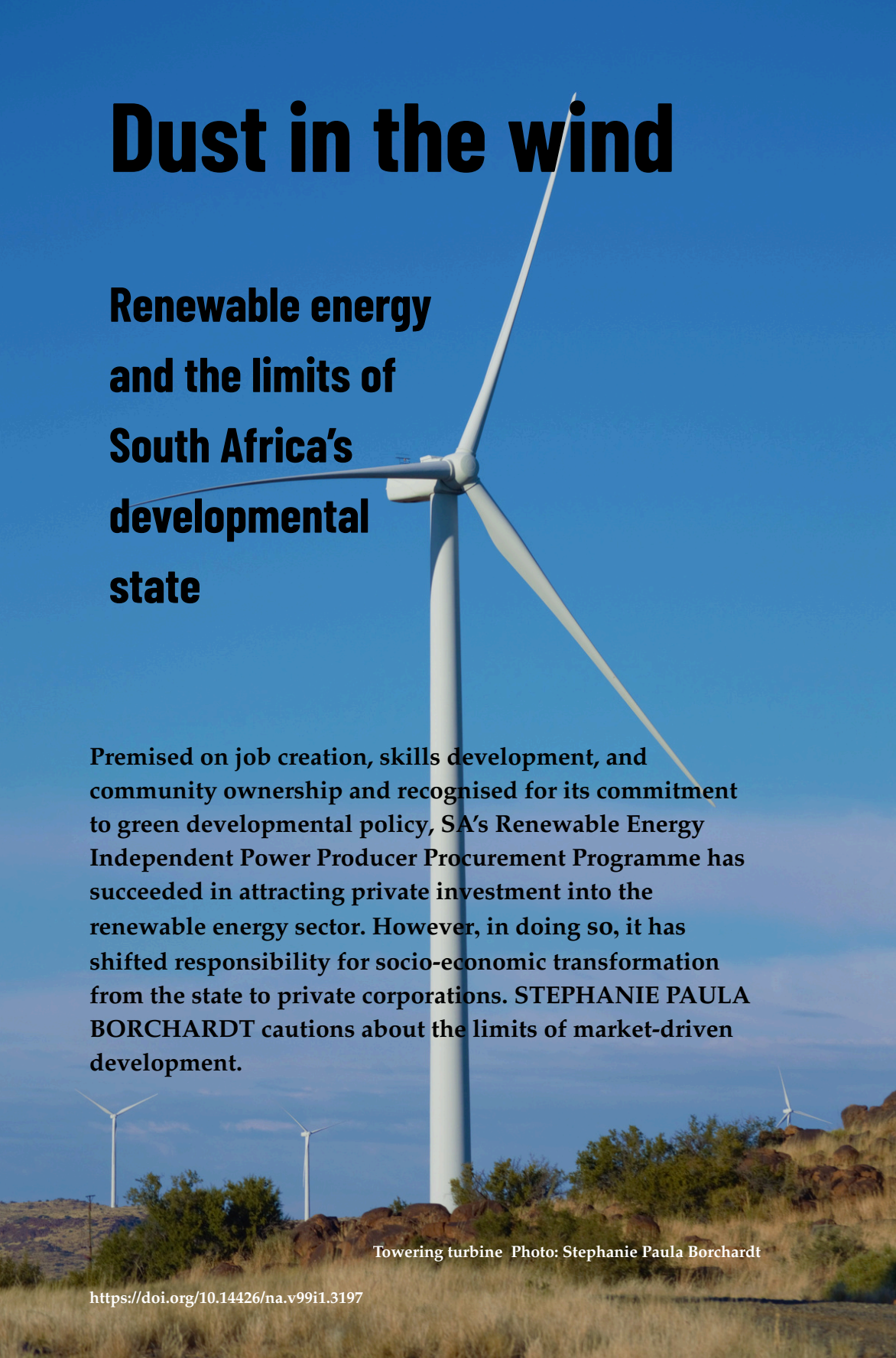
Dust in the wind

Renewable energy and the limits of South Africa's developmental state

Premised on job creation, skills development, and community ownership and recognised for its commitment to green developmental policy, SA's Renewable Energy Independent Power Producer Procurement Programme has succeeded in attracting private investment into the renewable energy sector. However, in doing so, it has shifted responsibility for socio-economic transformation from the state to private corporations. STEPHANIE PAULA BORCHARDT cautions about the limits of market-driven development.



