



Report: EU Climate Action Coffees – session 7

Indalo Inclusive and others, on entrepreneurship for a just transition and how to boost skills

Date: 10 June 2021

Time: 9.30am to 10.30am (SAST)



Facilitator: Diana Mawoko, GIZ

A total of 39 participants joined the call, including:

- Representatives of Team Europe RSA
- Representatives from Indalo Inclusive
- Representatives from RSA Government departments (DARDLEA & DHET)
- Representatives from Climate-KIC
- Representatives from RES4Africa
- Colleagues from partner organisations including GreenCape and SAWS

Session format

The session was one hour long, with presentations by:

- Rest Kanju and Lindiwe Mlambo, Indalo Inclusive (South Africa)
- Duduzile Sibiyi, Mpumalanga province Department of Agriculture, Rural Development and Environmental Affairs (South Africa)
- Mpho Mookapele, Energy and Water Sector Education and Training Authority (South Africa)
- Hersheela Narsee, former acting deputy director-general, Department of Higher Education and Training (South Africa)
- Neil Walmsley, Business Development and Partnerships lead, European Institute of Technology Climate Knowledge and Innovation Community (Climate-KIC)
- Antonio Passero, sub-Saharan region programme manager, Renewable Energy Solutions for Africa (RES4Africa)

Topics covered: Entrepreneurship for a just transition and how to boost skills

Why EU Climate Action Coffees?

The purpose of the “Climate Action Coffees” sessions is to build bridges between organisations implementing climate action initiatives in South Africa and their Team Europe counterparts, both in South Africa and in Europe.

As outlined by Ariane Labat, the climate action, environment and agriculture counsellor for the EU Delegation to the Republic of South Africa at the European Commission, said these sessions will help the European Union (EU) team get a sense of the work being done in South Africa, and understand how the EU can play a more effective role in South African initiatives to tackle climate change.

Introduction to session

Diana Mawoko, of the German Development Agency (GIZ), welcomed the attendees and said that the morning’s session was aimed at finding ways to encourage entrepreneurship and build the specific skills set required for a just transition to a green economy.

(The notion of a “just transition” was developed by the trade union movement to encompass a range of social interventions needed to secure workers' rights and livelihoods when economies are shifting to sustainable production, primarily combating climate change and protecting biodiversity. South Africa already suffers a “triple challenge” of high rates of unemployment, poverty and inequality, making the need to secure workers’ rights and livelihoods particularly acute.)

Summary of the presentations

Presentation 1: Rest Kanju and Lindiwe Mlambo, Indalo Inclusive (South Africa)

Indalo Inclusive is a South African not-for-profit company (NPC) that aims to initiate and support high-impact, environmentally friendly innovations from social entrepreneurship. It works to foster partnerships through promoting dialogue among those who depend on ecosystem services.

Indalo Inclusive executive director Rest Kanju said the Pretoria-based NPC is part-funded by Strategic Partnerships for the Implementation of the Paris Agreement (SPIPA) and the EU. The worldwide need to ensure a just transition to a green economy necessitated a changeover to a “truly sustainable” economic model, he said, quoting the International Trade Union Confederation.

Kanju said he foresees the transition being led by small, medium and micro enterprises (SMMEs) in South Africa. The Indalopreneurs Just Transition Enterprise Support Programme (I-JTEP) is implemented as part of the SPIPA programme in South Africa, with the aim of promoting innovation and entrepreneurship by supporting South African businesses in the renewable energy, energy efficiency, agricultural, water, transport, industrial technology and tourism sectors in Limpopo and Mpumalanga provinces, he said.

The I-JTEP programme has three pillars:

- Increasing awareness of opportunities for socially inclusive and climate resilient enterprises
- Strengthening innovative, climate-resilient businesses in these two provinces
- Increasing “knowledge products” on these climate-smart enterprises to enable a just transition

The programme provides a toolkit to SMMEs, runs three-day training workshops, provides SMMEs post-training business development support and conducts site visits.

Kanju took the audience through two success stories emanating from phase one of I-JTEP, and added that there are many more enterprises doing similarly effective work.

