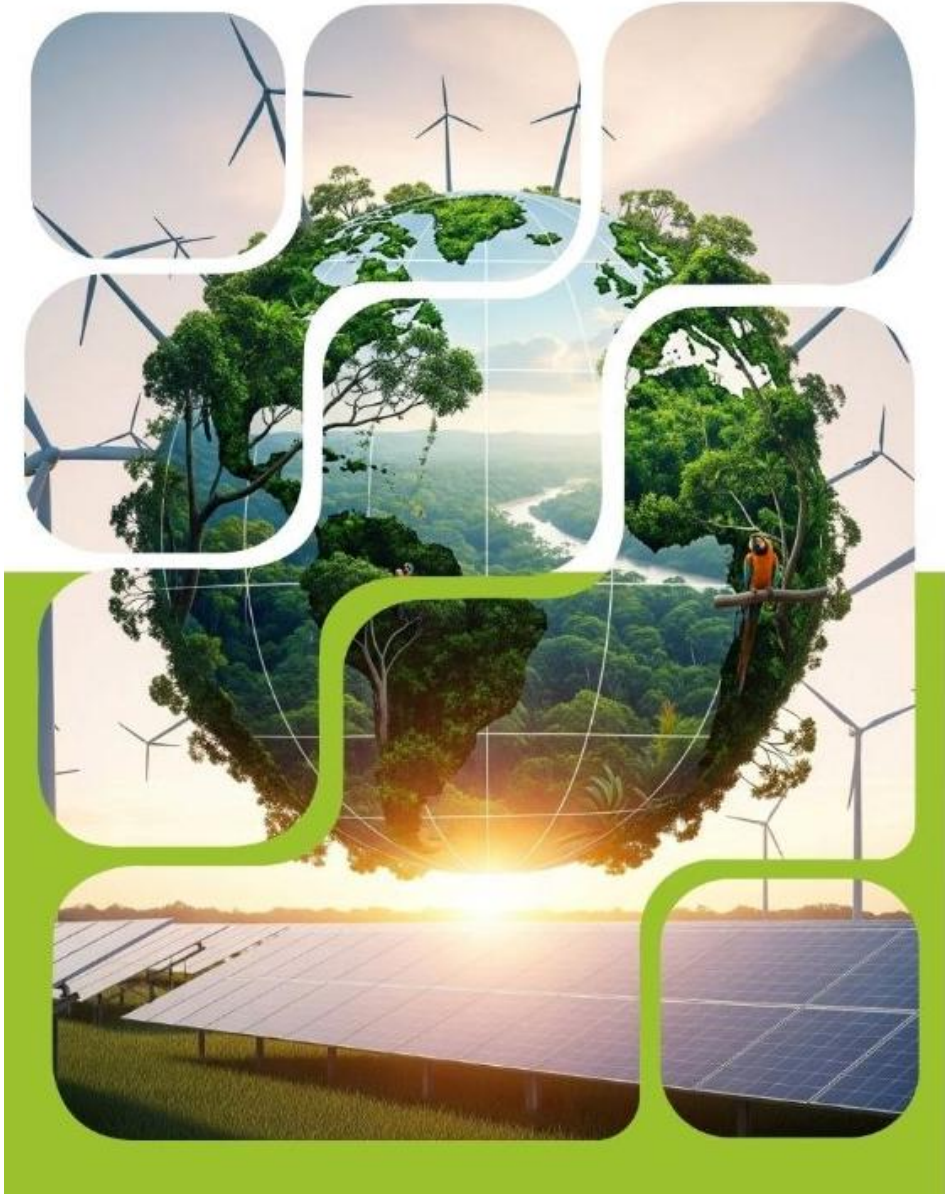




THE SOUTH AFRICA PAVILION KEY MESSAGES FOR COP31



Image: Landscape with marina and Kızıl Kule tower in Alanya peninsula, Antalya district, Turkey. Shutterstock 538784155.jpg (1920x1279)



Global Trends

Global trends that are shaping climate change discussions



Focus is shifting from climate ambition to climate implementation, action is underway – with access to climate finance at the core.



The increasing demand for affordable electrification is driving the massive demand for renewable energy across all markets.



The race for electrification, critical minerals and technological innovation in electric mobility and battery storage is intensifying with implications for developing countries.



Mainstreaming of climate change considerations into credit risk assessments, investment decision making, and trade conditions with implications for global and national fiscal stability



Building adaptation and resilience is essential for social and economic sustainability and development and is central to the climate agenda.



A just, fair and inclusive, whole-of-economy, whole-of-society transition is gaining momentum in countries that are implementing.



South African Messaging

A Vision for South Africa:

South Africa is pursuing its 2050 net-zero goals resiliently while building a future-fit economy that delivers shared prosperity, decent work and social inclusion through a just transition, while safeguarding its people, ecosystems and natural resources.

