

2025

IMPACTS AND IMPLICATIONS OF DECOMMISSIONING COAL-FIRED POWER STATIONS WITHIN SOUTH AFRICA'S JUST ENERGY TRANSITION





AIDC
Alternative Information
& Development Centre

ABOUT THE AIDC

The Alternative Information and Development Centre (AIDC) was formed in 1996 in response to the democratic transition in South Africa and the new opportunities and challenges it brought those seeking greater social justice within the democracy. Over the years, AIDC has played a leading role in various civil society responses to ongoing inequality. AIDC has established itself as a leading source of research and information on themes of austerity and debt; financialisation; tax, illicit financial flows and Base Erosion and Profit Shifting (BEPS); and the energy transition.



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Published in 2025 by the Alternative Information and Development Centre (AIDC).

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**GLOBAL
PEOPLES
PLATFORM**
FOR SOCIO-ECOLOGICAL
TRANSFORMATION

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Foreword

The Global People's Platform for Socio-Ecological Transformation is a global network of democratic civil society organizations, activists, academics, and trade unions; set out to co-create knowledge and contribute to global discourses and advocacy on socio-ecological transformations of the economy. Launched on the initiative of Misereor in 2021, the platform aims to explore development alternatives through a global, diverse, and participatory approach.

This paper is part of a series of publications representing the efforts of five thematic working groups, each focusing on a critical aspect of socio-ecological transformation and the result of extensive research, collaboration, and dialogue. It aims to provide novel insights, strategies, and policy recommendations to advance towards just and sustainable economic transformations globally. While distinct in focus, the working groups are united by a shared commitment to justice, sustainability, and systemic change. Together, they form the backbone of the platform's collective inquiry and action.

1. **Transformative Just Energy Transition**

This group explores the intersection of energy transition and justice, particularly in the context of critical minerals and the global energy system. Their work spans research on decarbonization trends, alliances between trade unions and social movements, and advocacy for a publicly driven, equitable energy transition.

2. **Agroecology**

Rooted in Indigenous knowledge and collective struggle, the Agroecology group positions agroecology as both a climate and social justice strategy. Through global learning exchanges, research, and advocacy, they promote sustainable agriculture and food sovereignty.

3. **Alternative Finance**

Confronting the structural crises of the global financial system, this group advances community-rooted, non-exploitative financial alternatives in the Global South. Their work includes mapping climate finance systems, and mobilizing civil society for financial justice.

4. **Anti-Systemic Alternatives**

This group mobilizes grassroots movements and fosters regional and cross-regional solidarity to reimagine economic systems from the ground up including documenting lived experiences of alternatives, developing shared frameworks, and joint advocacy campaigns.

5. **Governance of the Commons**

Focusing on territorial governance and the Rights of Nature, this group works to strengthen community-led land use planning and resistance to extractivism. Their research and advocacy support Indigenous-led governance and promote a paradigm shift towards ecological stewardship.

Executive summary

The 2021 COP26 Climate Summit marked South Africa's formal pursuit of a just energy transition and launch of the Just Energy Transition Partnership (JETP). As a fossil-fuel coal functions as the dominant primary energy source that continues to drive the country's industrial output, economic activity and employment levels. The centrality of coal-mining and coal-fired electricity generation has meant that climate mitigation measures, occurring through decarbonisation, continues to be a complex and contentious issue across the country.

To meet its international climate commitments, reduce air pollution, curtail environmental degradation and forge an electricity industry consisting of renewable forms of energy, the South African government aims to shut-down several coal-fired power stations by 2040 as one of the means to build a low-carbon economy. Although the government has produced a Just Energy Transition Framework which claims the energy transition must be guided by principles of distributive, restorative and procedural justice, workers in the energy sector and communities reliant on the coal-value chain have already expressed profound anxiety, frustration and anger as South Africa's transition gradually unfolds.

While coal-mining affected communities, energy sector trade unions, civil-society organisations and decision-makers within government acknowledge the need to implement climate mitigation and adaptation measures, the pertinent question is how such a process unfolds. This report aims to critically examine the impacts and implications of decommissioning and repurposing coal-fired power stations in South Africa. Two power stations located in the province of Mpumalanga served as case studies in the report: Camden power station, which is flagged for decommissioning no earlier than 2030 and Komati power station, decommissioned in 2022 and currently being repurposed with renewable energies.

Utilizing research, power station worker surveys, interviews with energy sector trade union leaders, engagements with grassroots

community organisations, the report highlights how South Africa's just energy transition is hindered by policy-incoherence, undemocratic stakeholder engagement, poor project planning and weak project implementation. The concerns of workers within coal-fired power stations and the communities surrounding them cannot be overlooked or reduced to uninformed climate denialism. In numerous towns across the province of Mpumalanga, power stations provide a lifeline for employment and a foundation for economic activity within the formal and informal economy. Understandably, when not presented or provided with compelling alternatives for their livelihoods, communities and workers are right to question what will happen to their jobs, small-businesses, schools, homes and households after a power station is shut-down. But a power station is only one aspect of South Africa's coal value chain and a narrowly conceived or poorly implemented decommissioning initiative will have knock-on effects for those who mine coal, who conduct its processing, who transport it to power stations and for the employees of companies reliant on coal for the production of petrochemicals, liquid fuels, steel manufacturing, cement production etc.

The greatest obstacle to a substantially just energy transition is the neoliberal conception decarbonisation that places a heavy reliance on international finance organisations (IFI's) for climate funding and enforces the state's dependence on private investment for the development of renewable energy infrastructure and technologies.

The neoliberal strategy for decarbonisation is a response to a series of crises and urgent priorities. Mass unemployment and poverty must be drastically curtailed, the country is in need of new generative capacity and colossal amounts of funding is required to meet current plans for reducing carbon emissions. With policy-makers at the highest levels of government bound to the tenets of neoliberal orthodoxy that reject capital-intensive public investment and domestic resource mobilization, the government aims to seduce private investment

into the energy transition. Through structural-adjustment measures financed by IFI's, the hope is to de-risk renewable energy development, thereby creating the ideal conditions for private investment which would render decarbonisation a new realm of bountiful and mutually beneficial capital accumulation.

Although only a few years have passed since South Africa adopted decarbonisation as a central policy, international experiences, unfolding local developments and the details of this report reveal that private, for-profit firms do not often have the interest or capacity to lead an energy transition that effectively mitigates the climate crisis while advancing the public welfare by meeting people's material needs. Moreover, as this report will display, the structural adjustment measures advanced by IFI's under the banner of benevolent "developmental climate finance", weaken the economic sovereignty and energy independence countries like South Africa need to effectively and democratically plan, coordinate and execute a truly just energy transition.

This report will firstly provide an overview of the path to Camden's proposed decommissioning within the context of South Africa's energy landscape, with specific focus on ongoing reforms in the electricity industry

and what these changes entail for the national electricity utility Eskom. The section asks "What happened at Komati?" and unpacks the reported plans for the station's shutdown, the project's financing, its impact on workers and assessing the progress of the station's repurposing. Following this, the report provides perspectives on decommissioning from power station workers at Camden through analysis of a survey and assessment of a series of interviews conducted with trade union leaders in the energy sector.

Next the report takes a brief look at Spain's just energy transition process in order to observe what lessons can be learned or adopted in the South African context. After this, the report turns focus onto South Africa's JETP, providing an overview of the partnership, conducting a critical assessment of the partnership financing model and analysing the implications of de-risking as a mechanism for facilitating decarbonisation. The last section offers a series of proposals for a just transition from below, offering alternatives for an energy development path that could serve as a basis for overcoming poverty, unemployment and inequality while adapting to ecological collapse.

PART 1:

THE CONTEXT, CRISES AND OBSTACLES ON THE ROAD TO DECOMMISSIONING CAMDEN POWER STATION

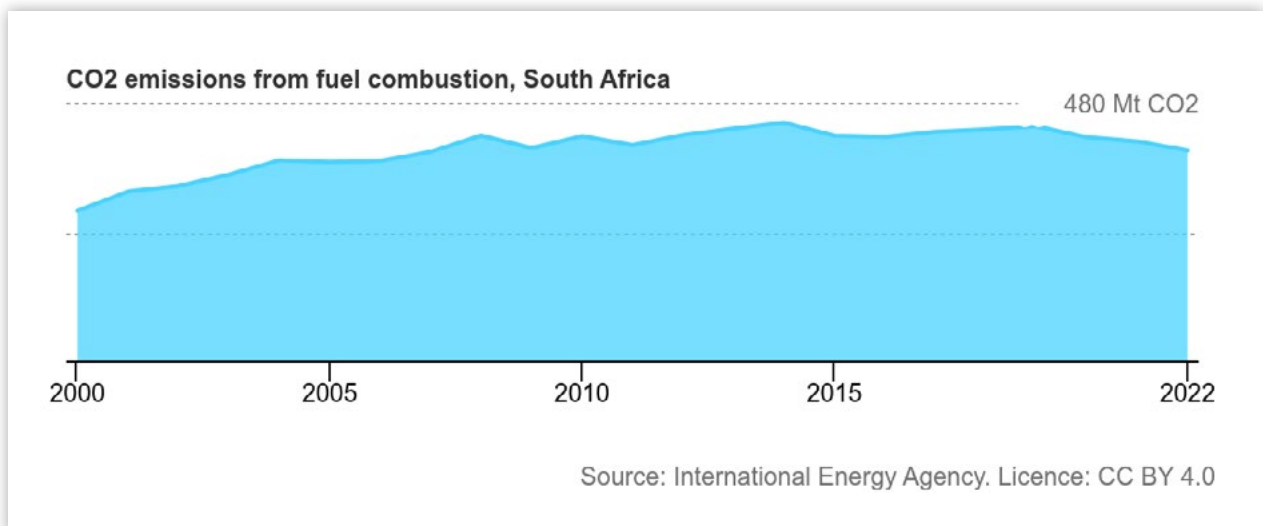
One of the key strategies for South Africa to significantly reduce its carbon emissions is through the decommissioning and repurposing of state-owned coal-fired power stations in the pursuit of a low-carbon economy. Camden power station, located in the province Mpumalanga, has been marked by the government for shut-down and repurposing by 2030. Although none can doubt the reality of climate change, ecological collapse and the environmental degradation unleashed by coal mining and coal-fired electricity generation, breaking the country's dependency on coal is a process with far-reaching political, social and economic implications. South Africa must implement effective and ecologically sound climate mitigation and adaptation measures while also ensuring that a transition to a low-carbon economy is acutely responsive to public needs in the context of mass unemployment, poverty and inequality

Since the 19th century mineral resource extraction, mining beneficiation and export-orientated fossil-fuel production (on the back of cheap African labour) are at the foundation of South Africa's industrial development and economic evolution. The drastic rise in global temperature and extreme changes to weather patterns primarily due to the burning of fossil

fuels—is a crisis whose impacts are already being felt across the country. Since the last Ice Age ended nearly 12,000 years ago and human civilisations developed, the Earth's long-term average global air temperature has never varied by more than 1.5 degrees above a stable 14 degrees Celsius, [scientists say](#).

If global warming continues to rise and goes above the 1.5 degrees Celsius threshold, extreme weather events and volatile weather patterns will unleash devastating destruction across the world. South Africa is the [14th biggest emitter of carbon dioxide](#) (CO2) globally, contributing to approximately 1% of global CO2 emissions. This is primarily a consequence of the country's highly carbon intensive energy sector whereby 85% of South Africa's energy is generated from coal, contributing to more than 80% of the country's total CO2 emissions. According to the [8th National Greenhouse Gas Inventory](#), the specific and significant sources of carbon emissions come from power generation, transport, industrial fuel-use alongside livestock and waste management. It is vital to note that power generation, mainly through Eskom's coal-fired power plants, accounts for an [estimated 41%](#) of South Africa's carbon emissions, with other sources placing this figure at 38%.

Figure 1.1: International Energy Agency – CO2 emissions from fuel combustion, South Africa



Info Box 1**South Africa's Greenhouse Gas Emissions:**

The country has committed to a fixed target for GHG emission levels, aiming to reduce emissions within the range of 398-510MtCO₂e by 2025 and 350-420MtCO₂e by 2030.

- The country's share of global greenhouse gas emissions from combustible fuels sits between 1.1%-1.2%.
- Marginal net emissions decreased from 2000-2020 by 0.8%. GHG emissions declined by 5.9% between 2017-2020 as a combined result of load-shedding and the COVID-19 pandemic.
- The energy sector accounts for an estimated 80% of total emissions. Coal accounts for 83% of CO₂ emissions followed by oil at 16.% and natural gas at 0.8%.
- The agricultural sector contributes an estimated 12% to total country emissions followed by the industrial processes and product use sector contributions of 6%.

As a region Southern Africa is especially vulnerable to the impacts of extreme weather events. Already a warm and dry region, sustained global warming due to the atmospheric concentration of greenhouse gases will produce a set of climate disasters that would devastate South Africa. Food security would be threatened by the collapse of key food crops and livestock. Decreasing rainfall, drought and water evaporation will suspend freshwater availability. Intense and frequent heatwaves will render urban areas inhospitable while severe storms (including thunderstorms and tropical cyclones) unleash destructive damage to public infrastructure.

Considering the above, decarbonisation is required to mitigate emissions and adaptation measures are needed to protect citizens but the question is how such a process must unfold without killing economic activity and destroying livelihoods in a province such as Mpumalanga which is home to 12 coal fired power stations.

Camden power station consists of eight coal-fired units, all of which were initially scheduled for decommissioning by 2025, with planned closure meant to begin in December of 2023. In April of 2016, the [Eskom board proposed](#) and pursued the launch of a pre-feasibility study for a series of renewal projects at four of South Africa's older power stations, namely, Komati, Hendrina, Kriel, Grootvlei, and Camden. By March of the following year, Eskom held a series of engagements with organized labor and government, arguing that the aging power stations and plans to escalate the penetration of Independent Power Producers (IPP's) justified the need for decommissioning.

Notably a few unexpected obstacles resulting from South Africa's energy crisis resulted in Eskom announcing that it was considering delaying the closure of Camden power station. Subsequently the [utility reported in April 2020](#) that "Due to present capacity constraints and in order to allow opportunity for other stations to undertake maintenance it has been decided to continue with the operations of Grootvlei, Camden, Hendrina with station shut-down occurring only by 2030."

Energy security remains a deep concern for Eskom's executive leadership, leading to policy decisions that some believed could derail South Africa from achieving its 2030 nationally determined contribution (NDC) emissions targets. Eskom's Just Energy Transition strategy in 2021 expressed the commitment to "retiring nine coal-fired power stations by 2035, not investing in new coal plants nor returning to service coal plants". Speaking to Parliament's portfolio committee on energy and electricity in April of 2025 when presenting the utility's Strategic Corporate Plan for 2025-2030, Eskom board chairperson Mteto Nyati that "What we have also done is to decouple the shutdown of the power stations from the implementation of the JET strategy and that decoupling has meant that now we are going to be doing what we're calling 'repurposing' of those power stations way before we shut them down so that we do not negatively impact the communities that depend on those power stations."

Figure 1.2: Camden Power Station Units

	Unit 1	Unit 2	Unit 3	Unit 4	Unit 5	Unit 6	Unit 7	Unit 8
Commissioning Date	1967	1967	1967	1967	1967	1967	1967	1967
Mothballed	1988	1988	1988	1988	1990	1990	1990	1990
Recom.	2008	2008	2007	2007	2005	2005	2006	2006
Planned Decom.	2024	2025	2024	2023	2025	2023	2024	2025
Gross installed capacity (MW)	200	200	200	200	200	200	200	200
Normal installed capacity	190	190	185	175	180	186	190	185

The road to Camden's decommissioning has been long and at times riddled with policy incoherence from government and political contestation emanating from trade unions in the energy sector, residents close to the power station and environmental advocacy groups. The path to Camden's decommissioning, and the broader policy process around closing and repurposing power plants in the context of Eskom's unbundling and the approaching marketisation of the electricity sector, reveal the competing (and often conflicting) political interests at play in the energy sector.

Perhaps most importantly, the discourse and tangible contestation of Camden's decommissioning displays the ideological and political disputes surrounding the very definition of a just transition. Crucially, these contests are not exclusive to those outside government and the structures of the state, but recent developments demonstrate that even within government, there is significant disagreement about the future of coal-fired power stations and the electricity sector at large. However, the prevalence of debate and political contestation must not be perceived to be a product of pluralism or symmetry amongst stakeholders. Rather, when observing ongoing policy implementation—in relation to Camden and the energy sector in general—it becomes clear that the dominant interests of international finance institutions and the globally integrated domestic finance sector (the Minerals-Energy-Finance Complex) have significant sway in influencing and guiding the direction of South Africa's energy transition and decarbonisation efforts.

Two key developments have unfolded since the announcement of Camden's decommissioning: South Africa's entry

into the [Just Energy Transition Partnership](#) (JETP) and localized contestation of the Just Energy Transition led by communities and organized labor.

The central concern for the community members of Ermelo, where Camden power station is located, is what the implications of shutting down the station will be in regard to job losses, future employment opportunities and the potential contraction of economic activity in Ermelo and surrounding the area. According to the Msukaligwa Local Municipality, of which Ermelo is the seat, the unemployment rate within the municipality stood at 36.1% in 2022. It is critical to note that this figure is informed by the government's narrow definition of unemployment, which does not include those between the ages 15 and 64 who do not have a job, but are willing and able to work while not actively seeking employment. Such exceptional statistics of course tragically reflect the broader structural crisis of unemployment in South Africa and this crisis is vital to understanding the political disputes surrounding decommissioning and coal-mine closures.

The concerns regarding job losses and the contraction of economic activity in Ermelo is shared by some grassroots organizations working within the community. Local activists such as Philani Mngomezulu—founder of the [Khuthala Environmental Care Group](#)—have met news of Camden's decommissioning with skepticism, [stating that](#) "Coal is the heritage of this province, it is the backbone of our economy. It's an undeniable fact,".

For organizations such as Khutala, the Just Energy Transition process must balance the need for decarbonisation and the need for local economic development in the best interests of their community. In a [2023 interview](#)

for Oxpeckers Investigative Journalism, Mngomezulu summarized his organization's position: "As an environmental group, we are clear about the impact of coal on our environment, in particular climate change and pollution. However, as the community of Ermelo we will only be in agreement with the energy transition if it is going to impact positively on the local people".

When considering that activists such as Mngomezulu claim that almost 80% of more than 80,000 residents working in Ermelo are employed at Eskom and Transnet (a state owned transport company), it becomes clear why skepticism concerning Camden's shut down has also been expressed by some leaders of Ermelo's local government. [Ward councillor Thulani Madlala](#) captures the reasonable skepticism that also

emanates from local government, commenting on the socio-economic challenges facing the people of his municipality he states that "Ermelo communities are living in "energy poverty: most of our informal settlements don't have electricity, so they rely on coal, and some are able to profit from coal sales...We are waiting for the JET to be explained to the masses of our people on the ground. We hope that this programme doesn't negatively affect the unemployment rate that is already here because, if that's the case, our people are going to be against the transition".

Beyond the serious concerns of community and environmental groups, central challenges to decommissioning and decarbonisation also emanate from the political-economy of the coal-mining industry.

Part 1.2: Coal-mining and South Africa's Industrial Development

One cannot understand the implications of decommissioning, the deficiencies of Eskom or the prospects of a just energy transition from below without recognising the centrality of coal-mining and coal-fired power generation as an input into industrial expansion and a means of accumulation for the country's elites, old and new.

Following Russia, South Africa is the 7th largest global producer of coal with an estimated 75% of coal mined being utilized domestically and approximately 90% of coal consumed in Africa coming from South Africa's coal enterprise. The province of Mpumalanga contributes an estimated 83% of all coal produced in the country, ranking as the world's third largest coal exporting region according to the Department of Economic Development and Tourism.

As commercial mining began in the middle of the 19th century, the discovery of diamonds in Kimberley and gold on the Witwatersrand drastically increased the demand for coal. Consolidating their power during and after WW2, the manufacturing, transport and agriculture industries required a cheap and stable supply

of electricity. This coincided with the frenzied explosion of mineral and fossil-fuel extraction (alongside export), spurring a rapid increase in industrial output and residential electrification from the late 1940s into the 1970s. The coal sector's profitability soared in the 1970s due to rising electricity demand and Sasol (an integrated chemicals and energy company) expanding its operations (specifically increasing synthetic fuel production) as a response to rising global oil prices alongside the pressure of international sanctions against the apartheid regime. It is the post-war period of industrialisation that Eskom constructed the majority of its power stations which are strategically located near the country's coal mines.

A fundamental component of the intimate relationship between coal-mining, Eskom and South Africa's industrial development is the hyper-exploitation of black labour enforced through the colonial and apartheid regimes. Colonial settlement (beginning in the late 17th and early 18th century) initiated a process of creative destruction to pave the path for original expropriation and eventually capital accumulation. Ripping the native population of

its independence through subsistence farming and pastoral agriculture, colonial capitalists enforced a dependence on wages for survival through industrial activity such as mining.

By 1948 the apartheid regime constructed an economy deeply dependent on cheap black labour sourced from South Africa and neighboring countries such as Mozambique, Malawi, Zimbabwe and Swaziland. Through extremely low-wages, racial division of labour, poor working conditions and the outsourcing of social reproduction of families to women in the Bantustans (black reservations often located in rural areas), the titans of the mining industry enjoyed immense profits. The apartheid state ensured a supply of cheap labour for the mining industry not only through spatial racial segregation and political disenfranchisement but by making sure black trade unions were structurally weakened, politically suppressed and excluded from legal recognition and bargaining rights.

