National Climate Change Response Green Paper 2010

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Submission prepared by Gary Pienaar and Smita Nakhooda
Economic Governance Programme

Please direct any queries to gpienaar@idasa.org.za

CAPE TOWN DEMOCRACY CENTRE
6 SPIN STREET • CHURCH SQUARE • CAPE TOWN • 8001
PO BOX 1739 • CAPE TOWN • 8000 • SOUTH AFRICA
TEL +27 (021) 467-7600 • FAX +27 (021) 461-2589
e-mail: info@idasa.org.za

KUTLWANONG DEMOCRACY CENTRE
CNR VISAGIE & PRINSLOO STREETS • PRETORIA • 0001
PO BOX 56950 • ARCADIA • 0007 • SOUTH AFRICA
TEL +27 (012) 392-0500 • FAX +27 (012) 320-2414/5
e-mail: info@idasa.org.za

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Introduction

1. Idasa is an independent non-profit organisation African democracy institute building sustainable democratic societies in collaboration with African and global partners. Its Economic Governance Programme (EGP) seeks to democratise economic decision-making processes and resource management through sustained citizen engagement, to achieve sustainable socio-economic justice in Africa. We are grateful for the opportunity to participate in this consultative process by means of this submission.

2. The scope of this Green Paper is understood to be inextricably linked to several other policy fields, including broader issues of energy, environment and sustainable socio-economic development, including industrial policy, rural development and land reform, and much-needed job-creation policies.

3. Consequently, this submission aims to respond, firstly, to the general aspects of the National Climate Change Response Green Paper (NCCRGP) and then focuses primarily on issues relating to Water and Energy as Key Sectors.

4. There are many features of the Green Paper that are most welcome and deserve approbation and endorsement, and the leadership of the Department of Environment Affairs (DEA) in developing this policy with proactive efforts to engage stakeholders throughout the process is appreciated. We welcome in particular the ambitious scope of the policy, and its emphasis on partnership with social stakeholders including civil society in forging a national response to the necessities of mitigating South Africa's contribution to global climate change and adapting to its likely impacts.

5. This submission draws on insights gleaned through Idasa's coordination of the Electricity Governance Initiative of South Africa (EGI-SA), a network of like-minded civil society organisations and academics working to improve decision-making in the electricity sector. EGI-SA is affiliated to a global network of technical and policy experts who work collaboratively to encourage and support informed, transparent, inclusive and accountable governance of the power sector to promote long term public interests.

6. We propose that a spirit of ambition in embracing the opportunities offered by the prospect of a low carbon economy should underpin South Africa's approach to climate change. Climate change is a global environmental problem fraught with transnational challenges of collective action and cooperation, but action is essential on the part of those committed nations who recognise the imperative to act.

7. Certainly what we are able to do as South Africans depends in part on the actions that others in the international community take, particularly developed countries such as the US and Europe. However we cannot wait for others to act before we commit to ambitious action. This is particularly the

case given the carbon intensity of the development path we have pursued to date, which has resulted in per capita emissions comparable with those of citizens of far wealthier advanced countries, even as many of our citizens continue to live in poverty, lacking access to services including energy.

8. Therefore, while South Africa's efforts to mitigate climate change must be set in the context of global action, these considerations should not impede ambitious action to address climate change taken on our own terms. Indeed, there is ample scope for ambitious action on climate change to provide enormous development benefits, potentially helping to correct some of the inadequacies of the economic development models that we have pursued in the past.

9. The current dominant socio-economic philosophy has prioritised the interests of some members of society over those of others, as well as over the fundamental interest of all humanity in a life-sustaining and a life-enhancing integrated approach to the environment. Far more than 'enhanced' environmental stewardship is required of all members of human society; a marginal improvement will not suffice to prevent the predicted impacts of climate change. A truly people-centred approach will recognise that responsible stewardship of the environment for current and future generations will require both concerted and exemplary action by humanity as a whole, and entailing also the humility to sometimes avoid altogether the most harmful behaviours of which we are capable and to which too many of us have become accustomed as part of perceived 'normality'.

10. Responding to the challenges of climate change inevitably implies taking quite different approaches to development than we have in the past, and may often present difficult tradeoffs for our country. It will be important to ensure a thorough and accurate public understanding of any trade-offs between the costs and benefits of 'green growth', such as may arise from the mining and utilisation of rare earth minerals in renewable energy technologies, or any greater deployment of nuclear technologies. In instances such as these, the broader implications of full lifecycle costs and impacts need to be accurately understood.

