

Multilevel governance for climate change in South Africa



2020

Summary

The South African governance system, defined by the Constitution of 1996, specifies the mandate of the three spheres of government: national, provincial and local. Recent laws and policies, including the Draft Climate Change Bill (2018), give a larger mandate to local governments when planning for climate action and responding to local challenges. This evolution of the legal framework, the rapid deployment of renewable energy solutions throughout the country, as well as the increasing importance of the national debate on *just energy transitions* create an ideal opportunity for strengthened vertical and horizontal coordination and cooperation for effective climate change response in South Africa.

FACTS & FIGURES



Per capita greenhouse gas emissions (2015):
9.5 CO₂e

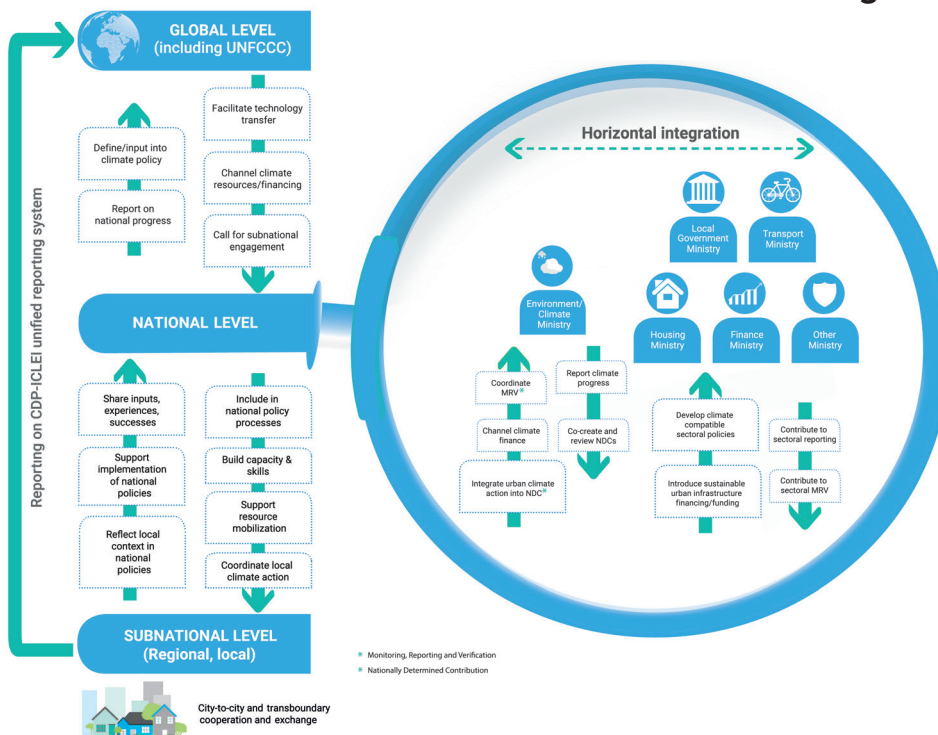
Governance structure:
Three-tiered, parliamentary republic.

Human Development Index:
113/189 (2018)

% urban population:
66% (2018)



The Vertical and Horizontal Dimensions of Multilevel Governance for Climate Change



New project resource

This diagram has been produced by the Urban-LEDS project to show the important components of multi-level governance for climate change action. Only by supporting systems of collaboration between and within national and local government can we ensure climate change can be tackled successfully while meeting development goals.

Enabling framework #1: National policies and strategies

The South African [NDC](#) is characterised by its absolute emission reduction targets, rarely observed in other NDCs, and its ambitious adaptation component. Governance arrangements for NDC implementation and revision are still being finalised. However, there is an opportunity to build on existing mechanisms, such as the Provincial Climate Change Forums and [Compact KZN in KwaZulu-Natal](#) to ensure a greater representation of the voice of local governments.

Involving local governments in drafting and revising South Africa's NDC

Cities and Regions Talanoa Dialogues are inclusive and transparent dialogues designed to take stock of and strengthen national climate plans. Two took place in South Africa in 2018. These Dialogues revealed that subnational governments have not sufficiently been involved in the process of drafting the NDC nor informed about the content of the national text.

The results of these Talanoa Dialogues have been captured in ICLEI Africa's publication: [Talanoa Dialogue in Africa, advancing coordinated action between national, subnational and international actors \(2018\)](#)

NDC priority areas

Adaptation: drafting a National Adaptation Plan, integrating climate change into development and sector planning, building institutional capacity and developing climate risk management and emergency and recovery responses.

Mitigation: South African greenhouse gas (GHG) emissions should peak by 2025, plateau between 2025-2035 and decline thereafter within a range of 398 to 614 Mt CO₂e.

Other key national documents and strategies

[Draft Climate Change Bill:](#)

Eleven years after the Climate Change White Paper and eight years after the National Climate Change Response Policy, the Climate Change Bill should be adopted in 2020. The Act distributes the responsibility for climate planning and action between the national, provincial, and local levels of government and states that subnational governments should “*undertake a climate change needs and response assessment for the province or municipality*”.

[Draft South African Low Emission Development Strategy:](#)

The Strategy was developed by the Department of Environment, Forestry, and Fisheries (DEFF) in 2018, according to the provisions of the article 4.19 of the Paris Agreement. The text acknowledges the contribution of local governments to national mitigation and adaptation efforts.

