GREEN ECONOMY INVENTORY FOR SOUTH AFRICA

An Overview

environmental affairs
Department: Environmental Affairs
REPUBLIC OF SOUTH AFRICA

PAGE
PARTNERSHIP FOR ACTION ON GREEN ECONOMY

Green Economy Policy Landscape

In South Africa, a transition to a green economy is envisioned as an important means to respond to critical development challenges that the country is facing and will be facing in the near future. Many of these challenges are intertwined ranging from high levels of unemployment, poverty and inequality, to energy security and climate change. The transition to a greener economy is articulated in national development policy through a series of frameworks, strategies, policies and Acts which all enshrine sustainability or the notion of greening the South African economy.

From the social compact of 2011, the Green Economy Accord, to the National Strategy for Sustainable Development and Action Plan (2011-2014), the New Growth Path (2020) and National Development Plan (2030) – the country has firmly committed to a just transition to a "low-carbon, resource-efficient and pro-employment development path".

Sectoral policies such as in waste management, water, energy, manufacturing and transport have been adopted, and 7 of the 9 provinces in South Africa have developed provincial green economy strategies. Investment in skills and technology, as well as a reorientation of public investment is seen as central for the achievement of a green economic transformation.

Introduction

The Green Economy Inventory for South Africa, undertaken by the inter-agency UN initiative, Partnership for Action on Green Economy (PAGE), in collaboration with the South African Government, takes stock of green economy initiatives that are being implemented by a wide range of development partners in both the public and private sector in South Africa.

The inventory provides a snapshot of efforts towards greening the economy and seeks to establish a knowledge base for improved collaboration, coordination and policy development and implementation. The Inventory cannot fully do justice to the richness and diversity of actions taken by a wide range of public, private and civil society stakeholders towards greening the South African economy. Rather, it attempts to provide an overview of initiatives across selected key sectors that are driving South Africa's transition to a resource efficient and low carbon economy, drawing out insights where possible to inform prioritisation of future green investments.

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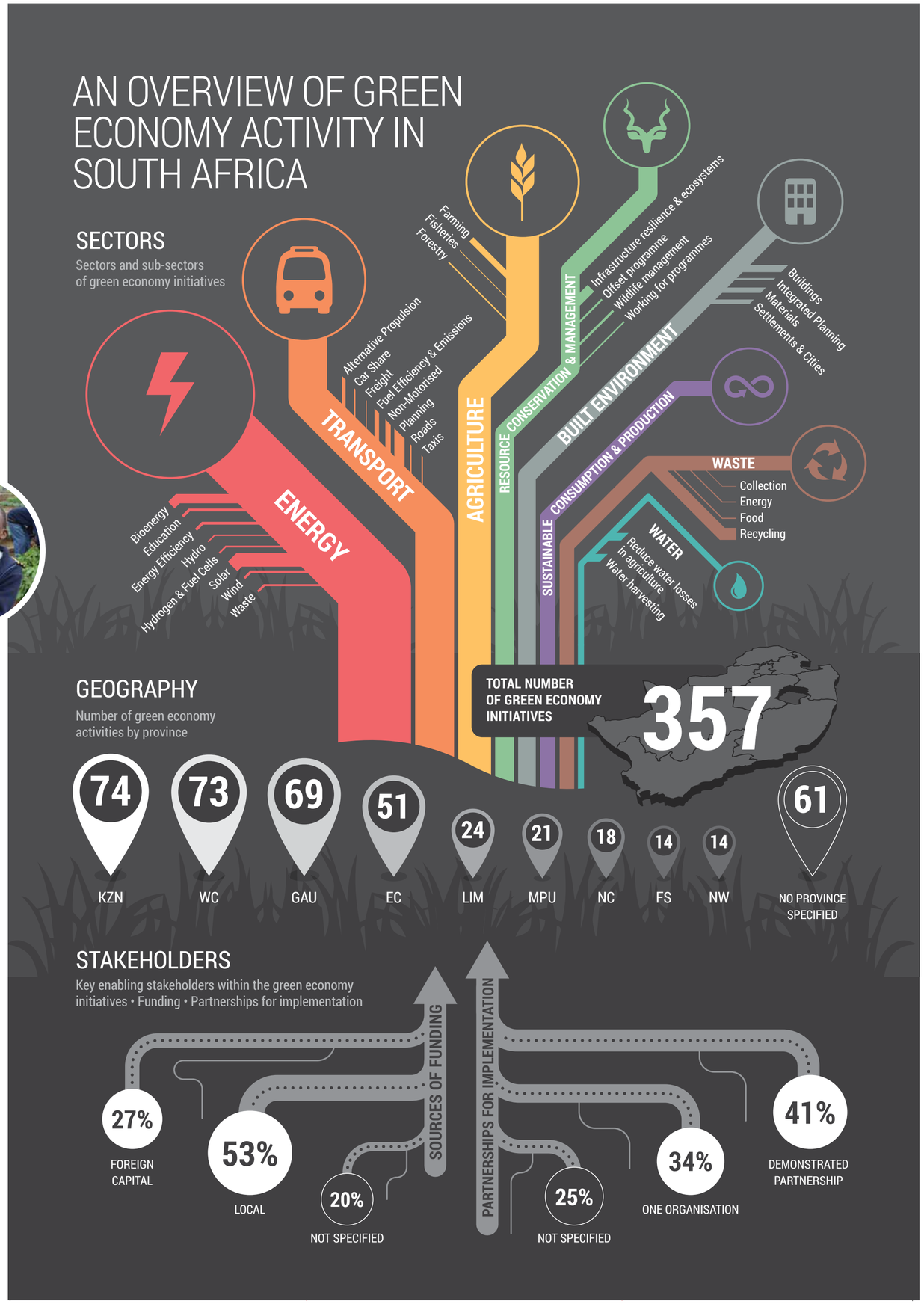
Background