As a globally competitive leader in clean energy, green industrialisation and sustainable innovation, South Africa is pursuing its net-zero pathway, prioritizing inclusive economic growth, reducing poverty and inequality and ensuring no one is left behind in the transition to a low-carbon future.

Implementation is underway:

South Africa's net-zero vision is already being translated into implementation. The Just Transition has established the policy and investment framework for action, with project pipelines advancing, capital being mobilised, and new enterprises creating jobs and economic opportunities.

While the pace and scale of delivery must accelerate to meet national ambitions, measurable progress is underway. This transition is being driven through a broad societal effort involving all government spheres, investors, business, civil society, communities and development partners, reflecting a shared commitment to an inclusive, low-carbon and climate-resilient economy.

Global climate shifts are creating both significant risks and transformational opportunities for South Africa, with climate finance becoming one determinant of economic competitiveness



- Competition for climate finance is intensifying with developed countries shifting financial resources to defence. This is constraining the donor-finance landscape for DFIs and other government-backed financial instruments.
- Climate ambition provides a pathway to attract investment and strengthen long-term competitiveness. Countries with credible project pipelines and strong governance institutions will attract more investments.



- Concessional, blended and private finance is essential to achieving South Africa's climate and infrastructure goals.
 - South Africa requires ZAR 499 billion annually to meet climate goals aligned to the country's NDC. This can only be achieved with increased international support and investments.
 - The JETP, renewable energy programmes, adaptation priorities and infrastructure pipeline create significant investment opportunities. The South Africa pavilion will showcase the opportunities that are being unlocked nationally and locally.
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- **KM1. To attract investment South Africa must convert climate ambition into an investable national delivery pipeline - business and government must demonstrate investment-ready project pipelines.**
 - **KM2. International and domestic financiers need to provide more de-risking instruments and faster deployment of concessional finance.**
 - **KM3. Blended finance must be scaled and more support provided for project preparation facilities.**
 - **KM4. Climate finance has to reach municipalities, SMMEs and vulnerable communities, with less concentration in sovereign and utility-scale transactions.**

Renewables are no longer simply an emissions-reduction technology: they are becoming a core determinant of energy security, competitiveness and industrial strategy.



- **South Africa is poised for a massive ramp up in renewable energy capacity.** Wind and solar can lower system costs, improve energy security and decarbonise mining, manufacturing and exports, minimising trade risks.
- **Grid strengthening through the Transmission Development Plan (TDP)** will unlock low-cost renewables at scale and drive investments into new infrastructure.



- Investment in battery storage, demand response and flexible generation must expand alongside renewables to maintain reliability.
- SAREM can spur renewable-energy demand to drive industrialisation and localisation.

- **KM1. Electricity reform is underway. South Africa should fast-track implementation of current reforms to create a competitive electricity market and enable transparent, procurement of renewable electricity by business, including the timely launch of the SAWEM.**
- **KM2. South Africa should establish clear, ambitious and regularly updated renewable energy-based electricity targets backed by credible, coordinated energy system planning and a regularly updated IRP reflecting least cost electricity option realities.**
- **KM3. The Transmission Development Plan (TDP) must be implemented at pace to connect new renewable energy projects, reduce electricity constraints, improve energy security, and unlock large-scale investment in wind and solar.**
- **KM4. South Africa must use the energy transition as a platform for industrialisation, localisation, and job creation through SAREM and related industrial policies.**

For South Africa the transition to green industrialisation, electric mobility, electrification and low-carbon industrial development is no longer solely a climate objective - it reinforces macroeconomic resilience and security of supply.



- Electrification of transport, buildings, industrial and heating processes can reduce fossil-fuel dependence while creating demand for renewable electricity.
- Electric vehicles and critical minerals are reshaping global industrial competition. The transition is evolving into a global race to control electric-mobility markets, battery manufacturing, critical-mineral supply chains and clean-technology intellectual property.
- South Africa's minerals endowment and sophisticated mining sector create opportunities in manganese, platinum-group metals, vanadium and other transition-related minerals.



- South Africa's established automotive manufacturing base faces a strategic transition as major export markets move towards electric vehicles. **New Energy Vehicles are primed for good growth**, starting with public transport, minibus taxis, corporate fleets and delivery vehicles.

- **KM1. South Africa is moving beyond raw-material exports towards refining, manufacturing of components, finished products and other forms of domestic beneficiation.**
- **KM2. South Africa must reduce reliance on imported oil, increasing our energy security and reducing exposure to fossil fuel price shocks.**
- **KM3. The transition to electric transport, particularly last-mile delivery, public transport, road freight and corporate fleets must be scaled, with support provided for the expansion of a local NEV automotive manufacturing sector to maintain, and secure new, export markets.**

Adaptation and biodiversity assets should be recognised as economic infrastructure - with government and business directing capital towards resilient cities, water systems, landscapes and nature-positive enterprises.



