

Will climate action see more private-public collaboration?



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Inasmuch as business is facing a challenging year progressing decarbonisation plans and adapting to climate change, the task for government is just as challenging. Indeed, if we are to make better progress in climate action, 2023 needs to be a year of more collaboration between the public and private sectors.



Andrew van Zyl, managing director, SRK Consulting

South African businesses are starting to realise the practical difficulties of living with climate change, and 2023 will likely see further challenges as this global trend comes to impact increasingly on corporate risk levels. The floods and business disruption in KwaZulu-Natal are the most recent reminder, but the severe droughts in the Western Cape and Eastern Cape are the kind of events which we must now build into our future planning.

These mega-trends are not only affecting business operations; they are resulting increasingly in the need for infrastructural development, or for infrastructural repair and improvement. Here, the task facing government is at least as onerous as the one facing the private sector. State bureaucracy is not really designed to manage change; its size, complexity and authority structures might make it slow to recognise the signs of change, to agree what must be done in response, and to actually implement an effective strategy.

Unlike a business, government must theoretically do all this within a democratic system which requires everyone to have their say – and with climate change there are plenty of nay-sayers. It is therefore heartening to see the generally constructive direction of climate change policy in South Africa. There is at least a general consensus that climate change is a real issue, and demands action.

More energy

The energy crisis is demanding that we add capacity to the national grid, even as our traditional sources in the form of ageing coal-fired power stations have already started being retired. Finding new capacity elsewhere is a process in which we have made a start, with privately funded renewable energy projects starting to gain traction. The country's response to

our energy needs is being addressed in the context of the United Nation's 2030 Agenda for Sustainable Development. While the country's reliance on coal is still a central issue, there is an expectation that medium to long term energy solutions lie elsewhere, particularly given the difficulties we have had building or maintaining coal and nuclear power plants.

There is attention being paid to potential opportunities in hydrogen technology, with innovative concepts like a hydrogen-based transport corridor as a practical way of kick-starting – or at least testing – these ideas. There is also talk of making more use of gas resources, and the logistics of strategic gas pipelines may also be part of a long-term solution.

In our own work, we are increasingly called upon to offer recommendations and solutions to the risk of energy intermittency faced by our clients. This trend ties in closely to the overall decarbonisation journey that most corporates have already begun, and 2023 will be another year of exploring how policies and options are translated into concrete action.



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Variable rainfall

Returning to the changing climate's impact on rainfall and water availability, this will also become a key theme for players in both the private and public sectors. The volatility and complexity of our water systems suggests that we will continue to be surprised by water-related challenges. These range from the concerns of specific industries to the general service delivery to the public. The mining sector has for some time been working to reduce its water consumption through re-use and recycling. It is focused on optimising the water available on site, and drawing as little as possible from public or municipal sources. Mining companies are further understanding how to introduce water stewardship principles and how this integrates with their social licence to operate.

At the same time, variable rainfall patterns are placing greater environmental demands on mines, who must limit water discharge from their mining lease areas. Increasingly unpredictable rainfall also raises risks related to the safety of tailings storage facilities, for which standards have recently been raised by the Global Industry Standard on Tailings Management (GISTM).

These are just a selection of the sort of challenges that South African scientists and engineers are being called upon to address, and the year ahead will see continued constructive efforts being made through our country's substantial skills base and repository of technical experience. The question is, are we making enough of our resources through practical collaboration between business and government?





Heads together

Given the global success of many South Africa based companies, it is clear that high levels of expertise are indeed available. There is also a ready willingness across industries for companies to contribute towards resolving our range of national challenges. Perhaps what we lack, however, are effective forums for the private and public sector to communicate regularly – to get to know each other better, and to share our knowledge and experience.

The imperatives and incentives that respectively underpin business and government are often poles apart, so we should not underestimate how differently we see challenges and solutions. However, we share the urgent need to find practical strategies to achieve our future aspirations sustainably, and we will certainly make better headway if we act together.

As difficult as it is for private companies – with all their agility and independence – to mitigate and adapt to climate change, for instance, it may be that much harder for the state bureaucracy. This will have its most direct effect at local government level, where daily service delivery to communities must take place. If closer public-private collaboration can percolate down to this level, we will better leverage more of our joint resources in responding to climate change trends.

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