

The Presidential Climate Commission¹⁰ (PCC) consultations have highlighted that capacity and implementation issues are inadequately covered by the plans. It also highlighted key constraints to a just transition such as the science of climate change, transition pathways, the challenges of mobilising and scaling up climate finance, the country's constrained fiscal realities, administrative complexity, implementation capacity, project development and packaging capability, absorption capacity of South Africa's capital and savings markets, export competitiveness as well as South Africa's present load shedding crisis.

South Africa's ambition of achieving carbon-neutrality by mid-century also requires a profound economic transformation built on significant green investments in the energy and industrial sectors, supported by a reformed business-friendly environment and a labour market that make it easier to develop business activities and create jobs, and improved governance and transparency at all levels of government. Taking Mpumalanga as an example, decommissioning of the power plants in the province will lead to significant direct and indirect job losses – in the power and mining sector in particular – in a region already affected by high unemployment, especially for youth. The province already has a soaring unemployment rate of 38%, and more than 100,000 jobs depend on coal. SA's economic recovery in 2021 has not created many jobs and latest data from Statistics South Africa showed that youth unemployment rose by 1.1% while nearly a quarter of a million young people lost their jobs in the first three months of 2023. At 32,9%, South Africa's official unemployment rate remains one of the highest in the world. Women have less access to the opportunities and development resources necessary to overcome poverty, such as land ownership¹¹, housing, financial resources, employment and education, and are more affected by climate change and food insecurity¹². Women's poverty levels are significantly higher than those of men¹³. Unemployment rate at 36, 8% for women has a direct bearing on women's poverty¹⁴. Black African women are the most vulnerable with an unemployment rate of 41%. COVID-19 crisis has increased the employment gender gap, as more jobs for women were lost, and where new jobs were created, women were less likely to benefit.¹⁵

During PCC consultations, business emphasised the importance of skills development, alignment with the JTF, combating corruption, regulatory certainty for NEVs and investing in local renewable energy manufacturing capacity. They also underlined potential job creation, recycling opportunities, and rural development through the JET-IP implementation, but stressed that this should occur in the context of long-term economic growth. Therefore, a truly Just Transition to net zero by 2050 requires a deep and comprehensive understanding of industry needs and supporting skills. Skills development needs to be linked to job opportunities offered by a green and just transition, notably in green energy technologies by investing in sustainable production / resource efficiency in local value chains or by reducing the energy demand, NEVs and services supply value chains. The rollout of renewable energy production and energy efficiency solutions can create a lot of jobs, but challenges to be addressed include mismatches in terms of necessary qualifications, education, and training of retrenched coal value chain workers. RE generation projects will provide fewer jobs than expected job losses in coal value chains and pre-existing high unemployment and inequalities, therefore calling for an economic diversification of regions that have, until now, been overly reliant on a single industry – coal and coal mining

Job opportunities need to be created through new economic activities, notably by entrepreneurs and small businesses. SMMs are globally considered key drivers for employment creation. This has not followed suit in South Africa. Globally, over 95% of enterprises are SMMs, which employ 60-70% of the working population. In fact, the National Development Plan of South Africa envisioned that by 2030 SMMs will contribute 60-80% to GDP increase, and generate 90% of the 11-million new jobs in South Africa. However, with the worsening

¹⁰ The Presidential Climate Commission is an independent, multi stakeholder body established by President Cyril Ramaphosa, whose purpose is to oversee and facilitate a just and equitable transition towards a low-emissions and climate-resilient economy. Its mandate is to establish dialogue between social partners on issues relating to South Africa's just energy transition.

¹¹ Women control only 5% of the land while up to 80% of the labour is provided by women (Stats SA)

¹² Statistics South Africa, *Marginalised Groups Indicator Report, 2019*, report no. 03-19-05, Pretoria, 2020, p. 65. According to this report, 11.1% of women-led households reported hunger, compared to 9.7% of men-led households. <http://www.statssa.gov.za/publications/03-19-05/03-19-052019.pdf>.

¹³ Statistics South Africa, *Men, Women and Children: Findings of the Living Conditions Survey 2014/15*, report no. 03-10-02 (2014/15), Pretoria, 2018. <http://www.statssa.gov.za/publications/Report-03-10-02%20Report-03-10-02%202015.pdf>.

¹⁴ QLFS Q2: 2021, Unemployment for men is 32, 4% and 36% for black African men.

¹⁵ "Of those women who started out employed in February 2020, only 70% still had employment in January 2021. For men, the corresponding figure was 78%. And, of women who started out not employed pre-COVID, 19% had employment in January 2021, with the corresponding figure for men 31%. Of women who were employed pre-COVID, only 47% stayed employed across all four waves – what we might call 'stable employment'; for men, the corresponding figure was 61%. Casale, D., and Shepherd, D., *Gendered employment dynamics during the COVID-19 pandemic: Evidence from four waves of a South African longitudinal survey*, National Income Dynamics Study (NIDS) – Coronavirus Rapid Mobile Survey (CRAM), 12 May 2021.

<https://cramsury.org/wp-content/uploads/2021/05/4.-Casale-D.-.-Shepherd-D.-2021-Gendered-employment-dynamics-during-the-Covid-19-pandemic-Evidence-from-four-waves-of-a-South-African-longitudinal-survey.pdf>.