



# Climate change and energy (Election countdown)

SOUTH AFRICA

South Africa's commitment to meet global climate goals aligned to the Paris Agreement is complicated by the country's energy crisis which generates fraught contestations about what the country's priorities should be. As such, political parties' energy and climate change policies reflect an attempt to balance the immediate need for energy supply security and South Africa's decarbonisation target (as well as vested interests). The challenge for parties lies in deciding on the most prudent approach concerning costs and time to resolve load shedding as quickly as possible. The key argument centres around the required energy mix, with some parties wanting a balance of renewables and fossil fuels, and others wanting fossil fuels excluded. All the parties we cover in this note agree on the need for a solution to load shedding as well as the imperative to transition to renewable energy as part of efforts to decarbonise and mitigate against the severity and impact of climate change. Their approaches however reveal certain biases for vested interests that are enmeshed – in particular the ANC.

The African National Congress (ANC) holds a balanced view of the two imperatives but understandably shows a strong bias for resolving load shedding and vested interests. As such, it sees a balanced mix of renewables, coal, nuclear and gas. Coalitions may complicate energy and climate change plans. However, an ANC-smaller parties coalition would see the status quo retained and we expect that the ANC's internal contestations over this would be moderated. ActionSA calls for a transition to renewables while cautioning that this should be done in an economically responsible manner. In the short-term, it sees Eskom reform as the key to solving load shedding. ActionSA's proposals do not vastly differ from those of other parties and would therefore be easily incorporated into a coalition government's plans. The Democratic Alliance (DA) is the only party that demonstrates a pronounced bias for renewables and firm decarbonisation over all horizons. In a coalition context, it would be difficult for the DA to transition the country in a manner and pace it intends to. The Economic Freedom Fighters (EFF) demonstrates a heavy bias for "clean" coal and nuclear energy. An ANC-EFF coalition, which is one of the limited ways that the EFF could be in government after May 29, may see government embracing nuclear and (clean) coal more at a policy level. Practically, the EFF's plans in relation to nuclear and coal will be difficult to implement and may therefore not amount to much. The Inkatha Freedom Party's (IFP) views are balanced, with an unpronounced bias for coal and nuclear. The IFP's plans show greater flexibility and would be implementable in most feasible coalition scenarios but the party's position within a coalition would work against this.

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## Background

Climate change is a global concern, and no country can individually escape and protect itself from its impact. To limit global warming to no more than 1.5°C as stipulated in the Paris Agreement, emissions must be reduced by 45% by 2030 and achieve net zero by 2050. While this target now appears out of range, pressure is building on countries to act faster in shifting away from fossil fuels. As a signatory to the Paris Agreement, South Africa has committed to decrease its emissions by 2050. The Climate Change Bill will soon introduce a regulatory framework for the country to set out its plan to achieve this goal and create a low-carbon economy.

Due to the United Nations Framework Convention on Climate Change, the funding of mitigation, adaptation and resilience is not seen as a burden for emerging markets to carry alone, with developed nations understanding the trade-off required to tackle a crisis largely created by their economic development efforts. South Africa has been a first mover in developing just transition financing agreements with developed nations (through the Just Energy Transition Partnership [JETP]), which places pressure on the country to implement its transition plans and benefit from these climate-related financing arrangements.

South Africa's approach is not only focused on aligning with global mandates. The country – and much of Africa – is negatively affected by climate change. This is expected to worsen as global temperatures increase. According to Greenpeace, climate change in South Africa has resulted in heatwaves, drought, extreme bouts of rainfall leading to floods, and unpredictable weather.<sup>1</sup> The organisation also states that mean annual temperatures in the country have increased by twice the global average (0.7°C).<sup>1</sup> Professors Robert Scholes and Francois Engelbrecht argue that because of its geographical location and socioeconomic development state, Southern Africa is particularly vulnerable to climate change.<sup>2</sup> This is why the interior of the region is warming at about twice the global average rate.<sup>2</sup>

A further indication of South Africa's vulnerability to climate change is that the country is ranked 95 out of 185 countries in the Notre Dame Global Adaptation Initiative (ND-GAIN) Country Index which ranks countries according to their vulnerability to climate change and readiness to improve resilience.<sup>3</sup> The World Bank's Climate Change Knowledge Portal reports that between 1900 and 2017, more than 100 disaster events (droughts, floods, storms etc) were reported in the country, resulting in 2,200 deaths, affecting 21 million people and totalling roughly a \$4.5bn monetary loss.<sup>5</sup> The World Bank puts the economic loss the country suffered between 1952 and 2019