11. Idasa wishes to stress the importance of transparent, accountable and inclusive processes for working through such trade-offs where they manifest in order to protect the long term public interests. Such processes are particularly important given the difficult political economy of climate change mitigation in the South African context given the strong historical influence of energy intensive industries over policy. Well designed and facilitated processes of deliberation that allow for transparency, informed public participation, and accountability may enable the DEA to build up the political support for bold choices that help transform the country's development choices in more environmentally and socially sustainable directions.

12. We welcome the inclusion of the principle of "informed participation" in outlining the strategy. However, we note that democratic accountability consonant with our Constitution requires that parties who are interested and / or affected must be assured that their right to participate is not diluted: those who wish to participate, but do not, for a range of possible reasons, have the means to do so, should be supported by special measures and interventions that will enable them to enjoy the right to equitable participation.

13. Proactive and creative approaches to public engagement can greatly enhance the effectiveness of proposed interventions, particularly those intended to improve environmental health and water management in the context of climate change through community driven programmes.

14. Greater cooperation across government will be imperative in this regard, and in that spirit the proposal of a new inter-ministerial coordinating (IMC) body on climate change is welcome. However, this process would be enhanced by a somewhat formalised structure, with clarity about the scope and responsibilities of the IMC, the frequency of its meetings and the objectives of the same, as well as periodic updates on the results of deliberations outside of these meetings. The same should apply to any relationships, consultations and engagements between the IMC, the DEA and any advisory or advocacy bodies, which should be transparent and should take place within a structured framework.

Part 4 'The South African Climate Change Response Strategy'

15. We welcome the Green Paper's explicit recognition that:

15.1 A balanced approach to mitigation and adaptation is necessary, and support the apparent elaboration of this to mean a short-term prioritisation of adaptation interventions to address immediate threats, while prioritising mitigation interventions that 'significantly' contribute to the peak, plateau and decline emission trajectory identified in Cabinet's Long-Term Mitigation Strategy adopted in July 2008; and

15.2 Sustainable development is also climate friendly development, but urge that the final policy more explicitly recognises also that sustainable development must be more generally environmentally and eco-system friendly, and not limit itself to aspects of sustainable development focused only on their contribution to climate change mitigation, as urgently important as that is.

Part 5 'Policy Approaches and Actions'

Ad para 5.1.8

16. We are in full support of this objective, as households should be assisted to recognise and utilise the full range of beneficent resources available, as well as their own responsibility for efficient and responsible management and stewardship.

Ad para 5.1.9

17. We support the proposal to protect and restore natural systems, and the openness to new learning opportunities indicated by the willingness to learn from adaptive management experiments. However, such experiments should be explicitly subject to the policy's Principles, such as the precautionary principle and the principle of informed participation, for example. (

Ad para 5.1.11

18. While we support the proposed vigorous enforcement of water quality standards, we wish to stress the central importance of ensuring protection of water resources in an increasingly water-stressed future, not as a result of climate change alone, but also because of factors such as population growth and aspirational pressures.

    The final Policy should accept that sustainable development requires zero tolerance for irresponsible actions such as the discharge of pollutants with serious negative impacts on human health and water ecosystems. This would also be consistent with the principles set out in Part 3, as well as the recognition in the introductory section to Part 5 of the Green Paper that clearly recognises that 'water is arguably the primary medium through which climate change impacts will be felt by people, ecosystems and economies'.

19. Similarly, the proposals to optimise recycling and re-use, to minimise wasteful behaviours, and to invest in maintenance and renewal to reduce system losses are of great significance. However, once again, it is submitted that stronger language is more appropriate, signalling a seriousness of leadership's commitment to both drive and model the necessary fundamental changes in the way we all live our lives.

5.4 'Key Mitigation Sector – Energy'

Ad introductory paragraphs

20. The Green Paper highlights imperative issues of concern with regards to energy policy in South Africa. While recognising that energy policy in South

Africa remains the responsibility of the Department of Energy, we do wish to emphasise the urgent need for better systems of coordination between key actors in the energy sector, including the Department of Public Enterprises and National Treasury.

21. Stronger support for demand side management and energy efficiency is endorsed. There has, to date, been inadequate commitment to concerted and coordinated action to take most advantage of these cheapest and quickest means to more moderate and responsible energy use.[1] This Green Paper represents a vital opportunity to entrench the primacy of the fullest range of such measures in policy, planning and implementation. We have noted in particular the urgent need for more rigorous and detailed exploration of the opportunities to reduce electricity consumption and improve energy efficiency, and the need for appropriate institutional and regulatory frameworks to support the realisation of such opportunities, including in the context of developing the Integrated Resource Plan for the electricity sector. It is imperative to bridge the gaps in knowledge, capacity and commitment to realising these opportunities to reduce energy consumption and realise, in turn, significant economic, financial and carbon benefits.

