

Mike Ward:

It is absolutely vital that we talk to vulnerable and marginalized groups and that we do it in a way that builds trust between these different understandings of lived experience of life and of sustainable development at a broad level. And also I think builds along with trust and empathy a sense of understanding of what other people's lived experience is like.

Lisa Highland:

Welcome to Energy 360, the podcast from the energy security and climate change program at CSIS. I'm your host Lisa Highland. This week's episode is part of the just transitions initiative, a partnership of the CSIS' energy program and the climate investment funds. We're going to take a deep dive into South Africa, where just transitions have featured prominently into its national discussion around energy transitions and climate action. With this to lead today's discussion is our guest host Neha Sharma. Neha is an evaluation and learning specialist with the climate investment funds. She talks with Brenda Martin and Mike Ward two experts who bring us a wealth of expertise in understanding about South Africa. Brenda has worked as a multi-sector practitioner in South Africa's energy and development sectors for two decades and she is currently with the University of Cape Town. Mike is a sustainability professional and is currently completing his PhD at Rhodes University and he works as a senior sustainability specialist with a climate investment funds on just transitions. I'll turn it over to Neha now for this great discussion.

Neha Sharma:

I am very grateful to be joined here today by Mike Ward and Brenda Martin who together bring with them years of experience and expertise on energy transition in South Africa just transition is quite widely discussed in South Africa it's featured prominently in South Africa's national plans climate change policies and commitments. And several different groups have acknowledged its importance including government labor civil society and businesses. However, people are often not referring to the same things or dimension so to say when they're speaking about just transitions. People bring with its use their own interpretations of what it is, which is determined by the gains and losses that they might suffer in the change or transition process.

Neha Sharma:

In today's discussion we will look at what just transition means in the South Africa context, why it is important, what is being done about it and what is not being done but should be? So to get us started, I wanted to ask you Brenda as someone who has worked for decades on a range of development issues in South Africa that span education, gender, political economy and energy what does just transition mean to you? What are you implying, when you speak about just transitions?

Brenda Martin:

The word justice in our context is, I think quite tightly linked to issues of equality, of equity in every race. It takes into account the fact that these different dimensions of transition are interrelated society, environment and the economy. But I think that given our history and given especially the extent to which energy has been the concern of our economy, if we are going to be transitioning our energy sector there is no way that that work can sidestep addressing inequality.

Neha Sharma:

Mike, I wanted to ask you the same question as a sustainable development professional who worked for decades, at the intersection of green economies, sustainable finance, water and skills development what does just transition mean to you?

Mike Ward:

Yeah, and so I think as we grapple with this notion of sustainable development, one of the things that we really can't do is deal with environment, society and economy as separate things. I think that as we try to address the societal challenges that Brenda's mentioned, poverty, unemployment and equality, we have to do this within an increasingly pressured and fragile environment. So I think that the economy needs to ensure the allocation of social environmental goods in ways that are both safe and just. I think we really need to move beyond this approach that suggests that we have a choice between economic development and environmental health.

Mike Ward:

We really have to do both, or we land up with a very real possibility of having neither, it's probably captured most succinctly in the notion of there are no jobs on a dead planet. And I think sincerely was late 1990s, when just transitions first emerged in America, it's been the big focus to address this false economy, and to really start to look at how we create decent jobs for all, social inclusion and eradicate poverty, which are three big challenges that we face, both in South Africa and globally. So I think that it picks up on the two key dimensions of just transition, one is around the distributional aspects, who gets what? And the other procedural aspects of concern of who gets to decide in these processes. So that for me is a really big interest around just transitions.

Neha Sharma:

Thank you, Mike. And then thank you, Brenda. Some really interesting things you said there. And as I'm listening to this, I'm already realizing there probably as many definitions of just transitions, as there are people speaking about it. And yet they're overlapping considerations and concepts, like you're saying, the interconnectedness between the economy, environment and communities, and really a strong consideration of losers and winners in the change process, who gets what and who gets to decide. And of course, when we're speaking about just transitions in South Africa, we're speaking about a process or a transition away from coal towards greener and cleaner options. So I wanted to speak about coal. And let me start with you now, Mike, and ask you, what is the role of coal in South Africa in terms of its impact on the economy and on communities? Why is coal so important to South Africa?