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<sup>1</sup> Joan Igamba. 2023. "Climate Change in South Africa: 21 Stunning Facts About South Africa's Climate Breakdown". Greenpeace. [Climate Change In South Africa: 21 Stunning Facts About South Africa's Climate Breakdown - Greenpeace Africa](#)

<sup>2</sup> Robert Scholes and Francois Engelbrecht. 2021. "Climate impacts in southern Africa during the 21st Century". Centre for Environmental Rights. [Climate-impacts-in-South-Africa\\_Final\\_September\\_2021.FINAL\\_.pdf \[cer.org.za\]](#)

<sup>3</sup> Notre Dame Global Adaptation Initiative. 2023. "ND-GAIN Country Index Rankings". Notre Dame Global Adaptation Initiative. <https://gain.nd.edu/our-work/country-index/rankings/>

<sup>4</sup> Deepti Charitar. 2023. South Africa is Ranked 96 out of 182 Countries in Terms of Climate Change Vulnerability and Its Preparedness to Enhance Resilience. *Climate Scorecard*. [https://www.climatecard.org/2022/10/south-africa-is-ranked-96-out-of-182-countries-in-terms-of-climate-change-vulnerability-and-its-preparedness-to-enhance-resilience/?\\_ga=2.219687001.1148501184.1709557565-597537278.1709557565](https://www.climatecard.org/2022/10/south-africa-is-ranked-96-out-of-182-countries-in-terms-of-climate-change-vulnerability-and-its-preparedness-to-enhance-resilience/?_ga=2.219687001.1148501184.1709557565-597537278.1709557565)

<sup>5</sup> Climate Change Knowledge Portal. 2021. "Historical Hazards: South Africa". *Climate Change Knowledge Portal*.

[https://climateknowledgeportal.worldbank.org/country/south-africa/vulnerability?\\_ga=2.9784309.1148501184.1709557565-597537278.1709557565](https://climateknowledgeportal.worldbank.org/country/south-africa/vulnerability?_ga=2.9784309.1148501184.1709557565-597537278.1709557565)

due to disasters at \$9bn.<sup>6</sup> Moreover, the country's nine provinces all experienced flooding in the first half of 2021.<sup>1</sup>

As the biggest emitter of greenhouse gases (GHG) in Africa, South Africa accounts for more than one-third of the total energy-related carbon dioxide (CO<sub>2</sub>) emissions on the continent.<sup>1</sup> In 2017, the country's net emissions were an estimated 512 metric tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e), with the energy sector responsible for approximately 80% gross emissions (the energy industries [approx. 60%] and transport [approx. 12%] were the top sources).<sup>7</sup> Net emissions in 2020 were an estimated 442tCO<sub>2</sub>e, which was a slight decline of 0.8% from 2000 levels and was mainly a consequence of a temporary decline in emissions due to the COVID-19 pandemic.<sup>8</sup> The main factor behind South Africa's emissions is its heavy dependence on coal-generated electricity. In 2022, coal accounted for 80% (176.6 TWh) of electricity generated, renewable energy contributed 13.7% (30.2 TWh), renewable energy - excluding hydro - contributed 7.3% (16.2 TWh), nuclear energy contributed 4.6% (10.1 TWh) and diesel 1.6% (3.6 TWh).<sup>9</sup>

## Mpumalanga focus

Parties may need to dedicate more attention to Mpumalanga in their JET proposals, as this is one province where energy policy may have some impact on voting patterns. As already mentioned, the ANC has stated that there is a need to ensure that the transition supports communities and workers in Mpumalanga. The EFF states an intention to establish mining development and beneficiation schools in Mpumalanga (Emalahleni), North West, Limpopo and Gauteng. This is in line with the party's plans to expand (coal) mining. The DA proposes that utility-scale wind, solar PV and battery energy storage systems facilities proposed for construction in former mining areas such as Mpumalanga coalfields be exempted from restrictive regulatory requirements under the National Environmental Management Act. In devising plans to deal with the consequences of the transition in Mpumalanga, parties need to consider the capacity limitations in the province. These were laid bare by the poor manner in which it handled the decommissioning of the Komati power station. That said, the province has been able to set up the Green Cluster Agency and philanthropies with a focus on the transition. Nevertheless, we expect the ANC to retain the province with about 57% of the vote. We are however watching the growth of the EFF and the potential of the uMkhonto WeSizwe Party in the province.

<sup>6</sup> World Bank. 2022. "Disaster Risk Finance Diagnostic". World Bank.