22. Similarly, the Green Paper's decisive recognition of the extensive and critical role of renewable energy technologies in the near future, including the capacity to provide base-load if implemented at appropriate scale, must attract strong policy and practical support. This should be underpinned by ambitious and realistic targets for these technologies' contribution to the energy mix, and concerted and coordinated action to fully develop and urgently finalise policy development processes such as REFiT and associated initiatives. Systems will be need to be put in place to facilitate learning from pilot phases and the adjustment of programmes to respond to changing circumstances, particularly as the costs of renewable energy technologies are expected to reduce significantly in the near term especially once their deployment becomes more widespread. Such initiatives, policies and regulatory mechanisms should, moreover, explicitly signal clear commitment to close and transparent adherence to Constitutionally-compliant public procurement rules and procedures.

23. The identification and selection of technologies must be based on an objective and thorough understanding of the full lifecycle costs of each technology, constantly updated as these technologies undergo anticipated development. A necessary dimension of such an understanding is a commitment in this policy to pursue the necessary knowledge and expertise to incorporate current environmental externalities into costing models used by the regulator and energy planners.

[1] See G. Pienaar and S. Nakhooda, *Keeping the Lights On - A review of the IRP2,* Cape Town: Idasa, June 2010, H, Trollip, G. Pienaar and S. Nakhooda, *Idasa submission on the IRP2* Cape Town: Idasa December 2010.

24. It is, in our view, essential that the final Policy sets out clear targets and responsibilities for comprehensive, ambitious and decisive mitigation and adaptation strategies.

Ad paras 5.4.1and 5.4.2

25. In this first paragraph, the Green Paper here proposes to 'integrate a climate constraint' into its energy planning tools including the Integrated Energy Plan (IEP) and the Integrated Resource Plan for Electricity Generation (IRP).'

In principle, the integration of such a constraint is strongly endorsed, but the view is held that the time is long passed when such vague terminology will suffice in order to drive the necessary decisive and rapid shift to a low carbon, sustainable development trajectory. What is needed is a requirement that these processes must comply with the full implications of the final Policy and strategy that are, in turn, based on an explicit and precise recognition of what is required by science from time to time. This is a necessary prerequisite to achieving the 'peak, plateau and decline' scenario at least at the levels and at latest within the timeframes set out in Cabinet's LTMS of July 2008.

Ad para 5.4.3

26. We welcome the draft Policy's significant proposal to internalise the hitherto externalised costs of carbon and of the broader costs of other adequate responses to climate change. This is critical in order to encourage decisive behavioural shifts in the immediate term. Likewise, we support the idea of a commitment to on-budget support for specific environmental and social support programmes. Commitment to such initiatives should be undertaken proactively in order to leverage additional support from existing or future international sources.

Ad para 5.4.4

27. The localisation of a manufacturing base for renewable energy technology components is an urgent priority for the South African economy, and the development of a facilitative policy framework should be finalised without further delay.

Ad para 5.4.7

28. The final Policy should make best use of the opportunities presented by current parallel policy development processes, including the Renewable Energy White Paper review, to drive the inclusion and integration of clear objectives, targets and responsibilities.

Ad para 5.4.9

29. We welcome the apparently cautious approach signalled by this paragraph to the possibility of a contribution by nuclear technologies to the objective of mitigating South Africa's climate change impact. It is not clear that, to date, there has been adequate, transparent, well-informed or inclusive debate concerning the nett costs and benefits of such options. The final Policy should spell out the requirement that any contribution from any energy source should be thoroughly interrogated in a transparent manner, before any decision concerning acceptance of its possible contribution to either energy security policy or climate change response strategy. Consequently, the current proposal that a nuclear fuel cycle strategy should be 'implemented' is regarded as premature. At least, there should be a thorough consideration of the possible contribution of each technology in the second Integrated Resource Plan for Electricity, based on a comprehensive analysis of the financial, economic, social and environmental costs and benefits.