- As physical climate impacts intensify, building adaptation and resilience is essential for social and economic sustainability and development.
- South Africa's exposure to drought, water scarcity, flooding, heat, wildfire, coastal risks and food-system disruption means adaptation must be integrated into national infrastructure planning, fiscal policy, municipal budgeting and private investment decisions.



- Investment in ecological infrastructure can support climate resilience, water security, livelihoods and biodiversity conservation simultaneously.
- South Africa's globally significant biodiversity assets create a strategic advantage in delivering nature-positive development pathways and provide cost-effective protection and livelihood benefits when treated as infrastructure.

KM1. South Africa should position nature as productive and protective infrastructure that supports water security, resilience, employment and economic development.

KM2. South Africa should embed climate-risk assessments and resilience standards into national infrastructure planning, fiscal policy, municipal budgets, procurement processes and private-sector investment. Adaptation priorities must translate into funded, implementation-ready programmes for water infrastructure, disaster-risk reduction, climate-smart agriculture, resilient human settlements and municipal services.

KM3. More investment in ecological infrastructure is required. Protecting and restoring wetlands, catchments, grasslands, estuaries and coastal ecosystems can strengthen water security, reduce flood and wildfire risks, support livelihoods and conserve biodiversity simultaneously.

Climate policy is being integrated into trade and industrial policy, while disclosure is becoming a condition of market access



- Due to the carbon intensity of our manufacturing processes, South Africa faces rising exposure where products compete in jurisdictions applying carbon-border measures or stringent green procurement standards.
- Sector-specific decarbonisation roadmaps, supported by clear policy signals and implementation timelines, are needed to protect exports, investment and jobs.



- Decarbonisation can become a source of competitive advantage. Renewable electricity, green industrial production, low-carbon metals and credible product certification could help South Africa retain existing markets and enter growing markets for low-carbon goods.



- South African companies will need credible emissions measurement, product-level carbon data, climate-risk assessments and transition plans.
- Smaller suppliers may require technical and financial support to avoid exclusion from export value chains.

- **KM1. South Africa should align climate, trade and industrial policy to safeguard market access and position decarbonisation as an export-competitiveness strategy.**
- **KM2. South Africa must accelerate access to affordable renewable electricity, energy-efficient production and low-carbon industrial technologies, while developing credible certification for low-carbon metals and manufactured goods.**
- **KM3. Support should be given to businesses to measure, verify and reduce emissions so that new trade and disclosure rules become an incentive for industrial upgrading rather than a barrier to exports.**

The legitimacy of climate action in South Africa increasingly depends on whether it delivers affordable services, decent work, social protection and meaningful participation.



- South Africa's Just Transition is explicitly intended to achieve a **low-carbon, climate-resilient economy and society while addressing poverty, inequality and unemployment**.
- For South Africa the transition cannot be measured solely in RE megawatts or emissions reductions. It must also address unemployment, poverty, inequality, energy affordability, resilience and the dependence of workers, businesses and municipalities on coal-based economic activity.



- South Africa has many of the building blocks: a Just Transition Framework, JET Investment Plan, Climate Change Act, NDC, significant renewable resources, critical minerals, established industrial bases and sophisticated private-sector institutions.
- Industrially zoned land with good access to logistics and grid provides a solid base for economic diversification, in key affected regions.



- The opportunity is to move beyond seeing the Just Transition as a **cost of decarbonisation** and instead use it as a framework for **economic transformation**: renewable energy can improve energy security; EVs can support a new automotive value chain; critical minerals can underpin beneficiation and manufacturing; green iron and ammonia can create new export industries; and climate-resilient infrastructure can protect jobs, assets and communities.

- **KM1. A just transition must be visible in people's lives. For South Africa, climate action will be credible only if it includes a whole-of-economy, whole-of-society approach that creates accessible jobs, supports affected regions and distributes the benefits and costs of transition fairly.**
- **KM2. Implementation must now convert the Just Transition Framework, JET Investment Plan, Climate Change Act and NDC into coordinated project pipelines, investment, jobs, skills and measurable community outcomes.**
- **KM3. Exposed regions require place-based transition plans encompassing mine and power-station repurposing, land rehabilitation, SMME development, reskilling, social protection and replacement municipal revenue.**

Actors and initiatives already active in South Africa

Renewable energy

- **Actors:** Department of Electricity and Energy (DEE), Eskom, Office of the Presidency and JET PMU, Department of Forestry, Fisheries and Environment (DFFE), Department of Trade, Industry and Competition (dtic), National Transmission Company South Africa, municipalities, National Energy Regulator of South Africa and the Independent Power Producer Office, SANEDI, SAWEA, SAPVIA, Energy Council of South Africa, DBSA, IDC, business, NBI, BUSA, PCC, donors
- **Initiatives/Policies:** Transmission Development Plan, the Energy Action Plan, Electricity Regulation Amendment Act, Climate Change Act, the Renewable Energy Independent Power Producer Procurement Programme, the Battery Energy Storage procurement process, the South African Wholesale Electricity Market, Eskom's BESS programme.