<https://documents1.worldbank.org/curated/en/099742311072334460/pdf/IDU075f77db50660c0401e087780c7d7beb1447c.pdf>

<sup>7</sup> USAID. 2023. "South Africa Climate Change Country Profile". United States Agency for International Development. [https://www.usaid.gov/climate/country-profiles/south-africa#:~:text=South%20Africa's%20dependence%20on%20coal,greenhouse%20gas%20\(GHG\)%20emitters](https://www.usaid.gov/climate/country-profiles/south-africa#:~:text=South%20Africa's%20dependence%20on%20coal,greenhouse%20gas%20(GHG)%20emitters).

<sup>8</sup> USAID. 2023. "South Africa Climate Change Country Profile". United States Agency for International Development. <https://www.usaid.gov/sites/default/files/2023-11/2023-USAID-South-Africa-Climate-Change-Profile.pdf>

<sup>9</sup> CSIR. 2022. "Statistics of utility-scale power generation in South Africa 2022. Council for Scientific and Industrial Research. <https://www.csir.co.za/sites/default/files/Documents/Statistics%20of%20power%20in%20SA%2022-CSIR-%5BFINAL%5D.pdf>

## Party views

**Table 1: Summary of party views**

	Energy Mix	JET	Eskom	Load shedding
<b>ANC</b>	Coal, solar, wind, gas, nuclear, hydro and energy storage.	Sees JET as a chance for a new and more inclusive growth path – solving wider problems; wants vulnerable communities to be prioritised in the roll-out of climate resilient infrastructure and finance solutions; and promises solar water geysers in working class and poor households.	Wants Eskom to play a strategic role in implementing energy policies even in the context of JET; proposed the restructuring of Eskom's debt. Vested interests strongly at play	Wants to reduce electricity demand through incentivising small businesses, households and communities to invest in solar, gas and battery systems; proposes that municipalities partner with IPPs; and proposes sourcing of external skills to maintain coal power stations adequately.
<b>DA</b>	Wind and solar photovoltaic systems (PVs), complemented by flexible generation with gas-to-power and battery storage; and local production of green hydrogen, green ammonia, and other green hydrogen-based derivatives.	Proposes that SA focuses on encouraging and facilitating concessionary “green” finance, loans and grants for a JET linked to accelerated decarbonisation through progressive decommissioning of Eskom power stations; suggests a “polluter pays” principle to finance decommissioning, waste disposal and land reclamation.	Sees unbundling and restructuring Eskom as a means to improve energy security as this will open the electricity market.	Wants to secure power supply and end load shedding by ending Eskom's monopoly and enabling increased self-generation among consumers, businesses, and municipalities in good standing.
<b>EFF</b>	Clean coal, gas, nuclear, solar, wind, and hydro-energy.	Commits to decarbonising the electricity sector but at a speed, scale, and cost that is feasible and beneficial for South Africa.	Wants to expand Eskom's generation capacity; and commits to ending the “privatisation” of Eskom, and to consolidating generation, transmission, and distribution under one company. A strong nod to vested interests.	Plans to reduce demand of big electricity users by revoking preferential tariff deals; promises to subsidise embedded electricity alternatives for public institutions and households; and promises to improve technical capacity by collaborating with China and other friendly nations to repair and restore coal power stations.
<b>IFP</b>	Coal, gas, wind, solar, nuclear, and hydroelectric power.	Promises to engage stakeholders, including workers, unions, communities and businesses to develop policies and strategies that will lead to a just transition.	Suggests that the utility be managed through a public-private partnership.	Suggests that alternative sources of energy be embraced; and promises to install solar panels in all the new government houses.

<p><b>ActionS A</b></p>	<p>Renewables (particularly solar and wind) as far as possible</p>	<p>Advises that the country transitions gradually and responsibly, and not at the expense of economic growth and development.</p>	<p>Sees IPPs as an effective way of ending Eskom's monopoly but notes that reforming Eskom should be a priority in the immediate period as breaking its monopoly will be a lengthy process.</p>	<p>Proposes allowing Eskom to obtain maintenance services from original equipment manufacturers and to procure diesel from wholesale suppliers; suspending localisation requirements and import duties on technology, equipment and resources that may contribute to resolving the energy crisis; and mandating all new commercial and industrial buildings to install energy management systems.</p>
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### African National Congress

The ANC balances the need to decarbonise with the immediate task of ending load shedding, with the latter taking priority due to the political and economic implications of failing to resolve it in the short term. The party makes several sound proposals, but it is unclear how it plans to fund these, especially those with a social aspect. The notable exceptions are investments in electricity generation and transmission, which the party states should include grant funding and concessional finance. Having been in power since 1994, the challenge is that it is difficult for the ANC to convince society that it is capable of implementing its plans in this regard.