Mike Ward:

Yeah, I think that coal has played such a critical part of our development for the past 150 years. It still provides 90% of our electricity, 74% of our total primary energy, it has been core, I think, to building the second largest economy on the African continent, really contributed to significant regional economic development. It has been an important positive contributor to where South Africa sits at the moment. It's also been at the heart of what is often referred to as the mineral energy complex, the relationship between mining and coal energy in the country that's been built around the former development that exploits both people and planet.

Mike Ward:

So I think that South Africa is the 15th highest emitter of CO<sub>2</sub> in the world. We face significant resource constraints around for example, water, where it's predicted we'll have a 17% deficit of supply to demand

by 2030. And all of this will be exacerbated by climate change. So you know, in the most unequal country in the world, with one of the highest levels of unemployment over 30% going into COVID, probably closer to 40% coming out of it, persistent poverty, we really need to address environmental and social challenges. And this will require very rapid, but just transition away from coal.

Neha Sharma:

And Brenda, would you agree with the facts that Mike is highlighting as the most important aspects of coal on the South African economy and communities, both on the positive and negative side? Are there other impacts at this intersection of environment, economy and community that are important to understand truly the complexities of this transition away from coal?

Brenda Martin:

Yes, I think that it's important to balance the perspective, it's very easy to look back and only note what has gone wrong, or what could have been done better. But in this case, it's important to bear in mind that South Africa has a significant mineral's wealth and of course, that is seen as an endowment, a gift from the planet for many in this country. And the recognition that mineral's wealth has been extracted for many different reasons over time and across the globe. So there are very strong sayings among some members of society that there is an obligation and a duty to extract that wealth and to hold on to it, and to utilize it for the good of the economy and so on. Of course, we would dispute some of those views would be around where wealth has been distributed and how some of those benefits have resulted in very severe consequences and costs.

Brenda Martin:

And I think, most negative aspect to that certainly from my perspective has been around exploitation of labor, cheap labor in order to arrive at that outcome of cheap power. But other benefits include things like the massive rail infrastructure that has been built around the movement of coal from one end of the country to the other. The ports infrastructure, the fact that we have a significant chain of exports of good quality coal, and then some more recent benefits that have been realized on the social and economic front more around ownership of coal interests and so on. Of course, all of that comes at a cost always because of the extractive nature of the complete value chain of coal supply. And I think that those are the places I would really interrogate out of balance, have we achieved a net benefit or net effect that is so detrimental, that is worth thinking about.

Neha Sharma:

Net benefit or net loss? Mike, do you have a response to that?

Mike Ward:

No, I think that it is important a notion of a balanced view. So there's no doubt that coal and fossil fuels provide enormous benefits and have provided benefits to the development of many countries. And as we try and grapple with global climate change, we need to be very careful not to stop some countries from developing resources, or we need to work with those countries to develop alternatives in terms of providing access to energy developing economies. And it's too easy, to just say we need to stop coal, it's not really an option we need to stop it in a just way that takes into account the differentiated responsibilities across countries and societies.

Neha Sharma:

Thank you. Mike this is such an important point that you're raising that we know a lot of countries in the global south are concerned by, and it's really critical to their development. And two things that you've both said really stood out to me, the expressions like gift to the environment, and there are no jobs on a dead planet, really put the people environment nexus at the center of this, how dependent we are on the environment. It was really enlightening to hear your points of view on the importance of coal, given the central role that coal has played and the historic stronghold of coal in South Africa. We also know that there's a change process that's happening. And Mike, could you speak a little bit about the transition part in the just transition phase, what are the key trends that are driving this transition away from coal?

Mike Ward:

Yeah, so I think there are both market and policy drivers at the moment in this transition. And it's not only away from coal, coal is obviously a big focus in the work, but it's really towards a low carbon resource efficient economy. So other fossil fuels will start to come on, but in South Africa, because of our huge reliance on coal, the focus of the discussion is really there. But I think over the last two decades, we've seen the real cost of coal to Eskom, the state power utility, the cost of coal to Eskom has increased by 300% and that's a real increase in cost. Alongside kind of increasing cost of producing electricity, there's been a significant decline in the cost of alternative sources of energy, including renewables in the country. So we've seen the cost of coal powered electricity, thermal coal going up, and renewables coming down. That is a big part of the consideration at the moment.

