



National Development Plan: Pathways for a Just Transition

Limpopo Stakeholder Dialogue Meeting

3 April 2019

Peter Mokaba Stadium, Polokwane, Limpopo

REPORT

Purpose of this report

This report provides a summary of the inputs and discussions that took place at the Limpopo Provincial workshop on the 3 April 2019. This workshop is part of a series of provincial workshops that the National Planning Commission (NPC) is undertaking in engaging with key stakeholders across the country. The aim of these dialogues is to build a consensus on a vision and pathways for an equitable and sustainable South Africa in 2050.

Welcome

Elias Masilela, a Commissioner from the National Planning Committee (NPC) welcomed participants.

What is the question we need to answer for ourselves? What is it that we want to bequeath to our children and future generations? In every decision that we make as individuals, society and a country it is about where will the country be in the next two or three generations. If we don't know where we want to be, we are not doing the right thing.

This is the second phase of work on the National Development Plan (NDP) undertaken by the NPC. In our first phase we were tasked to put forth a vision for 2030, but we have now extended this timeframe to 2050 to meet longer term objectives. This is premised on one thing only which is that of sustainability. Integrity and accountability in sustainable actions is also critical. We need to hand over the country to the next generations with pride.

The NPC Commissioners term will be over in late 2020. Our work until the end of the term involves reviewing what we have done since the first Commission and how we want to move forward. We have gone through the whole plan and asked ourselves: what is likely to go wrong. We have identified several things that can go wrong, one of which is poor governance. The other question is what we want the end state to look like. Initially we had a vision for a carbon neutral future, but the science tells us that that is not enough. We also need to consider how the transition will impact society. The Commissioner told the story of how South Africa went to the World Bank to fund Medupi and Kusile. South Africa argued that without these coal fired stations the entire economy of the country would come to a stop. It was acknowledged that at the time there was no short-term solution to coal dependency. It is a long term solution whilst we look for alternatives. What is critical is being conscious of the impact of decisions taken today.

We would like you to think about that as you answer the question: what you want to bequeath to future generations.



Overview of the *Pathways for a Just Transition* process

National Development Plan Chapter 5: the framework

Commissioner Tasneem Essop welcomed everyone, including members from the National Planning Secretariat, some commissioners and service providers as well as our funder GIZ. She gave an overview of the background and context of the National Development Plan and in particular Chapter 5 on Environmental Sustainability.

The Commissioner provided a background to a low carbon future for the country as articulated in the National Development Plan (NDP 2012), focusing on Chapter 5 (ensuring environmental sustainability and an equitable transition to a low-carbon economy), and its importance in reducing poverty and inequality. The process of developing the NDP was outlined. The NPC undertook a diagnosis of the key problems the country faced through a year-long inclusive and evidence-based process via stakeholder engagements, research and interviews. The key problems identified were jobs, crumbling infrastructure, poor education, spatial divide, low economic growth and corruption amongst others, however key to this diagnosis were the challenges relating to poverty, inequality and unemployment.



The plan itself intended to address each of these problem areas.

Chapter 5 outlines an end state for 2030. After a year-long process of engaging with civil society, business, the big energy users, government, labour and experts, a set of guiding principles were agreed upon which formed the basis of Chapter 5. This Chapter was not a plan for the Just Transition in essence, but provided a guiding framework to take forward. The NPC is currently doing a review of the NDP in order to update sections of the Plan as well as to deepen certain areas of work.

Pathways for a Just Transition: the project and process

The NPC is now embarking on the second phase of implementation of Chapter 5. The mandate of the second phase is to firstly **review the progress of government and society in the implementation of**

the NDP with regard to chapter 5. Secondly, the NPC is also seeking to **update Chapter 5 with concrete actions to achieving a low-carbon society** through the *Pathways for a Just Transition* process. This process involves conducting a series of dialogues with civil society, business, government, labour communities and experts in all provinces as well as hold meetings with various constituencies through bi-lateral meetings to continue the dialogue. This workshop is part of the broader stakeholder engagement process that we are holding in each province. **The purpose is to understand where we want to be in 2050 and how we are going to get there.** It is important to remember that the NDP is not a plan for government alone, but is an overarching framework for the country which considers the roles of all actors. It was noted that the transition is already happening locally and globally due to changes in the costs of energy and the advancement of technology. These shifts affect global markets and especially in South Africa as we are a coal exporting country. Due to the transition already occurring, we now need to **focus on the transition being just and fair.** The aim of this process is to develop a vision for the county to 2050, a timeframe which is in line with global milestones on climate change, to determine how we get there and ensure that we address poverty and inequality.

