

A FIVE-STEP GUIDE:

How to incorporate Just Energy Transition (JET) principles in the five phases of the Integrated Development Plan (IDP)

STEP
01



ANALYSIS

Assess the extent of coal dependency in the region and understand the economic impacts of diversifying the energy mix to include energy sources in addition to coal. Evaluate the network infrastructure capacity to adapt to increased penetration of embedded generation and wheeling application.

STEP
02



STRATEGIES

Develop robust economic plans to grow other industries in addition to coal and diversify the energy mix for increased generation capacity and alignment with national climate ambitions. Create distribution network maintenance and upgrade plans, finalize the plans' costs and explore a mixture of climate funding versus internal capital expenditure budgeting for these projects.

STEP
03



PROJECTS

Finalize projects that advance JET principles. These projects can be taken from sector plans. Examples include land redevelopment and re-use, upgrading or maintaining distribution network infrastructure, conducting electric vehicle infrastructure feasibility studies and waste-to-energy projects, and implementing municipal embedded generation (Rooftop solar PV, etc.)

STEP
04



INTEGRATION

Make sure the JET projects are in line with the other municipal sector plans and development strategies such human settlements, transport and economic development.

STEP
05



APPROVAL

Finalization and adoption of the IDP by the Council. This step should be preceded by JET awareness raising measures to ensure all parties understand their roles and responsibilities.

A CLOSER LOOK:



ANALYSIS

PURPOSE: Thoroughly understand the extent of coal dependency in the region and the economic impacts of varying your municipality's energy mix to include more renewable energy sources, and evaluate the state of distribution network infrastructure

PROCESS:

- Have studies been conducted in your area by institutions such as universities, South Africa's Council for Scientific and Industrial Research, trade and industrial policy strategies, etc.? If yes, read these studies and incorporate relevant data
- Identify which communities will be impacted by a reduction in coal's dominance in the energy mix and that need support
- Impacted communities in the coal value chain include:
 - ✓ Coal miners (formal and informal), coal plant employees and coal transport workers: directly impacted
 - ✓ Vendors and community businesses who engage with coal miners, drivers and power plant workers: indirectly impacted
- Present data on the energy transition to the community and work with them to select priority challenges that, when addressed, will help advance achieving national goals and targets
- Conduct grid impact and Cost of Supply (CoS) studies. Are the municipalities aware their distribution network infrastructure capacity and the need and cost for maintenance and upgrade?

OUTCOME:

- Agreement on priority issues (i.e., energy transition and economic ramifications)
- Development of problem statements that will be solved by incorporating JET principles
- Proper diagnosis of the network infrastructure state, needs and studies to be conducted, such as CoS

STEP
01



STRATEGIES

PURPOSE: Develop a vision and objectives for the municipality that incorporate JET principles so that the municipality will become economically diversified, clean, more equitable, and prosperous by engaging in broad, intersectoral engagements

PROCESS:

- Include projects and plans for diversifying the regional economy, outline plans to create jobs in new sectors, e.g., including alternative energy sources in local economic development (LED) strategies
- Consider projects such as retrofitting existing infrastructure, e.g., gas lines for green hydrogen, retrofitting existing coal plants for clean energy, electric vehicle infrastructure such as charging points, municipal energy procurement (wheeling and power purchase agreements, PPAs)
- Plans should also include the municipality's key performance areas, capacity and skills development needs and retention strategies, including reskilling municipal workers
- Align on policy direction and vision with the community; decide roles and responsibilities for all stakeholders
- Work with relevant national and provincial sector departments and entities to develop these strategies

OUTCOME:

- LED strategies that diversify the municipality's economy and advance the adoption of alternative energy sources
- Projects that diversify the local economy and increase renewable energy adoption
- Action plan for infrastructure maintenance, upgrade, development, and required studies, such as CoS etc

STEP
02



PROJECTS

PURPOSE: Identify and finalize the projects in line with JET principles that will advance the community toward a cleaner, more sustainable future. Finalize the costing and possible funding sources for these projects

PROCESS:

- Identify scalable projects that can be implemented by multiple municipalities that are also eligible for JET-IP funds
- Example projects: retraining coal workers in green skills, designation of certain areas as Renewable Energy Development Zones. There will be distinct generation and distribution projects, depending on the municipality's capabilities
- Integrate projects into the IDP and other local planning documents
- Projects can be taken from sector plans, such as the LED, electricity master plans, environmental plans, human settlements and transport plans etc.
- Ensure community participation in and awareness of project plans. Modify as necessary

OUTCOME:

- Local development guidelines and strategies that diversify the municipality's economy and advance the adoption of alternative energy sources and encourage the growth of new sectors
- An IDP and budget available for public comment and input, which includes the identified JET projects

STEP
03



INTEGRATION

PURPOSE: Ensure JET IDP plans are made in harmony with other municipal development plans and that they come together to advance municipal progress and service delivery through the integration of JET principles

PROCESS:

- LED strategies and other plans should be developed by incorporating JET projects and principles
- Involve all stakeholders, such as coal communities, to make sure their needs are being heard and met
- Engage government departments, private sector, civil society etc. in all the processes
- Present the budget to communities for their comment and input and make modifications as needed

OUTCOME:

- All other plans – spatial development framework plan, municipal action plans, capital investment program, etc. – incorporate JET principles
- For example:
 - ✓ In the spatial development program, designate certain areas in the municipality to support renewable energy projects
 - ✓ In the capital investment plans, invest money in skills retraining programs for coal miners

STEP
04



APPROVAL

PURPOSE: Ensure all relevant stakeholders are aware of the approved IDP, understand their roles and are ready to participate

PROCESS:

- Engage stakeholders to ensure they are aware of and agree with the JET measures in place
- Ensure that SALGA, CoGTA, etc. urgently consult and capacitate councilors from the beginning of the process, so they are fully aware of the JET plans, understand the roles and responsibilities and are well prepared for the execution of this plan

OUTCOME:

- An IDP document that thoroughly integrates JET principles, setting the municipality up for a bright and successful future

STEP
05

RESOURCES: For more information on JET, please consult the resources below:



[Just Transition Framework](#)



[South Africa's Just Energy Transition Investment Plan \(JET IP\), 2023 – 2027](#)



[Just Transition Knowledge Portal, a TIPS Initiative](#)



[Community and Stakeholder Engagement on a Just Transition in South Africa](#)



[JET Principles](#)

To request more guidance and support, please contact USAID SAEP on contact@southernafricaenergy.org.