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Mpumalanga gets R300m just energy transition boost

Five-year project, dubbed Just SA, includes green energy skills training for coal workers and youth in the province

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Tutuka Power Station in Standerton, Mpumalanga, January 25 2023. Picture: SUPPLIED

Coal workers in Mpumalanga, home to most of SA's coal-fired power plants, are among the beneficiaries of a new just energy transition programme that will receive

€15m (about R293m) through the Germany-based International Climate Initiative.

Dubbed the Just Transition to a Decarbonised Economy in SA (Just SA), the project is an initiative of the German Federal Ministry for Economic Affairs and Climate Action.

Just SA project director Navina Sanchez, of German development agency GIZ, said at Tuesday's launch that the five-year project, which will run until August 2027, will form part of Germany's contribution to the Just Energy Transition Partnership (JETP). The JETP is a \$8.5bn funding agreement between SA and partners Germany, France, the UK, the US and the EU to support the country's transition to a low-carbon economy, primarily through the decarbonisation of the electricity sector.

The project and the distribution of funds will be co-ordinated by GIZ with funds directed to implementing organisations such as the Mpumalanga Green Cluster Agency, GreenCape, non-profit organisation Trade and Industrial Policy Strategies, and the National Business Initiative.

About 22,000MW – almost half of Eskom's coal-fired fleet – is scheduled for closure by 2035, affecting not only workers at those plants, most of which are in Mpumalanga, but also the larger coal value chain.

Some of the initiatives to be supported include strengthening municipalities in Mpumalanga to develop new career opportunities for youth through skills development. They include green economy technical training in collaboration with existing training centres.

Speaking at the launch, minister of forestry, fisheries & the environment Barbara Creecy highlighted the importance of creating new job opportunities to offset the closure of fossil-fuelled power stations.

“If we are to move towards achieving the country's [climate and emissions target] of reaching net zero [carbon emissions] by 2050 we have to get to the nitty gritty of understanding what the just transition will look like,” Creecy said.

The just energy transition had to be underpinned by climate justice which meant

those sectors most affected must be part of the conversations and planning so as to be beneficiaries of the transition – just as investment in renewable energy and the green hydrogen economy in the Northern Cape could ensure extensive job creation in that province, Creecy said.

The launch of Just SA comes after SA presented its Just Energy Transition Investment Plan (JET-IP) to global leaders at the UN climate change conference COP27 in Egypt last year. The plan, which includes a portfolio of investments in the electricity, green hydrogen and electric vehicle sectors, lays out the scale of investment needed over the next five years for SA to “feel comfortable that our just transition is on good pathway to reach net zero by 2050”, Creecy said.

The Just SA project will “address multiple challenges at once by creating new jobs in emerging economic sectors while raising awareness of climate change and biodiversity”, the German Embassy in Pretoria said.


Andreas Peschke, the German ambassador to SA, Lesotho and Eswatini, who also spoke at the launch of Just SA, said the energy transition presented an opportunity for SA to address the present electricity crisis while creating new jobs in renewable energy, agriculture, tourism and through the rehabilitation of Mpumalanga’s natural resources.


Through its development bank KfW, Germany last year extended a €300m (R5.8bn or \$317m) loan to SA as part of its contribution through the JETP that was paid to Treasury. The country’s total contribution to the \$8.5bn funding package is expected to amount to about \$1bn.

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