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## Decarbonised power sector in South Africa report released |

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7-8 minutes



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The recent power sector decarbonisation report states that it is possible for South Africa to decarbonise its economy and assesses ways to ensure a just transition that is economically, socially and environmentally sustainable.

As a country with one of the most emissions-intensive power sectors in the world, and a nation that is particularly vulnerable to the impacts of climate change, South Africa understands the need to transition its economy and to decarbonise, as well as to build resilience to the impacts of climate change.

The central finding of the new report, *Decarbonising South Africa's Power System*, released by the National Business Initiative (NBI), together with Business Unity South Africa (BUSA) and Boston Consulting Group (BCG), is that South Africa can fully decarbonise its power sector.

The *Power Sector Decarbonisation Report* is part of the NBI's Just Transition and Climate Pathways project and is the first in a series of reports on decarbonisation pathways for sectors of the South African economy.

Joanne Yawitch, NBI CEO, says: "Results from the work to date show that this can be done – but that efforts must begin now. Timing is of the essence and there is no time like the present to create the regulatory and policy environment to support transitioning the economy. This is why business has committed to supporting South Africa's commitment to find ways to transition to a net-zero emission economy by 2050."

## Have you heard?

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Climate change is undoubtedly one of the defining challenges of

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today, the world is facing increasing risks to natural and human systems, with the consequences of the growing frequency of extreme weather events already apparent. South Africa is one of the countries at greatest risk. Rising temperatures, increased aridity and rainfall variability will have significant consequences, not only for the country's agricultural sector and its biodiversity, but also the health and well-being of its people.

The case for change is undeniable and is additionally driven by trade risk as South Africa's key trading partners implement their low-carbon commitments, with some, like the European Union planning to introduce carbon border tax adjustments. This will create mounting pressure for South Africa, especially in key economic export sectors like mining, manufacturing and agriculture.

## A balancing act: Mitigating risks to rapidly move to a resilient, renewable future

Lucas Chaumontet, Managing Director and Partner at BCG, says: "South Africa has a unique balancing act that it needs to navigate: the country must carefully juggle the urgent need for economic transition and growth with its reality of a high rate of inequality, poverty and unemployment and its dependence on a fossil fuel-based energy system in order to effectively mitigate risks and make a just transition to a low-carbon future that is resilient and inclusive."

Making this transition, particularly in the predominantly coal-based electricity sector, will be complex. The report identified 10 key findings around the future of the power sector, and

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