[The National Development Plan \(NDP\)](#)

is a long-term development plan which aims to guide and frame all policy and planning for the country up to 2030. Chapter 5 of the NDP, states that by 2030 South Africa will have transitioned to an environmentally sustainable, climate-resilient, low-carbon economy and just society. In 2019, the National Planning Commission organised provincial consultations with civil society, business, government, labour, communities and experts in order to develop concrete proposals for pathways to achieve this vision. They have been compiled into a report, submitted to the national government in November 2019.



The first National Project Advisory Group (NPAG) meeting organised during the “Financing the future we want” Summit with representatives from national government and seven Urban-LEDS II cities, May 2018 in Johannesburg, South Africa.

Enabling framework #2: Integrated climate data systems

In 2019, the DEFF appointed the South African Environmental Observation Network (SAEON) to develop the National Climate Change Information System (NCCIS): an integrated and unified climate reporting system including data on adaptation, mitigation and climate finance, collected at all levels of government. This [online platform](#), which will be publicly available in March 2020, integrates data from several sources including the national and provincial climate change response databases. Through the Urban-LEDS II project, ICLEI Africa is exploring ways to integrate data from the **CDP-ICLEI unified reporting system** into the NCCIS.

Desk research and assessments conducted under the Urban-LEDS project revealed the need to clarify mandates of the different levels of government for data collection on GHG emissions and mitigation actions. The adoption of the Draft Climate Change Bill (which encourages, but does not compel, local and provincial governments to conduct GHG inventories), as well as the popularisation of the NCCIS, should contribute to the streamlining of the process.

Key trend: Rapid deployment of decentralised renewable energy solutions



Solar panels are installed on a community centre in Steve Tshwere Local Municipality, South Africa, during phase I of the Urban-LEDS project.

Since 2012, South Africa has been experiencing a rapid uptake of renewable electricity. Despite this, coal still accounted for 85.7% of electricity generation in 2016. [23GW of new renewable capacity is planned by 2030.](#)

Despite this, municipalities' mandate remains limited to distributing energy, not generating energy. Energy insecurity and shortages since 2008, as well as ever-increasing electricity tariffs, have prompted municipalities to increasingly adopt and encourage private small-scale embedded generation systems. The increased number of off-grid energy

solutions, however, is negatively affecting municipal revenue, which largely relies on the sale of electricity. Mandatory grid connection fees and associated feed-in tariffs are being introduced or explored by several municipalities.

In February 2020, the government announced that municipalities in good financial standing will be able to procure their own electricity from Independent Power Producers, the majority of which currently deploy renewable energy. If fully implemented, some municipalities will be in a position to have greater control over their greenhouse gas emissions trajectory.

Enabling framework #3: Climate finance

Currently, municipalities are not the most common beneficiary of climate finance. The government is currently working on a National Climate Change Finance Strategy, mandated by the [Climate Change White Paper](#). The strategy focuses on attracting international funding and investment and defining the allocation of resources to support climate change work.

Some mechanisms to facilitate access to climate finance are already in place. The DEFF has set up the **National Green Fund**, implemented by the Development Bank of Southern Africa (DBSA),

to support the transition to a low carbon, resource-efficient, and climate-resilient development path delivering high-impact economic, environmental, and social benefits (also at the subnational level). DBSA provides financial support (grants, loans or equity) for green cities and towns, low carbon economy, environmental and natural resource management. In October 2018, the Bank was awarded \$55.6 million from the Green Climate Fund (GCF) to set up a \$140 million **Climate Finance Facility** to support private sector investment in climate action in South Africa.

GOOD PRACTICE EXAMPLE

The carbon tax

The carbon tax was officially introduced on 1 June 2019. During the first phase of its implementation (from June 2019 to December 2022), only those who own or control direct sources of emissions (known as "scope one emissions") will be taxed. Depending on various factors, tax payables will range between \$0.41 and \$3.30 per ton of carbon dioxide equivalent. There remains a lot of uncertainty about the ultimate impact of the carbon tax on local governments. This is expected to be clarified by the National Treasury, which is committed to evaluating the costs and benefits before the next phase is rolled out.

Opportunities for enhancing multilevel governance

There are several opportunities to strengthen implementation of climate change responses at all spheres of government:

- Strengthen the national climate change information system** Motivate local, provincial, and national government to take ownership of the NCCIS tool. Circulating climate information between the different spheres of government is key to ensure vertical integration of climate change.
- Mainstream national climate policy into local plans and vice versa** The content of national climate policies – including the NDC – needs to be incorporated into the local Integrated Development Plans (IDPs), while local climate and energy plans need to inform national plans and policies (e.g. the IRP).
- Foster access to decentralised climate finance** The National Climate Finance Strategy should consider ways to facilitate access to climate finance for local governments and build their capacity to absorb the funding once mobilised.
- Explore new roles for South African local governments in the national energy transition** The energy landscape is changing and local governments are progressively challenging the current model. Alternative business models have been developed globally and could inform the South African energy transition.
- Strengthen existing subnational platforms on climate change** Some platforms connecting local, national and international stakeholders on climate change already exist, such as the [ICLEI-CDP unified reporting platform](#), but need continued financial and political support to guarantee their sustainability.
- Support the implementation of the recommendations for a just energy transition** The National Planning Commission’s recommendations include an increased role of local actors in the governance of the just energy transition in South Africa.



Urban-LEDS II cities in South Africa together at the *Financing the future we want* Workshop in May 2018.

The Urban-LEDS II project


The Urban-LEDS II project addresses integrated low emission and resilient development in more than 60 cities in 8 countries.


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