

## 40 – Towards a Green New Deal for South Africa – Exploring the Intersect of Covid-19 and Climate Change

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South Africa's primary energy supply is dominated by coal, resulting in this country ranking in the top 15 carbon dioxide (CO<sub>2</sub>) emitters globally. As part of its commitments under the Paris Agreement on Climate Change, South Africa enacted the Carbon Tax Act on 1 June 2019. Although the first reporting period was set to conclude on 31 May 2020, the COVID-19 impact on the country's economy and fiscal systems has resulted in the government extending the deadline by three months.

Prior to the outbreak of COVID-19, South Africa was experiencing its second recession in recent years. The country's high unemployment rate, deepening structural inequality and credit rating downgrades worsened the socio-economic consequences of the pandemic. In response, the government announced a R500 billion stimulus package. Notwithstanding the undeniable necessity of such a reallocation of funds, it does mean that future expenditure on and subsidies of climate change-related endeavours will be severely restrained.

It is evident, then, that a longer-term solution is required to build a more ecologically and socially just future. Across the globe, momentum has been growing for governments to implement a "Green New Deal". Such a government-led program would address the intertwining issues of climate change, human rights, economic justice, and a sustainable transition to a post-COVID-19 world.

It is the purpose of this study to explore how South Africa could go about implementing such a deal. To that end, the following climate policy recommendations for addressing the intersect of COVID-19 and climate change responses will be examined.

First, a combined collaborative approach is required between government, business, NGOs and society. Policies cannot be viewed in isolation but should address the joint effect of climate change and the pandemic; for example, education, health and sustainable agriculture.

Second, greater emphasis on supporting cleaner transport modes is needed. South Africa does not have well-developed, safe and reliable mass transit systems. The concomitant impacts come at great cost to economic productivity, public health and emissions.

Third, a just transition to sustainable development is necessitated by a post-pandemic recovery plan. This could be directed towards more local employment, less exposure to fossil fuels, support of innovation and improvements to human and environmental health.

Last, none of the above will be possible without concerted political will to enter into a Green New Deal.

### **Biographical note**

Lee-Ann Steenkamp is a senior lecturer in taxation at the University of Stellenbosch Business School, South Africa. She holds a Master's degree in Taxation and is a registered Master Tax Practitioner (SA). Her research focuses on 'green tax' issues, including biodiversity conservation, the taxing of energy use in developing countries and most notably South Africa's new carbon tax. Lee-Ann obtained her PhD in Public Law from the University of Cape Town, wherein she examined the transition from the old Kyoto Protocol to the new Paris Agreement on Climate Change. Lee-Ann has published numerous papers in peer-reviewed journals and is a contributing author to a number of books and university-prescribed textbooks. Lee-Ann is also a member of the Carbon Tax subcommittee of a prominent professional accounting body in South Africa, which makes policy recommendations to National Treasury.