The Green Economy Inventory for South Africa (GEISA), developed over a three-month period in 2016, presents a high-level inventory of green economy initiatives across sectors, spheres of government and service categories. The eight thematic areas, outlined in the National Strategy for Sustainable Development and Action Plan (2011), provided a framework to interrogate and understand the characteristics of green economy initiatives including their contribution to job creation, skills development and finance. The final GEISA report includes a detailed sectoral analysis, and provides illustrative good practice cases of leading initiatives in each of the sectors surveyed. Information on green economy initiatives was also obtained in each identified sector.

The core focus of the GEISA was to gather data on South Africa's green economy initiatives implemented since 2010 to answer the question:

What are the key sectors, who are the key actors and which services can enhance communication, information exchange and coordination amongst green economy initiatives?



From approximately 1,000 green economy initiatives identified as active in the period 2010-2016, a total of 667 met the assessment criteria and 357 initiatives had sufficient data to be explored in greater detail.

The Inventory has shown widespread and growing activity in its initial survey of the green economy landscape; it identified approximately 1,000 green initiatives across all provinces and in all sectors.

This is a clear signal that South Africa is actively transitioning towards a greener economy, and working towards its target of planning, piloting and investing in the creation of a framework to achieve an environmentally sustainable, climate resilient and low-carbon economy.

The Partnership for Action on Green Economy (PAGE) is a joint UN-programme of five UN agencies which is partnering with the South African government, through the Department of Environmental Affairs, Economic Development Department, the Department of Trade and Industry and the Department of Science and Technology, to put sustainability at the heart of economic policies and practices to advance the 2030 Agenda.

For more information on PAGE, contact page@unep.org

Green Economy Activity in South Africa General Findings

- Green economy initiatives have sharply increased since 2010
- All key sectors in South Africa's economy and all provinces are active in or associated with the green economy in some way
- 60% of green economy initiatives are located in Gauteng, Western Cape and KwaZulu Natal provinces
- Energy, transport and agriculture are the most active sectors, with initiatives in solar and bio-energy, non-motorised transport and planning, and farming
- Agriculture has the largest number of job-creating initiatives; 26 surveyed initiatives report the creation of 50 or more jobs
- Nexus initiatives, where water efficiency is addressed as an input to other sectors such as agriculture, resource conservation and management and energy, were common
- 53% of the green economy initiatives surveyed are locally funded; 27% are internationally funded.
- 80% of the surveyed green economy initiatives were funded by domestic public finance; of which 50% were funded by national government departments
- 41% of surveyed initiatives are part of multi-stakeholder partnerships

Findings by Sector

The following sectoral findings, grouped according to eight thematic areas outlined in the National Strategy for Sustainable Development and Action Plan (DEA, 2011), are based on the high-level insights drawn from the GEISA. These insights can help build a more solid understanding of key trends, characteristics, information and policy gaps and opportunities in each sector. For each sector, suggestions for further action are made.

ENERGY

Given South Africa's heavy reliance on coal, this sector will require an accelerated shift from coal to renewable energy to meet national greenhouse gas (GHG) reduction commitments. The Renewable Energy Independent Power Producer Procurement Programme has had a significant impact on greening the energy sector, but greater support is needed for decentralised renewable energy generation in residential and commercial sectors, with a prioritised focus on areas which do not have access to electricity.