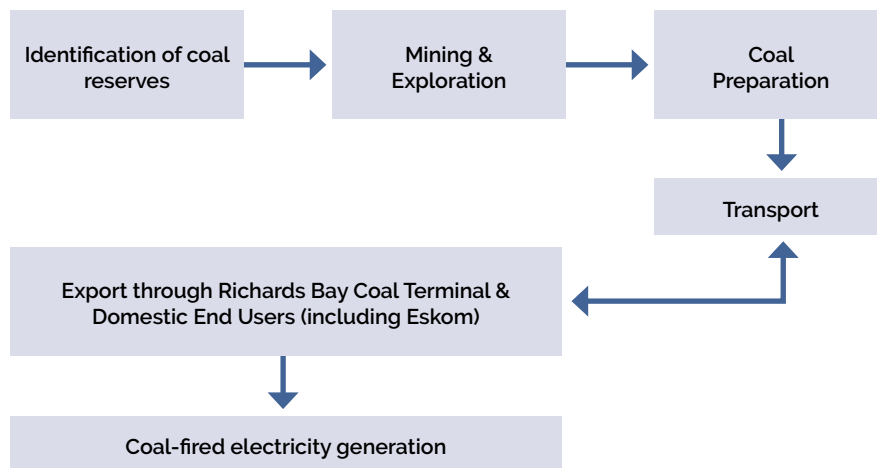
The severe global recession endured in the 1980s produced an economic downturn in South Africa, making the project of white supremacy and the hyper-exploitation it necessitated an incredibly costly endeavor. In this decade non-white trade unions evolved to play a central role in rendering apartheid politically and economically unsustainable. Building the power

of organised labour through mass mobilisation, gaining international support for sanctions and forging alliances with anti-apartheid movements were crucial strategies adopted.

The formation of the Congress of South African Trade Unions in 1985 serves as an example of labour building its power to create a platform of solidarity that would function to coordinate union action across the country. The deployment of these strategies took shape in the form of mass action such as the 1987 mineworkers strike. Seeking a living wage, the National Union of Mineworkers, COSATU's biggest affiliate, went on strike against the gold and coal mining industry. For 21 days, 340 000 workers mobilised to produce what many say was the most costly wage dispute in South Africa's history. Mining companies in collusion with the apartheid reacted to the strike with violent responses ranging from mass dismissals (approximately 50,000 workers were dismissed), evictions from mining hostels and brutal police repression. Not all demands were met but a negotiated settlement was reached with the Chamber of Mines that included some wages increased and improved working conditions. Nonetheless the scale and shock of the strike action demonstrated the potent capacity for organised labour to challenge economic elites.

Part 1.3: The Coal Industry in Post-apartheid South Africa

Figure 1.3: Illustration of Coal-Value Chain



Today South Africa's economic dependency on coal mining is sustained through links to numerous industrial sectors such as transport (rail and road), the downstream petrochemicals sector, the manufacturing and machinery industry and most evidently electricity production. Of particular concern in this report is the potentially destabilizing shocks that power station decommissioning, if it continues to be poorly and narrowly implemented, would mean for a coal-value chain regionally concentrated in Mpumalanga. What is valuable to examine are the jobs within the coal value chain and the relationship of Eskom's power stations to the dominant players within the coal industry.

The end of apartheid, and the democratic dispensation constitutionally mandating civil-liberties and socio-economic rights, did result in improved wages and working conditions for

workers within the coal value chain and energy sector. The Development Policy Research Unit's 2024 research on South Africa's labour market in relation to the just energy transition reports that the majority of coal mining jobs are formal in a largely semi-skilled industry. Relative to other sectors of formal mining employment, a large share of labour in coal mining "(81%) has permanent employment conditions, such as Unemployment Insurance Fund (UIF) contributions (96%), pension contributions (80%), annual leave (89%) and medical aid (68%)". Some scholars have pointed to the advancement of mechanisation, both in large scale surface and underground coal mines, reducing the labour intensity of work and requiring high skill as compared to deep-level gold and platinum mining.

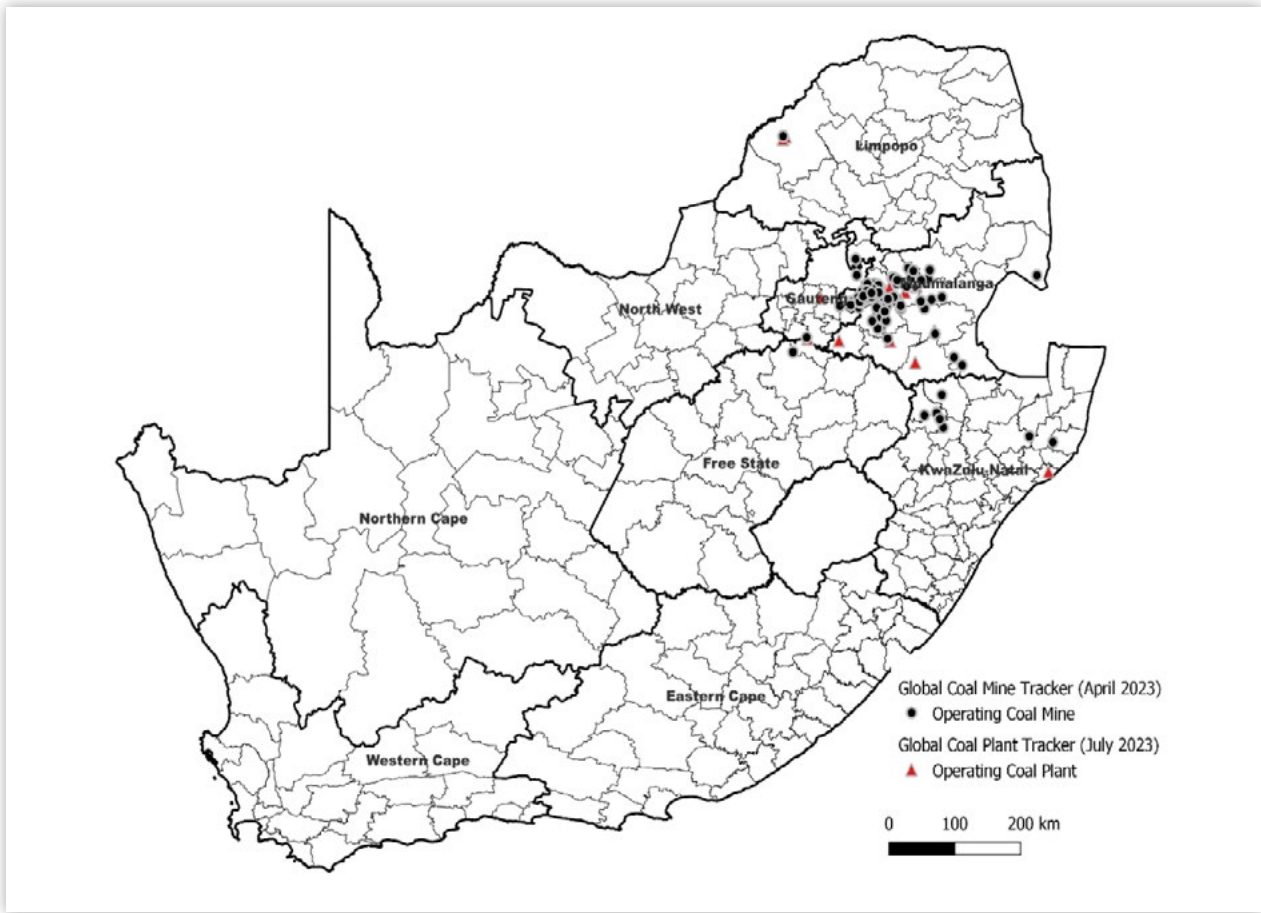
Figure 1.4: List of Largest Coal Mines in South Africa

Mine name	Ownership	Coal produced (million tonnes per annum) 2023	Provincial Location	End of Operation
Grooteegeluk	Exxaro Resources	30.4	Limpopo	2041
New Vaal	Seriti Resources Holdings Pty	13.68	Free State	2039
Wolvekrans Middleburg Complex	Seriti Resources Holdings Pty	9.58	Mpumalanga	2034
Syferfontein	Sasol	7.79	Gauteng	Undisclosed
Twistdraai	Sasol	6.69	Mpumalanga	2043

The latest statistics provide an estimate of 40,625 people employed by Eskom (including permanent staff and fixed-term contractors). Within the province of Mpumalanga where most of these jobs are located, Eskom employees are relatively more educated (compared to other formal sector jobs within the province) and employed in semi-to-high level skilled

work such as machine and plant operation or professional technician work. Employment in the electricity sector is largely formal and paired with high levels of unionisation (relative to other formal sectors in the province of Mpumalanga) alongside forms of social security (forms of leave, pension contributions etc) and labour protections.

Figure 1.5: Geographic Location of Coal Mines & Coal-Fired Power Stations



Of the 78 operating coal mines in South Africa 65 are located in Mpumalanga, alongside 12 coal-fired power stations run by Eskom. Coal-mines

are clustered around five local municipalities within the province:

Figure 1.6: Spatial Distribution of Operating Coal Mines in Mpumalanga Local Municipalities

Municipality	Number of Mines	Number of Companies	Total share of annual production (Mt)	Share of total SA production (%)
Emalahleni	18	13	84.8	31.3
Govan Mbeki	6	3	31.9	11.8
Msukaligwa	3	3	2.4*	1.1
Steve Tshwete	13	10	41.7	15.4
Other Municipalities in Mpumalanga	78	44	270.9	100.0

An estimated 106, 887 jobs (direct through coal-mining and indirect through power generation) are held within the coal value chain. 75% of

the coal-mining workforce is semi-skilled, with 40% working in craft and related trade and 35% working in plant and machine operation.

Craft and related trade roles:	Plant and machine operators:
<ul style="list-style-type: none"> Miners and quarry workers—38% Agricultural or industrial machinery mechanics and fitters—17% Motor vehicle mechanics and fitters—9.57% Shot-firers and blasters—9.57% Sheet-metal workers—8.7% 	<ul style="list-style-type: none"> Mining plant operators—25.8% Heavy truck and lorry drivers—24.19% Crane, hoist and related plant operators—24.19% Lifting truck operators—9.68% Earthmoving and related plant operators—8.06%
High-skilled roles:	Low-skilled elementary occupations:
<ul style="list-style-type: none"> Skilled technicians—8.7% Electrical engineering technicians—20% Electronics and telecommunications technicians—16% Safety, health and quality inspection officers—32% 	<ul style="list-style-type: none"> Low-skilled job overall—7.2% Mining and quarrying—51.85% Officer cleaning staff and helpers—37.04%

The coal mining industry is characterised by the domination of a handful of large companies (in producing coal, supplying it to Eskom and export markets). These companies have maintained their ability to engage in political lobbying, through parliamentary committees, to advocate for South Africa's continued dependence on coal

and build resistance to policy or legislation that could contribute to reducing carbon emissions. Importantly, coal mining corporations have also functioned as a mechanism to produce a black capitalist class, often with close connections to the ruling African National Congress.

Figure 1.7: Major companies in South Africa's coal-mining sector



Insightful research by the climate think tank InfluenceMap analysed how 16 major companies and 12 industry associations (e.g the Minerals Council of South Africa and Business Unity South Africa) engaged with climate mitigation policy in order to slow, dilute or weaken legislative and policy reform that would hinder accumulation through fossil-fuel extraction. We will turn most of our attention to the policy engagements of the major companies in the coal-mining sector

and how Eskom's executive leadership partakes in similar resistance to decarbonisation efforts in policy engagements (i.e parliamentary hearings) in harmony with its major coal suppliers.

It is valuable to note that coal-mining corporations and industry associations are not totally rejecting climate mitigation nor are they engaging in climate denialism. Like numerous oil, gas and coal companies around the world, they rhetorically acknowledge the need for a

transition away from fossil-fuels and promote South Africa achieving its emission reduction targets, but turn around and take investment decisions to further exploit coal reserves or advocate for deepening the incorporation of fossil-fuels such as natural gas into the country's energy mix. Simply put, mining companies and industry associations in the extractive sector advocate for positions on climate policy that contradict their actions.

The strongest opponents to South Africa's Carbon Tax and Climate Change Bill have been Sasol, Business Unity South Africa (BUSA), the Minerals Council of South Africa (MCSA) and the South African Petroleum Industry Association. Their lobbying has entailed measures to dampen the efficacy of the carbon tax through proposing delayed timeframes of implementation, lower tax rates, further incentives for carbon emitters and extra tax allowances.

South African Carbon Tax	Climate Change Bill
<p>Introduced on June 1 2019 following the enactment of the Carbon Tax Act. Being implemented in phases, Phase 1 runs from June 1 2019 until December 31 2015.</p> <ul style="list-style-type: none"> ▪ It is an environmental tax on the carbon dioxide equivalent of greenhouse gas emissions. It functions to make the "polluter-pays-principle" a tangible reality by holding polluters accountable for the damage unleashed by GHG emissions and the harms of third parties. ▪ The South African Revenue Service (SARS) is responsible for administering and collecting carbon tax. ▪ The tax levied is based on the carbon content of the amount of greenhouse gases emitted (including emissions from the burning of fossil fuels like coal, oil and natural gas) above a certain threshold. 	<p>Signed by president Cyril Ramaphosa on 23 July 2024. The Bill intends to align policies that influence South Africa's climate change response. The objectives are:</p> <ul style="list-style-type: none"> ▪ provide for a coordinated and integrated response by the economy and society to climate change and its impacts in accordance with the principles of cooperative governance; ▪ provide for the effective management of inevitable climate change impacts by enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change, with a view to building social, economic and environmental resilience and an adequate national adaptation response in the context of the global climate change response; ▪ make a fair contribution to the global effort to stabilise greenhouse gas concentrations in the atmosphere at a level that avoids dangerous anthropogenic interference with the climate system; ▪ to ensure a just transition towards a low carbon economy and society considering national circumstances; ▪ give effect to the Republic's international commitments and obligations in relation to climate change; and protect and preserve the planet for the benefit of present and future generations of humankind.

In Sasol's 2022 submission to parliament's standing committee on finance, the petrochemicals company claimed that without allowances the carbon tax would render Sasol unviable by 2029, with tax liabilities between R20-30 billion severely restricting cash flow and likely to "lead to the premature closure of part or all of Sasol's operations in South Africa. This will lead to severely reduced contributions to the economy". Sasol further argued that its capital investments in decarbonisation (sitting between R15 to R25 billion) would be negatively impacted by the carbon tax in the absence of allowances. In a strange rhetorical move, Sasol proposed the carbon tax needed to achieve "a balance between People, Planet and Profit Imperatives". Such ideological gymnastics work to deceptively position Sasol's ecologically

destructive capital accumulation to be of equal importance to the intrinsic value of human life and our planet.

Beyond public engagements through parliamentary submissions in relation to regulatory processes or government stakeholder workshops and public hearings, mining companies often engage in private with spheres of government away from public scrutiny. A 2025 report by Just Share detailed the extent of the mining industry's influence over climate policy and the just energy transition process. For example, from December of 2024 to January 2025 Sasol's executives had three private meetings with South Africa's National Treasury, resulting in the Treasury discarding importing proposals to intensify the effectiveness of the carbon tax in its shift into Phase 2.

Just Share and amaBhungane, through the Promotion of Access to Information Act, were able to obtain records of bilateral meetings and direct communications revealing the dominant mining companies and industry associates (MINCOSA, BUSA, Sasol etc) have obtained the receptive ears of government ministers and their departments. The range of topics discussed were wide, including but not limited to: the Just Energy Transition Partnership, COP26, compliance with environmental regulations, mining positions on the carbon tax, green finance etc. Following a meeting with Finance Minister Enoch Godongwana on the 5th of August 2021, the then Sasol CEO Fleetwood Grobler wrote to the Minister in that same month:

I appreciate the opportunity to provide you with an overview of Sasol and the potential impact of the proposed carbon tax on the business... as discussed, the proposed carbon tax could impact Sasol's viability as early as 2029, with the associated significant adverse economic, social and related unintended consequences if implemented in its current form... I look forward to progressing the discussion with you to find mutually beneficial solutions to regulate our GHG emissions and positively contribute to the growth of South Africa's economy... I look forward to further engagement with you and Ministers Creecy and Mantashe to discuss the vision for Mpumalanga as you proposed, as well as hosting you at our facilities in Sasolburg as soon as your diary permits.

Using various instruments of political lobbying, it is clear that private companies within the coal-industry have been able to delay, restrict and receive remarkable regulatory concessions which weaken the potential effectiveness of climate mitigation policy. Although most of Just Share/amaBhungane's findings focus on the Climate Change Bill and the South African Carbon Tax, those who see the urgent necessity of adopting a public goods approach should be immensely concerned. Decommissioning and repurposing coal-fired power stations, driven through public investment and democratic governance of public utilities, would challenge

mining companies who have benefited from secretive and exorbitantly costly coal procurement contracts.

Moreover, mining companies such as Thungela, Seriti, Exxaro and Sasol are a part of the Energy-Intensive Users Group. This association of 25 companies with operations in mining, materials beneficiation and materials manufacturing consume over 40% of Eskom's electricity. But through negotiated pricing agreements and cross-subsidies these companies are subjected to lower tariffs (paying less per unit of electricity than residential customers). In other words, Eskom is subsidizing large corporations through increasingly unaffordable tariffs of citizens. A shift to Eskom operating as a democratically governed, financially capacitated utility with a public mandate to ensure universal provision of sustainable forms of energy would entail equitable electricity pricing structure.

The politically inappropriate relationship (due to interactions being shielded from public scrutiny or parliamentary scrutiny) between coal-mining companies and government stands as an obstacle to a substantively just and ecologically sound just energy transition because the coal-mining industry not only supports Eskom's unbundling (therefore, electricity marketisation and gradual privatization of power generation) but companies in the coal sector are gradually seeking to expand their investment portfolios into renewable energy projects on the basis of Public-Private-Partnerships, Independent Transmission Projects and capital investment into climate finance (specifically through turning green infrastructure projects into an asset class).

Coal-Mining as Class Formation

Although civil-society and activist scholarship has seen an explosion in research and analysis on climate change and ecological collapse, and what responses South Africa can formulate in response to these crises, little attention has been paid to corporate power and its collusion with entities of government (and the state) in shaping the dynamics of the country's energy sector. The commitment to coal-fired generation (regardless of the pollution it causes and

emissions it releases) and systemic corruption at Eskom are treated as ethical failings made by greedy criminals and political leaders yet to be enlightened about the realities of climate change. Rather, the actions of coal-mining companies and their relationship to Eskom is better understood as a structural outcome borne through the various means of wealth accumulation under post-apartheid's neoliberal capitalist order.

A central feature of the ANC's efforts to advance social and economic justice was taking on the project of creating a patriotic black capitalist class that, in the words of former president Thabo Mbeki, would be a part of "an important process of the deracialisation of the ownership of productive property in our country". It must be mentioned that this endeavor resulted from the economic concessions and compromises made by the ANC in a decade of negotiation with the National Party and captains of major South African industries. The ANC, and the broader anti-apartheid liberation movement, aimed to not only end white minority rule but undertake an egalitarian restructuring of the economy. For some within the liberation movement this meant dumping racial capitalism entirely and achieving a socialist economy. But the ANC had for decades committed to the nationalisation of mines, bank and monopoly industries alongside state intervention in the economy to facilitate wealth redistribution and social development to meet people's material needs. By 1996 the ANC had won democracy but lost the battle to corporate power. In other words, apartheid endured but capitalism endured and evolved to take on a neoliberal form.

Abandoning an egalitarian economic program that envisioned democratic, worker-centric models of mining ownership and production, the government implemented the Minerals and Petroleum Resources Development Act (MPRDA) and the Mining Charter in 2004. These reforms required foreign-owned and white-owned companies operating in the country to transfer 26% of the value of equity ownership and ensure that historically disadvantaged persons obtain 40% control of mine assets. The MPRDA shifted mineral rights into the hands of the state as a custodian that

would use licensing as a tool to transfer equity and mine assets to black people. Complimenting the MPRDA, the Mining Charter functions as an instrument that sets B-BEE ownership targets for mining companies alongside B-BEE preferences for employment equity, public procurement and community development.

Industry associations such as the Minerals Council of South Africa have repeatedly contested these reforms. Acknowledging the need for racial transformation but objecting to regulatory uncertainty and what they perceive as regulatory overreach, which is argued to contribute to low investor confidence and needless delays in approvals for mining projects. But progressive scholars and activists have raised objections to black economic empowerment within the coal mining sector on the basis that the legislation, through Eskom's coal procurement process, facilitates corruption and promotes the interests of industrial actors who utilise public entities as a means of accumulation, entrenching opposition to the development of publicly owned renewable energy and weakening the state's capacity to deliver public goods.

Successive post-apartheid governments have failed to diversify the economy and create new pathways of industrial development that could have created sustainable, labour intensive jobs while also satisfying the aspirations of a black business elite and a burgeoning black middle class. As apartheid-era corporations integrated into the global economy and foreign investors sought new zones of accumulation in banking, insurance, retail, telecommunications and financial speculation, black businesses struggled to compete in a formal economy still dominated by established businesses and multinational corporations.