Mike Ward:

Alongside that, we've seen very significant, what we call load shedding or rotational power cuts, which has started to raise questions around the reliability of coal supply, which is a bit of an anomaly really considering that in many instances, one of the critiques of renewable energy is its lack of reliability. And yet here we're starting to see big uses of coal fired power looking for alternatives. There's the increasing environmental pressure, both regards to climate change and severe health impacts related to air pollution in South Africa. And all of this is leading to an increase or a difficulty of accessing finance, for thermal coal development with all of those pressures. I think that perhaps one of the biggest pressures really is that it's becoming increasingly unviable to keep the old power plants going, many of which are over 50 years old, and we plan as a country to remove 10 gigawatts of coal fired power stations from the grid by 2030. So this plan decommissioning is going to have a big impact on jobs and communities. And it's part of what we need to plan for.

Neha Sharma:

I heard several things there increases in costs, availability of cheaper alternatives, issues with reliability, environmental concerns, access to finance and pressures related to that. As I was saying in the beginning, there does seem to be an open recognition in South Africa that a transition is occurring, due to the many pressures that you just stated, Brenda would you agree that this trend of reducing demand for coal is widely accepted? What does this mean to the different groups involved?

Brenda Martin:

That's a very good question because it depends on who you ask. There's so many different interests basic, old and long standing vested interests and there are new interests. And when you look at some of the actors within the coal space right now, you've got quite a large number of young black ownership that is obvious when you look in that space. And this is not as obvious when you look into renewable

space, we look into gas and other areas of supply. So these are some of the debates that go on in our public space. And they've got to do with how people interpret costs. For instance, do you take into account externalities in your costs or do you think only in terms of overnight cost? Is it about tariffs? Is it about blended cost? Is it about what you have invested in our coal supply over time? And now taking into account newer renewables which are still on a learning curve in terms of the learning effects that that kick in around price.

Brenda Martin:

So many different views on the specifics and definitions, there many lived experiences and this is where you really get to see a two tiered world of experience. So there are people who are needing electricity, they're needing [inaudible 00:15:01] electricity, and they're needing to have convenience or availability of supply. And they're not really concerned with where that power comes from. They might be more concerned about what is going on in their town, in their home and so on. And issues of inequality and poverty and unemployment are much more immediate than these kinds of transition consideration is much more long term, and often requires one to have a sense that you're part of a future. So if you don't even feel that you have a future, why would you even think about some of these effects over time?

Brenda Martin:

So there is a very important need to think about who is being asked this kind of question. And then to consider what fundamental... Mike, I'm sure that we have a sense of the way in which trust plays into all of this. There's a real breakdown of social trust within the country, and there's a need for so much to be rebuilt in that area, around public accountability, around private accountability and around how there are consequences for different choices that are made that are not often in the public interest. You will find very different answers depending on who you ask. And I think there's a growing recognition of the damage that is done particularly directly in local pollution, in water pollution, when I say local pollution I mean air pollution, of course and then the kinds of social plans that are not actually fulfilled by mining companies when extraction is complete.

Brenda Martin:

I think those experiences are felt very directly, especially in rural communities where we have more minerals wealth, but I don't know that it is a common recognition of the fact that a move towards renewables is the answer, I think the answer is more likely to be an accountable government, a government that can be trusted, and that takes into account common good.

Neha Sharma:

Brenda, you've raised such an important issue trust, it's so difficult to even talk about it, it's difficult to understand, it is difficult to measure it. And this idea of what this transition means or what justice means and what just transition means really depends on who is asked and what level of trust they have, trust on the government but just trust on having a future. And that is such an important insight and it's just not discussed as often as it should be in the conversations about just transition. I wanted to ask Mike, what is your point of view on this issue of trust in South Africa?

Mike Ward:

Yeah, thanks. And I think Brenda's point around it's people's lived experiences that we need to bring into these discussions, we each have such different lived experiences. A big part of the critique of much of

the environmental movement, both in South Africa and around the world, has been the times it's a bit tone deaf to the lived experience of marginalized communities that rely on things like coal, to make a living to support livelihoods. And I suppose that's where the kind of procedural justice dimension of just transitions becomes so important, it is absolutely vital that we talk to vulnerable and marginalized groups, including workers, women in coal communities, the youth seeking to enter the economy, and that we do it in a way that builds trust between these different understandings of lived experience of life and of sustainable development at a broad level.

