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QUICK BRIEF

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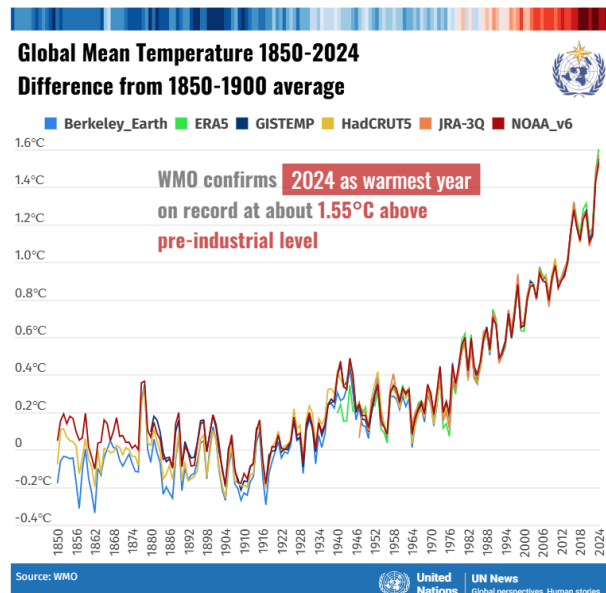
**Adaptation Action is Now:
A Business Imperative for South Africa**



The [World Meteorological Organisation \(WMO\)](#) recently confirmed that 2024 was the hottest year on record, with global temperatures reaching **1.55°C** above pre-industrial levels.

This alarming milestone underscores the urgency of climate adaptation, particularly for South Africa, where the impacts of climate change are not a distant threat but a present reality.

In recent weeks, many families and businesses have had to deal with the devastating impacts of heavy rains and flash flooding in Kwa-Zulu Natal and Gauteng. These events have claimed lives and caused massive damage to infrastructure.



The Adaptation Imperative

While global efforts have historically focused on mitigation, adaptation is equally critical, especially for countries like South Africa. Southern Africa is warming at **twice** the global rate, making us disproportionately vulnerable to climate impacts. From extreme weather events to gradual environmental shifts, the socio-economic consequences are already being felt.

A 2021 study by the [Swiss Re Institute](#) warns that if climate change reaches **2.6°C**, South Africa could face a potentially devastating GDP decline of up to **17.8%** by mid-century. With current policies putting the world on track for **2.7°C** warming, the need for adaptation is not just urgent—it's existential.

COP29: A Steppingstone for Adaptation

COP29 in Baku, Azerbaijan, marked significant progress in advancing global adaptation efforts. Key outcomes included the development of a manageable set of 100 indicators to track progress toward the [Global Goal on Adaptation \(GGA\)](#), down from an overwhelming 10,000. These indicators, mapped to 11 adaptation targets, provide a clearer framework for measuring success. Additionally, the launch of the Baku Adaptation Road Map and high-level dialogue on adaptation signals a growing recognition of the need to scale up resilience-building efforts.

For South Africa, these developments are particularly relevant. The country's National Adaptation Strategy and Plan, alongside the recently signed [Climate Change Act](#), lays a foundation for adaptation planning. However, these efforts remain largely state-driven, with limited emphasis on private sector involvement. This gap represents both a challenge and an opportunity for businesses to be instrumental in building future climate resilience.

Aligning Adaptation with South Africa's Development Agenda



Adaptation is not just about risk management—it is a catalyst for sustainable development. By addressing climate vulnerabilities, companies can contribute to broader national goals in relation to economic development, poverty alleviation and job creation. For instance, while investing in climate-resilient infrastructure, operations and supply chains, business can also create employment and support suppliers, while enhancing community resilience.

As South Africa prepares for COP30 in Belém, Brazil, there is a critical window to strengthen national adaptation efforts. This includes strengthening the adaptation approach in the country's **Nationally Determined Contribution (NDC)** and ensuring that business plays a central role in driving these efforts.

The Business Case for Adaptation

Adaptation is not just a government responsibility—it is a business imperative. **Studies show that for every \$1 spent on adaptation, the returns can range from \$2-\$10.** Beyond the financial advantages, building climate resilience is essential for safeguarding operations, securing value chains, and protecting communities.

Globally, businesses are beginning to take the lead on adaptation action. **The World Business Council for Sustainable Development (WBCSD)** recently released the **Business Leaders Guide to Climate Risk and Resilience**, offering practical steps for integrating adaptation into corporate governance, strategy, and operations. Similarly, the **NBI**, with support from international partners such as **GIZ**, is developing a South Africa-specific adaptation planning framework for business. These tools are designed to help companies navigate climate risks while identifying opportunities for innovation and growth.

Our Economic Future

As we discover what it will be like to live in a 1.5°C world, the call for action has never been clearer. The time for adaptation is now. South Africa's vulnerability to climate change demands a coordinated response from both government and the private sector. Companies must embed adaptation into their strategic planning, investment decisions, and operational practices. By doing so, they can not only protect their own interests but also contribute to a more resilient and sustainable economy.

Adaptation is no longer a choice—it is a necessity. For South Africa, it is an opportunity to redefine our economic future in the face of a changing climate. The question is not whether we can afford to adapt, but whether we can afford not to.



NBI

National Business Initiative

The National Business Initiative (NBI) is an independent and voluntary coalition of South African and multinational businesses launched in 1995 by the then President, Nelson Mandela.

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