FROM AMBITION TO DELIVERY: ADDRESSING SOUTH AFRICA'S CLIMATE POLICY IMPLEMENTATION GAPS

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CLIMATE POLICY LAB

Key Insights

- South Africa has established one of Africa's most comprehensive climate policy frameworks, yet persistent implementation gaps continue to weaken overall progress.
- The analysis shows that these gaps span all four dimensions of policy implementation, including governance and institutional capacity, financial constraints, technical and legal limitations, and political-economy interests, affecting both national and sectoral policy outcomes.
- Flagship initiatives such as the Renewable Energy Independent Power Producer Procurement (REIPPP) Programme and Just Energy Transition Investment Plan (JET-IP) have mobilized investment and international support, but decarbonization progress is constrained by grid limitations, weak inter-agency coordination, and policy incoherence, including continued coal commitments.
- As South Africa adopts ambitious new climate legislation and targets – the Climate Change Act (Act 22 of 2024), Renewable Energy Masterplan, Sectoral Emission Reduction Targets, and its 2025 National Determined Contribution (NDC) to the Paris Agreement – our findings provide key insights to help ensure that these efforts are not undermined by the same implementation challenges that constrained previous efforts.

Introduction

South Africa's climate policy landscape, as detailed in Climate Policy Lab's most recent inventory, comprises about 80 direct and indirect policies targeting greenhouse gas (GHG) mitigation across the energy, transport, industry, forestry, and agriculture sectors, along with economy-wide and cross-cutting measures for adaptation and resilience. Collectively, these policies anchor the country's national actions and international commitments to the Paris Agreement, as articulated in two successive Nationally Determined Contributions (NDCs). The 2021 NDC pledged to limit GHG emissions to 398–510 Mt CO_2e (2021–2025) and 350–420 Mt CO_2e (2026–2030), targets that represented

a significant enhancement of ambition relative to the 2015 INDC. A draft 2025 NDC, now under review for submission to the UNFCCC, retains the 2026–2030 bounds while introducing an indicative 2035 range of 320–380 Mt CO_2e and, for the first time, articulates a net-zero CO_2 goal by 2050, with a target to deploy 36 GW of renewable energy capacity by 2035.

Despite notable policy progress, South Africa has struggled to meet several of its climate targets, largely due to implementation challenges as identified in our previous study. Building on this evidence, this policy brief applies Climate Policy Lab's Implementation Gap Analysis (IGA) framework (see Appendix) to evaluate 15 key climate policies adopted between 2011 and 2023. These policies address emission reduction and climate action across six priority areas (see Table 1): economy-wide (4), energy (2), forestry (1), industry (5), transport (2), and green cities (1). They include a mix of policy plans, strategies, fiscal instruments, regulations, and legislation. In collaboration with South Africa's Presidential Climate Commission, we selected these 15 key policies from our inventory because of their clear and measurable targets and large-scale targeted interventions with high expected sectoral impact.[1]

This analysis combines a comprehensive literature review with semi-structured interviews involving seven sectoral experts, offering both documentary and experiential perspectives on implementation dynamics. Each policy is assessed along four dimensions to identify systemic implementation gaps that have hindered policy delivery: 1) governance and institutional capacity, 2) political economy and interests, 3) financial constraints, and 4) technical/technological and legal barriers.

1 These policies were also used for an expert elicitation to determine which are most effective for advancing South Africa's decarbonization goals as part of the Climate Policy Lab's Policy Gap Analysis project.

Table 1: Selected Policies for Implementation Gap Analysis – South Africa

Sector	Policies
Economy-wide	Just Energy Transition Investment Plan - JET IP (2023)
	Updated Nationally Determined Contribution (2021)
	Carbon Tax Act (Act No. 15 of 2019)
	National Development Plan (2012)
Energy	Renewable Energy Independent Power Producer Procurement (REIPPP) Programme (2011)
	Integrated Resource Plan - IRP (2019-2030)
Forestry	Forestry 2030 Roadmap (Forestry Strategy 2009 - 2030)
Industry	The Steel and Metal Fabrication Master Plan (2023)
	National Pollution Prevention Plans Regulation (2017)
	Declaration of Greenhouse Gases as Priority Pollutants (2017)
	Beneficiation Strategy for the Minerals Industry (2011)
	Section 12L - Income Tax Act, 1962 (Act No 58 of 1962)
Green Cities & Buildings	SANS 10400: XA (2011): Energy Usage in Buildings
Transport	Green Transport Strategy (2018 -2050)
	Electric Vehicle Industry Roadmap (2013)

Key Findings

ECONOMY-WIDE

For economy-wide policies, governance and institutional capacity gaps relate mainly to fragmented efforts across multiple government agencies overseeing the four policies. However, the most critical implementation challenge remains finance. For instance, the JET-IP outlines an ambitious funding requirement of US $84.75 billion. However, international pledges amount to only US $12.8 billion, about 15 percent of the total, with only 39 percent allocated to projects as of June 2025 (JET - The Presidency, 2025). In addition, although the JET-IP references a Funding Platform and Projects' Register, it lacks a consolidated mobilization strategy that specifies financing instruments, sources, timelines, and institutional roles, so the pathway for raising domestic and international funds remains unclear.