Mike Ward:

And also, I think builds along with trust and empathy, a sense of understanding of what other people's lived experience is like. And so it's both trust and empathy that we need to build through these various levels, I suppose of dialogue and action as we move forward.

Neha Sharma:

The question then at the heart of this discussion becomes what will make this transition just? What does a just transition imply in a country like South Africa with the triple challenge of poverty, inequality and unemployment? Mike, let's start with you. But I'd like to ask both of you, what do you think are the top concerns?

Mike Ward:

Sure, I think one of the really big concerns is that the longer we take to start to put in place just transitions, the more chaotic and unjust the transitions will be, they are in a sense, certainly from a climate change and environmental crisis, shortage of resources, the impact on societies that there are inevitable changes. So I suppose the one thing is, we need to plan and to put in place the institutional frameworks to achieve these transitions. We need to build capacity in communities to have their concerns and aspirations heard and included in planning and change processes. It's no good to say that we're all going to come and sit around the round table when people come to that table with very different levels of ability to have the perspectives heard, and to engage in the kind of conversation and planning that needs to happen.

Mike Ward:

So I think the planning is absolutely key. It's a very focused part of this country. It's a couple of municipalities, one province that is predominantly affected by this transition out of coal. And so I think if we started to ask, what is it we need to do, we can certainly put a big bit of attention there and learn our way into a just transition into doing something different with the key role players involved in that area.

Neha Sharma:

Thank you, Mike. And your emphasis on planning is just so critical and well taken. And Brenda, I wanted to ask you the same question, what does a just transition in a country like South Africa, what needs to be done for this?

Brenda Martin:

I think one thing I'd like to see happen is, first of all, a recognition of the fact that they are benefits within a transition, and that we are missing out on some of them as we delay on moving forward. There

are provinces that have really seen, they've realized gains, massive gains in relation to investments in renewable energy, particularly the Northern Cape and the Eastern Cape. And these are provinces that had real problems before the transition kicked off, in terms of realizing and attracting foreign investment, and creating jobs and attracting tourism even to those provinces. So there are two very clear examples of provinces that have had a massive turnaround already. The provinces that are going to struggle the most with the transition in relation to dislocating from coal and moving away from further investment over time.

Brenda Martin:

There are many opportunities to draw on global lessons that have been learned in making these translations. And to capitalize on things like differentiating where there are skills transfer possibilities and where there are perhaps, intractable problems that need to be addressed, that require real and meaningful social protections to be introduced. A lot of the momentum has been lost over the last few years, which we need to regain as quickly as possible and the move to renewables. But on the other side, we've also lost opportunities to plan and to ensure that time was used well to plan and to ensure that some of the very real consequences are prepaid for. So for me, the important thing is to get moving, there's been some consultations around the country. But there's a need to move ahead on especially dealing with the risks and the consequences are very clear economic argument for moving away from new coal investments.

Neha Sharma:

Brenda you spoke about how specific provinces will be impacted more and important and urgent time that has been lost. And there's a need to make up for it. And you mentioned briefly some of the consultations that have already taken place. Could you elaborate a little bit more on what has already been done in South Africa?

Brenda Martin:

So there's been one process that was hosted by the National Planning Commission, and it actually involved conversations within affected provinces, where communities were invited to come and present the views around what they anticipated. And in that process, they identified several more items of concern, and those linked with energy, lack land access and employment, then they've been a few conversations about this, mostly laid by the renewables industry. But of course, because of its vest interest, it isn't as successful in achieving a common wide debate. So at the moment, my hopes lie with an NEDLAC process, which is the National Development and Labor Council. It's a space where business labor, and government and civil society are going to be able to engage on these issues. And there have been some conversations about employment concerns a little bit of a conversation around employment losses in the coal sector. But I think we are far away from having sufficient public engagement on this topic.

Neha Sharma:

So lack of a common white debate and sort of far from where we need to be. Mike, did you have some things you wanted to share in terms of what has been done in South Africa in different contexts, in national region and community level, already that may have worked?

