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Transition to low-carbon emissions economy 'urgent' -President Ramaphosa

President Cyril Ramaphosa says the country must urgently reduce its carbon and greenhouse gas emissions or risk experiencing negative social and economic consequences. The president was addressing the nation through his weekly newsletter.



Carbon and greenhouse gas emissions are a product of the burning of fossil fuels such as oil and coal, which contribute to global warming and changes in the Earth's climate patterns (climate change).

President Ramaphosa said the impact of climate change is already felt in some South Africans' quality of life through drought and flooding.

"Several communities in Mpumalanga, for example, are affected by high levels of pollution, which increases respiratory illness and other diseases. Those who are dependent on the ocean for a living have already seen depleted fish stocks amid changing weather patterns and changes in ocean temperature," he said.

The president warned that if the country continues its carbon intensive production methods, the economy will bear some risks.



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"As our trading partners pursue the goal of net-zero carbon emissions, they are likely to increase restrictions on the import of goods produced using carbon-intensive energy. Because so much of our industry depends on coal-generated electricity, we are likely to find that the products we export to various countries face trade barriers. In addition, consumers in those countries may be less willing to buy our products.

"The other economic risk is that investors will shy away from investing in fossil fuel powered industries. Banks and financial institutions are already facing pressures from their shareholders not to finance enterprises that depend on fossil fuels to produce their products or services," president Ramaphosa said.

A 'just' power transition

President Ramaphosa acknowledged that although the low-carbon economy transition is a necessary one, it needs to be "just" because some sectors will be negatively impacted.

"There are several important sectors of our economy that will be negatively affected by such a transition, including agriculture, tourism, mining, energy, transport, manufacturing and the biodiversity economy.

"That is why a transition...must address the needs of workers in these industries and in affected communities. The process of transition needs to be based on the full involvement of organised labour and business in targeted programmes of reskilling and upskilling, creating employment and providing other forms of support to ensure workers are the major beneficiaries of our shift to a greener future," he said.

Transforming communities and electricity sector

President Ramaphosa said the government is already developing plans on a transition towards a low-carbon economy, starting with the electricity sector which, according to the president, contributes to 41% of the country's emissions.

"It will be the quickest industry to decarbonise and will have a beneficial impact across the economy. We will be decommissioning and repurposing coal-fired power stations, and investing in new low-carbon generation capacity, such as renewables.

"We will also pursue 'green' industrialisation, such as manufacturing using green technology and a shift to the production of electric vehicles," the President said.

In line with this, president Ramaphosa announced that the State power utility will transform a coal-fired power station into a renewable power production plant.



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"Eskom will be undertaking a pilot project at its Komati power station, which is due to shut down its last coal-fired unit next year, to produce power through renewable energy. Komati will serve as a good example of how this shift from coal dependency could be achieved," he said.

The President said in Mpumalanga's mining towns, government is working with different sectors in pursuance of moving towards less dependence on coal, assessing its impact and making sure that "communities are protected against the risks and benefit from the opportunities presented by this transition".

"There are economic challenges and risks. There are huge economic opportunities that we must seize. South Africa is endowed with abundant resources that can be harnessed to open up new frontiers of investment and growth and build a new economy in areas like green hydrogen. By pursuing these opportunities, we can ensure that our just transition yields new innovative opportunities that will create new jobs."

Cooperation is vital

The president said in order for the country to meet its target of reaching net-zero carbon emissions by 2050, developed nations will be required to keep promises made to financially support energy transitions in countries like South Africa.

In this regard, the government is working with international partners to secure a financing facility for the decarbonisation effort.

"This is not about charity. It is about fairness and mutual benefit. Countries with developed economies carry the greatest responsibility for climate change as they have historically been the biggest polluters, while developing economies are the worst affected. That is why wealthier countries have an obligation to provide significant financial support for developing economies to adapt to climate change and reduce emissions," President Ramaphosa said.



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South Africans too, are required to commit to the transition to a low carbon emitting economy.

"The climate transition is something that affects every South African and we all need to be part of its design and implementation. We have undertaken widespread consultation and there is broad support among social partners for an ambitious, realistic and, most importantly, just transition.

"We have to act now if we are to achieve sustainable and inclusive growth, secure the health and well-being of our people and safeguard the future of our planet," he said.

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