Sharm El-Sheikh, Egypt – The U.S. Department of the Treasury, together with the Special Presidential Envoy for Climate John Kerry, joined President Cyril Ramaphosa of South Africa at COP27 to announce the endorsement of the South Africa Just Energy Transition Partnership (JETP) Investment Plan.

One year ago at COP26, the International Partners Group, comprised of the United Kingdom, United States, France, Germany, and the European Commission, joined with the Government of South Africa to announce the first JETP program, an innovative approach to pool and harness diverse financial resources to back partner countries’ ambitious climate goals and accelerate the energy transition.

The South Africa-led JETP Investment Plan endorsed today is the culmination of an intensive cooperative process over the last year. The Investment Plan identifies South Africa’s investment priorities in the areas of clean energy, electric vehicles, and green hydrogen. It lays out a comprehensive strategy for building critical clean energy infrastructure in a just manner that supports displaced coal miners and affected communities.

To achieve the targets described in the Investment Plan, the International Partners Group pledged $8.5 billion, including over $1 billion from United States Government agencies, including the Development Finance Corporation (DFC), the United States Trade and Development Agency (USTDA), USAID, Treasury, and the Department of State. This financing, together with critical energy sector reforms announced by President Ramaphosa in July, is designed to usher in large-scale private sector investment.
President Biden emphasized the importance of the South Africa JETP Investment Plan: “The United States is proud to partner with the Government of South Africa and the members of the International Partners Group to support South Africa’s just transition to a cleaner energy future. We welcome the comprehensive JETP Investment Plan, and fully support South Africa’s economy-wide energy transformation. Our support for South Africa’s clean energy and infrastructure priorities, which include efforts to provide coal miners and affected communities the assistance that they need in this transition, will help South Africa’s clean energy economy thrive.”

U.S. Secretary of the Treasury Janet L. Yellen applauded today’s achievement: “The South Africa JETP is a groundbreaking partnership that creates a new model for tackling the climate change crisis. In the JETP Investment Plan, President Ramaphosa and the South African Government have created a bold plan identifying a clear strategy for achieving South Africa’s most ambitious climate targets. The initial $8.5 billion in joint resources mobilized by the International Partners Group is designed to advance South Africa’s top energy transition priorities. The Treasury Department, U.S. government, and our international partners will build on the success of this program. Together with the Biden Administration’s historic domestic investment in fighting climate change, JETP programs will help move us closer to our shared 1.5 degree climate goal.”

Special Presidential Envoy for Climate John Kerry who attended the announcement at COP 27 said: “The release of South Africa’s Investment Plan is a major step forward on the South Africa JETP. As we move into a new phase, success will be defined by capital deployment and realization of critical clean energy investments. To that end, we will use innovative strategies to crowd in private sector financing, including by leveraging public and philanthropic capital. This work – and making sure that it is a model for other coal-intensive economies around the world – is absolutely critical to averting catastrophic climate change. Failure is not an option.”

###