Mike Ward:

Yes, I think to recap on Brenda's point about NEDLAC being a really key place for this dialogue to happen between the various social partners. And NEDLAC in 2018, hosted a national job summit and at that job summit, it was agreed that, given the impact that a just transition or a transition out of coal is likely to have there was a necessity to set up a national central body, a presidential climate change coordination commission to support some of this planning dialogue, policy development to support a just transition. That presidential climate change coordination commission, we're hoping to see it emerge relatively shortly, but that I think will be a key space for this dialogue to happen. I think that the work that the department of trade, industry and competition as well as our department of environment, forestry and fisheries, they've been working on in terms of a national employment vulnerability assessment, as well as sector jobs resilience plans, all of this work provides such a good basis to think about and developed just transition in South Africa.

Neha Sharma:

These all sound like very encouraging, steps towards dialogue. But Mike, would you say it's easy to collaborate and hold these consultations and have this dialogue? Is it easy to collaborate to achieve just transitions? Are people talking about the same thing when they're having these dialogues?

Mike Ward:

Sure. I think broadly, there is a shared interest and an inclusive green economy, the devil is often in the detail. So it's how different parties understand an inclusive green economy. It's where they put the emphasis. So is the emphasis on retaining or creating jobs in the green economy, essentially keeping the economy going as it is, but with a bit of a green veneer, or is it a genuinely transformative and inclusive green economy that focuses on decent jobs, social inclusivity, those kinds of big issues, which will require some bigger changes. And I think that there are certainly a lot of work to be done. But there is a lot of work that is going on in civil society, in labor, business units and in government.

Neha Sharma:

And earlier in this conversation, we brought up the issue of access to finance and the role that finance would play in supporting these changes. Mike, I wanted to ask you, what is the role of finance and coming from a climate fund I'm particularly interested in your opinion on the role of climate funds?

Mike Ward:

Yeah, so I suppose that in a way that is almost a carrot and a stick in terms of finance, the big carrot, I think, is the possibility of concessional finance to de-risk some of the transition processes to support cross sectoral dialogue, and the kind of planning for concessional financing through programmatic approaches. A big opportunity, I think, for finance to contribute positively into the kinds of change that needs to happen. But there is also a requirement that we move away from investing in fossil fuels. And I think there again, the finance institutions have a big role to play in making some quite clear decisions upfront around what they will and won't fund in terms of developing fossil fuel or various fossil fuel options.

Mike Ward:

So yeah, so I suppose finance has two roles, really the one is to open up possibilities to de-risk and to support. And the other one is to move out of sectors that we no longer feel are viable in terms of economic risk in terms of environmental impact. And in terms of social inequalities.

Neha Sharma:

And Brenda, I wanted to ask you as well, do you agree with this role of finance that Mike has just highlighted?

Brenda Martin:

I think it's absolutely critical and it links back to who is able to access the opportunities that are available within the transition. So for instance, banks within South Africa certainly have not gotten to a point where they are coming up with innovative finance models who have access to equity for actors that have not necessarily got the kind of financial background or track record that can mitigate or reduce the risk profile. So I think that these kinds of changes still need to be made in our banking system. And while the development finance sector has made some shifts in terms of the kinds of incentives that it has been created, to introduce these improved partnership models, to ensure that there is access to finance for new actors. We still have a long way to go in terms of the supplying instruments that can enable for instance, community based ownership.

Brenda Martin:

So within the model of ownership of renewable power, for instance, you've got equity shareholders, you want to have community trusts that have shareholding and then there's always a requirement for black shareholding as well. But most of those actors thus far in my experience, have had to really either apply for loans, they have to find some way to participate. The system isn't yet shaped up sufficiently to drive those developmental outcomes that one wants to see in relation to finance and it becomes another obstacle to achieving participation and access.

Neha Sharma:

I wanted to ask you a follow up on this obstacle of access to finance. And you spoke earlier about historical injustices and this access to finance is intertwined with that issue in so many countries, would you say that this issue of finance, but also policies that are associated with transition? How are they enabling or disabling black participation in South Africa.

Brenda Martin:

So they are many requirements, which are meant to be drivers to transformation. But transformation can hardly ever happen in a vacuum, there's got to be an enabling environment. Otherwise, it just becomes a blunt instrument to create outcomes like fronting, fronting if I may explain is when you just ensure that you have a black shareholder on paper and actually, that person has no decision making power, no ability to influence how the business will take shape. So that is a very unfortunate consequence of a developmental imperative, which was set up in the case of black participation to ensure that we have you addressing inequality in this transition.