The Commissioner described the *Pathways for a Just Transition* process. Initially, this year-long initiative sought to bring together a group of social partners and experts to engage in a series of high-level dialogues in order to determine the best *Pathway for a Just Transition* by dealing with some of the outstanding contested issues. The intention was that this process will run in parallel to a series of wider stakeholder engagements with stakeholders from a wide range of sectors, namely civil society, labour, business, and government. However, at the first social partner dialogue, the social partners called for a bottom-up approach engaging with communities in a much stronger way, rather than focusing on high-level dialogues. Therefore, the form of these engagements has now shifted to through open invitation stakeholder workshops in every province with **labour, civil society, communities, government and business.** Constituencies can also request engagements with the NPC on the just energy transition. The focus of these engagements is on three primary sectors, energy, land-use and water. Thus far workshops have been held in Western Cape, Gauteng and Northern Cape, Mpumalanga, North West and Eastern Cape. This is the 7th province, and the remaining two provinces will be engaged with by May 2019. The intention is for each of these engagements to build on each other in an iterative manner and finally culminating in a **concluding conference** which will lay the foundation for a high-level summit later in 2019 after the elections. It is our intention to use the outcomes of this process at the Summit, as a basis for a Social Compact on the Just Transition for the country. The point of a social compact is to put a certain degree of control within the hands of the people to promote a transition that is just. In addition to presenting results to government, the development of a social compact could be driven through NEDLAC. The outcomes of these engagements will also feed into the **review process of the NDP. The NPC has also recently agreed that climate change is an urgent and cross cutting issue and hence will not be limited to Chapter 5 but will be addressed in all chapters of the NDP**

Below demonstrates the process of the stakeholder engagements.



There are issues left unresolved in Chapter 5 which require further interrogation. Who pays for the input costs of the transition and how much will it cost? What will the country use coal in the future? What should the energy mix, the role of energy efficiency and the shape and structure of energy industry be in the future? How is job-creation maximised and job losses addressed? How do we continue to build resilience in communities and economic sectors and ensure that the poor are not disproportionately impacted?

Defining a Just Transition

The term just transition was a concept originally developed by the labour unions. It is a framework that encompasses a range of social interventions needed to secure workers' jobs and livelihoods when economies are shifting to sustainable production, including avoiding climate change, protecting biodiversity

We have adopted a broader scope that includes everybody, including workers, children, women and all vulnerable people. We need to ensure we reduce the vulnerability of society and build resilience.

We will use this time to engage with the participants here to understand your perspective and ideas on a way forward.

Group work on **the key challenges and opportunities for Limpopo in terms of environmental sustainability.**



Task 1: What are the key challenges that you are facing in terms of environmental sustainability as Limpopo/ your municipality?

FEEDBACK

Challenges:

- Development impacts the issues of sustainability. For example, in rural areas land is in the custody of traditional leaders. The land allocation is done in silos and not integrated into the IDPs. In addition, once more people settle on land, the provision of services need to be arranged, however often government departments aren't consulted. In addition, environmental assessments aren't conducted, and people settle in areas that contribute to environmental degradation.
- Lack of awareness about climate change and environmental factors.
- Lack of buy in from management to enact climate change solutions.
- Lack of implementation in terms of available funds. Even if there is a plan in place there are often no funds to implement it
- Conflict between government and traditional leader's leads to environmental degradation. Traditional leaders felt excluded from the development of the SPLUMA Act and has resulted in their reluctance to participate in activities, leading to environmental degradation. We need to look at what went wrong with this Act and address it, so we have buy in from traditional leaders for a win-win situation.
- There is no strategy for people living in old mine shafts in Limpopo province. This is creating unsafe conditions.
- Population growth and demand for the use of natural resources increases. This leads to strain on natural resources which is further complicated because there are often no alternatives.
- Human settlements planning is poor. Settlements are situated on flood lines because municipalities don't investigate what the current weather and future climate impacts will be.

- Poverty and unemployment
- Political instability
- Load shedding
- Unlicensed / illegal mining

Task 2: What now are the key opportunities that exist broadly, but also in terms of solving the challenges?

- Provide licenses in sand mining areas to create employment and other economic opportunities, however include regulations to ensure that natural resources are well managed. Mining must be well managed and strictly monitored / regulated. This includes rehabilitation efforts integrated into the mining.
- Create awareness at the household level about water re-use opportunities. This includes the use of grey water for toilets and gardens, rain water harvesting for household use etc.
- Develop community projects to assist in alleviating poverty.
- Community beneficiation projects e.g. a project could be developed on the re-use of waste materials and recycling. In addition, alien invasive plants can be harvested, and the wood can be used for economic benefit and allow indigenous vegetation to grow; using indigenous knowledge system on the use of plants and academic programmes, etc.
- Capacitate municipalities to apply for available grants from local, provincial and national government as well as from international donors.
- Create awareness in communities on how energy saving measures. For example, we had a project promoting the use of Wonderbags and solar lamps.
- Proper planning in terms of land-use can lead to sustainability and safety (so that people don't settle on unsafe ground).
- Explore skills development to promote training and up-skilling.
- We should change our attitude around how we approach traditional leaders. If we approach them with respect then we can bring them on board to protecting their environment.
- Implementation and enforcement of regulations.
- There are opportunities for rural areas to develop their skills as there is a current skills shortage.