Towering turbine Photo: Stephanie Paula Borchardt

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Dust in the wind: Renewable energy and the limits of South Africa's developmental state

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Abstract

South Africa's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) is widely celebrated for attracting private investment into renewable energy while embedding socio-economic development goals. Positioned as a flagship initiative of the country's green developmental state, the programme promises inclusive growth through job creation, skills development, and community ownership. Yet this article critically examines the disjuncture between the programme's technocratic design and its uneven implementation in remote host towns. Drawing on ethnographic fieldwork and a 2024 household survey in Sutherland, Northern Cape, it explores how the REIPPPP's scorecard-driven framework struggles to engage with the layered social, institutional, and labour dynamics of marginalised rural towns in the Karoo. Despite substantial financial commitments to local development, implementation is undermined by skills shortages, substance abuse, fragmented governance, and limited community agency.

These challenges expose the limits of South Africa's developmental state, where technocratic procurement frameworks and rigid compliance metrics falter amid structural inequality and weak local capacity. By centring the construction phase and local experiences, the article argues that without more grounded, participatory, and justice-oriented approaches, the REIPPPP risks reproducing the very exclusions it seeks to redress. The findings call for a reimagined energy transition, one that moves beyond metrics to engage meaningfully with the social realities shaping project outcomes in South Africa's arid regions.

Introduction

South Africa's Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) was launched in 2011 as a flagship initiative to attract private investment into the energy sector while addressing the country's chronic electricity shortages and development challenges. Conceived in the context of rolling blackouts, economic stagnation, and mounting pressure to decarbonise, the REIPPPP was designed as a competitive bidding process in which independent power producers (IPPs) would supply electricity from wind, solar, and other renewable sources to the national grid. The Independent Power Producer Office (IPPO) runs the programme in partnership with the department responsible for energy, renamed the Department of Electricity and Energy (DEE) in 2025, National Treasury, and the Development Bank of Southern Africa (DBSA). Its primary objective is to guarantee transparency, fiscal efficiency, and affordability.

The REIPPPP can be theorised as a tool of a 'green developmental state,' a model that sets it apart from many other global renewable energy initiatives due to its explicit developmental mandate. In addition to producing green energy, the programme committed bidders to a range of socio-economic development (SED) and enterprise development (ED) obligations, including local job creation, skills training, ownership by historically disadvantaged South Africans, and contributions to community development through community trusts (IPPO, 2025; Eberhard & Naude, 2016). These criteria, initially accounting for 30% of the bid score, signal a commitment to an energy transition that centres justice alongside decarbonisation.

However, this developmental framing also reveals a deeper structural dynamic: the outsourcing of state-led transformation to private corporations. Rather than cultivating internal capacity to drive inclusive development, the state has delegated key responsibilities, such as job creation, skills development, and community upliftment, to IPPs. In doing so, it positions private actors as the primary vehicles for delivering on the promises of a developmental state. This raises critical questions about accountability, sustainability, and the limits of market-driven development.

Despite its progressive ambitions, the REIPPPP is facing mounting scrutiny over whether it truly delivers on its promises. Drawing on fieldwork conducted between 2023 and 2025, alongside a recent socio-economic household survey by the South African Research Chair Initiative (SARChI) in the Sociology of Land, Environment and Sustainable Development (Eigelaar-Meets & Groenewald, 2025), this

article examines the widening gap between national policy ambitions and the lived realities on the ground. Sutherland, a remote town in the Northern Cape province,[1] serves as a case study.

Sutherland has become a focal point for renewable energy investment, with multiple wind farms either operational or currently under construction. Yet rather than catalysing inclusive development, the REIPPPP often reproduces existing inequalities. In Sutherland, this disconnect between policy and experience is shaped by fragmented governance, precarious labour conditions, and weak institutional integration (Walker & Vorster, 2024; Eigelaar-Meets & Groenewald, 2025). These dynamics expose a deeper tension between the state's developmental aspirations and its limited capacity to enact meaningful transformation, rendering South Africa's energy transition more speculative than substantive.

