Big boost for skills and jobs in just energy transition

The National Business Initiative (NBI) has launched a new programme, supported by more than 25 CEOs of some of the largest companies in SA, to train workers for jobs that will be created through the just energy transition.

The Just Energy Transition Skilling for Employment Programme (JET SEP), led by the NBI, will "co-ordinate the private sector's contribution" to fostering skills needed as SA grows the share of renewables in its power mix as part of plans to move from a carbon-intensive to a low carbon economy by 2050.

Speaking at the launch of the programme this week, NBI CEO Shameela Soobramoney said that if SA failed to decarbonise in such a way that the country could meet its international climate change commitments it would put SA's exports and jobs in export-dependent sectors at risk.

"If we don't get this right we are putting at risk 15% of SA's current exports due to increasingly stringent international regulations (such as the EU's Carbon Border Adjustment Mechanism)," said Soobramoney.

Apart from the global risks, there were also domestic risks, she said. Switching from a coal-dominated to a renewable led energy sector would place about 60% of SA mining jobs (predominantly in the coal sector) at risk.

The JET SEP, which is aligned to SA's Just Energy Transition Implementation Plan (JET-IP) that sets out a development road map for the energy and automotive sectors and plans to develop a green hydrogen sector, will provide a "demand-led" approach to skilling, said Soobramoney. This means that, working with companies such as Eskom, Sasol, Sappi and Anglo American it will identify what skills are needed to make sure those who are trained through the programme will be assured of a job.

Phase 1 of the programme, that will run until January 2025, will focus on developing a skills and jobs gap fact base which will help in determining the number and scope of jobs potentially available in different sectors.

Training will start during phase 2 of the projects. The NBI could not confirm at this stage how many jobs would be created through the programme as this would be determined during phase one.

However, it said, about 10,000 workers may need to be trained yearly to match the new jobs that will be created through the programme.

According to the JET-IP, SA is set to build about 150GW (more than 10 times what is now installed) over the next 30 years.

Despite SA's 32% unemployment rate, SA's post-school education and training system was not equipped to supply the requisite skills sets for emerging technologies creating the risk that those employment opportunities that will be created through the energy transition will be filled by importing skilled labour.

"Given the increasing rate of the energy transition, there is urgency to develop the systems and institutional capacity to upskill the SA workforce in a co-ordinated and inclusive way. A demand-led skilling plan that supports the energy transition is critical, and simultaneously ensures that the vulnerable workforce is deployed in new labour market opportunities," said the NBI.

It will collaborate with Wits University's Centre for Researching Education and Labour and Boston Consulting Group.

Developing the right skills was critical to economic growth and solving structural unemployment in the country, said Cas Coovadia, CEO of Business Unity SA, at the launch of the programme.

"It is important that we follow a demand-led approach (to skills training). We cannot just skill people and not be clear about what skills the economy needs to compete globally needs. We have to ensure that the people we (provide skills training to) end up in jobs," he said.

Brian Dames, CEO of African Rainbow Energy and Power, who was also at the launch, said SA would become "irrelevant" unless it grasped the opportunities presented by the just transition which would enable the country to remain a globally competitive economy.

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