates dialogue between social partners (e.g. civil society and communities)

Coordinates international partners and serves as interlocutor for coordination between international partners and the South African government

Source: Own research
Policy developments

Since the announcement of the partnership, there has been progress in instituting legislative and regulatory frameworks that will guide its implementation. An updated Climate Change Bill was tabled in the South African parliament in early 2022. In addition, draft legislation has been published that proposes significant changes in the regulation of the electricity sector, including the establishment of a competitive electricity market alongside the restructuring of Eskom (COP26, 2022).

Moreover, details of the partnership released since the announcement of the JETP are still scant, and most analysis of the partnership therefore remains somewhat speculative. The governance structures have kept most information confidential from civil society and the broader public. In addition, most recommendations for the implementation of a just energy transition in South Africa are focused on actions that the government and its state-owned utility, Eskom, need to take. There is little information available to the public, including civil society groups, on the donors or what the $8.5 billion is earmarked for (Bleden Finance Taskforce, n.d.). In June 2026, the Presidency of COP26 published an updated report on the JETP that provides a timeline for the next steps (see figure 3).
This lack of information or of opportunities to provide input was also highlighted in a letter sent by the Centre for Environmental Rights, the Life After Coal Campaign, and the Fair Finance Southern Africa Coalition to the PCFTT in February 2022. The letter noted the various competing interests and challenges in the South African energy sector and questioned how the JETP would address them, including social and ecological concerns. The letter highlighted the inconsistencies in the declaration of the costs relating to a just energy transition in South Africa. It sought clarification on the discrepancies between Eskom’s predicted just energy transition costs of $30–35 billion over 15 years and the Political Declaration, which refers only to the announced donor contribution to the JETP of $8.5 billion (Govindsamy, 2022).

The lack of available information on the details of the JETP is creating distrust between civil society and the government. This distrust is exacerbated by an ongoing battle over the future roles of renewables and fossil fuels within the government. The Energy Minister’s pronouncements in support of coal and gas as South Africa’s future energy source have even led some civil society groups to call on donor countries to retract the $8.5 billion financing and any further funding (The Climate Justice Charter Movement, 2022).

Thus, the inadequate engagement of civil society has raised questions around issues of transparency, equitable access, and accountability.

MOVING FORWARD, THERE IS A NEED TO SHARE INFORMATION ON THE JETP WITH STAKEHOLDERS, ESPECIALLY WITH CIVIL SOCIETY.

Civil society organisations in South Africa were actively engaged in various initiatives pushing for just transition in South Africa long before the announcement of the JETP at COP26. For instance, they have authored reports outlining what just transition could mean for South African workers and communities. Even though official engagement with the JETP process is being hindered by the lack of available information, South African civil society groups continue to generate and share information that could inform the implementation of the JETP.

In the South African case, even though the PCC is in charge of engaging civil society on just transitions, no clear procedure is laid down, nor is there a platform to ensure continued and objective consultation. There is a pressing need for a formal platform where various stakeholders can be engaged and consulted and information can be shared. This is important in providing much-needed space for engagement but also for continuity.

In addition, there is a need for civil society to continue to organise, including across borders, to draw in solidarity from international allies. Organised civil society groups could engage effectively by building common positions around issues of just energy transition and forging strong voices in critical spaces. Civil society has a key role in advancing the conversation about what should be ‘in’ (or ‘out’) of the JETPs. Civil society must continue to remind governments and businesses of what constitutes justice in the transition to low-carbon economies.

There are plans to replicate the South African JETP in other countries, mostly coal-dependent middle-income countries. However, for JETPs to meet the needs of frontline communities and workers, it is very important to engage communities and civil society early on and in a transparent and clearly structured way. This includes engagement with civil society in designing partnerships and planning implementation.

MOST IMPORTANTLY, BASED ON SOUTH AFRICAN EXPERIENCES, THERE IS A NEED FOR DEEP REFLECTION ON THE CONTENTS OF THE PARTNERSHIPS. IN THE SOUTH AFRICAN CASE, THE PUBLIC DO NOT HAVE ACCESS TO THE DETAILS OF THE PARTNERSHIP INCLUDING INFORMATION ON WHAT IS CONTAINED IN THE $8.5 BILLION PLEDGE AND WHAT SPECIFIC ACTIVITIES THE SOUTH AFRICAN SIDE PLANS TO UNDERTAKE WITH THIS SUPPORT. THIS IS CURRENTLY HINDERING MEANINGFUL PARTICIPATION IN THE DISCUSSIONS ABOUT THE JETP.
MORE TRANSPARENCY AND CLEARER AVENUES FOR ENGAGEMENT WOULD ENSURE THAT THE PUBLIC AND ALL STAKEHOLDERS UNDERSTAND THE TERMS AND CAN CONTRIBUTE TO THE SUCCESS OF THE JETP.

Key lessons:

- **Ensure engagement of civil society** in designing the partnerships and planning the implementation from early on.

- **Establish a formal platform** with various stakeholders as a space for engagement and continuity.

- **Support a regular and transparent flow of information** towards civil society and the public.

- **Promote awareness-raising** across a wider community.

- **Integrate different levels of the community** into the conversation.

- **Actively demand participation** – for example, international fellow CSOs should raise their voices to call for opportunities to participate.
G7 | G20 TRACK 2 DIALOGUE

G7 | G20 Track 2 Project is a channel to allow ‘trickle-down / Bottom-up’ dialogues between civil society and governments to discuss climate change policies in the context of G20. Our partner CSOs in each country represents the global south countries in these dialogues.

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