The ANC has called for its caucus to mobilise support for the Climate Change Bill, which is currently in the National Council of Provinces. Given its resolutions, the ANC will welcome the Climate Change Response Fund announced by the President during the 2024 State of the Nation Address (SONA).

### Social lens and JET

The ANC characterised climate change as the greatest challenge facing South Africa, Africa and the world. The party viewed the devastating KwaZulu-Natal (KZN), Eastern Cape and North West 2022 floods as a signal of the urgent need for the world to reduce GHG emissions.<sup>10</sup> To remedy the impact of climate change on societies, the ANC suggests improved coordination between three spheres of government, education, early warning mechanisms and the availability of social relief measures to households.<sup>11</sup>

The ANC sees a response to climate change as an opportunity to steer the country towards a new and more inclusive growth path.<sup>12</sup> The party thus

<sup>10</sup> ANC. 2022. "6th National Policy Conference Report". *African National Congress*. <https://www.anc1912.org.za/wp-content/uploads/2022/09/6th-ANC-National-Policy-Conference-Reports-2022.pdf>

<sup>11</sup> ANC. 2022. "African National Congress 55th National Conference Resolutions: Social Transformation". *African National Congress*. <https://www.anc1912.org.za/wp-content/uploads/2023/02/ANC-55th-Conference-Resolutions-Social-Transformation.pdf>

<sup>12</sup> ANC. 2022. *African National Congress 55th National Conference Resolutions: Economic Transformation*. *African National Congress*. <https://www.anc1912.org.za/wp-content/uploads/2023/02/ANC-55th-Conference-Resolutions-Economic-Transformation.pdf>

holds that the transition from a high-carbon to low-carbon economy will need a just energy transition (JET) path that prioritises communities and limits disruptions in the economy. Importantly, the party underscored that Eskom should continue to play a strategic role in implementing energy policies even in the context of the JET.

The party believes that in the roll-out of climate resilient infrastructure and finance solutions, poor and vulnerable communities should be prioritised. In its 2024 elections manifesto, the ANC explicitly mentions that the transition to a low-carbon economy must support communities and workers in affected areas, particularly Mpumalanga.<sup>13</sup> This is in line with the JET Implementation Plan released at COP28 in 2023 and supports the JET Investment Plan that has received pledges of \$11.8bn to date.

In the same manifesto, the ANC promises to install solar water geysers in working class and poor households to support job creation and local manufacturing. The party also plans to reduce energy bills by promoting cheaper or subsidised solar power. It is unclear how the party would finance these ambitions.

### Energy mix

The ANC clearly states that its approach to energy security is guided by the (2019) Integrated Resource Plan (IRP), which envisages an energy mix of coal, solar, wind, gas, nuclear, hydro and energy storage, which is retained in the draft IRP 2023. **Error! Bookmark not defined.** The party explicitly states that the country should not abandon coal at the expense of energy security, jobs and affected communities. Instead, it highlights that appropriate technology must be developed for the safe use of coal for energy generation. However, in the 2024 elections manifesto, the ANC does not mention "clean coal".

The ANC has noted that some of the country's major trading partners classify gas and nuclear as green and that these energy sources can have a positive impact on energy pricing. Nonetheless, it acknowledged that South Africa's climate adaptation policies should not make the country less competitive in global trade or limit the country's ability to utilise these energy sources. **Error! Bookmark not defined.** The party reiterated the importance of remaining competitive in relation to exports in its 2024 elections manifesto and called for the fast-tracking of oil and gas exploration to assist the country escape coal dependence.

In 2022, the governing party noted that the country's transmission infrastructure needed to be upgraded to connect renewables and other new generation projects. Accordingly, President Cyril Ramaphosa announced in the 2024 SONA that his government will build more than 14,000km of new transmission lines to accommodate renewable energy over "the coming years" and that it would enable private investment through a variety of innovative investment models to accelerate the process. The governing party mentioned previously that the JETP should be implemented effectively and that the country needs to mobilise additional resources, which should include grant funding and highly concessional finance, to fund electricity generation and transmission. **Error! Bookmark not defined.**

### Green economy

The governing party has spoken extensively about the need to put measures in place to ensure South Africa becomes a player in the green economy.

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<sup>13</sup> ANC. 2024. "ANC 2024 Elections Manifesto". African National Congress.  
<https://www.anc1912.org.za/wp-content/uploads/2024/02/ANC-2024-Elections-Manifesto.pdf>

These measures include clearly mapping strategic minerals for green manufacturing that the country possesses; developing domestic policy and legislation around minerals for green manufacturing alongside regional and continental agreements; supporting innovation in green technologies and climate change adaptation and mitigation; and constructing a new industrial landscape based on environmentally sustainable technology, processes and energy sources.