South Africa as a developmental state

The concept of a developmental state in South Africa emerges from the post-apartheid aspiration for a state that actively steers economic transformation, industrialisation, and inclusive growth. Drawing inspiration from East Asian examples, notably Japan, South Korea, and Taiwan, this model is defined by robust state capacity, strategic long-term planning, and a degree of embedded autonomy that insulates it from political interference (Johnson, 1982; Evans, 1995; Castells, 1992).

South Africa's National Development Plan (NDP) Chapter 13 defines a developmental state as one that:

> ***... brings about rapid and sustainable transformation in a country's economic and/or social conditions through active, intensive and effective intervention in the structural causes of economic or social underdevelopment. Developmental states are active. They do not simply produce regulations and legislation.*** (National Planning Commission, 2013, p. 409)

In post-apartheid South Africa, the notion of a developmental state also serves as a rhetorical and programmatic tool to engage economically disempowered groups, particularly the poor and unemployed. It reflects the ANC's attempt to confront the deep structural inequalities inherited in 1994, positioning government initiatives as targeted interventions aimed at reducing poverty, driving socio-economic transformation, and expanding equitable participation in the economy (Qobo, 2014).

In Sutherland this disconnect between policy and experience is shaped by fragmented governance, precarious labour conditions, and weak institutional integration.

The Department of Planning, Monitoring and Evaluation (DPME) defines South Africa's developmental state as one driven by strategic vision, capable institutions, inclusive governance, and investment in human capital (DPME, 2017, pp. 9-14). Yet scholars argue that the country falls short of this ideal. Ukwandu (2019) highlights weak bureaucratic capacity, fragmented governance, and elite capture as key obstacles, while Lekorotsoana (2024) points to the lack of state-wide coordination, lack of leadership, poor resource deployment, and an inability to embed developmentalism across society.

Evans (2010) and Edigheji (2005) suggest that developmental states must adapt to new challenges, focusing less on manufacturing and more on knowledge economies, social equity, and democratic legitimacy. South Africa's decentralised governance and democratic commitments require a reimagined model that balances state intervention with participatory development.

Building on the conceptual foundations of South Africa's developmental state, the following section examines how these ambitions are operationalised through the REIPPPP. Positioned as a flagship initiative within the country's green transition, the REIPPPP offers a structured mechanism for attracting private-sector investment while embedding socio-economic development goals.

Understanding the REIPPPP scorecard and bidding windows

South Africa's REIPPPP is globally recognised for its structured approach to scaling private-sector renewable energy investment. Through a competitive bidding process, it evaluates proposals from IPPs, corporate entities that develop, construct, and operate private power generation facilities, balancing least-cost electricity procurement with socio-economic development goals via a comprehensive scorecard system.

While the programme is comprehensive by criteria, as evidenced by its robust evaluation framework and alignment with policy objectives, it has been critiqued for lacking depth in addressing the broader systemic challenges it necessitates (Borchardt, 2025; Malope, 2024). Questions remain around the long-term sustainability of its socio-economic impact, the lived realities of communities involved, and the extent to which development outcomes are meaningfully integrated beyond compliance metrics.

What is a bidding window?

The REIPPPP facilitates renewable energy project development through bidding windows, each with specific targets for installed capacity across technologies like solar and wind. Since its 2011 launch, each bidding window has featured pre-defined evaluation criteria, fixed timelines, allocation caps, and mandated local content and SED obligations (IPPO, 2025).

The REIPPPP has conducted seven primary bidding windows since its establishment, operating under a unique two-envelope system. This system originally apportioned 70% of a bidder's evaluation to price and 30% to economic development criteria (see Table 1), thereby pursuing the dual objectives of cost-efficient electricity procurement and substantial local and national economic development. The economic development criteria largely mirror the Broad-Based Black Economic Empowerment (B-BBEE)[2] scorecard, a South African policy framework designed to advance economic inclusion for historically disadvantaged groups, issued by the Department of Trade, Industry and Competition (DTIC), though with minor adaptations (DMRE, 2024).

Bid Window 5, launched in 2021, introduced stricter conditions: a 90:10 evaluation ratio favouring tariffs over socio-economic commitments, reduced financial close (four months) and construction (two years) timelines, and more stringent technical and legal requirements. Economic development commitments shifted to qualification criteria, leading to lower reported commitments. South African shareholding increased to 49%, with a minimum 25% Black ownership and 5% Black women ownership, while specific local content targets were removed (Pinto, 2021).