Electrification, EVs and Minerals

- **Actors:** Business, Department of Transport, OEMs, dtic, DFFE, DEE, Department of Mineral and Petroleum Resources, Transnet, JET PMU, municipalities, National Association of Automobile Manufacturers of South Africa, National Association of Automotive Component and Allied Manufacturers, Automotive Industry Development Centre, Minerals Council of South Africa, Council for Geoscience, Mintek, CSIR, Technology Innovation Agency, IDC, DBSA, NBI, BUSA, PCC, donors
- **Initiatives/Policies:** Corporate sustainability strategies, Electric Vehicles White Paper, South African Automotive Masterplan 2035, South Africa's Industrial Development Strategy, Critical Minerals and Metals Strategy 2025.

Just inclusive transitions

- **Actors:** DFFE, JET PMU, DMPR, DEE, Eskom, PCC, Mining Companies, Business, NBI, municipalities, DEE, DTIC, DoT, NEDLAC, International Partners Group and development partners, donors, COSATU, NUM, NUMSA, civil society, Mpumalanga Green Cluster Agency, JET Skills Desk, DHET.
- **Initiatives/Policies:** NBI's Just Transition Climate Pathways, Framework for a Just Transition in South Africa, Just Energy Transition Investment and Implementation Plans, JET IP Electricity Portfolio, JUST SA programme, JET Skills Implementation Plan, Just Energy Transition Skilling for Employment Programme (JET SEP), Climate Finance Accelerator (CFA) South Africa, JET Funding Platform.

Actors and initiatives already active in South Africa

Adaptation, biodiversity and ecological infrastructure

- **Actors:** DFFE, Department of Water and Sanitation, Department of Agriculture, Department of Cooperative Governance and Traditional Affairs, municipalities, the National Disaster Management Centre, South African National Biodiversity Institute, South African National Parks, Water Research Commission, South African Weather Service, Business, NBI, PCC, EWT, donors, IUCN, BUSA, WWF-SA.
- **Initiatives/Policies:** National Climate-adaptation and Biodiversity policy, draft ecological-infrastructure policy, Working on Fire, Working on Water, National Biodiversity Strategy and Action Plan 2026–2036, Biodiversity Sector Investment Portal.

Transition risks and trade policies

- **Actors:** Business, dtic, DFFE, National Treasury, South African Revenue Service, International Trade Administration Commission, Trade & Industrial Policy Strategies, Minerals Council South Africa, Steel and Engineering Industries Federation of Southern Africa, Aluminium Federation of South Africa, Manufacturing Circle and NEDLAC, BUSA, NBI, PCC, Johannesburg Stock Exchange, Prudential Authority, Financial Sector Conduct Authority.
- **Initiatives/Policies:** Carbon Tax, Climate Change Act, Draft National Greenhouse Gas Carbon Budget and Mitigation Plan Regulations, National Greenhouse Gas Inventory, South Africa–European Union Clean Trade and Investment Partnership, JSE Sustainability and Climate Disclosure Guidance, International Sustainability Standards Board’s IFRS S1 and IFRS S2 standards, South African Green Finance Taxonomy, Draft South African Carbon Markets Framework.

Climate action is a development imperative



The costs of inaction on climate change, nature loss and water are major threats to South Africa's economy. Capable institutions, good governance and meaningful community participation are essential to accelerate implementation.



Renewable energy is key to South Africa's future competitiveness. It is necessary to advance renewable energy at scale to grow the economy and support energy security.



Sector-based decarbonisation investment plans are critical to stimulate economic development and ease trade risk exposures.



Business has an important role to play in the Just Transition, by advancing the rollout of clean energy, building trust with government and social partners, and skilling their workforce for the future.



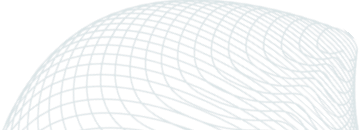
Fit-for-purpose finance will depend on credible, investment-ready project pipelines that deliver measurable economic and community benefits. Stimulating a future fit economy will increase South Africa's global competitiveness, reduce company tax and trade risk exposure, and support business and the country in achieving their sustainability goals.

South Africa is implementing a just transition in a way that addresses economic competitiveness, builds societal resilience and fosters inclusive investment and partnership opportunities, to enable the country to prosper.



COP31 presents a new opportunity for South Africa to demonstrate leadership - as a developing country showing that implementing the Just Transition is achievable.

And for business and others to mobilise further investment to unlock this opportunity.



THANK YOU