
While the powerful fight their battle ...

... the rest of us may lose the war on climate change

By Moira Levy

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Two powerful individuals in South Africa's climate change debate are tugging in opposite directions. Eskom's CEO Andre de Ruyter has been mobilising support, including large-scale international funding, for a move away from coal-generated energy. As South African and global support for this gathers steam, Minister of Mineral Resources and Energy, Gwede Mantashe, has been just as determinedly proposing an energy policy that must include coal, which could derail Eskom's plans.

A bloodless battle is being played out between two mighty opponents on the highly politicised field of South Africa's dismal record on carbon emissions. Neither of the combatants are likely to be injured in the fight; instead it is us, the citizens, who will take the blows.

The opponents are not seen to attack each other directly. Their weapons of choice are, on the whole, carefully phrased statements. These are never launched at each other but rather into the public arena so neither is clearly identified as the other's target.

The clash referred to is South Africa's very own titanomachy between the ever-diplomatic but unstoppable CEO of Eskom, Andre de Ruyter, and the pugnacious but politically astute Minister of Mineral Resources and Energy, Gwede Mantashe.

In his previous life, Mantashe was himself a coal miner, and he is aware of the potentially devastating consequences for coal mining communities of mine closures. Former coal-mining areas in Great Britain, Germany, France and the USA have seen social and economic ruin for working families accompany the closure of coal mines.

Until these present-day titans roll up their suit sleeves and fight it out at close range, South Africa will remain trapped in the no-man's land of policy that dithers between renewables versus coal-powered energy, or that tries, with ever more ambiguous results, to straddle both.

In response to Eskom's public proposal to decommission some of its coal-fired plants sooner than previously

planned, Mantashe ordered De Ruyter to "stay in his lane". He went on to declare at a parliamentary meeting of the Portfolio Committee on Mineral Resources and Energy that the early closure of these power stations would amount to South Africa committing "economic suicide". This drew a response from De Ruyter stating that Eskom's decommissioning of coal plants was fully in alignment with the government's Integrated Resource Plan (IRP).

While these two super-stakeholders continued to circle each other, public endorsement of De Ruyter's efforts to achieve a "just energy transaction" have come from President Cyril Ramaphosa and the ANC's National Executive Committee (NEC).

A statement released after the NEC's legotla in September 2021 recognised that such efforts "would ensure that workers and community wellbeing was assured and advanced in this process. Transitioning to a low-carbon, ecologically friendly and socially sustainable economy presents opportunities to create jobs, inclusion and growth."

The President's own Eskom Sustainability Task Force has recommended that international climate finance is needed for Eskom to solve its debt crisis and get onto a

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sustainable path that introduces more renewable energy, as soon as possible.

This endorsement from the highest levels in South Africa was followed by the declaration of support from the big four of the developed world at the start of the COP26 summit in October. The US, UK, Germany and France made the dramatic announcement that they jointly intended to make available to South Africa \$8.5bn (more than R130bn) to finance efforts to move away from coal, with possibly more investment to follow. Speaking at the international gathering, UK Prime Minister Boris Johnson called this “a game changer,” which indeed it is, or will be if the funds are not mishandled or siphoned off for nefarious purposes.

It appears De Ruyter has been quietly busy behind the scenes to mobilise exactly this kind of massive international financial intervention to support the repurposing of decommissioned power stations and provide support and employment opportunities for workers and communities that will be negatively impacted by closing coal mines and coal-fired power stations.

Eskom's General Manager: Just Energy Transition (JET), Mandy Rambharos, confirmed that Eskom



has been in discussions with various financiers about the options and innovations linked to climate financing. Before the Glasgow announcement she informed *New Agenda*, “The discussions have been proceeding based on the Eskom JET plans. We will continue these discussions with financiers to determine how we best address the climate challenge together.

“It is important to look at an overall electricity mix for South Africa, that addresses various imperatives – including job creation; emission reductions and cost considerations. The cost of renewable energy technologies have dropped drastically in the last decade – and given the potential for us to take advantage of local manufacturing linked to renewable technology development, it makes sense for us to commit to a large scale renewables rollout.

“The just part of the transition is crucial to address. As part of this transition, the creation of meaningful jobs is a key element that we will drive,” she added.

Mantashe, who did not go to Glasgow, must have been gnashing his teeth back home. He regularly refers to the oxymoronic concept of “clean coal” and has tweeted, “We must continue to invest in cleaner coal technologies & innovation, and make sure that

these options are not kept under the radar.” While the worldwide focus is on investing in renewables, Mantashe regularly repeats his belief in the importance of South Africa using all its energy resources, including coal, going forward.

He has declared: “The transition is not and cannot be a one size fits all. It is a process and a journey, and must be considered from its short-, medium- and long-term perspectives and outlooks.”

In July 2021 he tweeted, “we cannot avoid speaking about the role of gas and nuclear in our path towards lower carbon economy” and about the “critical role of nuclear fleets to low carbon transitions around the globe”.

It's typical Mantashe-talk. To him, the problem is not global warming, it is all about international interests that are placing South Africa and the developing world under pressure to conform to the emerging status quo. He has told Bloomberg news that richer nations should not impose conditions on developing nations in order for climate funding to be released. An unsympathetic developed world, he suggests, is frequently the real driver of change and not the science behind the alarming rates and consequences of global warming.

What were probably the first signs of moves to put De Ruyter's plan in >>

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place emerged back in September when Environment, Forestry and Fisheries Minister Barbara Creecy and other economic ministers engaged with envoys from the US, UK and the EU over the possibility of funding to help South Africa transition away from coal-sourced energy to renewables.