Brenda Martin:

I believe that it hasn't achieved what it could, if for instance, there was a direct influence on the banking sector, and on ensuring that they are improved instruments for ensuring that there isn't this need for unequal power relationships to be established right at the bud phase, where you have actors that are basically taking on very different levels of risk, because you have an investor, and with equity shareholding and with a board that is requiring all kinds of risk mitigation measures to be in place. And at the same time, they are meant to be actors who don't have that capacity to offer VETERUS cover. And

it just sets things up on an unequal footing right from the start. So I think there are some fundamental shifts that need to happen, if you want to achieve transformation through the transition, access to finance and equitable access to finance is going to be a very important problem to solve.

Neha Sharma:

And the other side of making this equivalent would be the increase in capacity that's needed the investment in education and skills, the human capital development side of this. What would you say is the action needed in the short, medium and long run in terms of skills and education? I know this is an area you've worked on and you feel quite passionate about. What would you say is needed?

Mike Ward:

Yeah, I think that both Brenda and I share this big interest in skills development and recognizing that it's absolutely key to opening up alternative economies, we're going to need to develop new skills in the youth particularly so that they can fit into an emerging economy and drive an emerging economy become entrepreneurs and support new economies. But there's also a desperate need to up-skill and to re-skill those people that are in currently resource exploitive unsustainable sectors of the economy, to up-skill them to give them opportunities into some of the emerging sectors. And all of that requires that we look carefully at what we want to achieve in terms of our plans, and then start to kind of anticipate the skills development process, it takes a long time to put in place curriculum, to develop skills.

Mike Ward:

And so we need to anticipate where we want to move and start very early, putting in place the kinds of skills development, education and training that we need in order to achieve what we would like to achieve as a country in the long term. And I think that too much of our skills planning at the moment depends on existing employers identifying existing skills gaps, rather than new industries being able to say this is what we're going to need in five years time. And that needs labor skills intelligence work to happen. I know that some of it is happening, but it requires a much bigger focus on as I've said anticipated skills development ecosystem in the country.

Neha Sharma:

And it leads nicely into something I've been really wanting to ask you, which is just given the discussion we had, if I asked you what is the level of change that's needed on a spectrum of reform and transformation, so you have reform on one side, which would mean, change within existing systems that tend to be market driven, or that seek to modify existing rules and standards to greening the economy. And on the other hand, transformation which might imply an overhaul of the existing political or economic systems. Where would you say the change needed in South Africa for just transitions to be a reality falls on the spectrum of reform on one side and transformation on the other?

Brenda Martin:

I definitely would vote for transformation. I think having worked in the sector at the coalface of regulatory governance and policy side of the energy spectrum for 13 years now. I have little hope in the reform agenda, I think that we must be much more ambitious. And we have to definitely allow the inclusion of more young actors in the space. Definitely more women, the entire sector is really slow at transformation. And we've lost so many opportunities, I just cannot hold up much hope for reform to be the answer at this stage.

Neha Sharma:

So transformation with a focus on youth and women.

Brenda Martin:

Yes.

Neha Sharma:

Thank you, Brenda. And what about you, Mike? Where do you think South Africa falls? What does it need?

Mike Ward:

Yeah, I'm going to say both. It falls in both ends of the spectrum. And I think we desperately need the kind of transformation that Brenda is talking about, we need to radically transform the way that we think about natural resources, the way that we think about people inside of economies. So I'll give an example of transition that also has a transformation, the intent, I think that one of the things that we've struggled to do, as we've worked towards, for example, introducing a renewable energy is that many people kind of thought, introducing renewable energy was part of the low carbon transition. And it may well have been but in many instances, didn't create decent jobs, or doesn't necessarily create decent jobs. We need to do that consciously.

Mike Ward:

It needs to provide equitable access to energy. And that, again, requires that we think carefully about that, we need to address issues of exclusion of people based on race, gender, age, class, et-cetera. And so what we really need to do is to position these smaller changes within a much bigger transformation intent. And I think that is the kind of thing that needs to be considered as we do it.

