

# Green industrial development and the benefits of a taxonomy

Muhammed Patel, Gaylor Montmasson-Clair  
Trade & Industrial Policy Strategies (TIPS)



# Developing a green industrial policy

- Work on alignment of industrial policy with sustainable development goals
  - Green economy policy frameworks
  - Green economy review of SA's industrial policy
  - Development of green R&D baseline
  - Climate finance
  - Green economy industry and trade assessment
  - Climate and trade interplay
  - Master Plans (Water and Sanitation + inclusion of sustainability considerations in other Master Plans)
  - Just transition (NEVA-SJRPs)
- A taxonomy could assist with classifying as green or not:
  - Policy interventions
  - Support programmes
  - Finance / funding streams
  - Trade (imports/exports)
  - Resource allocations
  - R&D expenditure
  - Skills development / Capacity building

# Greening existing industries

- Work on climate-compatible industrial strategies for 'hard to decarbonise' industrial value chains
- Assesses the availability of mitigation options and their feasibility in SA)
  - Petrochemicals, cement, iron and steel, forestry, aluminium, sugar
  - Link with NEVA-SJRPs (coal, metals, road transport, agriculture, tourism)
- A taxonomy could aid to:
  - Identity industries at risk from a green perspective (fossil fuels and other carbon-intensive activities)
  - Identify mitigation and adaptation interventions for various industries
  - Raise finance for 'green' projects and attract investment while promoting sustainable investment from the financial sector

# Fostering new green market opportunities

- Work on various 'green' industries / VCs
  - Biomaterials/bioplastics
  - Biomass-based products
  - Renewable energy
  - Green hydrogen
  - Electric vehicles / e-mobility
  - Next-generation sanitation
  - Climate change adaptation-based businesses
  - Link with SJRPs
- A taxonomy could create the framework for channelling and greater coordination of investments into these activities
- Potential to catalyse new and nascent markets with positive impact on economic development, exports, employment, skills development

# Trade & Industrial Policy Strategies

Supporting policy development  
through research and dialogue

[www.tips.org.za](http://www.tips.org.za)

Muhammed Patel

Economist: Sustainable Growth

[muhammed@tips.org.za](mailto:muhammed@tips.org.za)

+27 84 786 4004