Through the legislative reforms previously mentioned, amongst entities listed on the Johannesburg Stock Exchange, the mining sector now sits at 39% in terms of black ownership, a significant rise from 2% in 2004. This change in ownership demographics and the nurturing of a black capitalist class in the mining sector is not universally perceived as meaningful social progress for the majority of the black population that remains poor.

In particular mining affected communities in provinces such as Mpumalanga have contested black mine owners and rural chiefs who wield legislation such as the MPRDA's requirements for "corporate social responsibility" and the need for "community stakeholders" as a means to dispossess and override surface rights.

Eskom is central to the accumulation of coal-mining companies but questions have been raised as to why the state has failed to effectively regulate the contracting of coal as a

means to contain Eskom's primary energy costs which add justification for Eskom's pursuit of higher electricity tariffs. A 2019 investigation by the Mail & Guardian evaluated 25 Eskom coal contracts signed in that year. The investigation found that Eskom was losing billions of Rands due to paying remarkably different prices to suppliers for the same quality of coal. The 25 contracts examined by the Mail & Guardian, entered into by Eskom and its suppliers from March to October of 2018, were worth R38 billion.

Figure 1.8: List of Companies Supplying Eskom Coal (2020-2024)

Exxaro Coal	Seriti Coal
Glencore Operations South Africa	South32
Mzimkhulu Mining (subsidiary of Mwelase Group of Companies)	Tshedza Mining Resources
Universal Coal	Wescoal
HCI Coal	Iyanga Mining
Umsimbithi Mining	Ndalamo Resources

When analysing Eskom's short to medium-term coal contracts, the Mail & Guardian reported "a R343.41 difference between Glencore's R607.01/tonne price for coal (with a calorific value of 20.5) and the cheapest supplier of the same quality coal, Stuart's Coal, which is priced at R263.63/tonne...Had Eskom contracted Glencore at the same price as Stuart's Coal for 2.7 million tonnes over 18 months, it could have made a saving of R927-million on that contract alone. Eskom could have saved a further R550-million on another Glencore contract, for the same quality coal, which was priced at R518.45/tonne".

With the cost of procuring coal feeding into the soaring price of electricity for end-users, the past decade has seen growing criticism from government ministers, state regulatory bodies and civil-society questioning the financial sustainability and fairness of exorbitant coal contracts. In 2024 the National Energy Regulator of South Africa (NERSA) raised the need for regulation of the coal sector in the context of Eskom applying for a 36.1% tariff increase. Speaking before a parliamentary portfolio

committee on energy and electricity, NERSA commissioner Tembinkosi Bukula remarked that the regulatory body had no authority to critically inspect coal contracts, arguing that the "coal sector currently operates as a blind spot in Eskom's production costs".

In that same year during a hearing held by NERSA, the National Union of Metal Workers South Africa (NUMSA) noted the yearly average price increase in coal costs rising above inflation even as coal burn volumes decreased by 12 million tonnes between 2014 and 2023. NUMSA official Shahida Menies highlighted the dubious and lucrative nature of coal contracts constantly undergoing renegotiation, pointing to the example of a contract to Seriti Resources to supply Duvha power station which saw a 104% increase in coal price per tonne, resulting in a cost of R8.4 billion over four years.

The financial pressures placed on Eskom and poorly managed by the government are a symptom of structural issues that plagued the utility, resulting from its corporatisation.

PART 2:

ESKOM AND THE FUTURE OF PUBLIC ENERGY OWNERSHIP

The operational performance and financial health of Eskom (which operates 15 coal-fired power stations in South Africa) is of sharp relevance regarding present restraints to public investment towards a just energy transition. It would be reasonable to assume that a state-

owned utility which supplies an estimated 85% of the country's electricity would be strategically positioned to lead (through direct public investment) in the production and deployment of renewable energy projects.

Figure 1.9: South Africa's energy mix and nameplate capacity:

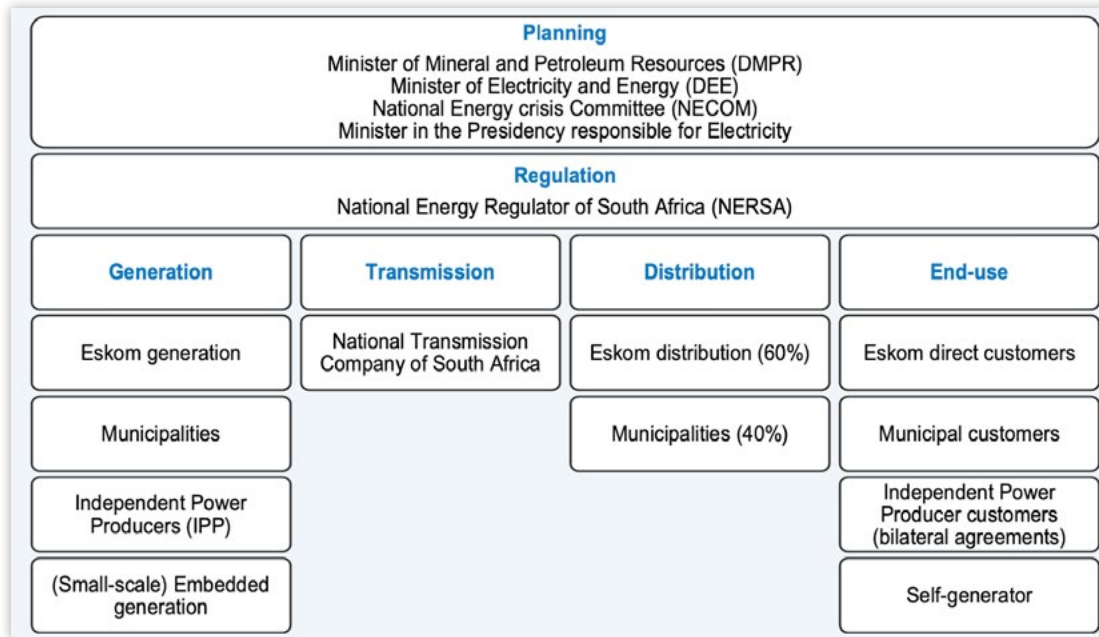
Energy source	Total nameplate capacity
Coal	39 GW
Nuclear	1.8 GW
Open Gas Cycle Turbine	2.4 GW
Pumped storage (hydro – Palmiet, Ingula & Drakensberg)	0.6 GW
Renewable energy (Solar PV and Wind)	6.4 GW
Total installed capacity	55.2 GW

Winning the Global Power Company of the Year award in 2001, the following two decades saw the utility deteriorate, plagued by high levels of debt, narrowing revenue streams and systemic corruption leading to ever-weakening generation capacity most evident through the crisis of load-shedding.

The consideration of systemic and secondary factors are crucial to understand Eskom's declining performance. At a systemic level, Eskom's woes can be traced to its corporatisation in 2001. For most of its history the utility functioned as a vertically integrated, state-owned utility which generated revenue partly from electricity sales while also relying **on public-funding** through the apartheid state. Once known as [Eskom](#), the utility operated on a not-for-profit basis and was governed with a mandate of providing cheap electricity to industry and to residents, i.e. those who had access to electricity under Apartheid. With the ruling ANC swept up by the wave of neoliberal policy making in the 1990s, a 1998 White Paper on Energy Policy highlighted the need for ending Eskom's monopoly through unbundling the utility and gradually allowing for the penetration of private sector players in the country's energy sector.

In pursuit of unbundling and a liberalised energy sector, policy, legislative and regulatory reforms were undertaken. Vital reforms include the [1998 Eskom Amendment Act](#) which saw the utility become a limited liability company, with government as its sole shareholder, and its tax-exempt status removed. This process of corporatisation culminated in the Eskom Conversion Act No 13 of 2001, turning Eskom into a company listed under the Companies Act No 61 of 1973, paying dividends and taxes to the state, as the government hoped it would eventually be listed on the stock exchange. Following these legislative reforms, Eskom's financing model underwent a pivotal change: the adoption of the user-pays-principle and the full-cost recovery model. The user-pays principle maintains that "all costs associated with the use of a resource should be included in the prices of the goods and services (including government services) that result from the use". The full cost recovery model means that Eskom is dependent on selling electricity to raise revenue in order to recover the cost of its operations, with additional profits and market-rate borrowing being used to fund new projects.

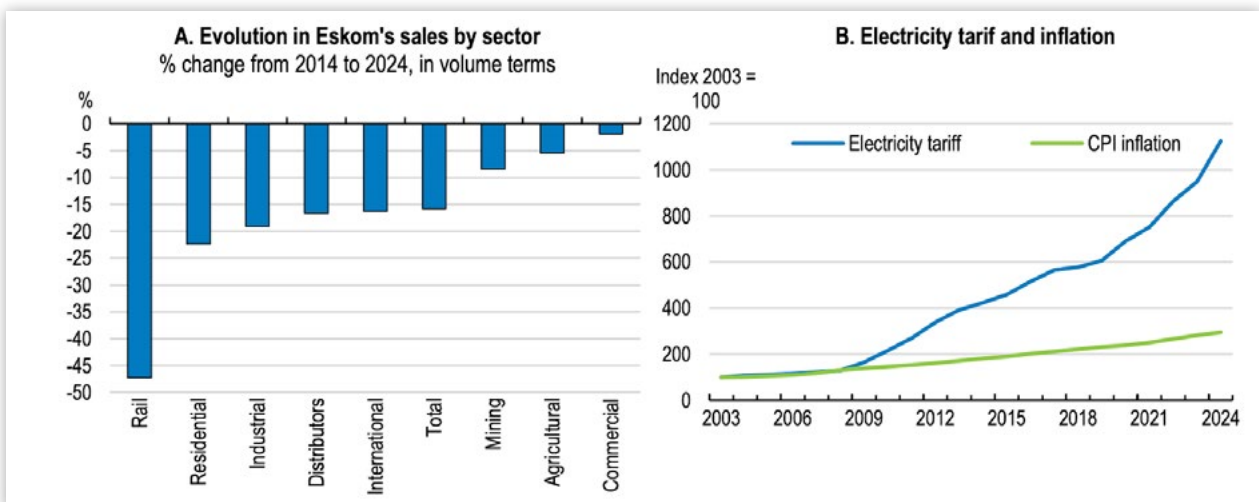
Figure 1.10: Eskom Governance and Operations Structure



The enforcement of the full-cost recovery model (in part also driven by the expectation that Eskom could evolve into a highly profitable enterprise) in a country characterised by low-levels of economic growth, mass unemployment and widespread poverty, has failed. Since its corporatisation in the early 2000s, Eskom has witnessed its sales volumes undergo gradual but significant decline. Consequently, the [utility's financial health](#) has been diluted by ever-shrinking streams of revenue, revenue that should be directed towards covering operational costs alongside investing in bolstering its generative capacity in order to meet the country's energy needs. Unable to successfully recover

costs, Eskom has relied on loans (foreign and domestic) and applications for tariff increases, to remain financially operational. An illustrative example would be the [2010 World Bank loan of \\$3.75 billion to Eskom](#) for the construction of two coal-fired power plants (Medupi and Kusile). Besides being mired in corruption, such loans direct Eskom's financial resources—when said resources are growing increasingly scarce—towards servicing debt dominated in a foreign currency. The user-pays-principle and cost-recovery financing model have worked to turn citizens into precarious consumers and turned a universal public good into an ever-costly commodity.

Figure 1.11: Eskom Sales and Tariff Increases (Source – OECD Economic Surveys South Africa 2025)



At the level of secondary factors, according to Eskom, its continuous pursuit of tariff increases (particularly painful for citizens drowning within a cost of living crisis) occurs in part due to the cost of power procured from Independent Power Producers (IPP's). In 2011, the government launched a competitive procurement program for renewable energy called the Renewable

Energy Independent Power Producer Procurement Program (REIPPPP). Through an auctioneering model private renewable energy producers submit bids within windows and the winning bids are awarded 20 year contracts known as power-purchase agreements (PPA's). The immense cost of IPP contracts is a significant contributor to its historic primary energy costs.

Figure 1.12: Tracking the Energy Mix

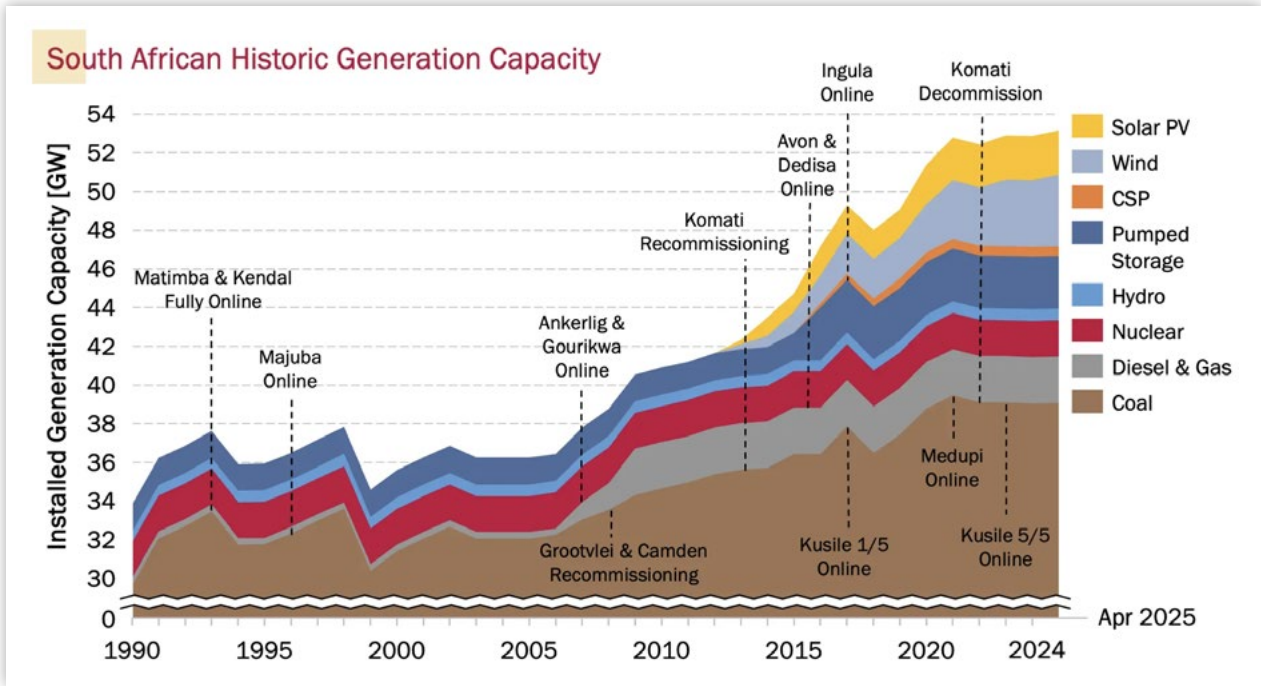
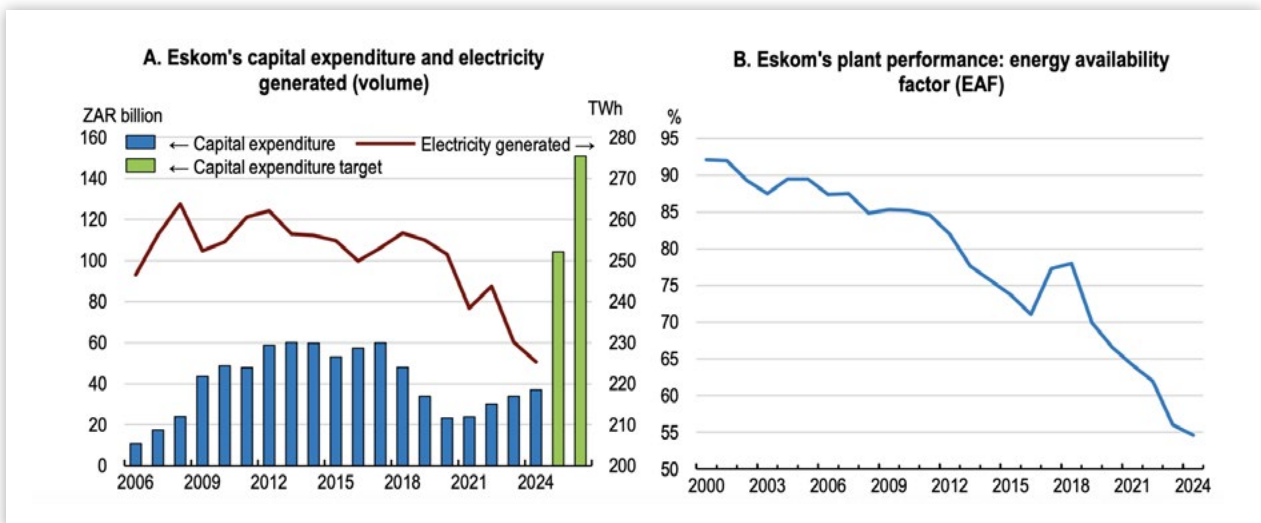


Figure 1.13: Declining Capital Expenditure in relation to Eskom's EAF (Source – OECD Economic Surveys South Africa 2025)



Due to these systematic financial and operational issues, and in varying degrees of severity, Eskom has struggled to sustain a secure supply of electricity that can meet consumer and industry demand. In response the utility had implemented planned national electrical blackouts, otherwise known as loadshedding, in order to rotate available supply. In 2023 the country experienced 335 days of loadshedding and with Eskom providing approximately 90% of the country's electricity, planned power outages had severe impacts on economic activity.

Planned power outages impeded agricultural production due to de-stabilizing irrigation systems required for field crops, wheat, fruits and hindered the production of meat, wool and dairy which require a stable supply of power. Small and medium sized businesses endured long-term losses of profitability as loadshedding drained operational resources, halted or slowed production and obstructed communications. An estimated 860 000 jobs were lost in 2023 as a result of loadshedding. Unsurprisingly, disruptions to business operations, reductions to productivity and increasing costs has shrunk investor confidence in the past several years.

Since March 26 2024, Eskom has experienced nine months (275 days) without load-shedding. Between April of 2024 and March of 2025, the utility's Energy Availability Factor increased to 61% (up from 54.55% in the previous financial year). Eskom's *State of the System – Winter*

2025 Outlook Briefing reports that an expected 3.6% growth in electricity sales volumes for the 2025 financial year, primarily as a result of reductions in loadshedding and higher electricity exports to neighboring countries. The briefing also reported a slight 12% increase in planned maintenance and a 50% reduction in diesel expenditure in 2025 compared to previous years.

Two factors have contributed to the improved performance of Eskom's generation fleet. Firstly there is the introduction of the Eskom Debt Relief Act of 2023 by Finance Minister Enoch Godongwana. The plan aimed to reduce pressure on Eskom's balance sheet as a package worth R254 disbursed over three years.

Although National Treasury's debt plan has provided some short-term relief to the utility, the conditionalities of the policy endanger Eskom's operational capacity in the long-term while paving the path towards liberalisation and further commercialisation of the energy sector.

The core conditionalities include:

- Debt relief may only be used to settle debt and interest repayments.
- Eskom may only incur capital expenditure for transmission and distribution (with the exception of generation regarding minimum emissions standards, flue-gas de-sulfurisation, required outages and maintenance of existing plants.)
- No new borrowing for new generation capacity without explicit authorization from the Minister of Finance.
- Eskom must prioritize and expedite the unbundling of its generation, transmission and distribution divisions.

At a time when Eskom should be developing its capacity to deploy renewable energy and bolster its generative capacity to ensure energy security with new sustainable projects, the utility's debt is being leveraged to clear the path for Independent Power Producers and marketisation through unbundling. The Generation Recovery Plan is the second key factor in the utility's recent positive progression. This plan focuses on increasing the reliability of Eskom's power plants through greater planned maintenance and optimising operational performance at stations. Reducing loadshedding, increasing the EAF to an average of 70% for 2025, bringing units at the Medupi and Kusile plants online and procuring new generative capacity through renewable energy sources, gas and battery storage were also central priorities.

As notable as Eskom's operational improvements are, the utility still faces fundamental issues that require transformative change. The failure to fully recover costs and adherence to the user-pays principle continues to undermine the utility's financial health and its ability to play a leading role in not only leading

decarbonisation but providing universal access to electricity. Minister of Electricity and Energy Kgosientsho Ramokgopa described Eskom's challenge of supplying electricity but being unable to collect revenue as "an existential challenge". Municipalities across the country owe Eskom a staggering more than R90 billion. Although the utility predicts a slight increase in sales volumes for 2025, revenue streams have been shrinking and tariffs increasing above inflation for more than two decades.

Claiming that Eskom's vertically-integrated structure was no longer suitable to South Africa's energy needs, the government formalised the functional and legal separation of Eskom's divisions in 2021. This entailed the transfer of Eskom transmission to the National Transmission Company of South Africa (NTCSA), which would now operate 374 transmission lines with a total length of 33 199km.