It was noted that the challenges and opportunities identified were similar to those that have emerged in other provinces. Education and awareness are key as is implementation. These are issues to delve deeper into as we engage with the vision and pathways in the next session.

BREAKAWAY GROUPS on Water, Energy and Land-Use:

Each group was asked to develop a vision and then consider how to arrive at that end state. The questions given to each group were:

- What vision do you have for (water, land-use, energy) for 2050?
- What do we need to do to get achieve that vision and by when?
- Who is the key actor are in making these shifts happen?
- What do we need to do to ensure the transition is just?
- What are the hard decisions and trade-offs to get the shifts to occur?



LAND -USE

What vision do you have for land-use to 2050?

- The use of pesticides is bad for the environment, therefore organic farming is key to the future.
- Sustainable integrated models that provide an African rather than Eurocentric approach to land-use
- Initiate zero waste to reduce the number of land fill sites
- Each home has their own garden and can produce their own food
- The country will resolve all outstanding matters regarding land-use
- Mining beneficiation programme implemented, including land donation to communities where appropriate
- Balance between planting and harvesting. This includes ensuring local use of culturally significant plants and resources.
- A focus on rural areas and traditional leaders – they play an important role
- A carbon market which will include sequestration.

What do we need to do to get achieve that vision and by when?

- Ensure integrated planning, including government, traditional authorities and private sector, and stakeholder engagements
- Rural areas need a plan to implement projects for farming that help reduce poverty. DOA and other stakeholders can approach communities and local leaders to implement projects to promote income generation.
- We have limited landfill sites and if we don't initiate zero waste, we won't have the land available.

- Government needs to provide legislative guidance to ensure milestones towards 100% organic farming. Policy alignment in terms of environmental management, including waste and preservation and conservation.
- Regulation of pesticides and harmful chemicals
- Establish targets and monitor them regularly

Who are the key actors are in making these shifts happen?

- Commercial farmers
- Consumers
- Financial institutions, African Development Bank
- Pharmaceuticals and traditional healers

What do we need to do to ensure the transition is just?

- Balance between job losses and climate change impacts
- Conduct research to understand job losses and global impact
- Engage fully with all stakeholders.
- Present evidence and obtain feedback and identify negotiations occur.
- Ethical and sustainable implementation.
- Carbon emitters must pay for their pollution.
- Ensure a healthy society.
- Indigenous trees and plant to increase carbon sequestration.

What are the hard decisions and trade-offs to get the shifts to occur?

- Crime analysis of all political parties. Demerits should be accumulated based on individual criminal behaviour and it should be then attributed to the political party. This information must be available to the public. The IEC should have the authority to de-register parties that collect too many de-merits. This will promote increased civil participation in the democracy.
- Have a strong education and awareness campaign around land-use and climate change, alongside a capable state.
- A carbon market with sequestration to identify carbon market and prices.

WATER

What vision do you have for (water, land-use, energy) for 2050?

- Sufficient supply of water for all users
- Sufficient potable water for all households
- Increased use of alternative water resources, for example boreholes, sustainable ground water management, rain water harvesting
- Water- secure future

What do we need to do to get achieve that vision and by when?

- Increase rain water harvesting
- Decrease de-forestation (lead to reforestation)
- Natural water catchment areas need to be rehabilitated, protected and managed

- Regulations and their enforcement with regards to compliance of ground water. Also intensify the regulation around water use.
- Increase education about water use and management
- Establish catchment management agencies
- Enforce water saving in a targeted way
- Language needs to be accessible and ensure it is understood
- Water re-use strategies should be employed. Change the mentality of just throwing away water when it has been used where possible.
- Invest in waste water treatment facilitated to ensure we don't pollute the water we do have.

Who is the key actor are in making these shifts happen?

- Officials at local government/ municipalities.
- Farmers – use water within their quotas.
- Communities need to use water efficiently.
- Private sector to invest in water for all.
- Law enforcement around water management and use, political and administrative .leadership must ensure control and compliance.
- Local government needs to take responsibility for water infrastructure.

What do we need to do to ensure the transition is just?

- Make use of a targeted approach, those that can afford to pay for water must pay.
- Eliminate illegal water connections

What are the hard decisions and trade-offs to get the shifts to occur?