Kanju said the level of collaboration in the economic area in which Indalo Inclusive works is “exciting”, and that South Africa is already moving towards a just transition to a low-carbon economy.

The collaborations include the following:

- The Driving Force for Change Youth Pilot Programme, through which the I-JTEP provides mentorship support to the Department of Forestry, Fisheries and the Environment, and technical and strategic support to the Driving Force for Change initiative, aimed at assisting the youth and youth-led organisations to develop and lead environmental initiatives that put South Africa on track to achieving a low-carbon, climate-resilient development pathway
- Climate Launchpad, a global green business ideas competition. Indalo Inclusive is a host organisation for the South African leg of this competition, aimed at raising awareness of small green business among the country’s private sector, and training business development services (BDS) providers
- Indalo Inclusive is a lead organisation in the implementation of a Government of Flanders-funded project aimed at reaping the potential of entrepreneurship for an Eco-Inclusive and Climate-smart Green Economy in South Africa (ECISG), and the training toolkits developed for the I-JTEP are adapted from the ECISG. The annual Indalo Inclusive South Africa Symposium provides a platform from which to profile I-JTEP enterprises
- The International Labour Organization (ILO) is a “knowledge partner” to the I-JTEP, and provided technical input to the I-JTEP Just Transition Input Paper. In Phase 2 of I-JTEP the ILO will partner with Indalo Inclusive to develop comprehensive training material for entrepreneurs and BDS providers, aimed at providing a deeper understanding of key concepts of the just transition, bringing together local and international experiences
- Indalo Inclusive is working with South Africa’s Industrial Development Corporation to build an entrepreneurial pipeline for a robust, inclusive and green economy. Indalo Inclusive aims to train 10 enterprises over six months, mostly from the mining and tourism sectors. The NPC will also run the South Africa Women Entrepreneurs Climate Change Awards

Kanju said it is “unfortunate” that the I-JTEP is funded in short phases, but also that this meant that phase 2 would be able to use lessons learned from phase 1. These are:

- “Just transition” is a new concept in South Africa, but one that is gaining traction. In rural provinces the idea of climate-friendly entrepreneurship can be difficult to integrate into the prevailing social culture
- There is a limited funding allocation for a just transition, and technological items that can be used to support sustainable energy for this just transition are still expensive
- Enterprises in rural communities often do not have easy access to the internet, making regular contact with them difficult – and the Covid-19 pandemic has exacerbated this
- It is critical to involve private sector companies (mainstream), particularly those involved in the coal- and related mining activities
- Mentorship is critical
- Continuity of technical support is important

Lindiwe Mlambo addressed attendees on I-JTEP’s phase 2, saying that this phase is not yet implemented but that it will be used to “close knowledge gaps” and so strengthen the capacity of “just transition enterprises” to grow into viable enterprises that attract partnerships and investment, she said. Also, Indalo Inclusive wants to ensure BDS providers have appropriate support.

Kanju said Indalo Inclusive wants to replicate the I-JTEP programme across South Africa.

Presentation 2: Duduzile Sibiyi, Mpumalanga province Department of Agriculture, Rural Development and Environmental Affairs (South Africa)

Duduzile Sibiyi took attendees through the process through which South Africa’s Mpumalanga provincial administration realised the importance of ensuring a just transition.

The energy sector is responsible for 71% of the province’s greenhouse gas emissions, she said. Also, the province is where most of South Africa’s water sources are to be found, and is one in which air pollution and biodiversity loss are high. Simultaneously, Mpumalanga is known for its rich biodiversity, and attracts a lot of international tourism and ecotourism interest. Furthermore, it has potential for wind, solar and biomass energy generation.

Sibiyi explained the process through which the Mpumalanga government drew up its Climate Change Adaptation Strategy; the Mpumalanga Green Economy Development Plan, which focuses on reducing poverty and inequality, and Climate Change Mitigation Strategy.

