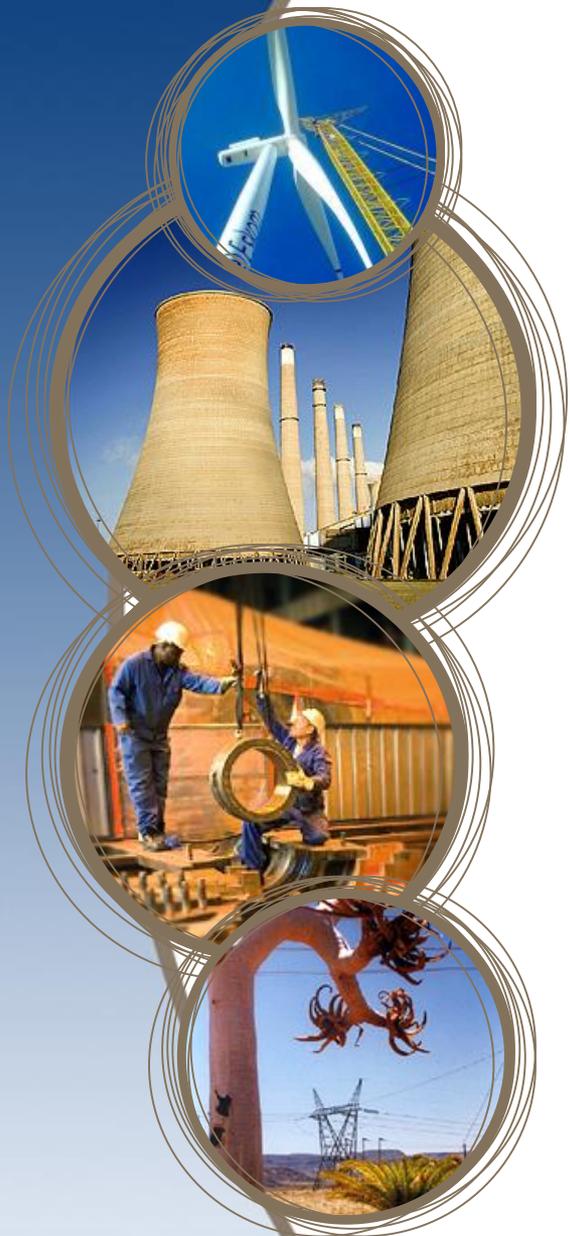


Sustainable Development and Carbon Pricing

*Mandy Rambharos
Eskom Holdings SOC Ltd*



Sustainable Development



‘Development that meets the needs of the present without compromising the ability of future generations to meet their own needs’*