On the political economy and interests dimension, both the JET-IP and NDC are constrained by tensions between climate ambitions and competing national priorities, where long-term decarbonization goals often conflict with immediate socio-economic needs and pressures, particularly the pursuit of energy security, economic growth, job creation, poverty reduction, and education (Strambo et al., 2024; Xaba, 2025).

Finally, with technical and legal constraints, the Carbon Tax remains limited by design flaws that weaken its impact. Although the tax was set at R120–134/tCO_2 (US $7–8) to be periodically reviewed, exemptions for Eskom, the country's largest GHG emitter, and extensive allowances for other industrial entities reduce the effective rate to just R6–48/tCO_2 (US $0.30–2.60), among the lowest globally. Moreover, the Carbon Tax Act (Act No. 15 of 2019) does not set out how revenues will be allocated or reinvested (as is common with carbon taxes), which limits the tax's potential to support South Africa's just transition and wider decarbonization objectives (SARB, 2024).

ENERGY

While the REIPPPP has successfully mobilized private investments for grid-connected renewable energy capacity, progress has slowed in recent years due to technical bottlenecks. Inadequate transmission infrastructure and limited grid access have delayed project commissioning, leaving many approved projects on hold. These challenges are compounded by limited public investment in grid expansion and institutional capacity constraints, particularly the slow and complex licensing and permitting processes that hinder operationalization (Energize, 2025). This combination of limited grid investment and administrative bottlenecks further impedes achievement of the 2019 IRP target of increasing the renewable energy share of installed capacity from 16% in 2018 to 36.5% in 2030. Ultimately, the key implementation gap across both policies lies in political will, as renewable energy and decarbonization have long featured on South Africa's policy agenda, yet progress remains limited and inconsistent.

FORESTRY

The Forestry 2030 Roadmap faces implementation challenges related to both governance and technical constraints. On the side of governance and institutional capacity, the policy's implementation is characterized by weak vertical coordination, as national targets are often poorly integrated into community-level priorities. At the same time, skills shortages and limited innovation capacity present key technical constraints, limiting progress in sustainable forest management and carbon sink expansion.

INDUSTRY

Similar to forestry, technical challenges, in addition to finance, undermine the implementation of the Steel and Metal Fabrication Master Plan launched by the Department of Trade, Industry and Competition (DTIC) in 2021. Despite its aim to achieve industrial carbon neutrality by 2050, particularly across steel mills, foundries, forges, smelters, and other power-intensive industrial processes, insufficient skilled labor force and technical know-how continue to constrain implementation.

The carbon-intensive electric power generation in South Africa is closely connected with steelmaking and broader industrial processes, emphasizing that decarbonizing the power grid is essential to achieving industrial emissions reductions. On the financial side, high input costs for domestic production, limited government and budgetary incentives, and rising imports continue to challenge the competitiveness of the steel and power–intensive industrial activities, constraining their ability to contribute effectively to decarbonization and economic growth (DTIC, 2021).

GREEN CITIES & BUILDINGS

The National Standard for Energy Usage in Buildings grapples with uneven enforcement, as municipalities vary widely in their ability to apply and monitor efficiency standards. Weak compliance mechanisms and limited local capacity undercut potential gains, as energy efficiency in buildings represents a major opportunity for cost-effective emissions reduction.

TRANSPORT

The implementation of South Africa's Green Transport Strategy (2018–2050) and Electric Vehicle Roadmap (2013) reveals persistent gaps that cut across governance and institutional capacity, finance, technical constraints, and political-economy interests. Governance and institutional weaknesses stem from fragmented departmental mandates between the Department of Transport (DoT) and the Department of Trade, Industry and Competition (DTIC), leading to overlapping responsibilities and slow implementation coordination. Technical and legal constraints compound these challenges: inadequate charging infrastructure, the absence of a regulated pricing framework for charging, and limited local electric vehicle (EV) manufacturing capacity continue to impede progress (DTIC, 2023), with only about 1,000 EVs in circulation as of 2023, out of a total fleet of 12 million vehicles (IEA, 2023).

Financial constraints remain another limitation, as consumer and industrial subsidies and incentives are largely absent, leaving EVs prohibitively expensive for households. Heavy reliance on donor grants and international climate finance, coupled with limited domestic investment, further constrains policy execution. Finally, entrenched political-economy interests, including pressure to safeguard jobs in the automotive and fuel sectors, and competing priorities of poverty reduction, energy security, and industrial employment, create inertia that tempers the pace of EV adoption in South Africa.

Policy Implications

This analysis reveals that while South Africa has built an ambitious climate policy framework, implementation gaps persist across all four dimensions: governance and institutional capacity, financial constraints, political-economy interests, and technical/technological and legal limitations.

