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South Africa Bets on Coal While Its $13.8 Billion Climate Deal Waits — Sudan Has Neither

Research Team

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South Africa's energy minister says coal isn't the problem — while $13.8B in climate finance rides on retiring it. Sudan's war-shattered grid, at a quarter of pre-war capacity, has no comparable deal.

3Bi Research Team | 8 September 2026

Headline Fact

South Africa's electricity minister said this week that coal is not the problem — emissions are — and that South Africa's energy future "will remain heavily dependent on coal." The remark, made as the country's flagship $13.8 billion international coal-retirement deal enters its make-or-break implementation years, lands the same week Sudan's own war-shattered grid is running at roughly a quarter of its pre-war capacity with no comparable finance package in sight (attaqa.net/African Insider, 7 September 2026).

Timeline

2 September 2026 — South Africa's Minister of Electricity and Energy, Kgosientsho Ramokgopa, tells reporters during a visit to Eskom's research and testing centre in Rosherville, Johannesburg, that "the crisis isn't coal itself, it's the emissions that come from it," and that coal will remain part of the national energy mix even as the country pursues cleaner generation (attaqa.net/African Insider, 7 September 2026).

Early 2026 — Eskom, South Africa's state utility, begins what is described as the most significant restructuring in its 100-plus-year history, unbundling a century-old monopoly into separate generation, transmission and distribution entities as the sector shifts from years of planning into implementation (attaqa.net, 7 September 2026).

Fiscal year ending March 2026 — Eskom reports a R30.3 billion (about $1.9 billion) annual profit and an improved energy availability factor of 65.16%, evidence the utility is stabilizing after years of rolling blackouts (attaqa.net/African Insider, 7 September 2026).

2021–2025 — South Africa's Just Energy Transition Partnership (JETP), launched at COP26 with an initial $8.5 billion pledge from the US, UK, EU, Germany and France, grows to roughly $13.8 billion as Canada, Sweden, Norway, Japan and Denmark join the International Partners' Group; the US withdraws a combined $1.06 billion in loans and grants, backfilled by a $5.1 billion EU package announced in May 2025. The plan's central bargain: retire eight coal-fired plants by 2030 and nine by 2035 in exchange for international finance (Deluair Consultancy; Rosa-Luxemburg-Stiftung analyses, accessed 8 September 2026). Komati, the first plant retired under the deal, is being replaced with a combined 220 MW of wind and 150 MW of battery storage.

6–7 September 2026 — International reporting documents Sudan's electricity capacity has fallen from roughly 4,400 MW before the 2023 war to about 1,100 MW, with blackouts exceeding 18 hours a day in some regions; the collapse is attributed to drone strikes on power plants, the exit of roughly half the country's electrical engineers since 2023, and a recent halt to the Ethiopia grid interconnection Sudan had relied on for supplementary supply (Arab News/Washington Times, 6 September 2026; Sudan Tribune, reporting via Arkansas Democrat-Gazette, 7 September 2026).

What We Know / What We Don't

We know: South Africa's minister has publicly signaled coal will remain central to the national energy mix for the foreseeable future, even as roughly $13.8 billion in international climate finance is predicated on retiring coal capacity on a fixed schedule. We know Eskom is simultaneously profitable, restructuring, and investing in both emissions-reduction technology for coal plants (carbon capture, flue-gas desulfurization, co-firing with ammonia and biomass) and renewables. We know Sudan's grid capacity has fallen by roughly three-quarters since 2023 and that displaced residents are turning to solar power that many cannot afford.

We don't know: Whether the minister's comments reflect a formal policy shift away from JETP's 2030/2035 retirement targets or are being interpreted more dramatically than intended by regional media; how the International Partners' Group will respond if South Africa's coal retirement pace slips further; and whether any of the climate-finance mechanisms built around South Africa's JETP model — blended finance, concessional loans, results-based payments — are realistically transferable to a conflict-affected state like Sudan, which has no equivalent framework and no peer group of donor governments currently negotiating one on its behalf.

Do-No-Harm Note

This report concerns government policy statements, corporate financial disclosures, and aggregate infrastructure data; it names only a sitting minister speaking in an official capacity and a state utility. Reporting on Sudan's blackouts draws on international coverage that includes affected residents; this report deliberately does not name or identify any individual described in that coverage. 3Bi reviewed this item against its do-no-harm checklist and found no further risk of identifying, endangering, or misrepresenting a named individual or community.

Why It Matters

South Africa is the test case the rest of the continent is watching: if the world's most advanced coal-retirement finance package can't move a government off the position that coal isn't the real problem, other coal- and gas-dependent states have less reason to expect similar deals will bind them either. For Sudan, the contrast is starker still — it has no coal fleet to retire and no comparable donor package waiting to be honored or stalled; it has a war-flattened grid and residents pricing their own rooftops in solar panels because the state cannot. The same donors weighing whether South Africa's coal promises are credible are the donors Sudan will eventually need to convince that its own energy recovery is investable.

What to Watch

Whether South Africa's International Partners' Group issues any public response to the minister's remarks before COP31 (Antalya, 9–20 November 2026); whether Eskom publishes a revised coal-retirement timeline alongside its next integrated resource plan; and whether Sudan's Ministry of Energy and Oil confirms restoration of the Ethiopia interconnection line referenced in this week's reporting.

Sourcing & Next Update

Primary sources: attaqa.net/African Insider (7 September 2026, reporting Minister Ramokgopa's 2 September remarks and Eskom's FY2026 results); Deluair Consultancy and Rosa-Luxemburg-Stiftung JETP analyses (accessed 8 September 2026); Arab News/Washington Times and Sudan Tribune/Arkansas Democrat-Gazette reporting on Sudan's grid collapse (6–7 September 2026). 3Bi will issue a correction if the South African government's Ministry of Electricity and Energy clarifies or walks back the minister's remarks.

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