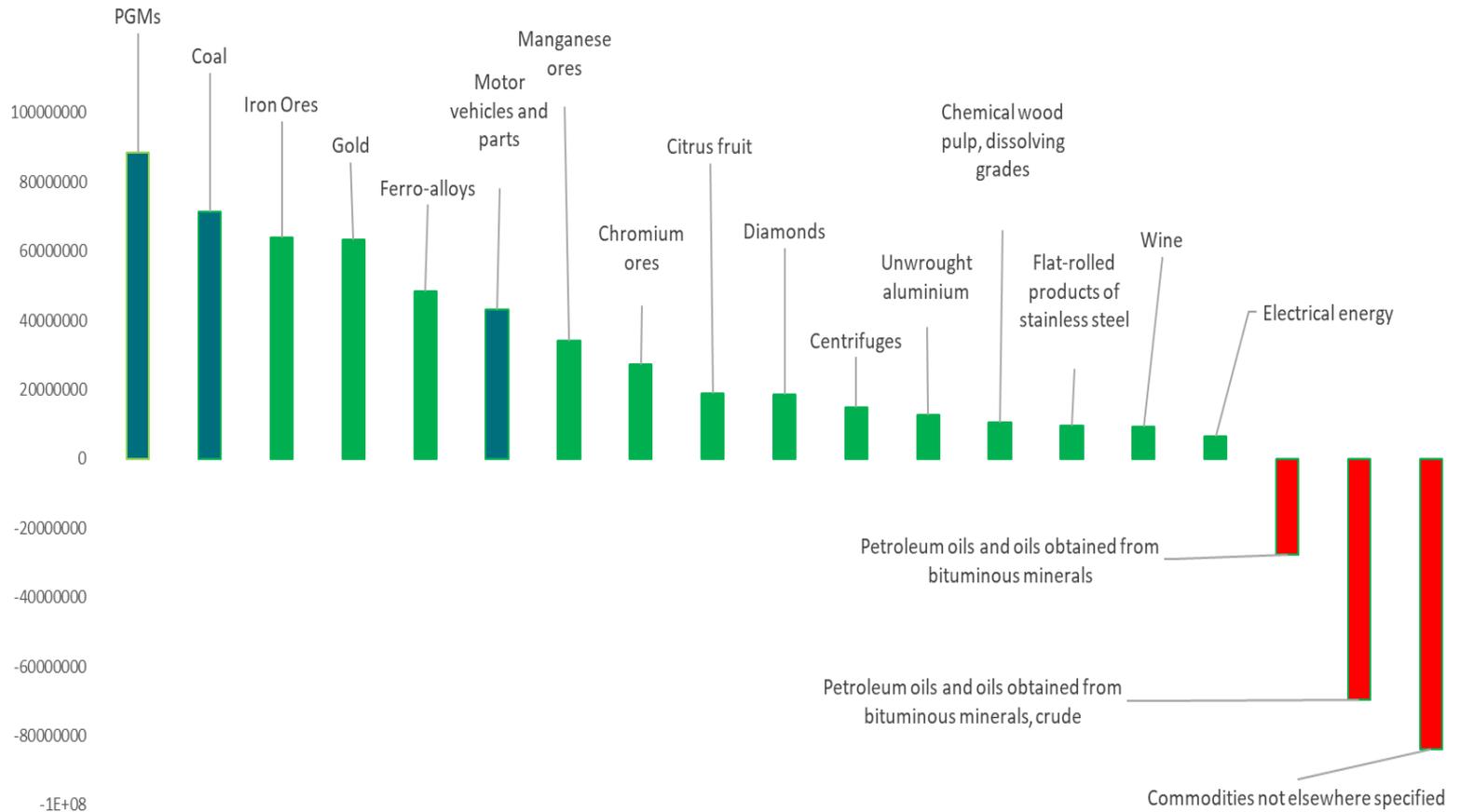


*World Commission on Environment and Development's (the Brundtland Commission) report Our Common Future (Oxford: Oxford University Press, 1987)

This need for socio-economic transformation exists in the global context. Using trends in climate change as lead indicators for what is to come:

We propose that we have 20 years to change what we produce and consume or South Africa will no longer be part of the global economy

The commodities that contribute to our balance of trade are vulnerable to global change



- Often carbon markets are linked only to mitigation and emissions reductions; the argument being that we price carbon purely to drive reductions and that sustainable development is merely a co-benefit.
- However, there is a broader narrative that says that we price carbon for sustainable development itself.
- Given our challenges in Africa – energy access, access to clean water and sanitation, adapting agriculture to changing climates - this holistic approach is crucial.
- E.g. We see carbon pricing as a tool to support a just transition – that is support for the social impacts of transitioning. Studies show that this is the most effective use of carbon revenues.
- We also consider carbon pricing as a tool for enabling the repurposing of sites and assets instead of allowing them to become stranded. We are looking for innovative solutions through these instruments.

- Holistic approach
 - Transitioning away from coal - phasing and timing
 - Socio-Economic considerations
 - Cost
 - Stranding assets
- Article 6 mechanisms not a panacea but a tool to address some of the issues
 - Cost of technology transition
 - Regional approach
 - Enabling private sector financing
 - Blended financing
- Which means... the following is crucial to resolve
 - “Account for”
 - Reporting, Transparency framework
 - Accounting RMP
 - Type of NDC
 - Who gets what? Contractual agreement?