Continuing efforts to decentralize the electricity sector, the Electricity Regulation Amendment Act, Act 38 of 2024, was signed into law by President Cyril Ramaphosa on August 16, 2024. Coming into effect January 1, 2025. The ERA works to support Eskom's unbundling by acting as a crucial step to establishing a multi-market structure for the electricity sector. Paired with this reform is the creation of the Transmission Systems Operation (TSO) which is steered by the NTCSA. The TSO is tasked with forming an open market platform to facilitate competitive electricity trading through four mechanisms:

- As a transmission company, the TSO must maintain and expand the electricity grid and ensure fair access.
- As a systems operation, the TSO must safely manage the integrated power system and ensure its optimal functioning.
- Being a market operator, the TSO is tasked with establishing the market code and rules within a transparent and fair-trading platform.
- The Central Purchasing Agency (CPA) is to manage the move to market models by ensuring a reliable supply of electricity through buying power from different companies as the need arises. This includes buying and trading power from current and new Independent Power Producers,

concluding Power-Purchasing Agreements (PPAs) with Eskom Generation power stations and concluding sales agreements with distributors. Alongside these responsibilities, the CPA must procure the ancillary services required by the System Operator.

Through the ERA the powers of the National Energy Regulator of South Africa (NERSA) have notably expanded. Now NERSA has been granted authority over the amendment, issuing, withdrawal, suspension and or revoking of licenses for entities trading electricity. Furthermore NERSA's power extends to act as an arbiter in regards to licensing and it is allowed to investigate any matters pertaining to licensing or registration. Moreover, NERSA is no longer required to regulate pricing but the regulatory body will take responsibility for setting and approving tariffs. A remarkable shift within the electricity sector is NERSA's mandate to ensure that in setting approved tariffs, licensees must be able to recover costs, which includes reasonable margins of profit or returns on investment.

The ERA does not completely toss out pricing regulation but the legislation includes vague, open-ended wording that will allow for end-user tariffs to be dictated by the movement of market forces. For example, subsection 15(4) of the act states that "a licensee may charge a customer a tariff which has not been set or approved by the Regulator where such tariff is charged pursuant to a direct supply agreement or arises as an outcome of a competitive market."

The attempt to implement a cost-reflective model is irrational if electricity reform aims to ensure affordable access and stable provision to low-income households. NERSA has not permitted Eskom to recover cost-reflective tariffs since 2006 and the utility has sold electricity below the rates it would see as reasonable to charge if it were given the autonomy to fully set its own prices. A popular assumption maintains that in a competitive electricity market, Eskom pricing itself out of competition through high-tariffs would simply mean customers can turn to cheaper suppliers. This neglects the reality of variable generation

and the centrality of Eskom to the country's electricity supply.

When IPPs providing wind and solar energy are able to provide electricity at lower rates than Eskom, this would slice into the utility's market share and shrink Eskom's revenue streams. In instances where the sun is not shining and the wind not blowing, Eskom would be compelled to make up its revenue losses through exorbitantly high tariffs. Because Eskom provides the vast majority of the country's electricity supply, and is likely to continue doing so in the foreseeable future, its high tariffs would have to be approved otherwise the utility's finances would drastically deteriorate, crippling its operational capacity and risking the country's energy supply.

An important and often overlooked factor to consider is the damage that Eskom's generation component will endure in a liberalised energy sector. If Eskom does not have a sustainable financial model and its operational capacity and governance are not drastically reformed, its generation component will inherit expensive coal-fired power stations, immense debt, inadequate maintenance capacity while being starved of public investment in new generative capacity. It will be a tremendous challenge for Eskom to increase its electricity prices and make a profit while competing with heavily subsidized, profit-turning IPP's. This subsidization has existed primarily in the form of long-term power purchase agreements but now the government is forming a concerted effort to "de-risk" renewable generation by providing financial mechanisms that will reduce the cost of capital for IPP projects and allure private investment into electricity infrastructure by making such projects "bankable".

Eskom supplying up to 85% of the country's electricity means that its coal-fired generation component is still required to ensure national energy security and a transition into a diversified energy mix, with renewable energy being developed at the pace and scale required to meet industrial, economic and consumer needs, is more than a decades long process. A risk that cannot be ignored is Eskom generation devolving into a zombie utility, becoming financially unsustainable and yet too important to fail.

Challenges for Eskom and the electricity sector go beyond energy generation. The expansion and upgrading of electricity transmission infrastructure—to accommodate 53 GW of additional capacity and variable generation—will be an immensely costly endeavor. The government's target for funding the build of 14 000 km of transmission lines over the next decade is R440 billion (\$24.99 billion). To deal with the issue of funding, South Africa's cabinet approved the establishment of the Independent Transmission Project (ITP) Programme in December of 2023. This entails private sector participation in the financing, construction and operation of new transmission infrastructure with the Department of Electricity and Energy (DEE) as the procurer and the NTCSA as the buyer through Transmission Services Agreements (TSAs). Although the commercial model for TSA's has not been finalized, government reports these agreements would run for a duration of 25 to 30 years, with assets then being transferred to the NTCSA.

Aiming to assess the investor appetite for the ITP Programme, the government conducted a global market sounding exercise between December of 2024 and February of 2025. Over 130 responses were received from local and international developers, financiers, operators and original equipment manufacturers. The regulatory framework, developed by the electricity and energy ministry, has undergone public comment and is in the process of finalization. Regulations proposed have a particular focus on three elements:

- Ensuring full-cost recovery mechanisms for the NTCSA through costs incurred via TSAs.
- Establishing clear risk allocation between the NTCSA and ITPs.
- Ensuring value-for-money procurement.

The procurement process is run within the Independent Power Producer Procurement Programme Offices and bidders identified as "capable, experienced and financially sound" must meet a deadline to submit their project proposals by November 2025.

In order to attract and de-risk private capital for upgrading the transmission network

(and developing infrastructure central to South Africa's JET), the government has collaborated with the World Bank to establish a Credit Guarantee Vehicle (CGV), regulated by the Prudential Authority. Incorporated as a private company operating in the country and functioning as a non-life insurance company, IFI's and National Treasury aim to have the CGV operational by 2026. \$500 million in initial de-risking capital is required for the CGV and National Treasury has confirmed it will make a 20% contribution (amounting to an estimated R2 billion) funded by a World Bank loan pending approval. Majority of the funding of the CGV will be raised from development finance institutions such as the International Finance Corporation

and the Multilateral Investment Guarantee Agency. Concessional financing committed by the International Partners Group (IPG) through the JETP is also being eyed by National Treasury as a source of financing for the CGV.

To enable investments in transmission infrastructure, the CGV will offer payment and termination guarantees to ITP special purpose vehicles (subsidiaries created by a parent company to isolate financial risk). These entities would then pay premiums to the CGV to secure insurance and recover the cost through electricity tariffs. But the CGV is a mechanism that will be utilized beyond transmission infrastructure and wielded to rally investment into other key sectors such as water and logistics.

Part 2.1: The National Union of Mineworkers and the context of systemic unemployment

Formed in 1982, NUM was central to the organisation of black workers against the apartheid regime that had maintained a political infrastructure to ensure the hyper-exploitation of cheap black labour, while enforcing a system of labour reservation that excluded black South Africans from high-paying jobs across key economic sectors. In 1985 NUM would be a founding affiliate of the Congress of South African Trade Unions, the largest of the country's trade union federations and built on a commitment to a "non-racial, non-sexist and democratic South Africa". Extending beyond the country's borders, NUM is affiliated with the International Federation of Chemical, Energy, Mine and General Workers' Unions.

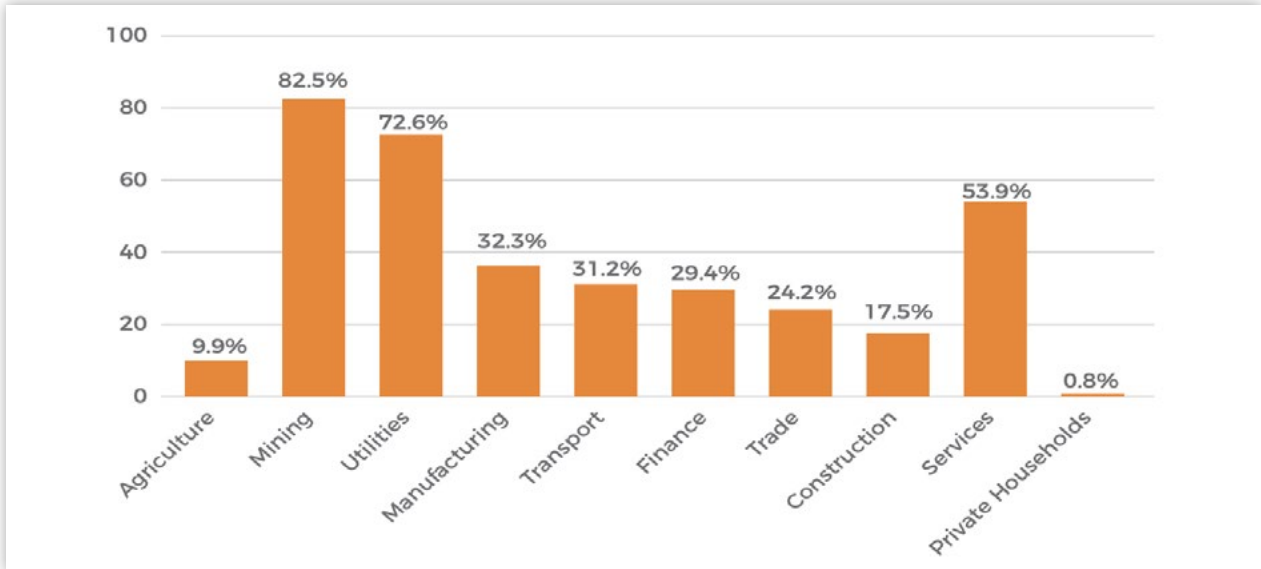
As its mission statement, NUM describes itself as "a labour organisation that recruits, organises and advances the interests of all workers employed in the mining, energy, construction and metal sectors and allied industries by empowering its members through quality services".

It is both ironic, and in retrospect tragic, that NUM's political vibrancy and instrumental role in the anti-apartheid liberation movement occurred under the leadership of Cyril Ramaphosa. Ramaphosa would eventually

disengage from formal politics in the late 1990s and go on to become a billionaire businessman, complicit in the killing of 34 workers in the 2012 Marikana Massacre and eventually rise to the position of South Africa's president in 2019. The political evolution of Ramaphosa, from an egalitarian trade unionist to multi-millionaire president, can stand as a demonstration of the structural pressures imposed by neoliberalism on progressive political forces like trade unions across the country and their response to South Africa's changing political-economy.

Although still one of the country's largest trade unions, with a membership of 160,000 in 2025 according to latest figures, NUM has endured declining membership numbers. NUM once had 250,000 members in 2015 and 317,000 members by the end of 2009. It is important to note that this reduction in organised labour is not unique to NUM but a prevailing change in the landscape of South Africa's workforce. According to a 2024 report by the COSATU, trade union density currently sits at 29.3%, with the highest union membership being in mining (82.5%), utilities (72.6%) and service sectors (53.9%). A significant majority of South Africans are not members of trade unions (67.2%).

Figure 1.14: Trade Union membership – Source: StatsSA Quarterly Labour Force Survey

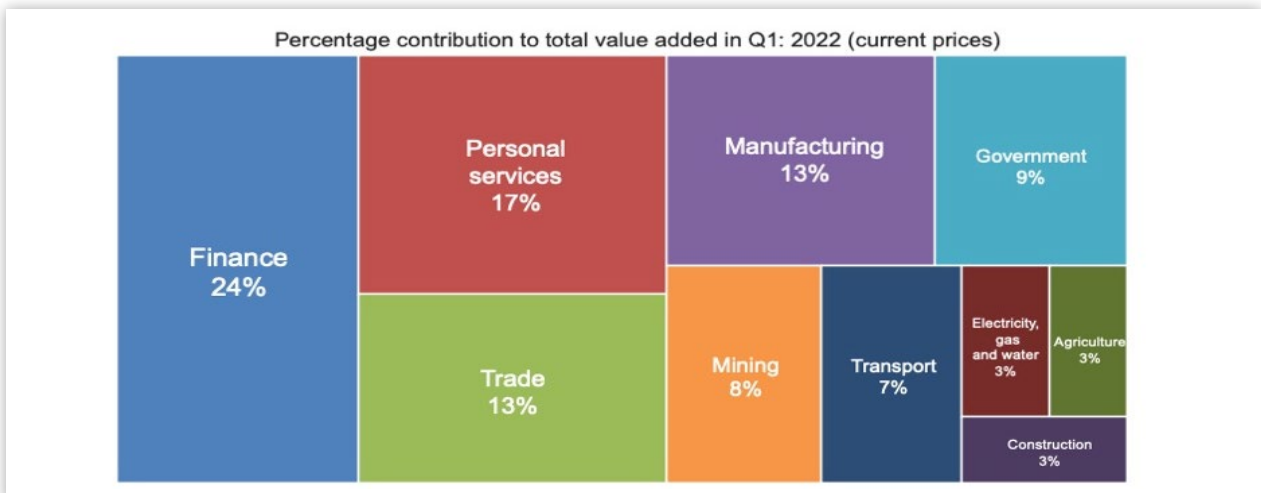


A series of objective economic and political factors have converged to produce years of declining trade union membership, and the coal-dependent energy sector has not been exempt from these challenges. As the South African government pivoted to neoliberal macroeconomic policy, a prime example being the adoption of the Growth, Employment and Redistribution Strategy (GEAR) in 1996, trade and industrial policy failed to diversify the country's economy beyond a dependency on export-orientated growth through the Minerals and Energy Complex (MEC) sectors.

After years of increasing debilitating economic isolation and the fear of apartheid-era accrued foreign debt, the shift towards neoliberal macroeconomic policy entailed attempts by the

democratic government in the 1990s to cultivate the ideal conditions for foreign direct investment and capital accumulation. South Africa was told to jump on-board the wave of globalisation and this meant the removal of import surcharges, the relaxing of exchange controls, the dismantling of protective tariffs and allowing major corporations to list-offshore and internationalise their operations. Subsequently, the country has seen the blossoming of the financial sector (now sitting as the largest economic sector in the country) and deindustrialisation due to the gradual destruction of manufacturing in local labour-intensive firms. According to StatsSA, the manufacturing sector lost over 200,000 jobs between 2011 and 2021.

Figure 1.15: Size of economic sectors – Source: StatsSA



The deregulation of trade and financial activity has trapped the country in a cycle of short-term capital inflows and long-term capital outflows. Moreover, private investors have retained an appetite for short-term, high-return investment as opposed to productive fixed investment, preferring to direct their resources towards financial speculation, asset acquisition and the provision of credit. Accentuating the country's unemployment crisis is the enforcement of fiscal consolidation i.e., austerity. In the past several years South Africa's National Treasury has aimed to achieve a budget-surplus and focused on reducing or limiting public expenditure towards basic service provision, welfare programmes and employment stimulation. As is demonstrated in the EU, UK and US following the 2008 financial crisis, or Sub-Saharan Africa in the 1980s, austerity creates a depressing effect on the economy through decreasing demand, slowing productivity, stagnating wages and

boosting unemployment. South Africa has not been exempt from these outcomes.

Combined with regressive tax measures (increases on Value-Added-Tax but continued decreases of the Corporate Income Tax Rate and avoidance of redistributive tax measures), the direct public investment the country requires to not only effectively decarbonize but meet people socio-economic needs or grow the economy, is avoided.

With a succession of post-apartheid governments retaining a commitment to the project of neoliberalism, albeit in varying degrees depending on the presidency, unemployment continues to soar and wealth inequality continues to expand. It is in this context that energy sector trade unions approach the just energy transition, and especially the prospect of shutting down coal-fired power stations, with a mixture of understandable skepticism and hostility.

Part 2.2: Trade Union responses to coal-fired decommissioning in the context of a just energy transition

In several separate interviews, NUM trade union leaders at the regional level based in Camden power station (and others in the Gauteng province), expressed sincere doubt about the means through which a transition away from coal-dependancy was being conducted. One interview remarked *"When it comes to Just Transition, I am very sceptical about it. I don't believe that the way we want to do it as a country is the right way"*. This skepticism was in part informed by the interviewee not perceiving climate change to be a crisis requiring a departure from coal or fossil fuels, remarking that *"No, I don't think climate change is an issue ...I believe that there is climate change, but it's not caused by gas and all these things, the scientific reasonings that they put on the table"*.

Clarifying their position on the issue of climate change, the interviewee highlighted a notable contradiction in proclaimed commitments to decarbonisation by countries such as South Africa, who have signed onto the Paris Agreement:

"I do not think it is something that is caused by coal. Because if climate change was true, in all honesty, then why would certain countries be interested in purchasing of coal? And to push their coal-powered power plants? Like Germany, for example. Not so long ago, Germany just invested so much money in SA for us to move away from coal. So, in that obligation to say we'll give you X amount of money if you move away from coal, meaning start working on green energy. However, when you look at the N2 towards Richards Bay. It's full of trucks. The trucks are filled with coal and the coal is going straight to Europe"

When shifting to discussing the impacts of climate change, the interviewees remained doubtful, even as we highlighted floods in the KwaZulu-Natal province, droughts in the Western Cape Province and fierce cyclones in Mozambique or Malawi. From the interviewee's perspective on climate change impacts, they said:

"With climate change, I don't think it will have an impact. From what I remember in my lifetime, Ermelo was still as cold as how Ermelo used to be growing up in Ermelo. Whenever it's hot, Ermelo still becomes hot. But it does become a bit more hot than what it used to be. So, there are those changes. With regards to the rates as to how fast it changes, I cannot actually put a finger on it. I cannot say whether it will affect us as a state. I cannot be too sure about that"

Doubts and skepticism surrounding climate change were echoed during another interview with a NUM trade union regional leader. While stating that *"I don't know if climate change is a hoax"*, the 2nd interviewee proposed that not all extreme weather events can be understood as a result of climate change. In the discussion of climate disasters, the 2nd interview briefly alluded to the Chemtrail Conspiracy Theory as one of the causes of extreme weather events, arguing that *"We must not always take things as they are. Climate change, global warming. These things are being activated. I think they started to do these things in 1961"*. The Chemtrail Conspiracy Theory is a belief that long-lasting trails of condensation left in the sky by aircraft consists of biological and or chemical agents sprayed for dastardly purposes undisclosed to the general public.

The rejection of empirical science on climate change in these interviews cannot be taken as a wholesale representation of the attitudes of energy sector trade unions overall

or NUM in particular. However, the reluctance to accept empirical science and acknowledge the rapidly unfolding danger that extreme weather events pose to South Africans, particularly the majority of the population that is poor and unemployed, is concerning.

Following NUM leadership engagement at the Energy Transition Summit held on the 19th and 20th of September 2023 in Johannesburg (with delegates from the country's largest trade unions e.g Congress of South African Trade Unions, the South African Federation of Trade Unions and the National Union of Metalworkers of South Africa alongside), the trade union updated its resolutions on the just energy transition. In a [statement on the 2nd of October 2023](#), NUM proclaimed that "climate change is a serious threat, and it impacts various aspects of our lives. We recognise that the phenomenon is no longer foreign to South Africans".

Moreover the statement reiterated that "As the NUM, we are also conceding that a transition and a move from high-emission energy to low-emission energy generation is needed. Yet, we demand that such a transition be Fair and Just to the working class and their immediate communities". What the climate change skepticism captured in this study's interviews does reveal is the way in which the working and material conditions of trade unionists in the energy sector, will shape their viewpoints as political agents. Even more important to highlight is the gap between policy, and political action within energy sector trade unions.

Part 2.3: The poor process of consultation in the lead up to the closure of Komati in 2022 and the proposed closure of Camden in 2025

Interviews with regional NUM leadership at Camden power station revealed the proposal and planning towards the power plants shutdown to be a disjointed process that did not effectively take into consideration the potential impacts on workers and the economic knock-on effects on the communities within and surrounding Ermelo. One interview mentioned

that they initially learnt of plans to close the power station from Eskom management in Camden. In alignment with reported news, the interviewee recalls Camden being considered for closure and repurposing as early as 2017.

Following Camden resolving the issue of an over-capacitated ash dam that led to the power plants temporary closure in 2020,

the interviewee remarked that justifications for the power stations shut-down, according to their engagements with Eskom management, were the contravention of minimum emission standards and concerns for Camden's lifespan and ageing fleet:

Interviewee: *And then they wanted to shut down because of the license. They said, for us to actually shut down, to renew the license, we have to pay a lot of money.*

Interviewer: Renew what license?

Interviewee: *The emitting license. The gas license. Because now they are saying we are polluting and we do not meet the license requirements. So that was the reason for shutting down. So that's where it got introduced to us.*

All NUM interviewees highlighted the pervasive presence of fear upon receiving news that Camden was flagged for decommissioning, initially to occur in 2025. One interviewee emphatically explained the reaction of workers at the station:

"People were scared. Fear. There was a lot of fear for job security. Why was the fear? We have employees that are young, still vibrant. Camden, I think, has a lot of young employees, and then we have the older generation. They were afraid to say, if it shuts down, how are we going to learn a new skill at this time? We're going to have to go back to school. Many of them have houses that they have bought, and Camden shutting down for them was quite scary. So there was fear. We were dealing with fear".

One interviewee notably remarked on the consequences of decommissioning for contracted employees at power stations such as Camden:

Because we're not only Eskom employees that come in (Camden) every day here. When you see all these people that come inside the station, about maybe 3,000 a day, people? Contractors are our partners as Eskom,

that we're working with here, because we don't do every work for ourselves as Eskom. Especially most of these return-to-service stations... There it's just a few number of us here, maybe, I think we're around 325 Eskom workers.

