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SA must show ambition or risk not getting climate finance: Ramaphosa panel | Fin24

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3-4 minutes

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- **The Presidential Climate Change Coordinating Commission said in its first report that one of the consequences of not setting more aggressive goals would be less access to climate finance.**
 - **South Africa, the world's 12th biggest greenhouse gas producer, burns coal to generate almost all of its electricity, putting it at risk of punitive tariffs from trade partners such as the European Union.**
 - **SA may need to spend R2.9 trillion to meet the target of net-zero emissions by 2050.**
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A panel appointed by President Cyril Ramaphosa urged South Africa - the world's 12th-biggest producer of greenhouse gases - to adopt more ambitious plans to reduce its environmental footprint and commit to generating zero emissions on a net basis by 2050.

The consequences of not setting more aggressive goals would be less access to climate finance, the Presidential Climate Change

Coordinating Commission said in its first report since Ramaphosa appointed its 22 members in December.

It also warned that the nation's export markets may shrink as countries impose tariffs on their carbon intensity.

The panel wants the government to set a 2030 target of emitting between 350 and 420 megatons of carbon dioxide equivalent, and the so-called net-zero goal as part of its Nationally Determined Contribution (NDC) to be presented to the United Nations Framework Convention on Climate Change in November. The environment ministry has proposed an emissions goal of between 395 and 440 megatons by the end of the decade and didn't include a net-zero target.

"A more ambitious NDC opens up the prospect of greater levels of international climate finance support," the panel said in its report. Lower emissions targets would boost trade competitiveness, while a failure to adopt them would place South Africa "at risk of having its domestic exports subject to higher tariffs and non-tariff trade barriers", it said.

South Africa burns coal to generate almost all of its electricity, putting it at risk of punitive tariffs from trade partners such as the European Union. The government is taking steps to boost renewable energy and cut back on the use of coal, a main cause of air pollution in parts of the country.

"More ambitious emission reductions can be achieved by a faster rollout of renewable energy, with concomitant investments in storage and peaking power," the panel said.

Modelling considered by the panel predicted South Africa's emissions could be between 371 and 395 megatons by 2030 if

current policies are implemented as planned. An upper limit of 614 megatons in 2030 was set in South Africa's 2015 NDC.

Africa's most industrialised nation may need to spend R2.9 trillion to meet the target of net-zero emissions by 2050, a study conducted by the National Business Initiative, and considered by the panel, found. The NBI is a body financed by South African companies.