From Bid Window 6, economic development evaluation was reinstated with greater emphasis on gender and disability inclusion. IPPs must report[3] quarterly on SED and ED outcomes, though these reports remain unpublished. Once appointed, successful bidders sign a 20-year power purchase agreement (PPA) with Eskom, the sole buyer of their electricity (Pinto, 2021).

Table 1: The scorecard for Bid Window 1-4 includes the following economic development criteria

Economic development category	Description
Job creation	Prioritises employment of South African citizens, focusing on youth, women, and rural communities.
Local content	Requires a minimum percentage of project value to be sourced locally, supporting industrialisation and skills development.
Ownership	Mandates at least 40% South African ownership, with a minimum of 2.5% equity allocated to local communities.
Management control	Aims to ensure diversity in leadership and decision-making roles within project entities.
Preferential procurement	Aims to source goods and services from historically disadvantaged suppliers, particularly Black-owned businesses, women-owned enterprises, and small to medium-sized enterprises (SMEs)
Enterprise and supplier development	Supports investment in Black-owned SMEs and related skills development programmes.
Socio-economic development	Involves direct contributions to education, healthcare, and broader community upliftment within host areas.

Source: Independent Power Producers Procurement Programme: An Overview (IPPO, 2025)

Based on Table 1, the REIPPPP programme has delivered significant economic outcomes. According to the IPPO report for June 2025 (IPPO, 2025), the programme created over 88,317 job years for South African citizens and contributed R3.4 billion to socio-economic development. Local content spending reached R74.8 billion, and B-BBEE procurement amounted to R111 billion by the end of June 2025.

The programme generated 130,278 gigawatt hours of electricity, enough to supply more than 39.3 million households (IPPO, 2025). Although Black South Africans hold 38.1% of equity in the programme, local community ownership remains limited. The socio-economic development component (see Table 1) of the economic development scorecard has generated over R40 billion in commitments to local communities, but implementation remains uneven (IPPO, 2025). Critics argue that communities often experience minimal benefit and lack agency in decision-making processes, raising questions about recognitional

justice and procedural inclusion (McDaid, 2016; McEwan et al., 2017; Nzo, 2021; Pressend, 2023).

The REIPPPP offers a compelling lens through which to assess South Africa's developmental state ambitions. While its design is steeped in the language of inclusive growth, promising job creation, skills development, and community ownership, it remains fundamentally anchored in competitive private-sector procurement. This structural reliance reveals a persistent tension between transformative intent and neoliberal practice. By examining how the programme operates, and where it falls short, we gain insight into the deeper limitations confronting state-led transformation in the post-apartheid era.

Table 2: REIPPPP procurement process

Step	Stage	Description
Step 1	Request for proposals (RFPs)	The government issues an RFP inviting the private sector to propose renewable energy projects.
Step 2	Bid preparation and submissions	Developers prepare and submit detailed technical and financial bids.
Step 3	Bid evaluation and preferred bidders approved	Bids are evaluated; preferred bidders are selected based on criteria.
Step 4	Financial close	Final agreements are signed; financing is secured to begin the project.
Step 5	Construction	Physical construction of the renewable energy facility begins.
Step 6	Commercial operation date	The project begins generating and delivering electricity to the grid.

Source: Independent Power Producers Procurement Programme: An Overview (IPPO, 2025)

This article focuses on the *Construction Phase* (See Table 2, Step 5) of renewable energy projects, investigating the on-the-ground challenges and their intersection with local realities. By centring this often-overlooked stage, it reveals the disconnect between national policy and local implementation, highlighting how ambitious targets can exacerbate inequalities in rural areas. The next section examines Sutherland's socio-economic landscape, where wind energy projects have introduced new complexities around employment, skills, and benefit distribution. Despite its strategic role in the energy transition, the town faces persistent poverty, limited capacity, and rising social challenges, exposing the

