

# The Just Transition to a Decarbonised Economy for South Africa (JUST SA)



Supporting pathway implementation towards a just transition towards an environmentally sustainable, climate-change resilient, low-carbon economy and just society

## The challenge

The National Development Plan (NDP) 2030 envisions South Africa's transition to "an environmentally sustainable, climate-change resilient, low-carbon economy and just society". Additionally, South Africa has robust environmental regulations, including a Climate Change Bill which was assented by President Ramaphosa in 2024. Yet, South Africa has one of the most carbon-intensive economies in the world due to its reliance on fossil fuels in the electricity, industrial and transportation sectors. Coal accounts for 72.1% of primary energy and is also exported.

The triple challenge, known as unemployment, poverty and inequality remain deeply entrenched in South Africa's socio-economic landscape. With a gini-coefficient of 0.63 South Africa is ranked the most unequal society in the world regarding income.

Unemployment is exponentially increasing with the rate currently at 43,1% (Q1 of 2025) from 41,9% (Q4 of 2024) and youth unemployment amongst 15- to 34-year-olds at 46,1%.

With around 6,000 abandoned mines posing environmental and safety risks, government reforms aim to strengthen closure and rehabilitation policies. Mining pollution, including air, soil, and water contamination, severely impacts local communities. As the country aims to phase out the use of coal, job losses are expected which will worsen the socio-economic challenges, disproportionately affecting already vulnerable communities and exacerbating the unequal gender relations in South Africa. This socio-economic shift underscores the importance of an inclusive and socially just transition supporting the energy transition and the transformation of the economy.

## Our approach

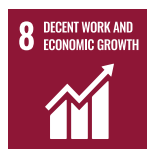
The Just Transition to a Decarbonised Economy for South Africa (JUST SA) supports the implementation of pathways towards an environmentally sustainable, climate-change resilient, low-carbon economy and just society. At national level, the project contributes to the implementation of key policy documents and facilitates dialogue for and information sharing to multiple stakeholders, ensuring an inclusive and results-oriented process.

<b>Project name</b>	The Just Transition to a Decarbonised Economy for South Africa (JUST SA)
<b>Commissioned by</b>	International Climate Initiative (IKI) and German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (BMUKN)
<b>Project region</b>	South Africa, with a focus on the Mpumalanga province
<b>Political partner</b>	Department of Forestry, Fisheries and the Environment (DFFE)
<b>Duration</b>	01/09/2022 – 31/07/2028
<b>Financial volume</b>	EUR 15 Million

At provincial level, the project assists stakeholders in Mpumalanga in initiating alternative development pathways for a diversified regional economy and capacitates targeted SMMEs to unlock their growth potential and receive access to finance.

At local level, activities towards a just transition are set up in selected local municipalities and affected communities and marginalized groups empowered with inclusive bottom-up approaches to community development. Furthermore, solutions to sustainably rehabilitate coal mining land and water are sought through research, policy implementation and community engagement.

JUST SA is implemented through a consortium comprised of GIZ, the Trade & Industrial Policy Strategies (TIPS), the National Business Initiative (NBI), and the World Wide Fund for Nature South Africa (WWF South Africa), and in close collaboration with Indalo Inclusive, the Mpumalanga Green Cluster Agency (MGCA), the Just Energy Transition Project Management Unit (JET PMU), the Presidential Climate Commission (PCC) and others.



# Key achievements and anticipated results

- Developed and published 6 Market Intelligence Reports through the MGCA, highlighting green economy investment opportunities in Mpumalanga.
- Trained 230+ municipal officials across 8 provinces on Green Economy and Just Transition.



Enterprise (i-Spring Water solutions) in Komati supported through Indalo Inclusive @Indalo Inclusive

- Co-created green enterprises with 3 Komati communities; including the training of former coal workers in innovation, costing, and entrepreneurship for ventures in water, energy, and agriculture.-
- Implemented the I-JTEP Upscale project, aligned to the SJRP for the coal value chain. 16 enterprises participated in dialogues, workshops, and incubation with 8 receiving grants for sustainable development and climate solutions.

*The project is part of the International Climate Initiative (IKI). The initiative places clear emphasis on climate change mitigation, adaptation to the impacts of climate change and the protection of biological diversity. These efforts provide various co-benefits, particularly the improvement of living conditions in partner countries. Since its establishment in 2008, the IKI has launched more than 750 climate and biodiversity projects in more than 60 countries.*

*The resources for international climate and biodiversity activities carried out by GIZ and other implementing organisations such as KfW Development Bank, multilateral organisations like UN organisations, NGOs, research institutes, foundations and private companies have grown steadily since the programme was launched. Whereas some €170 million was available for on-going projects in 2008, by 2020 by 2020 the figure had risen to €601 million.*

- Capacitated MGCA through co-developing a corporate strategy, technical and personnel support and contributing to the Green Pitch Challenge to drive green growth.
- In partnership with MGCA, the SME Loop, supporting 200 micro and small enterprises in Mpumalanga with mentoring, coaching, and capacitation to unlock their growth potential and gain access to finance, kicked off in 2026.
- The SMME Facility will be offering additional project preparation support to larger SMMEs as part of the JET PMU's matchmaking platform, contributing to carbon-neutral economic development and job creation.
- Economic diversification strategy for Komati and Coal Workers Policy Package to be published in March 2026 by TIPS. Further research will see a Mpumalanga coal belt diversification plan and further refinement of the Just Transition Tagging Tool.
- 7 technical advisory and 1 stakeholder reference group events, aiming at the development of concrete business cases for mine rehabilitation and the treatment of mine-affected water, hosted by WWF SA
- Launched JUST SA portal and Digital Knowledge Platform with 120+ Just Transition resources.



TIPS Training in Rustenburg (NW), marking the last of the 9 provinces to receive training. @TIPS Thobani Khumalo

- Supported the finalization of the PCC's 2025 Climate Finance Landscape Report for South Africa, a Green Technologies Audit, and Carbon Border Adjustments Mechanism and Implications working paper through an embedded senior technical expert.
- NBI's TAMDEV programme, implemented in partnership with the Nkangala district municipality, is capacitating key municipalities in preparing bankable just transition projects to enable access to climate finance to support sustainable economic growth.



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