### Load shedding

The ANC has admitted that load shedding is crippling South Africa, and that restoring energy security is an important aspect of lifting confidence, investment and job creation. In the short to medium term, the party holds that demand should be reduced partly through incentivising small businesses, households and communities to invest in solar, gas and battery systems for their own use and to feed electricity back into the grid. **Error! Bookmark not defined.** The tax incentives announced in the 2023 Budget Speech symbolise some progress in implementing this resolution but will fall away from 1 April 2024. The ANC backs the need to prioritise restructuring Eskom's unsustainable debt and welcomed the Eskom debt relief arrangement of R254bn enabled by the Eskom Debt Relief Act, 2023 and the Eskom Debt Relief Amendment Bill, which is awaiting assent. The governing party has also announced its support for the Energy Action Plan.

The ANC has in the past recommended that regulations be put in place to enable municipalities to partner with independent power producers so that they can deliver electricity to local communities. This resolution found expression in 2020 when the government gazetted changes to the Electricity Regulations Act relating to new generation capacity to enable municipalities to procure or generate their own electricity. In 2022, the 100MW cap on private generation projects was lifted, which increased the number of these projects. This is part of the liberalisation of the market, which the ANC has increasingly favoured as its government continues to fail to end load shedding.

Lastly, the party wants coal power stations to be maintained adequately and emphasises the need to develop a skills base, including sourcing external skills to ensure the optimal functioning of power stations.

### Democratic Alliance

The DA has pledged to reaffirm "... South Africa's commitment to the Paris Agreement on Climate Change, and to immediately bring South Africa's nationally determined contribution in line with South Africa's fair share contribution."<sup>15</sup> The party acknowledges that to achieve its nationally determined contributions and fast-track the transition, South Africa will require significant financial and human capital as well as technological assistance from the developed world. Like the ANC, the DA identifies load shedding as the biggest threat to South Africa's social and economic stability.<sup>14</sup> The party has argued that energy insecurity is a result of the national government's insistence on utilising the model of state-led power generation, which the party considers outdated. The party's proposals centre on liberalising the energy market as epitomised by the commitment to unbundling Eskom and subsequently curtailing its role in the electricity value chain.

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<sup>14</sup> DA. 2024. "The DA's Rescue Plan for South Africa Election Manifesto 2024". *Democratic Alliance*. <https://cdn.da.org.za/wp-content/uploads/2024/02/16143750/DA-Election-Manifesto-2024.pdf>

## Policy and structures

The DA proposes establishing a dedicated energy ministry with a focus on crafting and implementing sound and forward-looking energy and electricity policies and performance monitoring processes.<sup>15</sup> The party also proposes the establishment of a Ministerial Advisory Council on Energy composed of the best energy and electricity minds and thinkers in the country.

Additionally, the DA wants to review and amend existing energy policies, legislation, regulations and planning processes to rationalise the implementation of the party's proposed energy and electricity policies. The party would also review and amend existing transportation sector policies, regulations and planning processes as the sector is a big contributor to GHG emissions. The party envisages that under its leadership, the country would finalise the national Integrated Energy Plan which would be reviewed, updated, and published annually.<sup>15</sup>

Lastly, the DA proposes reviewing and amending the National Energy Regulator of South Africa (NERSA)-administered existing energy and electricity regulatory framework which it considers ineffective and dysfunctional.

## Energy mix and JET

The DA believes that in transitioning to a more sustainable energy future – which is focused on renewables – South Africa should adopt a market-based approach. Citing International Monetary Fund research, the party argues that global investment in renewables has grown from under \$50bn per year in 2004 to approximately \$300bn per year in recent years.<sup>15</sup> The party further states that the high upfront installation cost of renewables means that government and sovereign guarantees would be necessary to attract the needed investments.<sup>15</sup>

The DA identifies a need to actively support and incentivise a just transition from the carbon-intensive energy and electricity sectors to a sustainable, net carbon-zero energy and electricity sector that would ultimately result in reindustrialisation around the green economy, reskilling, retraining and job creation, even beyond these energy and electricity sectors.<sup>15</sup> The DA cites the Mpumalanga coal fields, the North West platinum fields and the Free State gold fields as areas with the required infrastructure, grid connections, skills and customer base to embark on cost-effective reindustrialisation and a transition to a sustainable future anchored in the green economy.