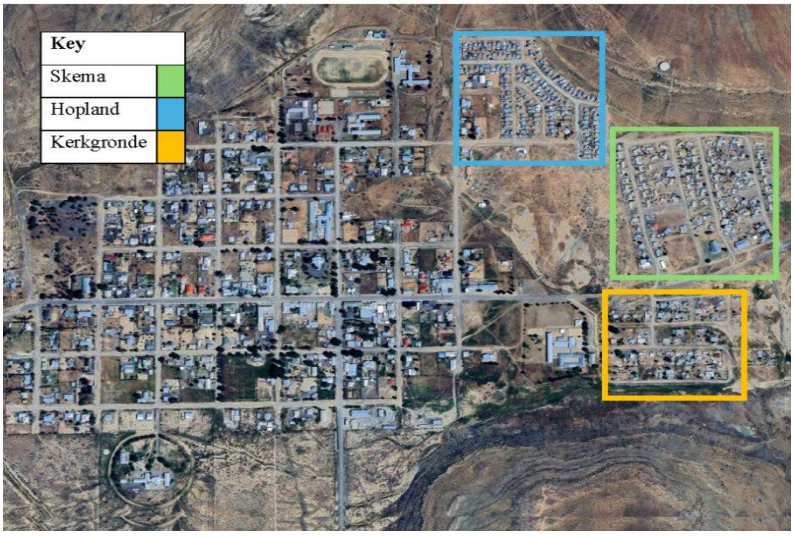
widening gap between national ambitions and local realities, and revealing a developmental state still more aspirational than achieved.

Sutherland: A socio-economic snapshot

Sutherland offers a compelling lens on labour dynamics in South Africa's renewable energy sector. Known for astronomy[4] and astro-tourism, the town now hosts large-scale wind projects that expose tensions between job creation promises and local skill realities. Employment often peaks briefly during construction, creating boom-and-bust cycles that exclude many long-term residents. The influx of transient labour and the evolving economic landscape can fundamentally alter a town's character, potentially detrimentally affecting established sectors such as tourism.

Sutherland, a remote town with an estimated population of 2,767 residents across 724 households, presents a unique socio-economic landscape. A 2024 survey by the SARChI Chair in Land, Environment, and Development (Eigelaar-Meets & Groenewald, 2025) reveals that most residents (95%) identify as Coloured, with smaller proportions of White, Black, or other population groups. The survey also highlights a significant demographic trend: 68.4% of households are female-headed, with male-headed households making up less than a third (31.6%). The average household size is 3.8 members.

Figure 1: Satellite image of Sutherland, Northern Cape, indicating the residential areas



Source: Google Earth, 2023

Residents are predominantly concentrated in four areas: Skema (47%), Hopland (37%), Kerkgronde (5%) and the town centre (10%). The 'town centre' refers to the remaining area not mapped in Figure 1 above. Approximately 85% live in formal housing, while the remainder reside in backyard structures, which is particularly prevalent in Hopland. See Table 3 for demographic characteristics based on the 2024 survey.

Table 3: Demographic characteristics of Sutherland population – 2024

Indicator	Survey 2024
Total population range	0–89 yrs
Median (50th percentile)	29 yrs
Mean age	32.2 yrs
Legal age: children (0-17)	361 (31.1%)
Legal age: adults (18+)	799 (68.9%)
Child dependency age (0-14)	308 (26.6%)
Economically active age (15-59)	702 (60.5%)
Elderly dependency age (60+)	150 (12.9%)
Dependency ratio	65.2
Sex ratio (males per 100 females)	84.5
Total population count	1160 (100%)
Child-headed households (<18 yrs)	1 (0.3%)
Women-headed households (>19 yrs)	208 (68.4%)
Men-headed households (>19 yrs)	96 (31.6%)
Total households surveyed	304
Average household size	3.8

Source: *A socio economic survey of the Sutherland population 2024-2025* (Eigelaar-Meets & Groenewald, 2025).

Education and migration

In Sutherland, most children between seven and 18 are enrolled in school (92%), but many are not in the grade that matches their age (Eigelaar-Meets & Groenewald, 2025, p. 82). Although South Africa's official school-starting age is seven, many children begin earlier, in Grade R at four or five, and Grade 1 at five or six, creating a standard where each grade should match a one-year age increase (Eigelaar-Meets & Groenewald, 2025). However, survey data show that by age 11 only 11.8% of learners are in the expected grade and by ages 16-18 more than 80% are behind. These delays tend to worsen over time, pointing to deeper problems in the education system that make it hard for learners to catch up. Learners who fall behind early in school often stay behind, reflecting systemic barriers in primary education that constrain long-term academic and vocational prospects.

