

# UNITING SA BUSINESS

**BUSA advocates for advancing sustainability while supporting economic growth and equity. *Green Economy Journal* speaks to BUSA's director of Energy and Environment Policy, Happy Khambule.**

## **What is BUSA's mandate?**

BUSA's mandate is to foster business participation in South Africa's economic growth, development and transformation. It aims to create an environment where businesses of all sizes can thrive and remain competitive. As the country's apex business organisation, BUSA works to influence policy and legislative development to promote inclusive growth and job creation. It collaborates with the government and other stakeholders to address national priorities, such as unemployment and skills development, while advocating for business interests in the national discourse and supporting solutions to economic challenges.

## **What is BUSA's Energy and Environment Policy?**

BUSA's Energy and Environment Policy aims to address the critical energy and environmental challenges faced by the business sector in South Africa. The intention is to provide strategic guidance, formulate policy recommendations and engage with on macro energy and environmental issues with major stakeholders.

## **Please discuss BUSA's involvement in the Climate Change Act.**

BUSA played a key role in shaping the Climate Change Act (CCA), essential for South Africa's Paris Agreement commitments. It advocates for effective regulation, collaboration and a balanced approach to sustainability, economic growth and social equity.

Engagement with the Department of Forestry, Fisheries, and the Environment (DFFE) focused on a just transition, financial mechanisms, capacity-building and compliance timelines.

South Africa's platinum group metals (PGMs) position it as a key player in the green economy. Electrification, energy efficiency and green job initiatives support future industries.

## **Please expand on how the global energy transition presents an opportunity for our mining sector to be a key driver of economic growth.**

The global energy transition presents significant opportunities for South Africa's mining sector. Demand for minerals like lithium, cobalt and rare earth elements, essential for renewable energy, is driving growth. South Africa's PGM reserves, critical for hydrogen fuel cells and green technologies, position it as a key supplier in the green economy.

Modernising mining through electrification and energy efficiency attracts investment, reduces costs and lowers emissions. Green jobs and skills initiatives prepare the workforce, securing mining's role in South Africa's green economy.

## **How are non-EU companies being impacted by the EU's sustainability legislation?**

Non-EU companies face increasing impacts from the EU's sustainability legislation, which extends environmental and social governance standards globally. Key frameworks like the EU Green Deal, CSRD, CBAM, and CSDDD require non-EU businesses to adapt their practices to stay competitive in the EU market.



Happy Khambule, Director: Energy and Environment Policy, BUSA.

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Growing demand for sustainable products has raised standards, impacting non-EU companies. Failure to comply may reduce demand from environmentally conscious EU consumers and result in reputational risks as sustainability credentials face scrutiny. EU legislation drives global corporate sustainability, giving non-EU companies a choice: adapt or risk restricted market access and higher costs. Those who comply maintain access and gain an edge in the global sustainability shift.

## **What are the implications of the Carbon Border Adjustment Measures (CBAM) on the South African economy?**

The EU's CBAM challenges South Africa's economy as a key exporter of carbon-intensive goods like steel, aluminum, and cement. CBAM imposes costs on imports from countries lacking comparable carbon pricing, aiming to equalise emissions standards between EU and non-EU producers.

South African exporters will face higher costs, either by purchasing CBAM certificates or investing in emissions reductions. These added expenses may reduce competitiveness in the EU market, impacting sectors like mining and manufacturing.

CBAM-related costs could lower export volumes, weaken South Africa's trade balance and slow economic growth. Without diversifying exports or finding alternative markets, job losses in EU-reliant industries may rise, adding pressure to the economy. 📌