To translate ambition into delivery, policy action should target the cross-cutting gaps identified in this brief. Large-scale domestic and private finance for a just energy transition and decarbonization will not materialize without a consolidated mobilization and allocation framework that specifies sources, instruments, institutional roles, and timelines, giving both local and foreign investors predictable signals. A single accountable delivery mechanism across each of the sectors could curb fragmentation and drive policy execution against targets and milestones. Grid readiness must also move to the forefront of energy sector planning through a transmission expansion program, clear grid access rules, and streamlined, time-bound licensing for renewable energy projects. Decarbonization should be explicitly linked to competing socio-economic priorities including job creation, education, local manufacturing, among others so the just energy transition reinforces broader economic development.

In addition, stronger financial incentives for EV adoption and predictable evaluation systems including transparent use of carbon-tax revenues and international funds are vital to ensure that climate policies deliver equitable benefits to communities. Demonstrating credible implementation would not only strengthen South

Africa's climate finance position internationally but also enhance its diplomatic leverage in global negotiations.

As South Africa adopts new policies including the Climate Change Act (Act 22 of 2024), the Renewable Energy Master Plan, the Sectoral Emission Reduction Plans, and the 2025 National Determined Contribution (NDC) to strengthen its climate policy framework, this analysis provides key insights to help ensure that these policies are not undermined by the same implementation challenges that constrained previous efforts.

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Appendix

TYPOLOGY OF IMPLEMENTATION GAPS

CATEGORIES	DEFINITION	EXAMPLES
Group 1: Governance and Institutional Capacity		
Vertical coordination (multilevel governance)	Alignment across national, regional, and local levels of government in climate policy objectives and implementation.	Misalignment in climate policy implementation, timeline, or targets between federal and state levels.
Horizontal coordination	Alignment among ministries and agencies at the same level of government in climate policy objectives and implementation.	Fragmented efforts and conflicting actions (e.g., competitions between ministries for resources).
International pressures/ factors	International and external legal and financial/political dynamics that act as barriers.	Donor-driven conditionality (e.g., IMF or WB's conditions on aids that might restrict policy implementation); WTO rules on export subsidies.
Institutional capacity	Organizational structures, norms, rules, and human resources that enable policy delivery.	Limited expertise, bureaucratic inefficiencies, poor coordination, poor communications.
Group 2: Political Economy and Interests		
Political will	Commitment by political actors to support climate policy decisions and their outcomes.	Delay of policies due to vested interests in fossil fuels, partisan divides, changes in electoral cycles, lack of (or incoherent) incentives.
Competing goals	Tensions between climate objectives or other economic, political, or development objectives.	Trade-offs between emissions reduction and industrial expansion.
Stakeholder engagement/ coordination	A systematic process of identifying and interacting with individuals, groups, or organizations that have a stake in a policy or project.	Public consultation held but stakeholder inputs are not integrated; local groups being excluded from decision-making.
Consumer behavior	Behavioral resistance or unintended reactions to climate policies.	Rebound effects from fuel-efficient cars leading to increased vehicle use.
Industry lobbying / resistance	Strategic actions by industries to delay, weaken, or reshape climate policies that challenge their interests.	Coal industry lobbying against early retirement of coal plants or carbon taxes.
Incentive misalignment	Conflicting incentives across climate and non-climate policies that undermine intended outcomes.	Subsidies for fossil fuels, or market-based incentives that contradict carbon pricing mechanisms.
Group 3: Financial Constraints		
Public investment/ finance	Provision of public finance during each stage of policy implementation.	Unavailability of funds required for a project scheduled for implementation from 2015 to 2020 during the 2019–20 financial year due to a shock to the source of revenue that paid for the implementation of the policy.
Private investment/ finance	Availability of and access to private finance that is required for the implementation of a policy.	Unavailability of sufficient private capital due to a poor estimation by the government of the level of risk that banks were willing to take on.

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TYPOLOGY OF IMPLEMENTATION GAPS

Group 4: Technical and Legal Constraints		
Technology	Availability and maturity of low-carbon technologies needed.	Mismatch between policy's technological needs and the existing technological infrastructure.
Data, communications, and information	Availability of flow of data and information, availability of information technology and monitoring systems, and the effectiveness of communication between actors.	Emissions data not being collected; lack of reporting to policymakers after the implementation of policies; lack of MRV systems.
Policy design	The initial phase of the policy process which includes identification of actors, instruments, setting of targets, allocation of responsibilities, and establishment of implementation frameworks.	Exclusion of relevant actors; ambiguous targets; unclear division of responsibilities among implementing agencies.
Legal mechanisms	Legal mechanisms available to address issues related to policy non-compliance, enforcement, or disputes.	Insufficient legal tools or mechanisms to enforce policy decisions or when the existing laws are not equipped to address compliance issues.
Human talent	Skilled personnel and institutional leadership to drive innovation and implementation.	Limitations in knowledge, skills, innovation or entrepreneurship in the general population.

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