Since 2000, Sutherland has witnessed a discernible increase in in-migration, predominantly driven by perceptions of an appealing lifestyle,

characterised as 'quiet and serene,' and the availability of economic opportunities within the hospitality sector. The 2024 survey reveals that a substantial proportion of this demographic, constituting approximately 14% of the total population, finds employment within the tourism and hospitality sector, thereby contributing to the vitality of local enterprises. According to the 2024 survey, around 14% of the population now works in tourism-related roles, from guesthouses to restaurants, helping to energise the local economy. These newcomers tend to be more highly educated[5] and more likely to find employment than long-term residents, a trend that highlights deeper inequalities. While their arrival brings economic vitality, it also sharpens the divide in skills and opportunities, revealing a town where prosperity is unevenly distributed and shaped by who arrives and who's already there.

Poverty and employment

While most households have access to electricity (97.3%) and piped water either in the house (39.3%) or on the plot (59.1%), disparities in service provision remain. For sanitation, the majority of households (64.6%) rely on dry pit toilets (Eigelaar-Meets & Groenewald, 2025, p. 22). Poverty continues to be a pressing issue, with nearly half of households earning less than R2,000 per month.

Food loans topped the list of credit types in the 2024 survey (Eigelaar-Meets & Groenewald, 2025, p. 116), highlighting the severity of food insecurity for roughly a quarter of households. When households rely on credit not to invest or build, but simply to eat, it signals a level of financial distress that goes beyond poverty statistics. Many households reported going without food, some regularly or always, within the previous 12 months.[6] In these moments of crisis, people turned to institutions or individuals for help, though some said they had "no one to go to". Few sought support from the church, reflecting a broader erosion of communal safety nets.

Employment in the town is mostly concentrated in general services and agriculture, but even these sectors offer limited stability.

[In Sutherland] prosperity is unevenly distributed and shaped by who arrives and who's already there.

Main road of Sutherland, Northern Cape province, South Africa.
Photo: Stephanie Paula Borchardt

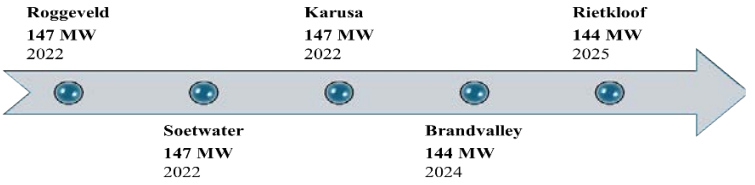
With an unemployment rate of 20.6%,[7] many residents remain excluded from formal work, caught in a cycle where survival takes precedence over opportunity (Eigelaar-Meets & Groenewald, 2025, p. 110)

Renewable energy awareness and benefits

Resident awareness of renewable energy developments outside their town demonstrates an almost even distribution, with 48.5% indicating familiarity and 51.5% expressing unfamiliarity with the concept (Eigelaar-Meets & Groenewald, 2025, p. 158). Despite the presence of a community liaison officer from one of the IPPs, accessible, community-oriented information seemed not to reach the residents. Fewer than one-third of respondents perceived direct household benefits accruing from the local renewable energy project. Among those who did, employment opportunities constituted the most frequently cited advantage, with over 40% referencing job creation (Eigelaar-Meets & Groenewald, 2025, p. 162), however, residents acknowledged that these roles were short-term and had low skill requirements. Concurrently, the hospitality industry experienced a substantial surge during the project's construction phase, with the economic benefits disproportionately accruing to white guesthouse owners in the area.

