



## EXECUTIVE SUMMARY

# PATHWAYS FOR A **JUST URBAN TRANSITION** IN SOUTH AFRICA

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***“Combating climate change  
is not only an environmental  
imperative, but an economic  
one as well”***

*President Cyril Ramaphosa, July 6 2022*



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TOWARDS A JUST TRANSITION



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In 2021 South Africa used the Paris Agreement ratchet mechanism to enhance its greenhouse gas (GHG) reduction pledge. South Africa, however, faces the difficult task of radically reducing its economic dependence on emissions intensive sectors, lifting people out of poverty and unemployment, reducing unsustainable inequality and managing the impact of perturbed and increasingly damaging weather events. It is no co-incidence that South Africa has led calls for a “just transition” in international climate negotiations, drawing on the country’s history of transition to “elevate concerns about social justice in the global transition to sustainable economies and societies” (Patel, 2021).

South Africa is an urbanising country and recognising the co-dependence between the national climate ambition and a just urban transition (JUT), South Africa’s Cities Support Programme, the Presidential Climate Commission and the World Bank jointly requested the African Centre for Cities to compile a JUT discussion paper. The intention was to: (i) Update and refine the concept of a JUT; (ii) Propose concrete, practical, and actionable recommendations to unlock the potential of a JUT in South Africa, and (iii) Support the Presidential Climate Commission’s consultation processes in advancing the concept of a JUT.

This document marks the start of a process to determine ‘what’ South Africa’s cities might contribute to a just transition, ‘why’ this is important and ‘how’ this might be achieved. The focus below is on South Africa’s eight Metropolitan Municipalities (Metros), with the understanding that these Metros frequently provide a lead for many of the country’s smaller cities.

**South Africa has tabled a Just Transition Framework and led calls for a just transition in international climate negotiations.** South Africans know, through their lived history, that socio-economic transitions of the type required by climate change are most durable when they are also fair. South Africa’s Just Transition Framework, produced after extensive consultation and accepted by the President in 2022, has the objective of elevating concerns about social justice in the global transition to sustainable economies and societies (Patel, 2021). The Framework distinguishes between “distributive”, “procedural” and “restorative” justice elements of the transition.

**Achieving South Africa’s GHG mitigation goal will require decarbonisation efforts across the economy, primarily but not limited to, the energy sector.** The process will be fraught with “transition risk” (R1.980 trillion of transition risk between 2013-2035 according to (Huxham, 2019). The political and social viability of the transition rests on the decarbonisation process creating alternative employment and livelihoods for at least 120,000 people directly employed in the coal and synfuel sectors, and materially improve living conditions for all South Africa’s citizens.

**Cities aggregate climate opportunities and risks and “are where the battle for sustainable development will be won or lost” (UN, 2015, p.17).** Against the backdrop of ongoing urbanisation, neither South Africa’s just transition nor its Nationally Determined Contribution will prove tenable unless supported and enacted by the eight Metros. If South Africa’s Metros meet the mitigation targets outlined in their respective climate strategies they would, based on the authors’ calculations, contribute at least a 40% reduction in South Africa’s

intended “peak” (2030) emissions of 398 to 440 Mt CO<sub>2</sub>-eq for 2030 (Appendix A). Equally, without proactive adaptation at both the local and the national scales, “compounding”, “cascading” and “systemic” climate risks (IPCC, 2022) will make the day-to-day work of Metros increasingly difficult and expensive.

**South Africa is a country in urgent need of a just urban transition.** With a history of apartheid, a population that is approaching two-thirds urban, annual per capita greenhouse gas emissions over 9tCO<sub>2</sub>e (including AFOLU), large parts of the country warming more quickly than the global average, a Gini-coefficient of 0.63 and 40% of the working-age population out of employment, South Africa’s cities are in need of change (DEA, 2018; CSAG, 2020).

**A JUT would bring much needed investment, technologies and partnerships to the everyday challenges of running the Metros.** A JUT in South Africa goes beyond supporting the NDC and involves (i) ameliorating the disruption and job losses associated with the unavoidable changes in greenhouse gas intensive sectors (most obviously fossil fuels, steel and cement), and (ii) tackling the bottlenecks on service delivery and job creation that make Metros unjust places in the first place (Figure A1) and (iii) reducing inflationary pressures introduced by centralised, commodity dependent service provision, that make some services ‘unaffordable’ to poor households. The goal of a JUT is one that every Metro would benefit from and involves creating low-carbon, resource efficient, socially inclusive and spatially integrated urban systems.