The DA also proposes that South Africa should focus on encouraging and facilitating concessionary “green” finance, loans and grants for a JET linked to an accelerated decarbonisation of the economy through progressive decommissioning of Eskom power stations and the use of renewable hydrogen-based power fuels in the transportation, iron and steel, cement, mining, and chemicals sectors.<sup>15</sup> The DA suggests a “polluter pays” principle, which would see those who operate nuclear facilities, coal mines, coal-fired power stations, coal- and gas-to-liquid fuel plants and liquid-fuel refineries charged environmental levies and/or carbon taxes.<sup>15</sup> The revenue from this would go to funds that would finance decommissioning, waste disposal and land reclamation.

The DA envisages an energy mix inclusive of wind and solar photovoltaic systems (PVs), complemented by flexible generation with gas-to-power and

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<sup>15</sup> DA. 2024. “Powering Growth and Development Energy & Electricity Policy Position 2022”. Democratic Alliance. <https://cdn.da.org.za/wp-content/uploads/2022/08/10101537/DA-Energy-and-Electricity-Policy.pdf>



battery storage.<sup>15</sup> The party raises reservations about natural gas and instead recommends local or regional production of green hydrogen, green ammonia, and other green hydrogen-based derivatives. With regard to nuclear energy, the party supports the extension of the lifespan of the Koeberg nuclear power station from 2024 to 2044. The party however opposes ambitions for new nuclear power generation plants in South Africa in the short and medium term and advises that the country observes global developments in the international nuclear power sector, especially on commercialisation of small modular nuclear reactors (SMRs), new generation large nuclear reactors, and nuclear fusion technologies. On hydroelectric power, the official opposition states that South Africa is a water-constrained country and should therefore focus on smaller, distributed, grid-connected, microgrid and off-grid hydroelectric power opportunities, funded by the private sector. Consequently, it suggests that South Africa pulls out of the Grand Inga project. The party also encourages electricity generation from biomass, biogas, and biofuels.

To ensure a rapid uptake of renewables, the DA proposes the removal or amendment of regulations and red tape that hinder the uptake of new renewable energy generation capacity by municipal generators.

### Load shedding

The overarching proposal from the DA in regard to load shedding is that the party will secure power supply and end load shedding by ending Eskom's monopoly and enabling increased self-generation among consumers, businesses, and municipalities in good standing.<sup>14</sup> The DA wants to enable households to generate their own power and proposes a personal income tax rebate to cover installation costs on solar systems. The party proposes a maximum R75,000 once-off tax rebate to incentivise the uptake of rooftop solar for residential purposes. The party would have been partially satisfied with the 1 March 2023 to 29 February 2024 25% tax rebate of the cost of solar panels up to a maximum of ZAR15,000 per taxpayer. In addition, the party believes that every resident or business should have the opportunity to sell their excess electricity back into the grid or "wheel" it directly to a large consumer in their vicinity.

The DA sees unbundling and restructuring Eskom as a means to improve energy security as this will open the electricity market. The party wants to halt Eskom's generation business and transform the transmission part of the entity into a separate grid and market operator which would be tasked with power planning, procurement, contracting, grid system and electricity market operation.<sup>14</sup> The party wants to build an electricity distribution industry around former Eskom and municipal electricity distributors made up of a reduced number of regional electricity distributors.

Lastly, the DA proposes removing restrictive tariffs and zero-rating electric vehicles in order to decarbonise the transport sector.

### Economic Freedom Fighters

The EFF unequivocally registers its intention to terminate all existing contracts with independent power producers (IPPs) and discontinue any roll-out of new IPP projects. In line with its ideological posture the EFF wants to introduce "a new transparent and corrupt-free procurement process" that will see private sector participation in new electricity generation capped at 30-40%.<sup>16</sup> Importantly, this process will support ownership transfer to black people. The party also wants to cancel all indexed fixed-priced and cost-plus contracts related to coal mining and coal supply to Eskom.

While other parties want to deregulate the electricity market, the EFF wants further regulations to control participation. It also argues strongly for the usage of coal and nuclear.

## Eskom

The EFF clearly wants Eskom to retain a significant role in the electricity value chain. The party wants to expand Eskom's generation capacity for consistent, dependable and affordable electricity distribution to consumers. It also commits to ending the "privatisation" of Eskom, and to consolidating generation, transmission and distribution under one company, clearly opposing the unbundling agenda. The party also wants the utility to develop its own renewable energy division which will build Eskom's infrastructure, focusing on solar, wind and hydro-energy, and researching ways to improve the reliability of these sources.<sup>16</sup>

The EFF promises that its government would authorise Eskom to take over the distribution of electricity from municipalities that are unable to meet their financial obligations towards the utility. However, and despite the utility's financial troubles, the EFF promises to write off all historical electricity debts owed to Eskom, including by municipalities.