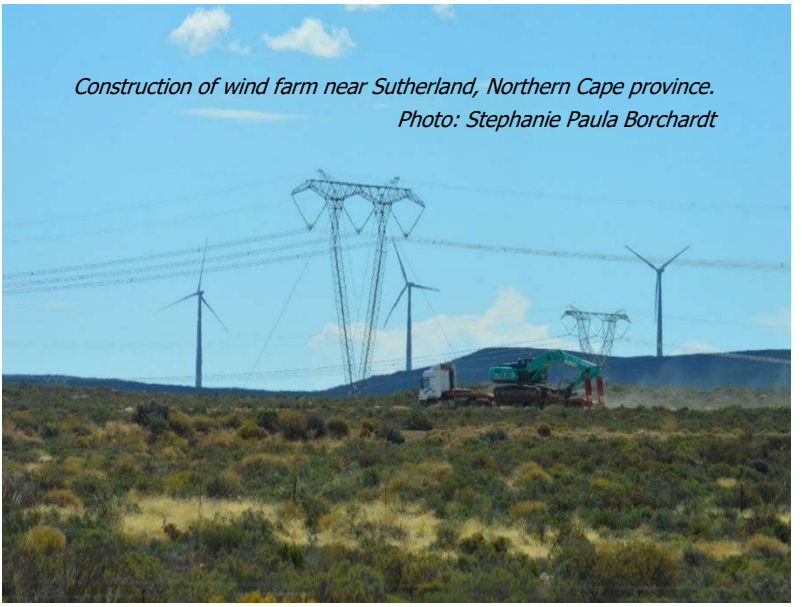
Sutherland is currently home to five wind farm IPPs (see details, including commercial operation dates and capacities, in Figure 2 below).

Figure 2: Wind farms surrounding Sutherland with their commercial operation date and capacity in megawatts (MW)



Graph compiled by Stephanie Paula Borchardt, based on data from Enel Green Power (2025); Red Rocket Energy (2025).

In addition to projects under the REIPPPP, several new energy developments are underway near Sutherland, reflecting the expanding and increasingly diversified infrastructure of South Africa's renewable energy transition. These include the Oya Energy Hybrid Project, one of the 11 preferred bidders under the Risk Mitigation Procurement



Construction of wind farm near Sutherland, Northern Cape province. Photo: Stephanie Paula Borchardt

Programme. The Karreebosch Wind Farm supplies electricity exclusively to Northam Platinum Holdings Limited's mining operations in the Northern Cape (G7 Renewable Energies, 2025). Although not part of REIPPPP, these independent power producers are embedded within South Africa's broader energy procurement framework and will undoubtedly shape the socio-economic and spatial dynamics of Sutherland.

Beyond the blueprint: Skills gaps, substance abuse, and outsourced labour in renewable energy construction

The rollout of utility-scale renewable energy projects in South Africa's remote Karoo region demands more than technical feasibility. It requires navigating entrenched socio-economic and logistical complexities. Developers routinely face challenges such as a shortage of skilled local labour, dependence on outsourced personnel, and pervasive social vulnerabilities, all of which generate tension and hinder progress. Although these projects are often framed as engines of local job creation, the reality reveals structural limitations that undermine such promises.

Local employment challenges and systemic gaps

A significant disconnect exists between the REIPPPP's ambitious local employment quotas and the realities in South Africa's rural communities. Despite contractual obligations for local hiring, including women and youth, the "resource availability" of "physical human resources ... people!" is often "severely lacking" (Benjamin, IPP company representative, interview, August 2024). Benjamin played a central role during the construction phase, juggling a senior managerial position while remaining hands-on on site. He was responsible for reporting and tried to reconcile the company's promises around job creation with the actual employment figures during that period. Jobs created directly within the renewable energy project value chain are predominantly for skilled and highly skilled workers, with unskilled workers comprising less than 10% of the total (Hartley et al., 2019, p. 15). The highly specialised nature of utility-scale renewable energy projects makes it exceptionally difficult to source qualified local personnel, particularly in rural areas. This critique is echoed in the Institute for Economic Justice (IEJ) Policy Brief (2021), which notes that over 80% of employment in the IPP sector is concentrated in short-term construction roles, with limited pathways to long-term, decent work. Malope (2022) also critiques the use of "job years" as a metric, which inflates employment figures while masking the temporary and precarious nature of most positions.

This mismatch is compounded by high rates of failed medical screenings and substance abuse, which further limit the local labour pool (Benjamin, August 2024). This is starkly apparent when projects are launched, as initial employment projections often face a harsh reality:

> ***You can start with a big picture saying we [the company] are going to employ X number of people [in town], you get here, and then you see half of the people fail their medicals because they are not fit to work or have alcohol abuse challenges.*** (Benjamin, August 2024)

Sutherland landscape.
Photo: Stephanie Paula Borchardt

The REIPPPP mandates assume a ready labour pool, while rural realities reflect chronic underdevelopment, poor health, and limited skills. This mismatch reveals how technocratic frameworks often overlook the socio-material conditions necessary for their success.