The mitigation strategy addresses issues of sustainable agriculture, and looks at municipalities in Mpumalanga (there are 20) promoting energy efficiency, renewable energy production and eco-tourism as part of a just transition. However, Sibiyi said, the provincial government has asked the University of Cape Town to help it extend its strategy with a chapter on a just transition because it had realised its mitigation strategy is “a little bit silent” on a just transition.

Implementation of green economy projects will begin before the strategy is completed, because of the urgent need to work towards a just transition, she said. Mpumalanga has started developing a Green Economic Cluster project that focuses on entrepreneurs, and plans will be tailored to the needs of each Mpumalanga municipality.

Presentation 3: Hersheela Narsee, former acting deputy director-general, Department of Higher Education and Training (South Africa)

The notion of a just transition is included in South Africa's National Planning Commission: Vision for 2030, Narsee said. Actions needed to be taken to secure jobs and livelihoods across the economy in light of the fundamental changes in the global socio-economy, including the need to mitigate against and adapt to climate change, and the need to do the same in the wake of the so-called Fourth Industrial Revolution (4IR), characterised by the fusion of the biological, digital and physical worlds.

Despite this, South Africa does not have a skills development framework for realising a just transition, she said. Neither does it report on the numbers of people employed in the green economy. The 4IR and the green economy make little space for low-skilled workers; instead, high-end skills, including proficiency in maths and science, are required.

The green economy needs people who have technical skills such as design and who are skilled in leadership, management, decision making, dealing with diversity, business intelligence and policy analysis, among others.

The 4IR needs people with digital skills, and who can deal with large amounts of data.

South Africa provides skills training through public universities and technical and vocational education and training colleges, private universities and colleges, and workplace learning through the sector education and training authorities, all underpinned by a qualifications and quality assurance system.

Presentation 4: Neil Walmsley, Business Development and Partnerships lead, Climate-KIC

Climate-KIC, an EU entity aimed at helping European countries through innovation, faces "pretty much identical issues" as the just transition issues faced by South Africa, especially in places such as northern England, Spain, Bulgaria and Poland.

These are places in which the people are "closely tied to coal", just as in parts of South Africa (especially Mpumalanga), and lack resources and the kinds of skills that the green and 4IR economies need, Walmsley said. While this is true of the older generations, economic change means that there is a lack of jobs available to younger people, which is causing depopulation.

Climate-KIC develops programmes to address "the very wide range of issues that need to be fixed" in these regions, Walmsley said. He added that it is important to listen to local communities when putting these programmes together. To find solutions, Climate-KIC

conducts “policy labs” with governments, helps with financing, and runs behavioural change and community skills programmes. Similar work is needed in South Africa.

Walmsley said he is happy to share case studies with those interested.

Presentation 5: Antonio Passero, sub-Saharan region programme manager, RES4Africa

RES4Africa provides a platform for the public and private sectors, to create a “dialogue space” for them; plus technical support through sharing documents.

RES4Africa represents the entire renewable energy value chain, and has several strategic initiatives, with a focus on capacity training, Passero said.

Given the importance of the coal industry to South Africa’s energy sector, it is crucial to consider the socio-economic implications of a switchover to renewable energy, Passero said. The company aims to actively contribute to “the roadmap design” of a just energy transition in South Africa.

RES4Africa is supporting South Africa and Africa’s transition through training, studies, on-the-ground initiatives and stakeholder engagement.

The company’s Micro-Grid Academy surveyed 60 students and found that in the 2020 programme in Kenya, 93% of them had gained networking opportunities through the training they received, 98% derived skills and career improvement and 40% found new job opportunities.

Passero said that RES4Africa believes training is the best way to support a just transition. The company is conducting a study, with the Council for Scientific and Industrial Research, on the South African situation with an eye to planning the right mix of skills training, from entrepreneurial to technological, for the country. Training is complemented with support in the field, he said. RES4Africa also wants to bring the Micro-Grid Academy to South Africa.

Closing

Diana Mawoko said the session had made it clear that it is important to raise awareness among all people of the need for a just transition, that it is critical to ensure that entrepreneurs are at the centre of any transition, and that mentorship and the improvement of skills is a priority.