OPINION PIECE

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Approaching the Inevitable

Reflections from Climate Week New York



Given the current geopolitical context, you would think the mood at **Climate Week New York** might have been a bit somber. It wasn't, and there was an important reason for that.

In amongst all that is happening in the world today, there is a growing sense of inevitability in the climate community: inevitability that the market, predominantly driven by China (but also by the EU, Asia Pacific and emerging markets) has pivoted towards large-scale renewable energy, battery storage and the harnessing of digital technologies to achieve the climate transition.

As a lifetime environmentalist, it feels like a watershed moment. It reminds me of that point, roughly 15 years ago, when solar started reaching cost parity with conventional fossil fuels. Only much more than that.

Renewables are now dominant. Even under the auspices of the Trump administration in the US, annual global investments in renewable energy are now double those of **fossil fuels**. Utility scale batteries are scaling at dizzying levels. Countries are recognising that embracing renewables, backed by large-scale electrification of industry and transport, will decarbonise their economies rapidly, while making financial sense.

The International Energy Agency calls it the **Age of Electricity**, and the London-based think tank Ember, name it the Electrotech Revolution.

And the phrase used in at Climate Week this past week: 'plug baby, plug'. In other words, electrify, electrify everything, and run it off clean power.



Providing a high-level opening at Climate Week, the Australian Prime Minister Anthony Albanese indicated that his country's historically coal dominated economy has now pivoted to clean energy, and is moving at rapid speed.

The related opportunities for South Africa couldn't be clearer. We have top 10 wind and solar power resources globally. Harnessing this natural resource we can achieve price competitive electricity, spur significant investment, improve energy security and join the global economic transition that is Electricity 2.0.

We also won't have to worry about fossil fuel price shocks, which affect diesel prices for agriculture, natural gas prices for industry and transport costs for everyone, with huge costs at home and abroad.

At the conference Bill McKibben cleverly quipped that the ''sun travels 150 million kilometres to reach the Earth, but none of those have to go through the Strait of Hormuz."

There is a real sense that the Ukraine war caused some to sit up and notice, particularly the UK and EU. But the Iran War has really driven home the supply chain and inflation risks linked to fossil fuels. Why should countries not pursue electrification of transport and industry, and thereby increase their energy security and energy independence?

For the Global South this is also about the democratisation of energy, as we live in the global sunbelt. For many African countries this is about leaving behind the significant cost of long-term oil imports, harnessing resources at home and leapfrogging into the clean electricity age.

A key part of this story will be electrifying households and the mass deployment of solar home systems, which are set to scale enormously in Africa and will bring clean power to millions that have never had access to electricity. The combination of a youthful market and access to clean electricity will be the African double dividend.



So New York had a significant sense of optimism. The writer William Gibson once said that *'the future is already here, it's just not unevenly distributed'*. There was a time, just over a hundred years ago, when a horse and carriage sold at the same volumes as cars in New York City. And then that time ended. Technology moves on.

Welcome to where the present meets the future. It is renewable, electrified and smart.