By not attending that meeting, on the rather questionable grounds of prior family commitments, Mantashe made his position clear. While not explicitly denying the need for a shift to renewable energy sources -- Mantashe is too politically astute to stand up against the growing tide of international environmental opinion -- he insists on the need to move slowly. Earlier in the year he told a virtual mining indaba, “let’s manage our transition step by step rather than being emotional”.

Minister Creecy has been quoted as saying, “If in due course we take a decision to leave coal underground, how is our country going to be supported in making that decision?” She has also said: “Other countries have developed their economies, they have developed their citizens, they have developed their infrastructure, they have created this crisis ... we have indicated our intentions



to be ambitious in helping the world to deal with the global problem of climate change. But we also have to ask -- how is the world going to help us?”

It’s a good question, and maybe she got answers from COP26. But Mantashe seems determined to preserve the carbon-heavy sector.

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And that is where De Ruyter comes in. He refrains from blaming the world’s richer countries for the current global energy crisis. Instead his starting point is Eskom’s role and responsibility in ameliorating the impact of South Africa’s carbon-intensive economy and the non-viability of pursuing growth and development based on it.

Soon after taking up his post early in 2020, De Ruyter announced that Eskom had established a Just Energy Transition Office to work with stakeholders such as labour and communities to convince them that there is a “meaningful future” in renewables.

“From a moral and economic and political perspective we have to create an alternative future that involves those communities and workers,” he said.

In August 2021, speaking at Pretoria University, De Ruyter nailed his colours firmly to the mast by declaring

Eskom committed to a green future. He said, “it is clear that we have an opportunity to pivot away from Eskom’s carbon-intensive history, and lay the groundwork for a cleaner and greener electricity supply industry.

“Our economy, on a per capita basis, is 25% more carbon-intensive than China, and double the global average. South Africa emits roughly half the total carbon emitted by the African continent, and Eskom emits about 44% of the total South African carbon emissions. We therefore cannot ignore our carbon footprint.”

Pivoting to green energy will create a competitive advantage for South African exports, he said. He also expressed concern that as a heavy carbon emitter South African could find itself facing “another era of isolation and punitive trade measures” similar to that experienced under apartheid, “except, in this case, punitive trade measures won’t be directed against a racist state. They will be imposed on an environmental pariah.”

He spelled out his view that continuing along the current route leads to a dead end for Eskom, and South Africa.

Emphasising Eskom’s dire financial situation in this public address, he also warned that “insurance companies are targeting large carbon emitters with punitive premiums, or outright refusal

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to cover. South Africa must also expect to face increasing duties on imports in carbon-intensive sectors.

“The costs for renewable energy technologies continue to decline and will add generation capacity sooner than other technologies, thus reducing the risk of load shedding. Solar photovoltaic projects take between 18 and 24 months to complete, wind projects have a lead time of between 24 and 36 months, and gas requires 24 to 60 months to complete ... [while] coal and nuclear projects take between 10 and 12 years and 12 to 15 years, respectively.

“Funds can be used more effectively”, he said, “in building renewable energy sources. To make current and ageing [coal-fired] power stations compliant, Eskom must spend more than R300-billion. Taking into account that Eskom does not have the money and that this exercise will not add any generation capacity, will consume significantly more water and require transportation of limestone, this is quite a difficult balancing act.”

From the get-go, De Ruyter has been at pains to dispel any notion that Eskom would preserve or defend the coal-based energy sector. Speaking to the Cape Town Press Club soon after his appointment he declared that climate



change was a reality that could not be ignored. “We accept and we understand that it poses a risk, not only to Eskom, but also the economy of South Africa, and we have to play our part,” he said. “We are not climate change denialists.”

We are reminded of South Africa’s crisis during the HIV/Aids pandemic when our then Minister of Health was a publicly vocal Aids denialist. South Africans should be very concerned to have a minister at the helm of energy affairs who is calling for greater investment in coal, as well as nuclear, gas and oil exploration and extraction. This flies in the face of what science is telling us.

Alex Lenferna, secretary of the Climate Justice Coalition, has been reported as saying: “The world’s leading climate science bodies have detailed why we must urgently transition away from polluting coal, oil and gas to keep global warming from going above 1.5°C above pre-industrial levels – a target all the world’s governments have agreed to and beyond which we would see increasingly catastrophic and irreversible climate change.

“Economists for their part have told us that meeting the 1.5°C target could ‘create millions of new jobs, significantly lift global economic growth, and achieve universal access to electricity and clean cooking worldwide by the end of the decade.’”

Lenferna argued Mantashe is “going in the opposite direction” by seeking new coal, gas and oil opportunities that could “lock our energy system into polluting and expensive new coal and gas projects. He is doing so not only in defiance of science and economics, but also civil society.

“Mantashe’s actions are not only threatening the climate, but also the viability of Eskom and our entire economy,” said Lenferna.

Not only is Mantashe’s *de facto* denialism dangerously counterproductive, under the current circumstances, it also goes against strong evidence that what Eskom needs now is to redirect its efforts into renewables – not only to create millions of much-needed jobs, but to rescue Eskom itself as the country’s chief supplier of electricity.

Mantashe not only threatens to turn his back on indisputable international scientific fact. His actions and utterances could derail Eskom’s plans for moving forward. It is possible that in pitting himself against Andre de Ruyter he may win him the battle, but for the rest of us, in South Africa and elsewhere, it could mean losing the war.

ENDNOTE

1. Lenferna, A. 2021. “President Ramaphosa’s vital climate test: Firing Gwede Mantashe.” Available at: <https://ewn.co.za/2021/10/15/alex-lenferna-president-ramaphosa-s-vital-climate-test-firing-gwede-mantashe> **NA**