- Government needs to enforce strict use of water
- Individuals need to be responsible citizens, not overuse water, not use illegal connections and pay if they can afford it
- Promote indigenous knowledge on water management and learn from it
- Relate well with traditional authorities



ENERGY**What vision do you have for (water, land-use, energy) for 2050?**

- Reliable, secure sustainable energy
- Increase the development of renewable energy
- Zero carbon, including no nuclear
- Affordable energy
- Accessible and safe energy
- Commitment to the vision and its implementation
- Good governance, honesty, transparency and accountability
- Traditional leaders must be incorporated into the process
- All in all: “Commitment to providing reliable, affordable, sustainable, secure energy in a zero carbon energy mix, including a commitment to no nuclear.”

What do we need to do to get achieve that vision and by when?

- Good governance, honesty, transparency and accountability
- Political buy in, the country relies on politicians to make things happen, so if there is no political buy in then projects and programmes will never succeed.
- Affordable energy – currently many indigent people do not qualify for free basic electricity, and even where they do most people cannot afford the electricity prices and thus have no power. The criteria for free basic electricity needs to be reviewed
- Energy needs to be affordable.
- Traditional leaders must be incorporated into the service delivery process. Currently the municipalities do not consult traditional leaders with regard to public service delivery, which means that they are not hearing the voices from the ground and as such often do not provide adequate services. If there was consultation then there could be better service delivery as municipalities would know where to allocate resources.
- Move away from BAU
- Breakdown monopolies, e.g. ESKOM, immediately
- Allow IPPs to enter the energy space, immediately
- Democratisation of energy would allow households to have the ability to generate their own energy needs and potentially feed energy back into the grid for income.

Who are the key actors are in making these shifts happen?

- Government
- Traditional leaders
- NGOs
- Private sector
- ESKOM
- IPPs
- Households

What do we need to do to ensure the transition is just?

- Build capacity and resilience, in the form of skills and resource provision

- Build capacity and resilience to ensure everyone is treated equally. Could be in terms of skills and resource provisioning. Government may need to come in and ensure solar is installed in each household for their energy needs, making sure everyone has energy availability,
- Allow fair competition within the marketplace. IPPs are already forming monopolistic tendencies as established, independent companies have crowded out smaller companies and individuals from the market.
- Information and knowledge are key.
- Regulation of the energy space. However, need to ensure that there is also a long term commitment to goals such as the NDP from the changing administrations
- Poverty causes the exploitation of resources; people will exploit firewood and such for fuel. Thus there's a need to deal with poverty too.

What are the hard decisions and trade-offs to get the shifts to occur?

- Breaking the monopoly (Eskom)
- How we source and generate energy
- Clean energy
- Oblige strong political leadership alignment with a Just Transition to make sure the incoming government lines up to the long term development goals of the country.
- There's also a need to get political buy in, which is difficult when people in positions for the short term and thus don't focus on long term goals.



Wrap Up and Closing Remarks

Commissioner Essop thanked all participants and noted that the contributions were extremely valuable and powerful. The information from this meeting will be put into a report and shared with all the participants as well as with all the participants from previous dialogues. We will also keep participants informed about the dates of the Concluding Conference. We would like representation from all the Provinces at this event.

End.



Pathways for a Just Transition Briefing Note

The National Development Plan (NDP) envisages that, by 2030, South Africa will have made headway in transitioning to a society that is just, inclusive, sustainable and resilient. Chapter Five of the NDP sets out a framework and guiding principles to ensure that by 2030 South Africa's transition to a low-carbon, climate-resilient and sustainable economy and society will be well underway.

Transitioning to a sustainable and resilient economy and society will require systemic and structural changes that should also see the use of South Africa's natural resources, including water and energy, resulting in appropriate economic and social development that addresses our country's triple challenges, namely, inequality, poverty, and unemployment.

The National Planning Commission's (NPC) work is now in its second phase, which intends to ensure the implementation of the Plan by engaging relevant stakeholders. In its plan for ensuring the implementation of Chapter 5 of the NDP, the NPC has designed a process to facilitate a series of dialogues culminating in a social compact – an agreement on what the best pathway for a Just Transition to a sustainable society would be as well as agreements on the modalities for implementation.

The dialogues include building consensus on a vision for an equitable and sustainable South Africa in 2050, as well as determining the best pathway for a Just Transition towards that vision. The discourse will also consider, and address current crises impacting on our ability to ensure a Just Transition, such as energy sector job losses and the growing water crisis, amongst others.

The vision for 2050 will be built through an iterative process of engagements and will be presented at a final concluding conference in May 2019.

The current political discourse frames this process and the implementation of the Plan. President Ramaphosa in the State of the Nation Address 2018 highlighted the need for South Africans to work together *"by getting social partners in our country to collaborate in building a social compact on which we will create drivers of economic recovery"*. He further stated that *"Our country has entered a period of change. While change can produce uncertainty, even anxiety, it also offers great opportunities for renewal and revitalisation, and for progress"*.