A major factor in the fear of decommissioning is the disastrous outcomes of Komati power stations closure and the lethargic pace of job creation through its renewable repurposing component. "Our fear emitted from Komati Power Station" one interview argued, continuing to say that "I have comrades that are currently that side who would say they are working at Komati but they're sitting at home. And it's just it's horrible to watch". Another trade union leader echoed these concerns and the absence of thorough consultation with workers by Eskom management:

"I heard of Komati but the employees were engaged at a later stage. They didn't know what was the plan of decommissioning, how is it going to affect them. Because even when we, sometimes we, in our gatherings as a union, we will ask the comrades from Komati. But they were also not clear on what is happening with their station. Until we finally find out they pulled their 20,000 megawatts and now it's gone... And we started seeing in the media that people are crying".

Discussions with trade union leaders revealed that Eskom management lacked clarity from the government regarding the details and process of decommissioning at both Camden and Komati. Being asked whether Eskom management at Camden had discussed the results of Komati's closure, one interviewee responded "You know, Eskom management at the station level, what I've noticed, they also don't know what is happening. They are not clear. The person that can be clear about it is the General Manager, but even the General Manager is not, if I see". This interviewee claimed that the absence of clarity and clear communication towards power station workers stemmed from the Eskom station management themselves not being sincerely committed to

decarbonisation and the just energy transition, stating that *"There's a high level of people that are mandated to push this agenda. So that's why I say, even the General Manager, he's at a lower level. He doesn't know"*.

Another NUM interviewee shared a similar view, believing there to be a lack of proactive behaviour on the part of Eskom management to prepare workers for Camden's proposed closure in 2030, remarking that:

"With regards to preparing for the shutdown, I don't think we are prepared because there hasn't been any direction from the management. There hasn't been any form of assistance. However, I do know that the things in the pipeline that are currently being done there's a committee that we have locally that is going to be formed. There's going to be union reps. There's going to be information sharing. There's going to be ideas which have been bounced around... Currently those things have not taken place. Hence why I'm saying it's a no for me. I feel like we are not ready. Even myself, I feel like I'm not ready".

A NUM leader who had been active in consultations with the Presidential Climate Commission throughout 2023 and 2024 described South Africa's decarbonisation efforts as "an unjust transition". Throughout their engagements with the PCC, the interviewee felt that the stakeholder engagement process lacked substance. They argued that there was a need for the government to *"delay the just transition until workers and communities are properly consulted. There is a difference between information sharing and consultation, information sharing is not the same as proper consultation"*. Agreeing with this view, a leading member of the National Union of Metalworkers of South Africa (NUMSA) argued in an interview that consultations with the PCC did not meet the standards of procedural justice outlined in the government's framework document for a just energy transition:

"The views of the people do not look to have been considered or engaged with. Because in our view, we believe that the communities and the workers are able to have a say with regards to what pace, what processes, what principles, and they're able to also balance the risks and opportunities in their engagements. And so, if you look at the documents that purport to say there was a social dialogue, you would see that there was no consideration of the views of the workers, no consideration of the view of the people in the communities".

Continuing to utilize the government's framework for a just transition as a basis for a critique of Komati's decommissioning, the NUMSA interviewee pointed to the absence of distributive and restorative justice as demonstrated by the rising economic deprivation of the communities that surrounded the now Komati power plant. Specifically the interviewee emphasised the absence of thorough, far-sighted planning, stating that:

"What we find being done now, it's akin to having a wedding and then calling the wedding planner thereafter... by the way, just to be honest with you, even the people who were contracted under Komati Power Station were not considered. Eskom was taking care of their own. It cannot have been a just transition of Eskom. It can't be sectoral that way".

Conducting field trips in 2024 with trade unionists to the several towns located around Komati, the interview highlighted the impact of a clumsy decommissioning and repurposing plan on local government *"As we talked to municipalities, we picked up that municipalities are saying, we are losing a lot of revenue, which means this is a ghost town. Now, if you can't collect revenue, there is no way that service delivery will come back"*. Commenting on the social conditions for youth following Komati's closure, they added that:

"Of course, people are not employed in huge numbers. Young people that you go and see

now are milling around the streets. Some are drinking at early hours of the morning, which is a sign of despair that there is nothing that is coming out of this"

A fundamental flaw from the perspective of NUM and NUMSA trade unionists was the narrow vision of Komati's decommissioning. One interviewee notes :

"I think the biggest challenge that we might have is where you've got a sectorally driven transition... We need to have a thorough plan of how we are going to do it. Because I can tell you, two coal mines were closed because they've got no reason to exist. You want to supply coal to the coal-fired power station, but the coal-fired power station ceases to exist, then what? So I believe that there should have been a way of making sure that the coal mines, Eskom and all other stakeholders, including formal business and informal businesses, were supposed to have been actively involved in order for them to figure out what else to do and how else to do it. It seemed like there was a speed issue and I suspect that South Africa is doing this for money".

The money being referred to regards the financing provided through the Just Energy Transition Partnership and financing provided for Komati's shut-down and repurposing through a \$439.5 million World Bank loan, a \$47.5 million concessional loan from the Canadian Clean Energy and Forest Climate Facility (CCEFCF), and a \$10 million grant from the Energy Sector Management Assistance Program (ESMAP). When questioned on whether the JETP and international finance institutions provide a solid basis for decarbonisation and transitioning, one interviewee was very critical arguing that:

"As it is, we don't believe that the JETP is the vehicle, more especially because there is no real transparency between us and them. The postures of global geopolitics and geoeconomics are glaring. The postures are such that the people who have got money are even determining the pace of our transition. So the pace and the quality of our transition are not matching".

Part 2.4: Community Voices in the context of a just transition

The Khutala Environmental Care Group is a registered Non-Profit Organization based in Ermelo Mpumalanga and founded in 2008 with the objective of combating air and water pollution, promoting responsible waste management and leading re-green initiatives in their local community. Although Khutala is a non-membership organization, through its local, provincial and national networks, the organization works with mining affected communities and farming communities located close to Camden power station. Through its focus on education, advocacy and the Khutala Women's League, the organization has expanded its work to also deal with issues such as mining rehabilitation, energy poverty alongside just energy transition advocacy and local agriculture.

Through a focus group and workshop conducted with Khutala in Ermelo, activist concerns and perspectives helped clarify how communities around the province of Mpumalanga view the government's conception of a just energy transition. The focus group included 12 members of the organisation, ranging from ages 18 to 52. A broad discussion of the just transition was facilitated, primarily focusing on the potential outcomes of Camden's proposed decommissioning and what it would mean for the livelihoods of communities surrounding the station.

When asked if members of Khutala, present at the focus group, had family members who are currently or had previously worked at Camden power station, all 12 members present

answered in the affirmative. Philani Mngomezulu, a founding member of Khutala, described the unfolding energy transition as "Coming at us from above, with no true consultation process. They do not take the needs of our communities seriously". Numerous members of Khutala understood the harmful impacts of coal production and its centrality to the economic viability of towns such as Ermelo. However, members continually expressed that while gradually shutting down coal was necessary to mitigate climate impacts, it could not come at the expense of livelihoods.

Sharing sentiments expressed by trade union leaders at Camden, members of Khutala who had attended stakeholder consultation facilitated by the Presidential Climate Commission felt that the process was shallow. Sifiso Hlatshwayo, once an employee at Camden retrenched in 2021, questioned the implementation of the just transition and the decision to close power stations. For youth such as Hlatshwayo, the shut-down of power stations, without efforts to upskill workers and create jobs appeared counter-intuitive. In continued discussion of jobs, some Khutala members were

worried as to whose benefit the energy transition was unfolding in. Conversation briefly pivoted to the South African government succumbing to international pressure and attempting to satisfy the interests of private investment, without firstly prioritising the needs of its citizens.

The poor state of basic service delivery and the prevalence of energy poverty were touched upon in discussions with members of Khutala. Some questioned what would be the value of an energy transition if it did not improve the socio-economic conditions of those in communities such as Ermelo. Khutala members maintained that confronting environmental pollution, climate change and pursuing equitable local development were not mutually exclusive. In a workshop with Khutala, conducted following the focus group, members in attendance grappled with the issue of energy poverty, pointing to the failure of the Free Basic Electricity program. Discussions revealed an emerging appetite to launch a local campaign to agitate the local and provincial government, so that those structures would ensure households identified as indigent would be registered for the program.

Part 2.5: Trade Union voices on the prospects of a worker-driven just energy transition

Considering the challenges facing workers within the energy sector, both structural in terms of economic developments and political, interviews with NUM leadership centered around how workers at the station, regional, provincial and national level could organise themselves to shape the process of decommissioning and repurposing in their interests. A salient feature of discussion within interviews was not only the faults of the government's vision, but the organisational weaknesses of energy sector unions. One interviewee spoke on the problem on convening workers for political education as a basis to feed mobilisation in areas such as Ermelo:

"We're having a very difficult situation when it comes to informing our members as a union. They are reluctant to come to the meetings,

to share these things and deliberate on them. A person who's got a shower and a fridge full of groceries, it's very difficult to convince him in advance to say, let's be proactive. They only show up when there is a thing that will touch their pockets". Another trade unionist remarked that *"We are busy with, as a union, we are busy with fighting for leadership positions. And forget what we...What the union was formed for".*

The perspective explained above demonstrates an issue faced by trade unions in South Africa and abroad, one driven by material realities and political relationships with government that do not always compel workers to play the role of agitating labour towards progressive or even radical demands. Growing levels of

bureaucratisation, a growing distance between national leadership and its rank-and-file membership, comfortable relationships with ruling neoliberal politicians and the threat of mass unemployment making the prospect of labour militancy a tremendous risk. A NUM trade unionist explained that while there is a higher level of engagement with union workers at the power plant, challenges remain:

"There is a certain culture within Camden which is something that we need to work on as the committee within the branch. People don't usually come to mass meetings. So, the attendance is very, very low because people only want information when the information is affecting them directly. When the job or the salary is going down. So, once there is a decrease in your salary, then people will be there and they want to hear what needs to be said, what leadership has to say".

Even when considering the challenges of mobilisation and organisation, Camden trade unionists did make efforts upon the announcement of the station's closure to gain leverage against what they perceived to be a reckless and ill-conceived plan: *"We did an event where we got in the NUM truck. We invited national leaders to come here and for them to voice, to say, no guys, we are fighting this thing. We engaged with leaders from outside, stakeholders, municipality, the provincial executive committee, the ANC. We engaged with those people and we said people are aggrieved because of so and so forth and if this happens then people are going to be affected".* This demonstration proved to be productive, with community and worker opposition to Camden's decommissioning being escalated to the Provincial Executive Committee of the ANC.

Conjoined with interviewees desiring for more action within trade unions around issues such as decommissioning, throughout discussions there remained a strong expression of the perspective that power station workers should be at the forefront of technical and scientific decision making. Demonstrating that the just energy transition was also an issue of

energy sovereignty, an interviewee at Camden passionately argued:

"You can't be told by an engineer from Germany that you need to switch or move away from coal. What about the engineer from South Africa that is currently there, who went to Wits? Why don't you listen to that person? Why must you go to Saudi Arabia and they tell you about a technology of energy saving? Why don't you listen to us? Are we not the people who are currently working in the plant? Where are the ideas going to come from? From the person who is currently working at the plant".

For trade union leaders in NUM who were interviewed, elevating the interests of workers and ensuring justice in the energy transition would entail Eskom playing a central role as a public utility in diversifying the energy mix. One leader, when asked what role Eskom should play in the deployment of renewable energy, assertively answered *"Champion it. Who else? We need to champion it".* The evolution of the energy sector and the role of Eskom in the departure from coal-fired generation brought discussion in interviews towards Independent Private Producers and ongoing liberalisation of the energy sector. All trade unionists interviewed did not take a carte-blanche stance against renewable energy, but rather opposed the deployment of renewable energy on a for-profit basis by private players in an emerging electricity market. A sentiment that repeatedly rose was the sense that the push for privately owned renewable generation came from above and not in the interests of the country's energy security or its needs. Moreover, one interviewee spoke in frustration at the absence of open deliberation and deliberation on the future of the country's energy mix, saying that:

"Roll back this whole conversation of distribution and transmission. Give it back to Eskom. Focus on creating different energy sources. Let's have those debates. Instead of us finding out from the news that someone took a loan now to move away from coal,

when are we having these debates? Nuclear rejected by GNU. There are so many things that are not being debated. So I would say we just need to... let Eskom be the ones who champion everything".

Combined with advocating for the centrality of Eskom in the just energy transition, most NUM leaders interviewed maintained the desire for an energy mix based on pragmatic concerns around providing energy for industrial development and meeting people's needs. For some, like in the exchange captured below, this meant considering boosting the development of controversial energy options such as nuclear power:

Interviewer: *Some may say to your argument against IPP's that you are against renewables. Is that the case?*

Interviewee: *We are not against renewables. We can use renewables at a lower scale. At a consumer level. But on an industrial*

scale, to industrialise our country. We need what? Base load. We need coal, we need nuclear. Why are we not talking about nuclear which is clean, cheap.

Interviewer: *I don't know about cheaper. But it does help you with base load for sure. When you look at the primary energy costs.*

Interviewee: *Okay, initially the... the capital expenditure costs. Yes, it's huge. Once it's built. You're running cheap energy.*

The just transition framework's appeal to procedural, distributive and restorative justice, so far, is only rhetorical. In surveying and critically reflecting on views expressed by organised labour, community members and local government, one is able to draw out the fundamental flaws that hindered the potential of the Komati project to be a model for a substantially just departure from fossil-fuel dependency.

PART 3:

SURVEYED RESPONSES ON DECOMMISSIONING

A central feature of the report's findings were gained through a survey conducted with workers at Camden power station. The survey primarily functioned to capture detailed responses on what workers, as a political force and central stakeholders, think about decommissioning, repurposing and the current state of South Africa's just energy transition. 113 responses were captured from Camden workers employed across the various functions of the power station.

Chart 1: Age distribution of survey respondents

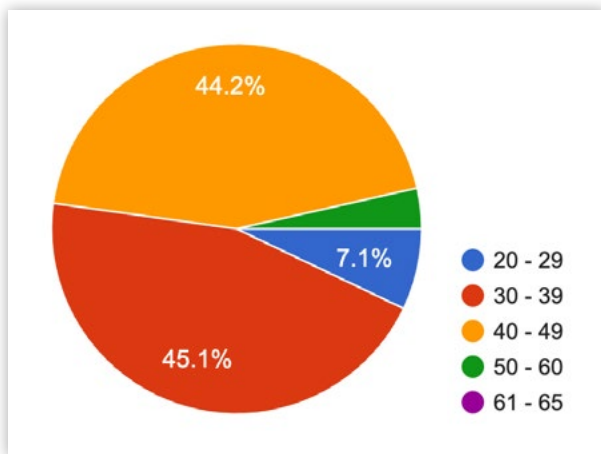
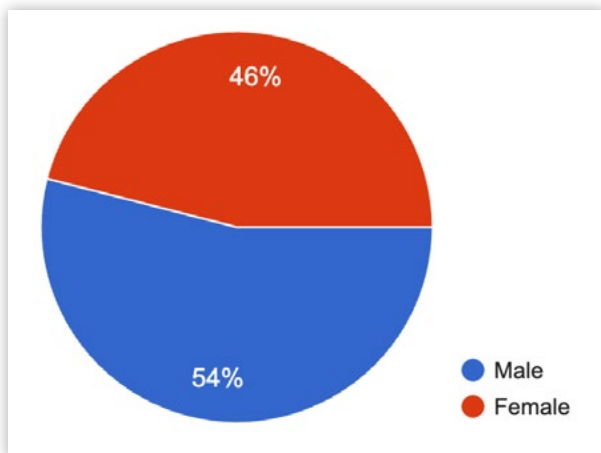


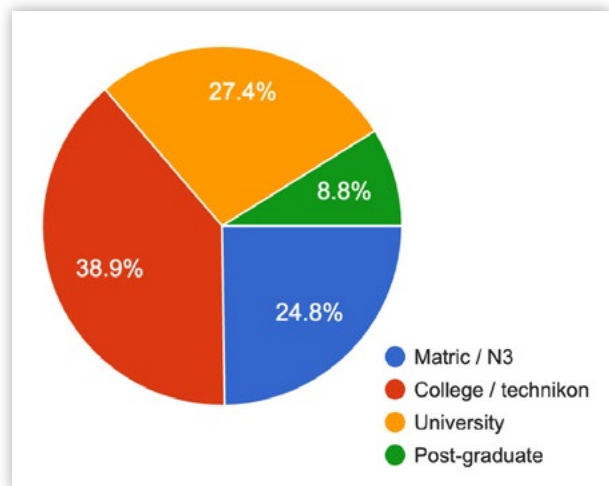
Chart 2: Gender distribution of survey respondents



The work conducted by survey respondents ranged from security officers, plant operators, unit controllers, truck drivers, administrative officers, technicians, plant performance technicians, chemical analysts, contract managers, ash plant operators, project coordinators etc. The diversity

of labour was reflected in the varying levels of education captured in responses provided. This diversity in labour and educational levels is crucial when observing survey responses that demonstrate a widespread but understandable anxiety and skepticism regarding the positive impacts promised by the government through decommissioning and repurposing.

Chart 3: Educational levels of respondents



The vast majority of survey respondents (92.9%) were permanent Eskom employees and 95.6% were members of a trade union. This distribution of permanent, unionised workers is critical to consider when conceiving the implications of shutting down coal and initiating greater renewable energy development through Independent Power Producers or through Public-Private Partnerships. As the crisis of unemployment and economic stagnation worsens, the just energy transition will become more fiercely contested in Mpumalanga as desperation for job security rises. Private investors and IPP's seeking labour market flexibility, e.g cheap labour, will have to engage in a rigorous process of deliberation, negotiation and compromise with coal-fired power stations whose skilled and so-called unskilled workers belong to trade unions adept at collective bargaining.

Chart 4: Nature of Employment of respondents

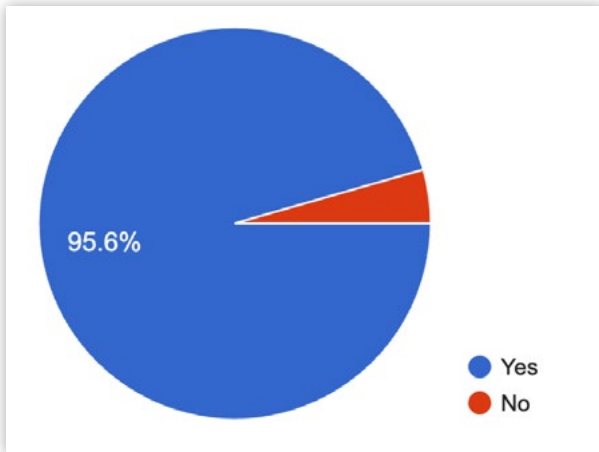
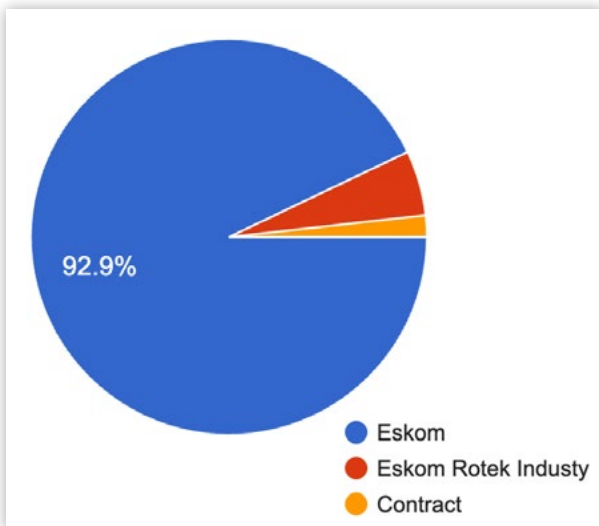


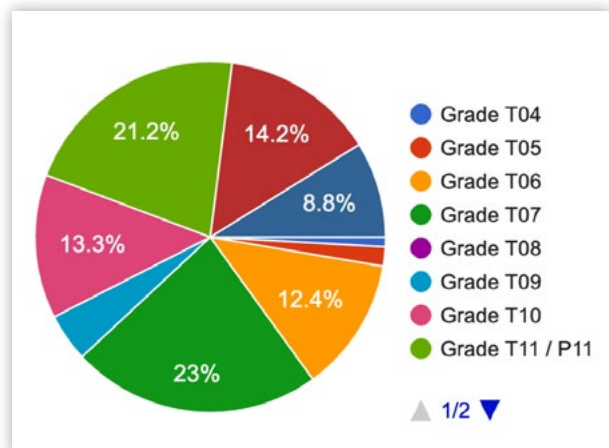
Chart 5: Trade Union membership of respondents



Eskom's employment grading scale describes both salaries earned by workers at Camden power station, the nature of their work and the levels of responsibility at different spheres of employment:

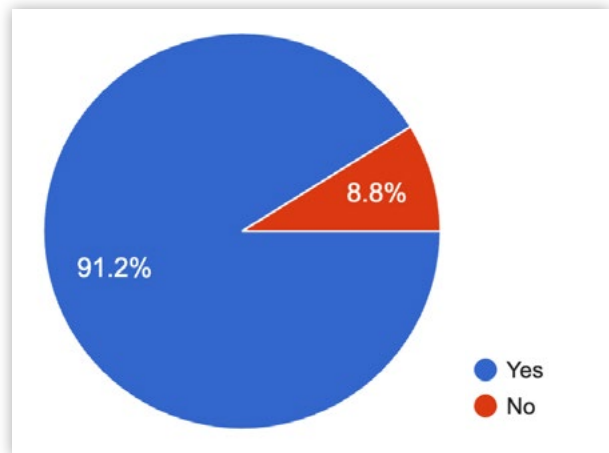
- T04—General labourers
- T06-T08—Clerks, secretaries and administrative staff
- T08-T09—Artisans and power station operators
- T11/P11—Senior artisans and senior unit controllers
- T12/P12—Supervisors
- T13/P13—Entry level professionals not within Eskom management.

