Remarks by Secretary of the Treasury Janet L. Yellen at Roundtable with Nkangala Technical and Vocational Education and Training College in Emalahleni, South Africa

January 27, 2023

As Prepared for Delivery

It is a pleasure to be here today in Emalahleni, “the place of coal,” in some ways the epicenter of South Africa’s Just Energy Transition. Thank you all for the opportunity to meet with you.

I want to thank Premier Refilwe Mtweni-Tsipane and Executive Mayor Nomveliso Nyukwana for their leadership and support for the Just Energy Transition.

The work that you are doing here in Emalahleni and in the broader Mpumalanga Province is important for laying the foundation for a successful transition to a cleaner energy system in South Africa.

We fully recognize that transitioning the local economy and the economy of South Africa to clean energy will not be without challenges.

But the investments that our governments and the private sector will make over the coming years in wind, solar, battery storage, and non-energy infrastructure will pay dividends in terms of well-paying jobs and a growing and cleaner economy.

They will also bring cleaner air for you and your children.

Workers are the core of a just transition, and I am so pleased to be able to meet with some of the individuals who are committed to working for South Africa’s sustainable future.

In the United States, we are also going through a transition. We were able to pass a massive set of laws designed to invest in the infrastructure of the future and allow us to meet our climate goals.

These investments will yield important returns, particularly as we consider workers’ livelihoods at every stop along the way.
Last September, Presidents Ramaphosa and Biden met in Washington and reaffirmed their commitment to the South Africa Just Energy Transition Partnership, or JETP.

This program is a first-of-its-kind partnership that mobilizes the resources of the United States, the United Kingdom, France, Germany, and the European Union to help South Africa achieve the energy transition goals it has identified.

The financial package of $8.5 billion is a substantial down payment. Importantly, it is designed to mobilize additional money from the private sector and philanthropies, and I will meet with representatives from both groups later today.

The JETP Investment Plan drafted by South Africa highlights the need for specific programming in Mpumalanga Province, the largest coal-producing region in South Africa.

The Plan calls for job retraining and reskilling, cash payments to support displaced workers while they find new employment, redevelopment of former coal mines and coal power plants as clean energy production sites and other productive uses.

And it also calls for investment in non-energy infrastructure, including roads, rail, ports, and digital infrastructure that will support new industries.

The United States’ commitment to the energy transition being “just” is firm. That is why President Biden made an additional commitment to President Ramaphosa of $45 million in grant funding to support South Africa’s efforts.

Through our various agencies, including the U.S. Trade and Development Agency, USAID, Power Africa, the International Development Finance Corporation, and the Departments of State, Energy, and Treasury, we are identifying the highest-value opportunities for investing our resources to help achieve these goals.

Our success also depends on committed South Africans such as yourselves. Your hard work to get to where you are, ready and capable of participating fully in the clean energy economy will benefit not only yourselves and your families, but also the whole community of Mpumalanga and South Africa.

I want to applaud you for your achievements thus far in being at the forefront of the economy of the future, and also applaud the leadership of Premier Mtweni-Tsipane. I look forward to all that you will accomplish and to learning more during our conversation.

####