Neha Sharma:

It's very interesting to hear about the experience of South Africa, especially when we talk about just transitions and look at the literature from case studies, we mostly hear about experiences from the global North, Europe, Canada, UK. So examples coming from developing countries that face more similar challenges to each other can really go a long way in contributing to the existing knowledge base. Hence, my last question to you is, what would you say are the more general lessons from the South Africa experience that could be applied in the global south? We at the climate investment funds are currently working to develop and country case studies, including India and countries in Africa. So what are the lessons that we should take forward?

Brenda Martin:

Speaking from my own background, in the development of the renewables industry, an important first step was being able to see a steady growth in localization. Because when you achieve that, you're creating employment, you're creating often a whole industry that could take shape around, for instance, one component manufacturing facility, you have suppliers around bolts, and paint and all kinds of things that relate to that major investment that is made. And when you can see that happening over time and really growing. So localization as a driver of local benefits is an important aspect that we've certainly seen successes, and we've allowed the successes to be lost in time. But it's something that certainly is an

important early step. I think one of the points I want to build on from what Mike was saying just now is that we always have to think in terms of how are we achieving scale.

Brenda Martin:

So within that awareness of the fact that they are the successes that can be achieved, taking things to scale requires a combination of thinking around the specific industry, and around how you enable and grow capacity around that. So I think that within the global south, we have to crack achieving scale. And in the transition, we have many opportunities to taste some of those possibilities.

Neha Sharma:

So Brenda localization as a driver of benefit and focus on scale with capacity. Those two seem to be the drivers that may be applicable in other contexts. And Mike, of course, we're working with you on these case studies that I just mentioned. So having done so much research now on South Africa, and having authored this case study, what are some of the lessons that you'll be taking forward in your work?

Mike Ward:

So your lessons that I would take forward out of the case study and under the examination of South Africa in particular, I think that the climate investment funds and the partner, multilateral development bank's that it works with supported very early on some climate modeling long term mitigation scenarios in South Africa. And I think that, that kind of social, economic and environmental modeling really helps us to do some of the planning that we've been talking about. So it creates an evidence base for the planning that I think helps to overcome some of the vested interests that we may see, seeking to delay and move out of coal for example. I think also that certainly the kinds of convening that the National Planning Commission have done have multiple partners to come together in a position of trust, that we've also spoken about to have some of the hard discussions about these transitions. And ensuring that our presidential climate change coordination commission takes forward that kind of work that has been developed through careful consultation will be important.

Mike Ward:

I think that the concessional finance into some of the early developments Siri will form that Eskom developed concentrated solar power that was developed as part of our renewable energy independent power producers, procurement program, the contribution of finance into de-risking an accelerating just transition is really key. I think that we've learned a lot about how to respond to some of these big challenges. That can be very useful as we think about the recovery programs, in terms of COVID-19, the kind of stimulus packages that we need to put in place, and ensuring that those stimulus packages support just transitions, in all of the ways that we've been talking about in terms of distributional and procedural justice, the rescaling of workers absolutely key developing new skills, equipping young people and existing workers to fit into... or to make the most really off some of the opportunities that are coming up around just transitions.

Mike Ward:

And then there's this point that we've made a couple of times around the research and planning that we do really needs to articulate the multiple benefits that are possible through these just transitions. And through a transition to a low carbon resource efficient and socially inclusive economy. And if we can articulate those benefits better, then I think that we may be able to move quicker, as people see that it's not only about negative impact, that there are positive opportunities that are developing to.

Neha Sharma:

So many critical insights that you just, stuck in there right in the end, just very, very grateful for all these wonderful insights that you've shared your experience your time, I hope, especially through this last interaction, or listeners have a lot to take from this conversation. My sincere thanks to you, Brenda and to you Mike, for your time and your expertise and just the fantastic work that you're doing in South Africa, and for collaborating with us. Thank you so much.

Lisa Highland:

Thanks to Mike and Brenda for sharing their insights with us today and Neha for hosting. The climate investment funds is working on a series of just transitions country case studies, of which South Africa is the first we'll include a link when the South Africa study is completed. And to learn more about our work or about just transitions we have a list of resources on our website. As always, you can find more episodes of energy 360 wherever you listen to podcasts@csis.org and follow us on Twitter at CSIS energy thanks for listening.