Chart 6: Respondents total monthly income and benefits if any



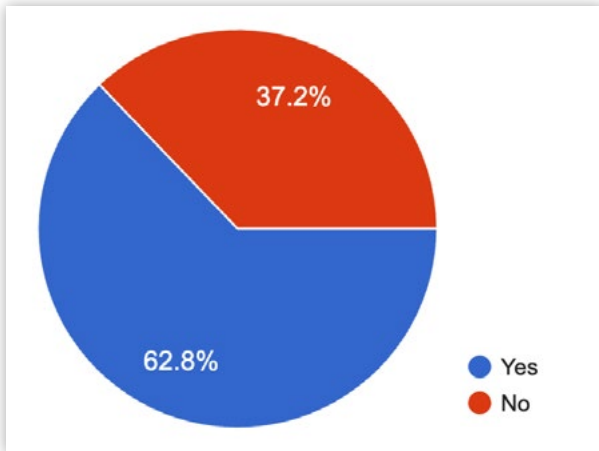
Survey responses to questions on communication and engagement from Eskom and government regarding Camden's 2030 decommissioning potentially point to a poor process of planning and deliberation with JET stakeholders such as power station workers.

Chart 7: Are you aware of the plan to decommission coal fired power stations?



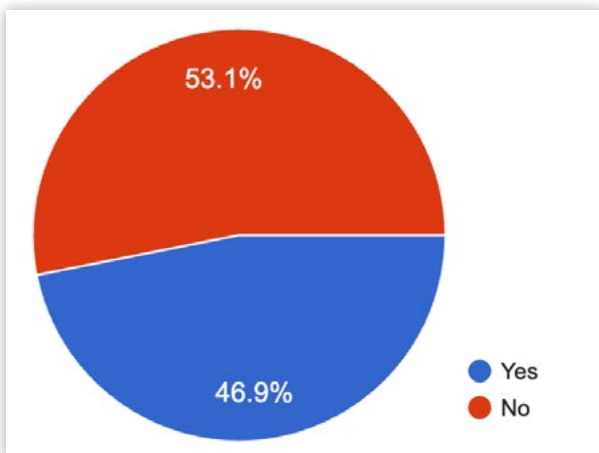
While 91.2% of survey respondents said they were aware of the plan to shutdown and repurpose the power station, 53.1% responded "no" when asked if Eskom management at the power station had any engagement with workers in relation to Camden's decommissioning.

Chart 8: Has the management had any engagement with workers in relation to the process of decommissioning Camden Power Station?



64.6% of respondents answered "Not enough" when asked if trade unions had been adequately consulted by the government in regards to the process of decommissioning. A very notable result paired with this is 32.2% of respondents claiming their trade union had not engaged with them in regards to Camden's 2030 shutdown. This result may give an indication of the political malaise and disengagement highlighted in interviews with trade union leadership at Camden.

Chart 9: Has your trade union engaged with you on the process of decommissioning?



To understand what workers perceived to be the justifications from the government for shutting down and repurposing coal-fired power stations, workers were asked why the government had proposed Camden's decommissioning. A portion

of responses given were expected answers stating decommissioning was motivated by the need to introduce renewable energy, reduce carbon emissions, decrease environmental pollution, combat climate change or combating climate change.

Against the expected responses, there were numerous answers expressing skepticism, critique and doubt about the positive impacts and purportedly progressive intentions of South Africa's decarbonisation policies. When asked, "Why do you think government is proposing to decommission coal-fired power stations?", notable responses included:

- "To try and advocate for the global climate change but will not have much impact in changing the world CO2 emissions"
- "They are making a big mistakes, and their decision is based from being misinformed"
- "To take away the power from Eskom to provide for a basic need and introducing a capitalist component to the energy sector for only the betterment of the elite"
- "It's due to age and accepting deals they had no business taking"
- "The premature decommissioning is due to the pressure from the west and other imperialist states who control instruments like carbon tax and other means to force their will, they want the coal for themselves hence there may be no decline in coal export in fact there may be even a rise in the coal that South Africa exports which is a contradiction to their green goal"
- "To join the unsustainable green power. To do more corruption on tenders. To try and minimise carbon footprint that is not questionable in big corporations".
- "I think it's all about politics and power that the government has but without the full information on how it would affect the working class and their families. At least it would be fair if the station closes temporarily for refurbishment and serious upgrades that will run for the next generation and the next".

These critiques and doubts surrounding plans for decommissioning were also articulated

when respondents were asked if they think the government would create new job opportunities through renewable energy across the country or in Mpumalanga province. 73.5% did not think renewable energy jobs would be created in Mpumalanga and 77% did not foresee renewable energy jobs emerging at the national level.

Chart 10: Do you think the government will create new job opportunities through renewable forms of energy on a national level?

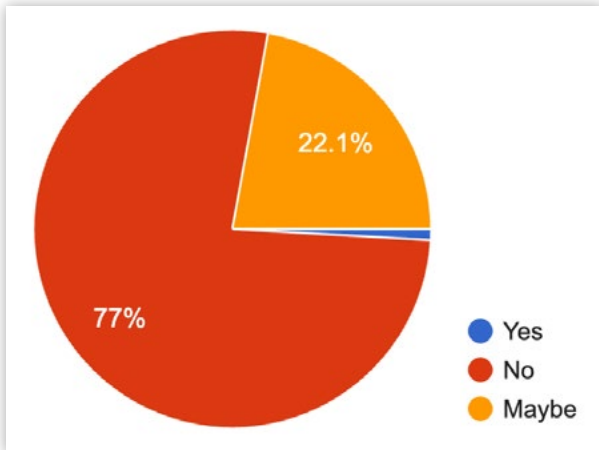
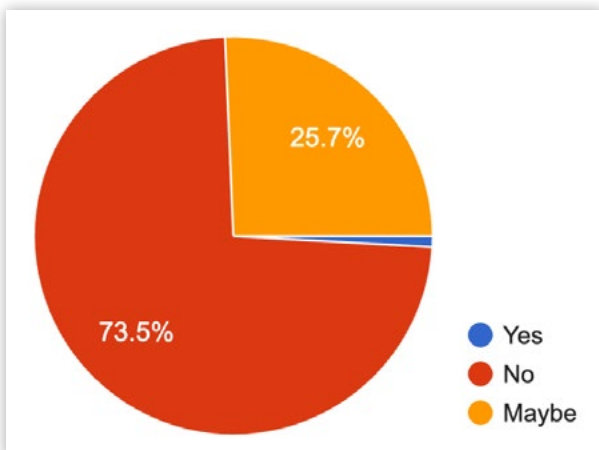


Chart 11: Do you think the government will create new job opportunities through renewable energy in Mpumalanga province?

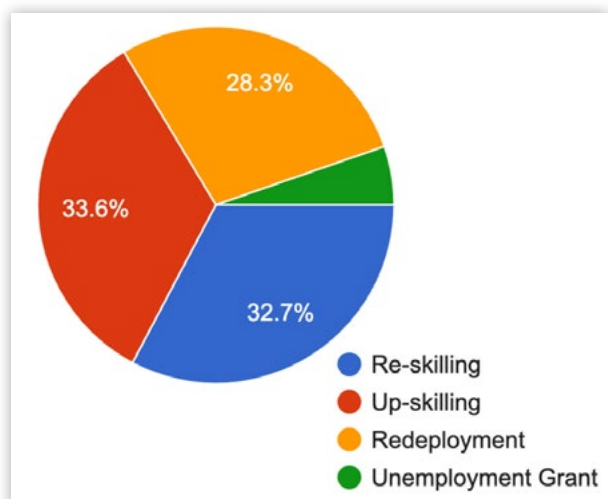


When asked what impacts the shutdown of Camden would have on Ermelo's economy, the vast majority of respondents answered painted a grim future for the town's economic survival. Responses included:

- "Job losses as most of Ermelo's residents work at Camden, also small scale businesses are going to deteriorate resulting in economic losses".

- "Very bad ! Due to Camden being the major company that almost 40-50% of the Ermelo community is working for Camden .Growing up in Ermelo I have experienced this when Camden was first shut down. The town became a ghost town. business's shutting down, families go hungry".
- "Jobs will be lost, businesses will suffer, Camden itself will never produce as much power as it is currently producing. Billions will be wasted through incomplete projects".
- "The economy will fail, turning Ermelo into a ghost town, forcing many families to relocate for the sake of survival. But leaving behind those that can't provide for themselves this will create a dysfunctional town full of crime and unemployment".
- "It will definitely have a negative impact on Ermelo's economy. The following will happen: most stores and garages will be closed, most flats and houses will be unoccupied. Crime will surge. Most nanny's, garden workers and cleaners will also lose their jobs etc".
- "Job losses, poverty, unstable communities, immigration and small business shutdown".
- "Employment disruption, threats to informal livelihoods, wider regional impacts, economic fallout, social safety nets will be under pressure".
- "A lot of people will lose their jobs, SMEs will lose income, households will lose support from SMEs and from the people who work at Camden and crime statistics will increase".

Chart 12: How can the government protect worker livelihood when decommissioning?



With job security, the potential for rising unemployment and sustaining economic activity in Ermelo being central concerns for workers, re-skilling, up-skilling and redeployment to other power stations stood as the most preferable options for safeguarding livelihoods. Numerous responses proposed comprehensive forms of social protection for communities surrounding power stations like Camden. Such responses included:

- "Psychosocial services: Counseling and mental health support for affected families".
- "Community engagement platforms: Like the Komati Stakeholder Engagement Plan, which includes unions, local leaders, and NGOs".
- "Public works programs: Temporary employment in environmental restoration or infrastructure upgrades"
- "Repurposing of decommissioned sites: Into hubs for agriculture, manufacturing, or clean energy projects"
- "Support for small businesses and cooperatives: Especially those led by women and youth".
- "Infrastructure investment: Roads, digital access, and utilities to attract new industries".
- "Income support for workers and households, job transition and retraining programs, support for informal and community-based enterprises, youth and education support, mental health and psychosocial support, community infrastructure investment, legal and governance protections".
- "Upskilling of communities, access to affordable and available energy, offer bursaries, construct and support small business in Ermelo, create jobs through youth employment programs".
- "Health care support, housing improvements, employment and retraining programs, education support, skills development, community development projects, job security for all, environmental rehabilitation, safe working conditions".
- "Health care facilities, transportation, water and sanitation and social insurance".

The final two questions of the survey asked *What are the minimum requirements for workers before decommissioning can take place?* and *what do you understand by the term "just energy transition"?* The answers to both these questions can be an illustration of how energy sector workers (due to the structural weaknesses of organised labour as a result of crises in South Africa's political-economy) lack a coherent political agenda or clear proposals i.e a "workers vision" of the just energy transition. Developing minimum requirements is a process that would need extensive research, deliberation, debate and consensus building across not only rank and file but leadership at local to provincial and national levels. But once again, political malaise and passivity stand as obstacles to the effective organisation of workers around issues that may not easily appear as urgent.

Of course compounding the dilution of worker agency and trade union muscle is the remarkably poor communication emanating from Eskom management or government agencies and departments at the forefront of leading the energy transition. The paucity of the stakeholder consultation process for JET projects such as Komati restrains the ability of trade unions and community organisations to effectively develop their own demands and advocate for their interests.

Although some responses simply answered "Do not decommission" or "I say no to decommissioning so I won't entertain this question" in regards to what workers needed to be assured of before Camden's closure, there were numerous answers that point to a potential set of demands that will emerge as the deadline for Camden's decommissioning draws close, these included:

- "Job security, sustainable JET projects, long-term corporate investment in local projects. Allow workers to study further in alignment with JET projects"
- "Find a solution as to how they will assist with bonds since most people will most probably be redeployed and give specifics as to how they will assist employees with moving their families because most families are based here and should there be deployments

- employees need to move with their families”
- “Be transparent about the exact plan to de-commission and the exact dates thereof so people can decide and plan accordingly and be transparent about the types of clean energy they plan to introduce in the power station and how many people will be affected by the transition”.
- “They need to be well-informed and upskilled prior to the station shut down. The proposed workforce/ departmental structures need to be made available to the employees including the requirements for the positions to allow employees to make informed decisions regarding the direction of their further studies”
- “Decommission one unit at a time and conduct refurbishment and prove with power stations like Komati how reliable is green energy”.
- “Skills development and retraining, employees job security, fair compensation and benefits”.

Definitions of the just energy transition ranged from simplistic and technical to highly contentious and overly political, these included:

- “The transition is meant to benefit the 1%. It will only be fair if it was going to create more job opportunities”.
- “Moving to produce electricity using green technologies. However Eskom management has only shared certain technologies that they are looking at , there has been no or little communication with regards to human resources that are needed during the just transition and how the new technology influences the current department and structures”.
- “It’s a process for a societal shift to a more sustainable, green economy that prioritizes social justice, equity and the well-being of workers and communities dependent on fossil fuel industries”.

- “A movement to encompass a range of social interventions needed to secure workers’ rights and livelihoods when economies are shifting to sustainable production”.
- “Addressing climate change while ensuring equity for workers”.
- “It is a term to blind individuals to overlook the real implications of energy transition, making it sound harmless but it is very disruptive”.
- “It is merely an idea suggesting that this transition to renewable energy will not affect the people whereas as a matter of fact, it will bring many injustices, poverty and may even plough the country into darkness”.
- “Shifting towards a sustainable economy in a fair and inclusive way for all, particularly workers”.
- “A just transition is a principle and process that ensures the shift from a high-carbon economy to a low-carbon, sustainable one is fair, inclusive, and equitable—especially for workers, communities, and sectors most affected by climate action”.
- “Its just a fancy name they use to privatize energy and introduce private owners with their solar and wind energy which is not sustainable for the economy”.

These answers demonstrate that workers are willing to build their professional skills and capacity in order to be a part of the energy transition, so long as the transition is a process that is shaped in close consideration of their interests. Currently, it appears decarbonisation is gradually unfolding whether workers like it or not, their benefit or detriment being irrelevant.

PART 4:

**WHAT HAPPENED AT
KOMATI POWER STATION?**

In October of 2022 the final unit at Komati Power Station went offline and the coal-fired power plant was officially retired. In November of that same year Eskom announced the World Bank's approval of a [\\$497 million concessional loan facility](#) to support not only the decommissioning of the Komati plant but to provide financing for the repurposing of the station with renewable energy and batteries, while creating employment opportunities for workers and communities surrounding the ageing plant.

Initially this loan was met with great enthusiasm by the presidency of South Africa and executive leadership at Eskom. According to the World Bank, if Komati's decommissioning and repurposing was successful "the project could provide a blueprint for a just energy transition in South Africa and beyond". This optimism was echoed in the chambers of Eskom's executive leadership, with Mpho Makwana, Chairman of the Eskom Board, claiming that "This is a significant development for South Africa's Just Energy Transition to renewable energy as it brings the much-needed funding to enable Eskom to train its employees and members of the host communities to empower them to continue playing a central role in the provision of clean energy for the country".

Rather than serve as a useful blueprint for a substantially just transition, Komati's decommissioning and repurposing has proven itself to be a harsh lesson in the technological, economic and political obstacles to be faced when pursuing a transition away from coal within a neoliberal paradigm of macroeconomic and energy policy. A [2023 report by the Presidential Climate Commission](#) (PCC) revealed the severe short-comings of the Komati decommissioning project. Key findings within the PCC report demonstrate a lack of cohesive planning from Eskom and government departments, poor timing and sequencing in regards to the plant's closure, the absence of meaningful engagement with communities and workers in the decision making process and the project's scope being too narrow, resulting in significant job losses and a lack of substantive economic opportunities for communities around Komati.

Speaking at an [Eskom stakeholder engagement in November of 2022](#), Mr Shabangu, a resident within the Steve Tshwete Local Municipality, captured the anxieties and fears of his community regarding the JETP and Komati's closure and asked "*Is the transition just? You only took care of Eskom employees when you closed the power station, why? Why are institutions of Just Transition and reskilling not here? Why are you only now planning for decommissioning now? What if this meeting says we don't want the decommissioning? The big bosses and capitalists have already made decisions. Our economy is in tatters. The coal mines are closed already. The JT is lying when they say local people will benefit*".

Almost 3 years have passed since Komati's decommissioning, with repurposing currently underway, and numerous actors within government, energy sector trade unions and local communities are considering the project a failure. Speaking at a conference organised by one of Africa's largest banks, Standard Bank, Eskom's Chief Executive Dan Marokane called the Komati repurposing project "[an unmitigated disaster](#)". Leading a World Bank team on a site visit to Komati to directly engage with workers and community, with World Bank project officers describing the visit as "[a sobering experience](#)" for the Washington based institution. "There is now no confusion about this. All of us are now aligned that we should not repeat Komati," Marokane said in July of 2024.

As a result of controversy around Komati and several years of heightened loadshedding (planned national electricity blackouts) resulting from precarious energy supply and security, the South African government took the decision in the early months of 2024 to delay the decommissioning of the power plants Grootvlei, Camden and Hendrina. These three stations were initially flagged for retirement between 2023 and 2027, but following consultations with the executive branch of government and the country's Department of Minerals and Energy, in May of 2024 the [Eskom Board announced it would delay power plant decommissioning to 2030](#). The decision to delay coal-fired power plant closure and the description of Komati's

repurposing as a “disaster” are a compelling demonstration of the difficult weigh-ups required in the pursuit of a just energy transition.

Located in Mpumalanga (once known as the Eastern Transvaal), within the Nkangala district of the Steve Tshwete Local Municipality, [Komati power station was commissioned in 1961](#) with nine coal-fired generators and possessing twice the capacity of any existing power station in South Africa at the time. According to Eskom “Komati’s ultimate capacity was to be 1 000 kW produced by five generators (No’s 1 to 5) of 1000,000 kW each and four generators (No’s 6 to 9) of 125,000 kW each”.



Aerial view of Komati Power Station

Considering the capacity and size of Komati, it is unsurprising that the power station’s construction and operation created not only jobs but drew in migrant labour and established new communities in Mpumalanga. Due to historically requiring vast amounts of fuel and water, Komati power station is located next to two mines, the Koornfontein and Blinkpan Collieries. Employees who operated and controlled the station lived in the power station village. When complete, an estimated 500 employees occupied this power station village, with living quarters and compounds segregated along racial lines. Vendors, merchants and retailers from surrounding areas such as Middleburg, Witbank and Bethal were a common presence at the power station village, providing goods and provisions of food and clothing.



Aerial view of Komati Power Station demarcating a residential compound

In the mid-1980s Komati was mothballed (temporarily shutdown) primarily due to excess capacity alongside increasing maintenance costs and a decision to prioritise putting newly built power stations into commercial use. Eskom deployed numerous methods to conserve Komati power station, such as passing dehumidified air through boilers and the use of vapour corrosion inhibitors (VCI). But by the 2000s the power station was gradually brought back into service and by the end of 2012 all nine coal fired generators were brought back online.

Between 2017 and 2022 all nine Komati generators were removed from operation. In the midst of this process, the 2019 Integrated Resource Plan flagged Komati for decommissioning but this timeline was eventually pushed forward, with decommissioning to unfold between 2022 and 2023, according to Eskom’s Emissions Reduction Plan. As units at Komati were being shut down, spares and plant equipment were removed and transferred to other units and power stations. It is important to note that jobs which supported the power station began to decline over this period. In 2017 Komati employed approximately 1600 workers and by the time of its official closure the station had 189 permanent workers and 364 contractors, totalling 553 workers.

Part 4.1: Komati and the Just Energy Transition Partnership:

Established in 2020, [Eskom's Just Transition \(JET\) Office](#) positions itself with the objective of reaching "Net-Zero" carbon emissions by 2050, anchored by a focus on preserving jobs and creating new but sustainable job opportunities. Compounding this central objective is a focus on utilising the transition to achieve greater air quality, efficient water usage and the preservation of South Africa's biodiversity.

The process of Komati's decommissioning began with Eskom commissioning a [socio-economic impact study in 2020](#). This would entail a series of stakeholder engagements, although the initial consultations were limited in scope and did not involve Komati workers or broad community feedback. The [2nd round of consultations](#) however did include:

- Local government representatives (Steve Tshwete, Nkangala, Gert Sibande)
- Provincial government representatives (Emalahleni, Mpumalanga Provincial government)
- Community members
- Small businesses
- Non-governmental organisations and farmers
- International representatives (British High Commission, COP26 Delegation and the Ambassador of Spain)

Other significant layers of consultation included Eskom's own engagement with the national departments of government such as the department of Forestry, Fisheries and Environment, the department of Trade, Industry and Competition and the department of Mineral Resources and Energy. It is vital to highlight that in June of 2022 a focus group was conducted with community representatives and NGO's, with many expressing deep concerns as to how the shut-down of Komati would "impact livelihoods, local businesses, the tax base and crime rates".