The EFF has committed to establishing an independent state electricity economic research institute to conduct research on energy security and support long-term energy infrastructure planning. The institute's research findings would be reported to parliament. The party also promises to resuscitate Eskom's research and development capacity, with a focus on training especially in nuclear and coal as core baseload.

## Energy mix and JET

Foremost, the EFF commits to decarbonising the electricity sector but at a speed, scale, and cost that is feasible and beneficial for South Africa.<sup>16</sup> In stabilising electricity supply the EFF envisages an energy mix which includes clean coal, gas, nuclear and nuclear energy as baseload, and renewable sources such as solar, wind, and hydro-energy. The party plans to invest in transmission capacity to support the increased demand and integration of these diverse energy sources. The EFF emphasises that it will take advantage of 200 years of coal reserves and utilise carbon-capturing technology to "clean" the coal. The party's commitment to coal use is further highlighted by its intention to establish a state-owned mining company that will manage Eskom-owned coal mines and thus supply affordable quality coal and export the surplus, predominantly to African countries.<sup>16</sup>

To increase the contribution of nuclear, the EFF wants to engage with strategic partners (it explicitly mentions Russia) to build a nuclear power plant in South Africa, which would produce 3GW to 6GW of electricity, under a 20-year Build-Operate-Transfer (BOT) contract.<sup>16</sup>

## Load shedding

Load shedding is central to the EFF's 2024 elections campaign. The party's theme is "Our Land & Jobs Now! Stop Loadshedding!". The party has promised to emulate successful models such as that of China to ensure security of electricity supply for at least the next 20 years. To ensure optimal functioning of power stations and improve the energy availability factor, the

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<sup>16</sup> EFF. 2024. "Our Land & Jobs Now! Stop Loadshedding!: 2024 Election Manifesto". *Economic Freedom Fighters*. <https://effonline.org/wp-content/uploads/2024/02/A5-EFF-2024-Manifesto-full-version.pdf>

EFF wants to improve technical capacity by collaborating with China and other friendly nations to repair and restore coal power stations.

The EFF has proposed to reduce the electricity demand of big electricity users through strategies such as revoking preferential tariff deals that offer below-cost electricity to certain corporations.<sup>16</sup> The party has promised to subsidise embedded electricity alternatives for public institutions such as public health facilities, schools and police stations and households to encourage the uptake of sustainable energy solutions.

The party wants to introduce a municipal conditional grant to assist municipalities in implementing hybrid and off-grid energy solutions, to promote local energy resilience and sustainability.

### Social lens

The EFF promises to provide free electricity of up to 200kWh per month to poor households. The party also promises to establish a direct grant system to encourage the adoption of embedded generation technologies, "moving beyond mere tax incentives".<sup>16</sup> Plans to finance this are not clear yet.

### Inkatha Freedom Party

The IFP believes that intermittent electricity supply means that the country must embrace alternative energy sources. Overall, its policies are in line with those of other parties, emphasising the need for a JET (even though it is yet to develop a pathway towards this), and proposing a diverse energy mix inclusive of renewables but with a clear intention to retain the use of coal and nuclear. The party's proposals however highlight a research capacity constraint, as evidenced by the lack of detail in these ideas.

The KZN official opposition, while highlighting that Eskom is a mismanaged national asset, suggests that the utility must be "managed" through a public-private partnership.<sup>17</sup> The party promises to further subsidise the price of electricity for poor and historically disadvantaged communities. It also promises to deregulate the fuel industry, especially to open imports to anyone who can provide the necessary guarantees and can build refineries that meet safety standards.<sup>17</sup> Moreover, the IFP proposes to cut unnecessary fuel levies.

### Energy mix and JET

The IFP promises to engage stakeholders, including workers, unions, communities and businesses to develop policies and strategies that will lead to a just transition.

The IFP wants to retain coal production, recognising it as a key energy source and a resource that could be used to produce several other chemical products.<sup>17</sup> The party suggests that the use of gas for domestic purposes, especially cooking and heating should continue. It also promises to promote wind turbines and solar power, which it sees as an opportunity for private investment in electricity generation for own use and supply to the grid. Consequently, the party wants to install solar panels in new houses built by government. Furthermore, the IFP wants nuclear energy to remain part of the mix, in the hands of the state. A further energy source that the party proposes is hydroelectric power.