TRANSPORT AND INFRASTRUCTURE

Bus Rapid Transit initiatives are receiving substantial amounts of funding and are linked to large-scale transport planning at national and municipal levels. A number of projects addressing non-motorised transport were also identified and it is recommended that support in this sector focus on greater integration of non-motorised transport into spatial planning, and supporting SMMEs that provide eco-mobility solutions.

AGRICULTURE, FOOD PRODUCTION, FISHERIES AND FORESTRY

This sector has a high potential to create direct jobs. KZN and the Eastern Cape are well represented. Given the high levels of poverty in these two provinces and the rural nature of the populations, it is recommended that continued support for labour-intensive sustainable agricultural systems be a focus in these provinces. Innovative agricultural models that link food, energy, waste and water should be shared widely for better implementation of sustainable agriculture.

RESOURCE CONSERVATION AND MANAGEMENT

The largely public-funded Expanded Public Works Programme initiatives in the Environment and Culture sector (Working For programmes) have had a significant impact in improved water quality and quantity, and in ecological maintenance and rehabilitation. The programmes have also leveraged substantial international environmental funding. This needs to be further explored and strategically linked to emerging global environmental funding mechanisms related to climate change adaptation in particular. Policy and financial structures to operationalize and up-scale private investments in ecosystem services is needed.

BUILDINGS AND THE BUILT ENVIRONMENT

A variety of initiatives in this sector, at the city and provincial level, were identified illustrating the leading role that South Africa is playing in greening the built environment. The country has in fact been identified as global leader in green buildings with growth in the sector at 41%, compared to a global average of 37%. From an initial focus on greening of commercial buildings, increasing investment is now being directed towards green residential development, as well as public buildings. In the delivery of social housing, there is also an opportunity to implement green building design principles.

SUSTAINABLE CONSUMPTION AND PRODUCTION (SCP)

Activities in this area are largely focused on energy efficiency, probably driven by increases in energy costs and voluntary carbon disclosure programmes in the private sector. While institutions providing technical support have played a key role in promoting SCP, financial support for SCP investments is limited. Emerging concepts such as the circular economy which is being implemented through industrial symbiosis programmes hold substantial potential for further development. Given the current drought, which has impacted on the quality and quantity of water resources, it is likely that water efficiency will become a focus area in SCP initiatives.