Following this series of consultations, the first repurposing project began at Komati in May of 2022. Aiming to complement this process were plans to train workers at Komati

and produce microgrids on site with the aim of employing 500 people. This was to be achieved with a partnership of Eskom with the South African Renewable Technology Centre and the philanthropically funded Global Energy Alliance. Ultimately these two entities would work with Eskom to develop a new renewable energy skills training facility at Komati. With the repurposing project initiated Eskom began negotiations with 236 permanent workers at Komati and 133 Eskom Rotek Industry workers, alongside consultations with trade unions to evaluate and discuss transition options for employees.

Towards the end of 2022, Eskom's request for financing Komati's shut-down and repurposing was [approved by the World Bank](#).

Komati World Bank JET Project Financing Breakdown	
Traditional Loans	90%
Concessional	8%
Grant Funding	2%

A critical question for this study and review is where this financing came from. [Reports reveal](#) the division of the funding as such:

- US\$439.5 million provided by the International Bank for Reconstruction & Development
- US\$47.5 million provided by the Canada Clean Energy and Forest Climate Facility (Administered by the World Bank)
- US\$10 million in grant terms provided by the Energy Sector Management Assistance Program (Administered by the World Bank)

Eskom has produced a plan, within the Komati Just Energy Transition Project, in alignment with its financing agreement with the World Bank. The financing agreements between Eskom and the World Bank became effective on 28 July 2023. Procurements regarding the project at Komati are underway, though reports indicate that Eskom has implemented some activities in advance.

Figure 1.16: Komati JET Project Financing Breakdown (Source – World Bank)

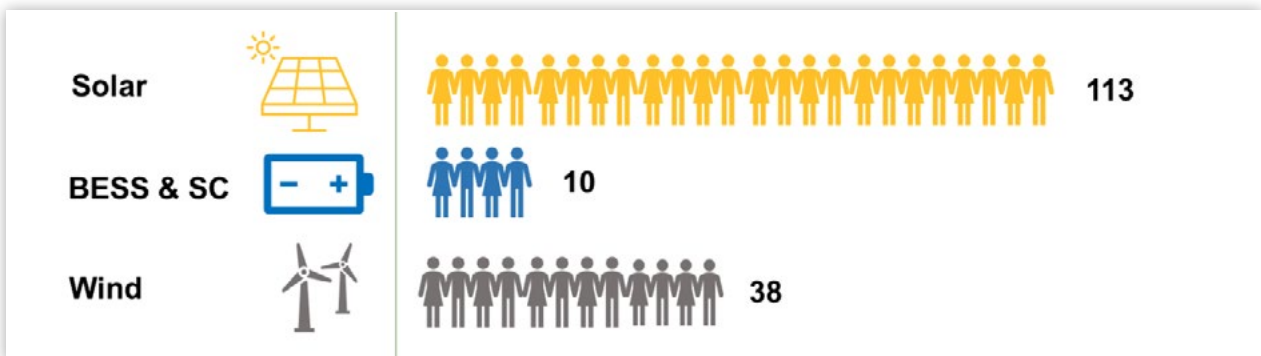
Table 3: EJETP Components, Cost Estimates and Finance Source

Financing Source	Component A - Decommissioning	Component B - Repurposing	Component C – Opportunities for Workers / Communities	Total
IBRD	30,000,000	388,700,000	20,800,000	439,500,000
CCEFCF		21,300,000	26,200,000	47,500,000
ESMAP	3,500,000	6,000,000	500,000	10,000,000
Subtotal	33,500,000	416,000,000	47,500,000	497,000,000

The Komati Just Energy Transition Project contains three components for the Komati shut-down and repurposing:

- Component A**—Decommissioning the power plant with a funding allocation of US\$33.5 million. This process entails shutting down Komati, disconnecting it from the energy system and conducting demolition and blasting activities alongside site rehabilitation. The timeline for this first component is 4 years with a 1.5 year preparatory phase and a portion of financing is geared towards grants that will support decommissioning.
- Component B**—Repurposing Komati with a hybrid of renewable energies (solar, wind, batteries and synchronous condensers), with a funding allocation of US\$416 million. Eskom's JET office has highlighted that the repurposing component occurs in conjunction with component A. Total planned capacity under Component B is 150 MW of solar PV (generating by 2024), 150 MW of batteries and 70 MW of wind (generating by 2025). As a part of this component, Eskom has announced investigations into public-private-partnerships (PPP's) for renewable energy generation at Komati.

Figure 1.17: Estimated number of jobs that will be created as part of the renewables repurposing options at Komati Power Plant



Estimated number of jobs that will be created as part of the renewables repurposing options at Komati Power Plant:

Component B unfolds in two phases, occurring during and after Komati's decommissioning. The first phase centres around rapidly developing Eskom's new generation capacity through constructing renewable energy technologies on the outer areas of Komati where there is no or very limited infrastructure. After the installation of solar PV, wind and battery technologies (utilising infrastructure provided by Eskom e.g. cable routes, transformers, access roads),

phase 2 will install additional capacity of 50 MW solar PVs and 20MW wind. This phase of repurposing can only occur once the Komati plant and its facilities are demolished and its ash dams rehabilitated. In total this repurposing effort will produce 492 GWh of energy annually.

In order to gain optimal electricity production and maintain power system flexibility, renewable energy production at Komati will not deliver power directly to the grid

but rather ensure power is available to batteries supporting Eskom and only provide excess power to the national grid. A total of 370 MW of renewable technologies are to be installed at Komati, costing R6.5 billion (US \$410 million). To heighten its capacity in conducting repurposing projects and managing socio-economic impacts, Eskom has taken the decision to finance, own and operate the renewable technologies of Komati. What remains remarkable is the utility acknowledging what it perceives to be the great potential of private sector involvement in the decommissioning and repurposing of other coal-fired power plants. Eskom views this as an avenue of collaboration to minimise socio-economic risk while easing impacts on Eskom's balance sheet and the national fiscus. Therefore, the Komati Just Energy Transition Project will provide US\$3 million of grant financing to give financial room for Eskom to procure the services of a financial advisor to assist in facilitating private sector participation or PPP financing for decommissioning and repurposing that will occur over the next decade.

As demonstrated in the table below, 11 interventions are contained within Component B, with the final integrated report on the Socio-Economic Impact Study for the Shutdown and Repurposing of Komati Power Station stating that these interventions will create an estimated 2200 direct jobs and 5300 indirect jobs during the construction phases of repurposing. The Socio-Economic Impact Study notes that these jobs will be temporary in nature and once projects become fully operational, 537 direct jobs and 1489 indirect jobs will be created, overall producing 2026 jobs within 3 to 5 years.

The report further notes that "Until then, the employees of the power station will be seconded, retained for the transition period or transferred to other facilities while being re-skilled and upskilled to take up new opportunities." Furthermore the study acknowledges that the number of new jobs to be created (2026) is indeed lower than the total of indirect and direct jobs that were expected to be lost due to Komati's closure (4166).

- **Component C**—Funding in this component (US\$ 47.5 million) of the project is dedicated towards reducing the social and economic

impacts of decommissioning, while aiming to create economic opportunities for communities and jobs for workers. According to the Presidential Climate Commission "Eskom is in the process of appointing an implementing agent for Component C to support Eskom's Just Energy Transition Office with planning, coordination, and partnerships between relevant government departments, civil society, and private sector agencies in the implementation of the planned activities". Following the appointment of the agent for Component C, Eskom will then determine whether additional activities will be implemented and carried out after consultation with local and provincial government authorities, alongside other stakeholders such as local communities and trade unions.

For the objectives of this review, it is vital to briefly summarise precisely what transition support was outlined in Component C. Firstly in terms of the transition for Komati's workforce, four options were provided to permanent staff and ERI workers:

- Transfers to other Eskom-owned power stations
- Reskilling and upskilling for deployment to the repurposed renewables
- Secondments to other critical Eskom projects and operations
- Voluntary separation packages

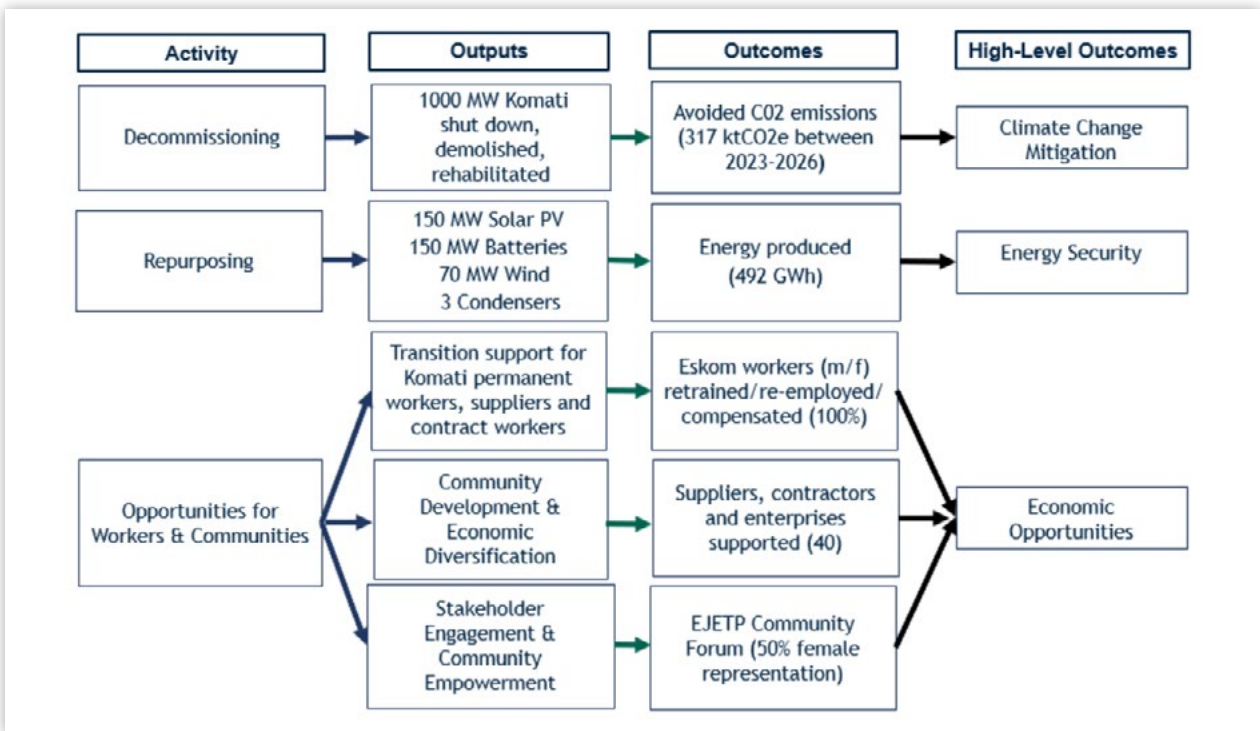
According to Eskom and World Bank reports, consultations with trade unions and employees began in May of 2022, providing employees with transition options and at the time of reporting it appeared that the preferred option was transfer to other Eskom operations or sites, alongside reskilling and upskilling for redeployment in the renewables. A second feature of Component C was the commitment to support suppliers and contract workers, in line with Eskom's localisation framework (produced with the objective of leveraging Eskom's procurement spending to soften the blow of plant closure impacts on its suppliers and contract workers). These measures include:

- Assessment of potential contracts, supply requirements, workforce needs for decommissioning and repurposing components
- Development of business plans for the localisation of priority commodities (e.g., steel structures, battery chemistries for battery energy storage systems, PV panels, inverters, demolition and rehabilitation works etc.)
- Trainings and assistance for supplier development and entrepreneurial activities

A significant aspect of Eskom Just Energy Transition Project is the establishment of the Komati Training Facility (KTF) in partnership with the South African Renewable Energy Technology Centre (SARETEC), with the facility

initially functioning as a satellite SARETEC campus for a transition period of 2 years. World Bank reports indicate that the training will be specialised, industry-related and accredited, with participants comprising Eskom employees, ERI workers, contract workers and local community members. Existing buildings and warehouses at Komati will be refurbished and repurposed to house the training facility. It is within the two-year transitory period that Eskom will require the needed capacity and accreditation through its Academy of Learning and Training of Trainers Program. Furthermore, the Eskom JET office has indicated that admission criteria, fee structure, scholarship and subsidy schemes will be finalised throughout the project's implementation.

Figure 1.18: Eskom Just Energy Transition Project Results Chain



Part 4.2: Where are the climate jobs?

In a meeting with the Presidential Climate Commission (PCC) in October of 2023, Eskom provided valuable information concerning the progress of the Komati Just Energy Transition Project. The utility reported that it estimated that 1500 to 2000 direct, indirect and induced jobs will be created in the next 3-4 years.

When assessing the initiatives of Component C and available information on their progress, it becomes clear that the proposed extent of plans have been hindered by remarkably slow-implementation and are narrow in range in terms of positive outcomes for the communities surrounding Komati.

[Eskom maintains that many Komati workers were deployed](#) to other sites of the utility and that 159 workers were retained during the ongoing transitory period to support activities such as auxiliary plant operations, maintenance and operation of water management systems etc. Beyond this Eskom reported to the PCC that staff at Komati is estimated to increase to 167, with a significant portion of these workers to be upskilled/reskilled in activities regarding renewable energy.

Reports and statements by Eskom to the media and general public greatly overlook outsourced workers who provide various services such as maintenance, security, cleaning etc. Here we encounter conflicting reports on the extent to which jobs were lost at Komati in the lead up to and during the decommissioning process. The World Bank's 2022 report on the plant's closure reports 292 contract workers at Komati and a total workforce of 661 employees. According to Mpumalanga Premier Refilwe Mtshweni-Tsipane, who had engaged the PCC in the lead up to the publication of its report, Komati endured heavy job losses. The Premier claimed that "We have lost quite a substantial number [of jobs]. There were about 1 700 people there. Today we are talking about 174," she said. Responding to such criticism, Eskom indicated that when the last unit of Komati was decommissioned in October 2022, there were 189 permanent employees and 364 contractors. However, [Eskom contradicted](#) its own figures in that same month by reporting that at the time of closure, 236 full-time Eskom employees worked at Komati, along with an additional 534 contract employees. Conflicting figures aside, it is abundantly clear that hundreds of outsourced jobs were lost at Komati station.

In a 2022 article of Amandla Magazine

titled [Komati Decommissioning: A Spectre due to Haunt the Just Transition](#) Brian Kamanzi, a Energy Policy Research consultant with Trade Unions for Energy Democracy, unveiled the profoundly concerning absence focused concern and consultation with outsourced workers at Komati in the months leading up to the plant's closure. "From February to June 2022, I led a team with the Institute for Economic Justice, invited by the National Union of Mineworkers, providing support for a group of workers on issues relating to the transition at Komati. The majority of the group were outsourced workers, providing a range of services from plant maintenance to cleaning. They consistently expressed anger and confusion around the looming closure—many had not been consulted at all". The deeply worrying realities of Komati's closure were conveyed across civil-society organisations and social movements.

In November of 2022 the United Front, an association representing several community organisations, collaborated with the University of Johannesburg Centre for Social Research and Practice [released a report](#) harshly criticizing what they describe as the elitist conception of the just energy transition advanced by the Komati Just Energy Transition Project. In particular they highlight the severe neglect of outsourced workers, arguing that "the planned mitigation will involve the reskilling of permanent Eskom employees, defined as 'internal' stakeholders in the report, and neglect the most vulnerable group among employees, namely, contract workers. This follows the pattern at Hendrina Power station when two units were closed some years ago, provision was only discussed for Eskom employees, thus neglecting the majority of the workforce who were contract workers".

Part 4.3: Current developments at Komati

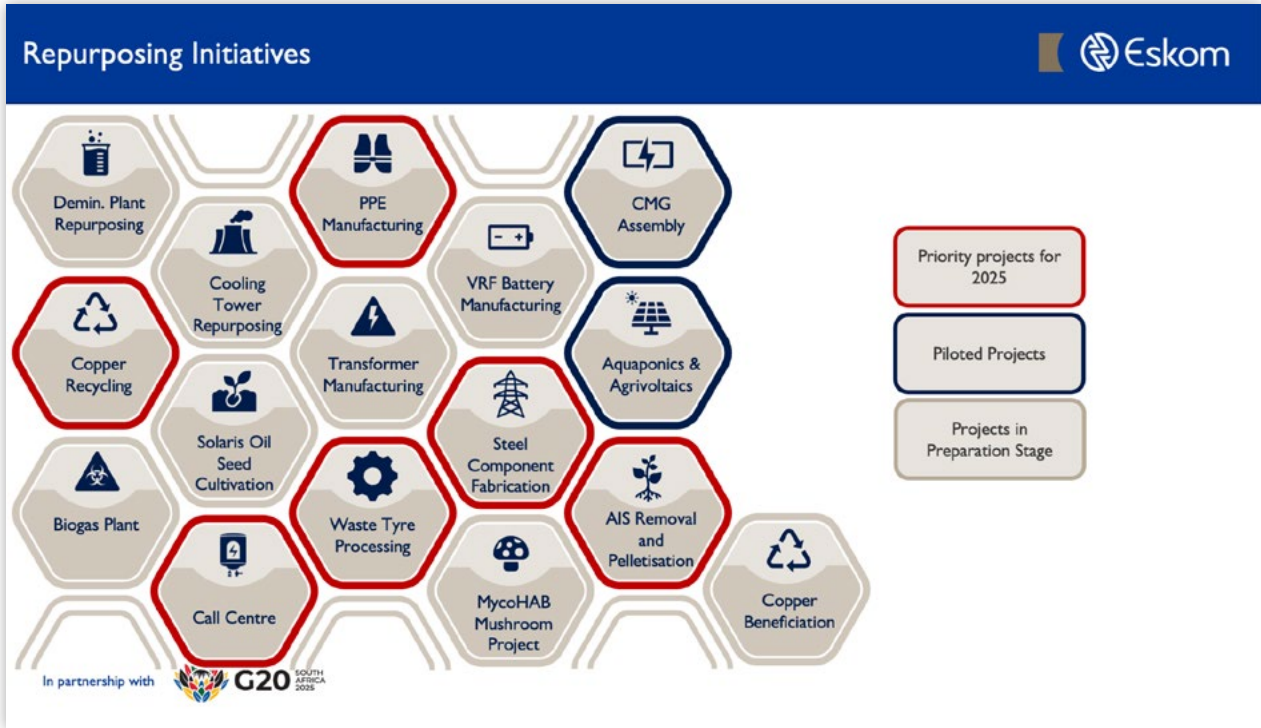
During a field trip to Komati power station in September of 2025, the AIDC, alongside shop stewards from the National Union of Mineworkers, was able to gain clarity on the progress of Komati's repurposing efforts. Komati management identified a lack of policy-

planning at the higher levels of government and restrictive access to funding as the central obstacles which delayed repurposing efforts and narrowed the scale of job creation and re-skilling. Current efforts are focused on skills development, economic diversification and

continuous stakeholder engagement. The demolition projects of Component A will no longer take place and the 70MW of wind projects planned in Component B have been shelved

due to concerns raised by Eskom regarding the risks wind turbines pose to transmission infrastructure in Komati village.

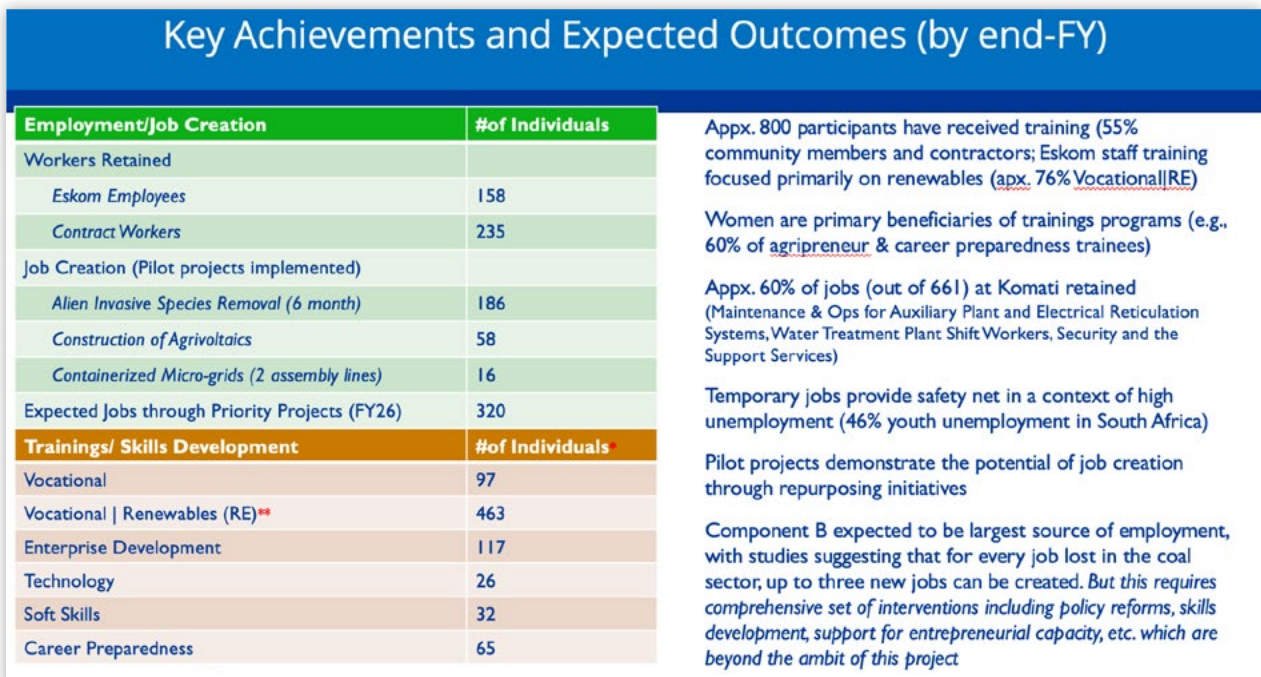
Figure 1.19: Current repurposing initiatives at Komati (Source – Komati Eskom Management)



According to Komati's management 320 jobs are expected for the 2026 financial year and 162 jobs were retained, although this figure

fluctuates due to ongoing initiatives across the components of the Komati project.