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<sup>17</sup> IFP. 2024. "13-point Manifesto Plan for the 2024 National And Provincial Elections". *Inkatha Freedom Party*. <https://www.ifp.org.za/wp-content/uploads/2024/03/Inkatha-Freedom-Party-2024-Manifesto.pdf>

## ActionSA

ActionSA's proposals epitomise the difficulty of concurrently seeking to secure electricity supply and decarbonise. The party's energy policy is an attempt to reconcile the two with constant reminders of the needed trade-offs. ActionSA views a decentralised energy market as the most effective way to provide affordable and reliable energy and advocates prioritising a transition from fossil fuel-based energy generation.<sup>18</sup> However, the party warns against a fast-tracked transition that could cause significant economic harm.

The party recognises that despite mitigation efforts, some effects of climate change are inevitable. It thus proposes adaptation measures including climate-smart agriculture and climate resilient infrastructure. The party also wants the Climate Change Bill to be enacted.<sup>18</sup>

## Energy mix and JET

ActionSA submits that South Africa should switch to renewable sources of energy to the greatest extent possible. However, the party advises that this be done gradually and responsibly because failing to utilise the country's existing infrastructure and natural resources (coal) could result in considerable economic losses. It further states that South Africa is unlikely to decarbonise its energy mix by 2050 and acknowledges the country's responsibility to decarbonise but reiterates that this must not come at the expense of economic growth and development.<sup>18</sup> Nonetheless, the party proposes a target of an additional build of 150GW of renewable energy by 2050, with an increase in builds before 2030.

## Eskom

ActionSA holds that allowing IPPs to produce electricity would be an effective way of ending Eskom's monopoly in the electricity market. However, it also submits that reforming Eskom should be a priority because breaking its monopoly will be a lengthy process. As part of this reform, the party sees a need to rationalise the "top-heavy staff structure" of the utility, remove all political appointments, and ensure the sufficient availability of skills needed to maintain and repair existing power stations and the grid.<sup>18</sup> That said, the party wants to "consider" the privatisation of large power plants, under firm conditions, to relieve the financial burden on Eskom and the state. ActionSA also wants IPPs to sell directly to consumers. These IPPs would be exempted from NERSA decisions on energy tariffs.

Like other parties, ActionSA proposes financial incentives to encourage households and businesses to install solar panels.

## Load shedding

ActionSA sees ending load shedding as an immediate priority. The party thus proposes several measures aimed at achieving this goal: allowing Eskom to obtain maintenance services from original equipment manufacturers and to procure diesel from wholesale suppliers; suspending localisation requirements and import duties on technology, equipment and resources that may contribute to resolving the energy crisis; implementing priority corruption identification and prevention measures in the energy supply chain; exempting hospitals, clinics, fire stations and police stations from load shedding to avoid interruptions to critical service delivery; and mandating all

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<sup>18</sup> ActionSA. 2023. "Summary of Approved Policies from the 2023 Policy Conference. ActionSA. <https://www.actionsa.org.za/wp-content/uploads/2023/09/Summary-of-Approved-ActionSA-Policies-DIGITAL.pdf>

new commercial and industrial buildings to install energy management systems for effective energy management.<sup>18</sup>

In 2023 ActionSA and others convinced the Gauteng High Court to rule in their favour that the minister of electricity put measures in place to prevent any interruption of supply due to load shedding to health establishments, public schools and police stations. The court ordered that this be done by 31 January 2024 but to date there has not been much progress, largely because of the costs associated with an attempt to follow the instructions of this order.

## Conclusion

All the parties recognise the threat that climate change poses to society. As such, they advocate a transition to renewable sources of energy. The ANC, however, wants to retain coal and nuclear in the energy mix and sees a significant role for Eskom in the transition. The party however wants to liberalise the electricity market to an extent. The EFF wants a more state-centric electricity market – led by a strengthened Eskom at the centre – with controlled participation for the private sector. The party calls for retaining coal in the energy mix and further investment in nuclear with the two sources serving as a baseload to be complemented by renewables. The IFP sees a role for both the state and the private sector in the electricity market and proposes that a private-public partnership takes over Eskom. The IFP's proposals indicate a wish for a “relaxed” state-centric approach to energy. This is highlighted partly by its suggestion that nuclear energy should be under the control of the state. ActionSA submits balanced proposals which ultimately seek to break Eskom's monopoly and decentralise the sector. However, the party wants this to be done in an economically sound and unrushed manner, hence it submits that the short-term focus should be on reforming Eskom. The DA is unequivocal in advocating a transition to renewables, unbundling Eskom and liberalising the currently state-led electricity market.

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