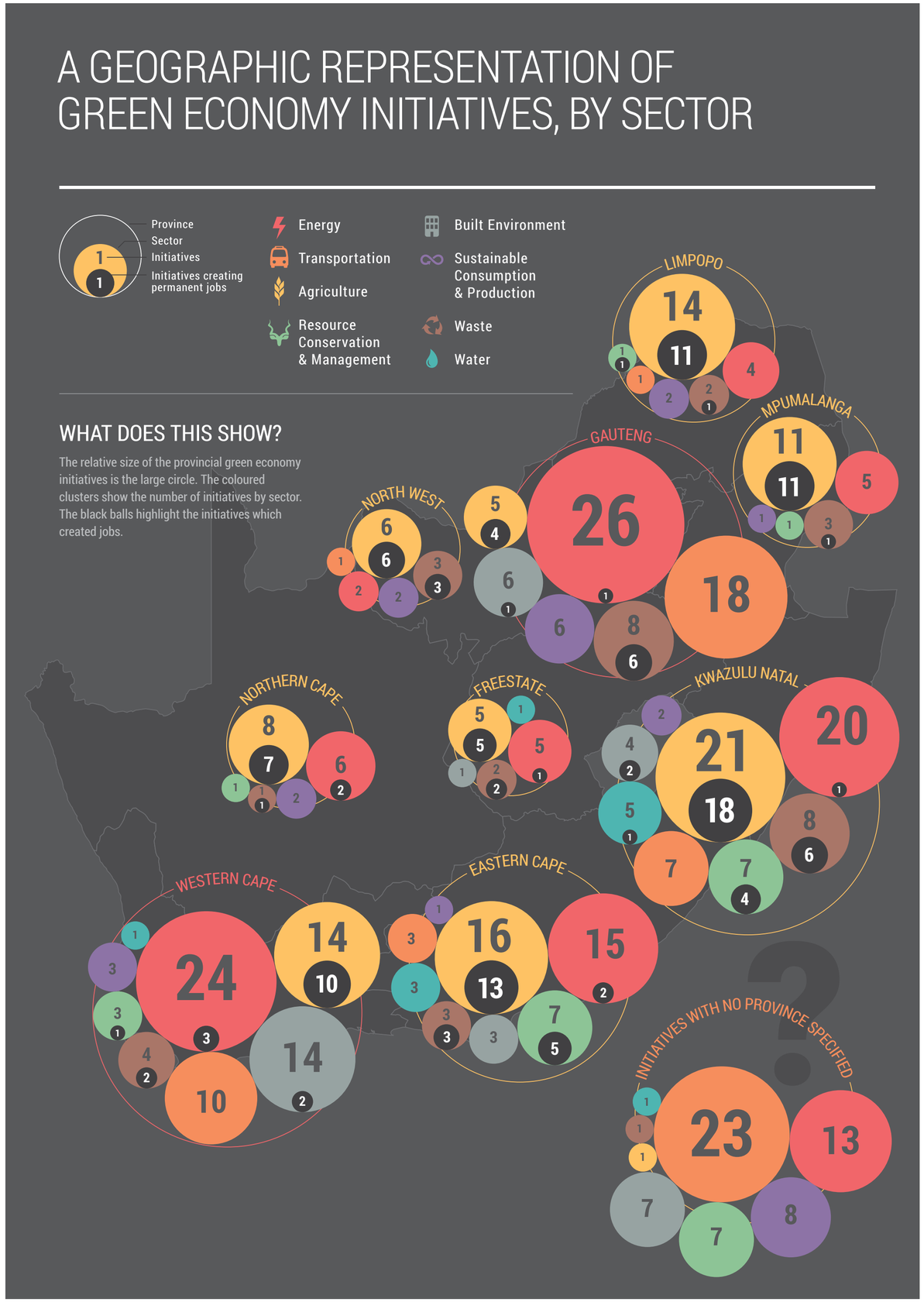
SUSTAINABLE WASTE MANAGEMENT PRACTICES

The waste sector has the potential to create work opportunities and most initiatives identified focused on employment creation, as well as the reduction of GHG emissions. Given the often hazardous working conditions and high level of informality in the sector, priority efforts should be made to ensure the quality of jobs. Opportunities for decent work in sustainable waste management need to be maximised by strengthening activities along the entire value chain, from recovery at source to waste beneficiation. Waste-to-energy is an increasingly important component, notably at municipal level.

WATER MANAGEMENT

This sector has a large overlap with resource conservation management, SCP, agriculture and energy. Mechanisms for investing in catchment management and ecological infrastructure initiatives that deliver valuable services such as climate regulation, soil formation and disaster risk reduction, should be investigated. This sector has high potential for taking existing research (including sanitation innovations) to scale. South Africa's categorisation as a semi-arid country, as well as the ongoing drought, also provides an opportunity to develop innovative models and solutions to improve efficient water use, including local-level initiatives where communities play a role in monitoring, reporting and repairing wastewater spillages and potable water leaks.

A GEOGRAPHIC REPRESENTATION OF GREEN ECONOMY INITIATIVES, BY SECTOR



Key Policy Messages

The GEISA provides the basis for the following policy recommendations for sectoral transformation and other systemic changes that could support the expansion of green economy activities:

GEISA reveals that South Africa has over 32 green economy related policies and strategies

Better streamlining and coordination would attract additional investment in green economy sectors and initiatives and effectively transition South Africa to a green economy.

The potential to green South Africa's economy exists in all provinces and all sectors surveyed. Key sectors are driving the transition to a green economy but there are concrete opportunities to invest in greening of all economic sectors

Green economy investments at sub-national level should be aligned with priorities identified in provincial green economy strategies

A green economy creates jobs. According to GEISA, agriculture, food production, fisheries and forestry have the highest potential to create direct jobs

Increase investment in agriculture, food production, fisheries and forestry and allocate additional investment towards resource conservation and management and sustainable waste management, as these sectors can also deliver jobs, as well as substantial social and environmental benefits

A green economy contributes to the reduction of GHG emissions

Maximize synergies for lowering emissions through combined interventions in the energy sector to improve energy efficiency, integrate renewable energy power supply mix, and through other low-carbon scenarios in relevant sectors, notably the transport and the built environment

Technological innovation towards low-carbon and resource-efficient technologies has had significant uptake in South Africa

While the availability of clean technology is a key driver for green economy transitions globally, South Africa should invest in localising the production and manufacturing of clean technologies

Public finance is playing a leading role in catalysing investment targeted at supporting key transitions in, for instance, renewable energy, green industries and sustainable transport

Access to private capital, as well as to international environmental and climate finance will have to be considerably up-scaled to enable investment in the economy-wide transition

Partnerships and collaborative design and implementation have been essential to the actions taken by a wide range of national and global public, private and civil society stakeholders to support South Africa's green economy transition

The shared value in the implementation of South Africa's green economy policy vision and strategies should be deepened to further harness partnerships in taking green investments to scale