Figure 1.20: Project progress and projected outcomes at Komati



PART 5:

INTERNATIONAL EXPERIENCES OF DECOMMISSIONING AND THE JUST ENERGY TRANSITION: SPAIN

While South Africa's launch and entrance into the Just Energy Transition Partnership can be described as unprecedented, it is not the first country to decommission coal-fired power stations in the pursuit of decarbonisation and a transition to a low-carbon economy. Currently Spain stands as one of the countries at the forefront of the global energy transition, undertaking significant efforts towards the development and deployment of renewable energy, particularly wind, solar and renewable hydrogen. According to the European Science Communication Institute, in four years the country's share of renewable energy generation "rose from 37% to 50%, while non-renewables dropped from 62% to 49%".

Spain's shift towards renewable energy is remarkable in how the country's efforts have been grounded by a mandate to ensure job creation, local economic diversification and mitigate the socio-economic risk of an energy transition for impacted workers and communities. In 2022, the Spanish renewable energy sector was responsible for more than 130,000 jobs, out of which 80,000 were direct jobs. In comparison to the previous years, the employment in Spain's renewable energy sector increased [considerably](#). Randstad Research released a report in 2024 titled the Labor Market in the Energy Sector, revealing a 13.3% increase in the Spanish energy sector as compared to 203.

The relative success of Spain's ongoing energy transition—which has unfolded over decades—can be attributed to effective legislative and policy reform, cohesive planning and collaboration by government at the national, regional and local level, extensive public participation to inform policy and projects, alongside various key actors reaching consensus and firm agreement on the pathways towards a low-carbon economy that does not come at the risk of workers or their communities. How did this process unfold and what insights can be gained for the South African context?

In 2018, Spain had 15 coal power plants in operation with a total installed capacity of 10 GW, accounting for 9.5% of the installed power nationwide. Overall, coal-fired power plants emitted more than 40 million tonnes of CO₂ per

year. Spain's coal industry however has been declining since the late 1990s, driven by a series of external economic factors, government policy and European Union directives. For example, coal mine employment shrunk from 45,000 in 1990 to about 1,700 in 2021. In 2018 coal-fired power stations provided 3000 jobs (direct and subcontractors).

The country's shift away from coal-dependency results from a series of [external and domestic developments](#), but the driving force was Spain's ratification of the Paris Agreement. Other concerns were centred around achieving climate neutrality by 2050, increases in the price of coal and a fear of its economy losing a competitive edge due to the growth of renewables in Europe. Also significant was growing public concerns around environmental degradation as a result of coal production. Currently "All coal-fired power plants in the country have either now been closed, are in the process of closure or are subject to short-term closure plans, with total coal closure expected around 2025".

As was the case in South Africa, the closure of coal-fired power stations in Spain triggered economic anxiety in regions that had been for decades dependent on coal, with fears of rural depopulation and sharp rises in unemployment. Since 2018 the Spanish government, specifically the Ministry of Ecological Transition and Demographic Challenge, produced a series of new policies and laws to initiate an energy transition. 2019 saw the introduction of the [Just Transition Strategy](#), providing a structured, participatory process to protect coal miners and power plant workers while ensuring a plan for the economic future of coal regions. This plan incorporated the obligation to approve just transition strategies every 5 years and was complemented by:

- The Climate Change and Energy Transition Law
- National Integrated Energy and Climate Plan
- The creation of the Just Transition Institute, founded in April 2020 and given a mandate to develop and implement policies through Just Transition Agreements.

To confront the short-term obstacles resulting from coal mine and power plant closure, the Spanish government developed an Urgent Action Plan, which outlined objectives such as guaranteeing that workers who lose their jobs in mining companies will be adequately compensated and maintaining employment for the mining regions in the short term through the Mine Restoration Plan, the Renewable Energy and Energy Efficiency Plan, and other plans to be developed with the mining municipalities.

A vital policy and governance instrument produced by Spain's Just Transition Strategy and Urgent Action Plan are its [Just Transition Agreements](#), described as a "co-governance tool to ensure commitment and coordination of public administration at the local, regional and national level". Notably these agreements are shaped on extensive public participation and continuous socio-economic assessments with implementation of the agreements taking form as action protocols. Currently 15 action protocols (enforced at local, regional and national levels) are being enacted, with 2000 contributors from numerous social actors (business organizations, trade unions, women's associations, training centers etc) shaping the process of implementation. Contributing to the process of public participation are continuous monthly gatherings at previously coal-dependent municipalities, with up to 500 representatives of various organizations engaging and receiving periodic updates from Spain's Just Transition Institute in the form of a newsletter with more than 2700 subscribers.

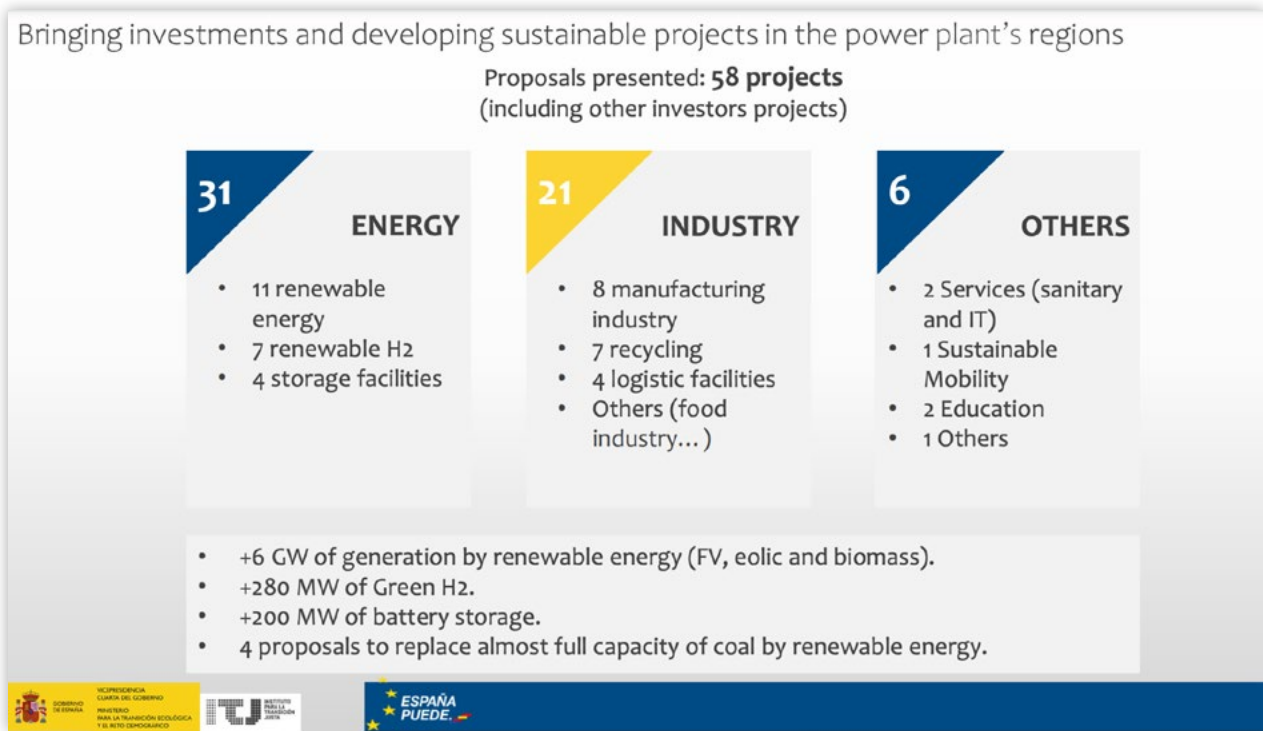
The most significant development that requires this study's attention is the [2020 Agreement for a Just Transition for Coal Power Plants](#), formed by Spain's Ministry for Ecological Transition. Power companies (which operate the coal-fired power plants that are either shut-down, repurposed or in the process of decommissioning) that signed the agreement on 17 April 2020 were Endesa, Iberdrola and Naturgy. These power utility companies operated 12 plants, employed 2300 workers and produced 7.8 GW of power. Organized labor

signed onto the agreement in 2020, those being the Federation of Industry, Construction and Agriculture of the General Union of Workers (UGT FICA) and Spain's largest trade union the Workers' Commissions (Spanish: Comisiones Obreras, CCOO). Following these initial sign-ons, EDP (a global energy company) joined the agreement on the 24th of March 2021, thereby covering all 15 power plants, 3000 workers and 10GW of power. Besides, the Ministry of Ecological Transition, Spain's Ministry of Labour and Social Economy is a signatory as well.

The Agreement for a Just Transition for coal power plants divided responsibility amongst state, energy companies and trade unions:

- **State administration entailed:** Establishing a special register at the Institute for Just Transition so that affected workers could obtain qualification and job support (with special measures for workers over 52)
- **Energy company responsibilities:** Submission of a support plan that maintains employment through relocation of workers. Giving employment priority to workers in ancillary companies and providing new investment proposals in impacted regions.
- **The role of trade unions:** Monitor and ensure compliance to the commitments of the agreement. Facilitate training in occupational health and safety while conducting community outreach (public education on the transition for local municipalities and education for workers at a regional and national level) while collaborating with the state and energy companies to promote local re-industrialisation on the basis of renewable energy jobs and infrastructure.

Currently there are 58 project proposals presented by energy companies (within affected power plant regions):



To re-activate economic activity and build an industrial value chain, legal reforms were enacted in 2020 that ruled for electricity grid access alongside capacity to be freed up after the closure of coal-fired power plants, which would be awarded through tenders in Just Transition nodes, otherwise known as Just Transition Tenders in Spain. Rather than award these tenders solely based on commercial and technical criteria, the Just Transition Strategy mandates that projects promote employment (with a heightened focus on coal-workers and women), re-skilling, localized investment and large-scale industrial projects. After 40 years of operation the Andorra coal-fired power station, located in the province of Teruel, was decommissioned in 2022 with a series of renewable energy projects to be developed on site. Once producing 1,050-MW of capacity, 1,487 billion euros has been directly invested to develop 1585 MW of solar, 139 MW of wind and the building of a large-scale energy storage system of up to 160 MW.

Currently 250 workers are directly involved in the Andorra project, which will continue until 2025. More than 4000 workers will be needed to build new facilities and 500 workers will operate and conduct maintenance of the site over the next 25-year period. Another illustrative example of coordination towards breaking coal dependency and protecting or creating new green jobs is the announced commitment by the Spanish multinational electricity Endesa to finance the construction of training facilities as it dismantles its coal-fired power plant in the municipality of Carboneras.

PART 6:

DE-RISKING THE JUST ENERGY TRANSITION

Speaking in 2023 at the New Global Financing Pact Summit, held in France, president Cyril Ramaphosa told summit attendees that beyond the \$8.5 billion already pledged through the JETP, [South Africa would need up to \\$98 billion \(R2 trillion\)](#) to accelerate South Africa's just energy transition. These are the kinds of colossal levels of investment required for the rapid development and deployment of renewable energy technologies and construction of green

infrastructure. To solve the issue of limited fiscal space and massive investments required for decarbonising economies, policymakers are promoting the mobilisation of private finance as a remedy to the climate crisis. As embodied in the JETP, private finance as investment is a broad category which includes the utilisation of private equity funds, investment banks, asset managers, insurers etc.

Financial Instruments of the JETP

- **Concessional loans:** Loans provided on more favourable terms than what a borrower could obtain in the market place e.g below market interest rates or long grace-periods.
- **Commercial loans:** Credit provided on substantially less generous terms than concessional loans, with market-based interest rates.
- **Investment guarantees:** Insurance against noncommercial risks provided for an investment outside the investor's own country as compensation for losses sustained by their investment, against pre-designated premiums.
- **Grants:** Funds provided with no expectation of repayments.
- **Blended Finance:** The use of development and or public finance to attract private sector participation (in development projects) by providing incentives such as subsidies, revenue guarantees or capital grants.
- **Public-private partnerships (PPPs):** Long-term contractual agreements where the private sector provides infrastructure assets and services that have traditionally been provided by governments. This mechanism also entails some form of risk sharing between the public and private sector.

The deployment of private finance through the power of institutional investors is presented as a mutually beneficial arrangement to confront climate change and initiate green transitions. Governments within the Global South get an opportunity to decarbonise and protect their citizens from the escalating crisis of global warming and investors make profits through investment into the public good. But the presentation of investor interests existing in harmony with the public good is an illusion. Obtaining private finance for mitigation and decarbonisation, as [argued by Advait Arun](#), "requires the state to shoulder the costs as well as the investment risks, this is the logic of de-risking, which operates chiefly through loan guarantees, blended finance funds, securitization structures and project preparation services". Here it is vital to ask what exactly is

de-risking and what does this new investment paradigm entail for South Africa's just energy transition?

Beginning as experiments with privatisation, trade liberalisation and lethal fiscal consolidation in South America during the 1970s, the project of neoliberalism realised victory with the collapse of the Soviet Union, the displacement of Keynesianism and the near global adoption of the Washington Consensus in the 1990s. This consensus (partly developed in response to the economic crises in Latin America and Sub-Saharan Africa in the 1980s) outlined ten policy prescriptions viewed as indispensable for developing nations seeking to trigger substantial economic growth and advance the well-being of citizens through development of primary healthcare systems, education and infrastructure. Propelled by

international finance institutions and enforced by market friendly policy makers at a domestic level, the Washington Consensus functioned as “a holy trinity of macroeconomic stabilisation through lower inflation and fiscal discipline; liberalisation of trade and capital flows, of domestic product and factor markets; and privatisation of state companies”.

Although a dominant paradigm in policy-making for nearly 30 years, the 2007-2008 financial crisis compelled the adoption of a new strategy for capital accumulation by institutional investors and a slight but politically significant re-configuration of the relationship between the state and finance capital. This new paradigm, described as the [Wall Street Consensus](#), can be defined by “longer-term contractual agreements through which the private sector commits to finance, construct and manage public services as long as the state, with multilateral bank support via blended finance, shares the risks to guarantee payment flows to PPP operators and investors”.

The words of former [World Bank Group President Jim Yong Kim](#) provides a useful indication of how finance capital has changed in its mechanism of accumulation. In 2017 Kim said “...we have to start by asking routinely whether private capital, rather than government funding or donor aid, can finance a project. If the conditions are not right for private investment, we need to work with our partners to de-risk projects, sectors and entire countries”. If neoliberalism, according to Harvey, can be described as “a political project to re-establish conditions for capital accumulation” and if the role of the state under neoliberalism is “to create and preserve the institutional framework appropriate to the economic practice of neoliberalism”, then the WSC represents an evolution in the strategy or means capital accumulation and a push for states to adopt a new set of policy and legislative frameworks suited to building a “de-risking” state.

Ensuring green infrastructure projects are bankable through de-risking has become an almost pervasive topic of discussion at major climate and development summits and within international finance institutions in the past several years. In a [2021 interview](#) for the

International Monetary Fund, Co Chair of the Glasgow Financial Alliance for Net Zero and former governor of the Bank of England, Mark Carney, remarked that “While estimates vary, most suggest that over a trillion dollars in additional investment annually for decades will be needed to build green energy in emerging market and developing economies. To meet this need, we must turn billions in public capital into trillions in private capital by scaling blended finance, catalysing stand-alone private capital flows, and building new markets. Multilateral development banks are uniquely placed to mobilise private finance...”.

One cannot overlook how the WSC arrives and begins to blossom at a time when climate change and ecological collapse (alongside rising rates of household debt, financial precarity and poverty) are revitalising and birthing new political struggles for universal access to public goods, fiscal expansion towards increasing social security, efforts to improving labour conditions and state-led green industrialisation. By highlighting the burden of sovereign debt, adopting the liberal language of Sustainable Development Goals and positioning private global finance as key to closing development funding gaps, the WSC serves the function of narrowing our political imaginations, proliferating the notion that there is no other way to overcome these intertwined crises without relying on private investment. The political implications of this new strategy of accumulation must not be lost amidst the scientific and technological discussions which currently dominate energy transition and green industrialisation discourse.

At the level of infrastructure projects, we must ask what are the typical barriers and obstacles for institutional investors? In other words, what are the risks global finance seeks to eradicate or drastically mitigate?

- Overall risk within a country as a result of political instability, electoral uncertainty, incoherent macroeconomic policy, foreign exchange volatility or the possibility of sovereign default.
- Risk generated by investment barriers in the form of labour protections, tariff structures, price controls or tax frameworks which

investors may find inhospitable. For example, according to the Investor Leadership Network, taxation is highlighted as a “hard-to-insure risk” to their members’ investments in emerging markets.

- The risk posed by the sometimes long and difficult process of securing title deeds or project permits from local government authorities. Private investors consider this a high risk in particular due to construction

being the most precarious phase in most infrastructure projects.

De-risking serves the function of lowering a project's cost of capital through the deployment of financing instruments such as blended finance alongside guarantees to investors through government subsidies, cost-reflective tariffs, tax cuts or the easing of labour regulations.

Conclusion: Lessons for Camden from Komati

In May of 2024, Eskom announced the decision to delay the decommissioning of Camden power station to no earlier than 2030. This controversial decision was partly informed by the need to retain electricity supply security after successive rounds of load shedding and due to the presidency attempting to secure \$2.5 billion in climate finance from the Climate Investment Fund (a joint initiative of the World Bank and Multilateral Development Banks).

This new climate financing, in line with a new schedule for Camden's decommissioning, will come in the form of de-risked concessional loans. Although some workers and communities within the energy sector and coal-value chain reacted to this news in understandable relief, the increased reliance on de-risked investment demonstrates that the government has learned little from Komati's shutdown and repurposing. This report proposes a series of policy reforms, based on a larger conception of the just energy transition, to ensure the outcomes of shutting down coal-fired power stations like Camden are mitigated and adapted to by communities—first, we begin with moderate measures:

- Public participation in shaping the process of decommissioning and repurposing must occur years in advance of coal-fired power station shut-down. This process includes extensive socio-economic assessments and outlining a plan for decommissioning which directly engages with the material needs of power station workers, workers in the coal-value chain and affected communities.

- The scope of repurposing a power station must be expansive. This would not only entail re-skilling for renewable energy projects, but the development of new service based, agricultural and infrastructure projects geared towards sustaining economies located around a power station.
- The shift away from coal-fired generation will entail job losses, in particular for contracted workers. Therefore, the social support provided by the government must be extensive. This would include the deployment of financial grants (set above inflation) to ensure the unemployed are able to suitably meet their basic needs in the transition period. Following the example of Spain, the South African government would need to create a register of unemployed workers in the coal-value chain and within power stations, to ensure they can be re-skilled, upskilled and deployed to new areas of economic activity.
- Financial social support must also focus on the gendered impacts of decommissioning. Creating and ensuring the efficient implementation of social support aimed towards mothers, women and children is indispensable in a region and province where women bear the load of social-reproduction.

A substantively just energy transition for communities and workers within Camden would require further reaching, structural reforms:

- Departing from the reliance on private finance, international finance institutions and the de-risking model. The dependence on private finance, deployed through the de-risking model, results in significant and costly delays of infrastructure projects that should be developed, implemented and governed as public goods. Through de-risking—revenue guarantees, tax breaks, deregulatory measures, subsidies—private investors reap profits while draining the operational and financial viability of infrastructure projects. Moreover, risks are passed onto states that often increase costs for and access to what should be public services. Finally, the model of de-risking, often centering public-private partnerships, results in the commercialisation of public services and often their eventual failure, creating the space to justify privatisation.
- For Eskom to retain the operational and financial capacity to conduct decommissioning and repurposing, the utility must remain publicly owned and vertically integrated. Stopping the utility's unbundling would be complemented by democratising its governance through direct public participation in its operations, facilitated by government at the local, provincial and national level.
- The financing of new, publicly-owned renewable energy projects at decommissioned power stations like Camden would entail the financial revitalisation of Eskom. Firstly this means Eskom moving away from the full-cost recovery model, thereby removing the pressure on the utility to be profitable. Secondly, dealing with Eskom's debt burden would require identifying debt which can be categorised as odious and advancing its cancellation. Moreover, due to most of South Africa's debt being denominated in Rands, the state can raise domestic sources of revenue towards repayment. For example, currently the Government Employees Pension Fund stands as one of Eskom's biggest creditors. The transformation of the GEPP into a Sovereign Wealth Fund can reduce the debt burden for the utility.
- A significant component of creating the financial space for Eskom to effectively conduct decommissioning and repurposing is ensuring Energy Intensive Users pay electricity prices in line with their consumption. Currently 25 companies within the Energy Intensive Users Group consume a majority share of the utility's electricity while paying the same price as ordinary citizens. Not only is this arrangement inequitable but it is unsustainable.

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