**Metro climate action plans cover a wide range of mitigation and adaptation measures to drive reduction in emissions and deepen urban adaptation and resilience.** JUT options broadly map onto five opportunity areas (Figure 1). “Procedural justice” as defined by the Just Transition Framework, has not been a prominent feature of Metro level climate strategies.

**FIGURE 1:** *The most effective JUT opportunities are likely to link Metro service delivery with just processes and outcomes*

Opportunities for Climate Action and Resilience		Elements of a Just Urban Transition		
1	Renewable Energy and Energy Efficiency			
2	Low Carbon Mobility Linked to Urban Place Making			
3	Universal Access to Waste , Water & Sanitation Services Through the Circular Economy			
4	Built Environment and Spatial Planning			
5	Ecological Infrastructure and Nature-Based Solutions to Disasters and Climate Impacts			
		Distributive Justice	Procedural Justice	Restorative Justice

**Linking Metro mandates to a JUT offers the chance to address existing barriers to delivering the basic services that form a prerequisite for citizenship.** To gain traction, a JUT has to become part of the day-to-day operations of Metros. An effective JUT will register in Metro budgets. National efforts can support the mainstreaming of a JUT by outlining who should be doing what, and with what financial resources.

**With the support of multi-level governance Metros can implement a JUT through their regulatory, fiscal and governance mandates.** A complementary combination of the following levers can be applied to scale and accelerate a JUT:

- **Regulatory** - including by-laws, planning, zoning and building codes that encourage low carbon materials, circular economies, protected ecological buffers. The rationing of services in ways that encourage on-site energy, sanitation and waste management.
- **Fiscal** - how public money is raised and spent and how both of these processes are used to influence private investment, with particular attention to aligned budget allocations and making polluters pay. Capitalising of renewable energy co-operatives in poor communities as a means of reforming the energy economy, countering inflationary pressures and reducing shack fires and indoor air pollution.
- **Governance** - including advocacy and leadership to draw attention and intention to a JUT and to convene multi-actor coalitions in support of implementation. Leaders' articulation of the rationale behind a JUT and the vision of JUT outcomes is crucial to the mobilisation of investment and service delivery partnerships that reduce the fiscal burden of a JUT on Metros. These partnerships will require new skills from government, businesses, NGOs and community groups respectively. Creating the opportunities for these partnerships to emerge and flourish, is a matter of advocacy, process design and the incremental trust-building.

**Implementing and scaling projects and programmes is the challenge.** While there is no blue print on which the Metros can draw, the following steps provide actionable points of departure for Metro in scaling a JUT (see Tables 2 and 3 in main document) (i) Blend JUT outcomes by collaboratively imagining, and articulating, future states of low-carbon, resource efficient, socially inclusive and spatially integrated cities and identifying who stands to gain what from these city attributes (ii) review regulatory levers that can support this imaginary; (iii) review alignment between the desired future state and existing capex and opex allocations in the MTEF; (iv) identify fiscal levers (tariffs, taxes and budget allocations) that support the JUT outcome; (v) blend finance in support of blended JUT outcomes that achieve multiple objectives on behalf of multiple actors; and (vi) elevate a JUT into the Executive Mayor's or the City Manager's office to ensure Metro-wide approaches and to signal intent.

**Leadership is required to enable 'learning by doing'.** Political leadership is required to encourage Metro officials from across line-functions, to explore and propose JUT options and to scale those initiatives that prove impactful, while knowing that not every option will succeed. The same leadership is required to ensure that a JUT strikes the right balance between accountability and being a 'safe space' for officials to try new approaches and to allow intermediaries to facilitate partnerships across traditional 'silos'. In this way 'coalitions of the willing' will be formed, alignment will emerge, experience will be gained and climate response efforts will be lifted out of environmental departments and into the day-to-day functioning of multiple government departments.

**A JUT is necessary in South Africa to avoid economic cul-de-sacs and profoundly unjust climate change defaults.** In South Africa, where the population will be 66% urban sometime around 2025 and in which regulatory, biophysical and financial climate constraints will become progressively tighter over the next decade, a JUT is necessary to deliver on the only economy with meaningful prospects beyond 2030. As a prerequisite for this potential, Metros need to avoid the profoundly unjust default in which climate resilience is the preserve of affluent households and companies, and in which these households and companies exit the electricity grid, install boreholes and pursue private climate change adaptation measures. Under this default, Metros would be left with a fiscally untenable service delivery duty to poor households. South Africa's just transition ambitions depend on this default being proactively countered by Metros offering better alternatives to rich and poor households alike.









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