Ad paras 5.4.7 and 5.4.9

30. It is unclear why there is apparently little interrogation of the implications of such widely divergent figures in these two paragraphs between the current relatively modest policy target of 10 000GWh by 2013 from RE technologies, and the proposed target of 10GWh by 2035 from new nuclear sources but at far greater financial cost. This existing RE target is widely viewed as inadequately ambitious and not reflective of RE's true potential. The comparatively far higher costs of a relatively modest electricity output from new nuclear generation capacity seem to signal that a more cautious approach is warranted than is currently evident in this paragraph's acceptance of a nuclear fleet approach. The Green Paper and other sources appear to recognise the unrealised potential of RE, and that technology learning curves, local manufacture and utilisation at scale are likely to contribute to significant cost reductions. The IRP2's indicative and iterative character should be recognised by avoiding any premature commitment in this draft Policy to an irrevocable fleet approach that will lock South Africa into an unsustainable energy trajectory.

Ad para 5.4.12

31. Rather than setting a policy requirement for investment in 'clean coal' technologies, the Policy should adequately reflect the precautionary principle in regard to what is still a relatively new and untested technology, with a limited set of comparative experiences elsewhere upon which South Africa is currently able to draw. A number of reasons for caution, and for a policy commitment only to research, trials and a limited number of pilot sites, suggest themselves. Four such reasons include the water-intensity of some versions of the technology; the significant reduction in output of air-cooled versions and, hence, the need for larger quantities of coal; the lack of reliable

experience in treatment and storage of the carbon emissions removed through use of these technologies; and the rising global demand and market price for coal exports, with the knock-on effect on electricity costs and the eventual effect on all consumers.

Ad para 5.4.17-18

32. It is suggested that the Policy should include also mandatory requirements for energy management, including thermally- and lighting-efficient design and materials, in all new residential developments.

Ad para 5.4.19

33. The data and information generated by the GHG emissions IMS should be automatically and freely available in real time to all other interested and affected parties.

Ad para 5.4.22

34. Again, rather than the proposed approach of 'promotion' of a range of otherwise welcome guidelines, codes and practices, it is suggested that a more appropriate approach given the seriousness of the anticipated failure to respond effectively and timeously, would be to require the Department of Environment Affairs' active leadership, together with the active collaboration and cooperation of all other relevant state and non-state actors, in the development of binding codes and mandatory practices, and ambitious minimum thresholds for compliance.

Ad para 5.4.23

35. As previously suggested, relatively new technologies, such as carbon capture and storage, utilised in sometimes quite different geographic locations, should attract a more cautious approach of research and study before it is assumed that they can be effectively translocated to local contexts.

Ad para 5.4.24

36. In order to prevent unnecessary bureaucratic procedures from unduly hindering the rapid deployment and utilisation of construction materials and design innovations, the Policy should at this time identify the responsibility authority that will be tasked with identifying effective and efficient innovations, and then rapidly promoting their broader use.

Part 6 'Roles and Responsibilities'

Ad para 6.2 'Social Partners…'

37. It would be helpful to recognise that the Climate Change Response Strategy/Policy is not government's alone, merely to be 'implemented in partnership with the South African people'. Rather, a more consistently inclusive perspective on governance under the Constitution would be to view the final document as 'South Africa's Strategy/Policy, to be developed and implemented in partnership with the South African people'.

38. Two examples may suffice. Firstly the Green Paper suggests, correctly, that 'business and industry have an important contribution to make in increasing their levels of energy efficiency…and working in partnership with government to achieve the overall policy objectives'. But a transparent and accountable framework for ensuring that these objectives are met, and support for such measures from consumers, labour and others may help ensure that such opportunities are realised.

39. We would also draw attention to the role and responsibilities of Members of Parliament in mediating the widest possible range of views, and making the links between government, community organisations, particularly the poor and women, in partnership as appropriate with civil society organisations.

Part 7 'Institutional Framework for Coordination'

Ad para 7.5 'Partnering with Stakeholders'

40. The criteria and process for selecting or nominating individuals, whether in their own or in a representative capacity, to the National Committee on Climate Change (NCCC) should be more widely publicised, and opportunities to participate in the nomination process should be more explicitly inclusive and transparent.

41. It has long been widely recognised that NEDLAC has limitations in its legal structure and in its functional capacity to constitute an adequately representative forum for consultation between key stakeholders. More particularly, it excludes 'unorganised' or less formally organised civil society formations. In so doing, it marginalises, for example, experts and influential voices from civil society organisations, community groups and academia. Discussion and engagement within NEDLAC's fora and processes are poorer for it, and urgent consideration should be given to whether that institution is appropriately designed for the intended purpose in this context, including broadly representative, inclusive, transparent and informed deliberations that will be better able to contribute to more accountable and sustainable outcomes. ENDS