

# HIGH-LEVEL SUMMARY TECHNICAL ASSISTANCE REPORT

## **SOUTH AFRICA**

Report on the Virtual Energy Accounts Mission (February 13–17, 2025)

**APRIL 2025** 

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**Economic Cooperation and Development** 

### **High-Level Summary Technical Assistance Report**

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#### South Africa: Report on the Virtual Energy Accounts Mission

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The *High-Level Summary Technical Assistance Report* series provides high-level summaries of the assistance provided to IMF capacity development recipients, describing the high-level objectives, findings, and recommendations.

ABSTRACT: The IMF's Statistics Department has been actively assisting Statistics South Africa in the development of energy and air emissions accounts, through a project backed by the Swiss State Secretariat for Economic Affairs (SECO). The mission conducted during February 13–17, 2025, found significant progress in the development of energy accounts for 2015–2021, scheduled for release in March 2025. Recommendations include further development of air emissions accounts, enhancing the accounts, and securing necessary resources to sustain these efforts. These initiatives are crucial for South Africa's climate policy formulation and international reporting obligations.

JEL Classification Numbers: E01, Q43, Q56

Keywords: Energy accounts, Environment and Climate Change Statistics, SEEA

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## **Background**

The IMF's Statistics Department launched an Environmental and Climate Change Statistics Capacity Development Program to support countries in establishing robust systems for climate-relevant statistics. This initiative is supported by the Swiss State Secretariat for Economic Affairs (SECO). As a G20 member, South Africa is involved in the Data Gaps Initiative Phase 3 (DGI-3), which aims to address data gaps in economic decision-making, with a focus on climate change statistics. Therefore, during the diagnostic mission in July 2023, compilation of energy and air emissions accounts - that are relevant for DGI-3 - were identified for implementation under this project in South Africa.

The project involved a series of technical assistance missions to support Statistics South Africa (Stats SA) in compiling energy and air emissions accounts. These accounts are essential for setting reduction targets and tailoring interventions for climate mitigation policies. The project aimed to enhance Stats SA's capacity to produce internationally comparable statistics, thereby supporting evidence-based policy decisions and fulfilling international reporting obligations.

The technical assistance provided by the IMF focused on developing a comprehensive framework for energy and air emissions accounts, aligned with the System of Environmental Economic Accounting (SEEA). This framework allows for the integration of physical energy flow accounts with national accounts, facilitating the derivation of indicators for energy intensity, efficiency, and productivity. The project also emphasized the importance of collaboration among various South African agencies to maximize the use of available data and foster a thorough understanding of diverse datasets.

## **Summary of Findings**

The technical assistance mission conducted during February 13–17, 2025, found that Stats SA has made significant progress in compiling energy accounts for the years 2015–2021. These accounts, developed under the SEEA framework, provide a detailed record of energy flows within the economy, from extraction to consumption and back to the environment. The mission noted that the collaboration between Stats SA, the Department of Mineral Resources and Energy (DMRE), and the Department of Forestry, Fisheries, and the Environment (DFFE) has been instrumental in enhancing the quality of energy statistics in South Africa.

The mission outlined the next steps for developing air emissions accounts. Efforts are ongoing to link the national greenhouse gas (GHG) inventory to the International Standard Industrial Classification (ISIC) and implement the South African Statistical Quality Assessment Framework (SASQAF) for the DFFE GHG inventory data system. These initiatives will support the compilation of air emissions accounts and the advancement of energy accounts.

The mission emphasized the importance of ongoing collaboration among South African agencies for the successful implementation of energy and air emissions accounts. Monthly virtual meetings established between the core compilation team and IMF technical experts have been effective in promptly addressing questions regarding the compilation. Continuing these meetings will facilitate the development of experimental air emissions accounts and their planned release during FY 2026/27.

## **Summary of Recommendations**

To improve capacity in compiling energy and air emissions accounts, the mission made several key recommendations. First, Stats SA should prioritize the development of air emissions accounts by establishing a clear publication trajectory and engaging with the Technical Working Group (TWG) established for energy and air emissions accounts to agree on the intended temporal coverage. This will ensure adherence to the intended timelines in accordance with the G20 Data Gaps Initiative (DGI-3).

Second, Stats SA should undertake a comprehensive review of methodologies, data presentations, and formats used in the discussion document on energy accounts. This review, conducted in collaboration with the members of the Technical Working Group, will help establish a workplan for the regular production of energy accounts and ensure alignment with international standards. Additionally, Stats SA should strive for detailed and accurate breakdowns in energy and air emissions accounts, utilizing data from the DMRE, DFFE, and other sources to provide a nuanced view of energy consumption and production.

Third, the mission emphasized the importance of allocating sufficient resources to support the work on energy and air emissions accounts. Given the current staffing levels in the Environmental Economic Accounts (EEA) Directorate at Stats SA, additional resources are necessary to ensure the timeliness and accuracy of these accounts. This will enable Stats SA to incorporate advancements and adapt to evolving methodologies and standards, ultimately enhancing the quality of climate-relevant statistics in South Africa.

#### A. Priority recommendations

Target Date	Priority Recommendation	Responsible Institution
August 2025	A clear and practical publication trajectory for the air emissions accounts is established and shared with the members of the TWG, so that all the agencies can agree on the scope and coverage of the air emissions accounts for the first phase of compilation and commit to continuous improvement and expansion over a longer time frame.	Stats SA
November 2026	Discussion document on air emissions accounts disseminated.	Stats SA
Ongoing	Stats SA accords a high priority for ensuring that sufficient resources are made available for the work on the energy and air emissions accounts.	Stats SA