Reliance on subcontracted labour externalises responsibility for worker welfare, making it difficult to address entrenched social challenges such as addiction, failed medical screenings due to ill health, and chronic unemployment. These issues are symptomatic of deeper systemic neglect, including inadequate healthcare and poor education. According to Benjamin (August 2024), the bureaucratic rigidity of the REIPPPP contracts and reporting compounds these challenges by enforcing standardised compliance metrics, such as job creation targets and ownership structures, that often clash with the socio-economic realities of marginalised regions like the Karoo. Developers are held to national benchmarks regardless of local capacity, limiting their ability to respond adaptively to community needs.

The emphasis on short-term deliverables undermines meaningful investment in human capital, while fragmented accountability and rigid procurement processes delay implementation and inflate costs. The IEJ (2021) argues that the current procurement model incentivises cost-cutting and localisation loopholes rather than meaningful community development. It calls for stronger alignment between trade policy, value chain localisation, and employment strategies centred on decent work, an approach that remains largely absent in current practice. Together, these factors constrain the transformative potential of renewable energy projects and weaken their contribution to sustainable, inclusive development. These accounts reveal not only logistical and social constraints but also temporal misalignments that render developmental promises largely symbolic.

The REIPPPP's rigid compliance metrics and fragmented governance structures thus risk reproducing exclusion rather than redressing it, highlighting the need for more adaptive, integrated, and context-sensitive approaches to rural development within South Africa's energy transition.

Navigating substance abuse: A systemic challenge for project development

This section explores how alcohol abuse among the renewable energy project workforce, especially in remote regions, poses a significant challenge. Current policies and the outsourcing of labour hinder effective employee support, while deficit-based narratives about local communities often justify prioritising external workers, undermining the REIPPPP's

local benefit and job creation mandates. This exacerbates existing vulnerabilities in small Karoo towns where alcohol abuse is already present.

One manager put it bluntly: "The people from Sutherland tend to have very bad habits of drinking … so Monday morning, he is still intoxicated. Now, instead of employing people from Sutherland, we would rather take people from Laingsburg" (Dennis, IPP company representative, interview, August 2024).

Such framing shifts the blame away from structural neglect, poor healthcare, limited employment, and lack of social services, and instead pathologises local residents. It undermines the REIPPPP's commitment to local benefit and job creation, turning developmental promises into exclusionary practices.

The hope that "one of these wind farms will invest back into the community [to address alcohol abuse]" (Dennis, August 2024) is often deferred, passed from one developer to the next. What emerges is a troubling pattern: a lack of collective responsibility, a reliance on short-term fixes, and a developmental model that leaves local residents in Sutherland carrying the weight of systemic failure.

External labour and undermined development

IPPs frequently rely on external labour during the construction phase of renewable energy projects, with the assumption that it is more cost-effective. In communities like Sutherland, this practice exacerbates social tensions. As one IPP manager explained, workers are brought in from provinces such as Mpumalanga or the Eastern Cape[8] to fill skill gaps, but subcontractors often fail to repatriate them once the work is complete: "That guy is in the community now, but he is not a part of it, and the community doesn't want him there" (Dennis, August 2024).

This approach exposes a critical flaw in project-based infrastructure models, where short-term labour demands override long-term social integration. Without clear exit or inclusion strategies, external workers become socially displaced, facing resentment from residents and contributing to fractured cohesion. Police and tourism officials in Sutherland have noted that unrepatriated workers can and have disrupted the town's social fabric, disregard local norms, and fuel issues such as drug abuse and public indecency (Liam, SAPS officer, interview, August 2024; Johnathan, tourism sector, interview, August 2024; Alex, SAPS officer, interview, November 2024). Outsourcing may appear

Construction of the Brandvalley Wind Farm, Sutherland, Northern Cape. Photo: Stephanie Paula Borchardt

cheaper than dealing with the local labour challenges, but it merely shifts the burden, leaving host towns to absorb the social costs. Short-term savings come at the expense of long-term development, undermining both stability and the transformative potential of renewable energy investments.

The heavy reliance on external, rather than locally sourced, labour, without corresponding investment in local training and capacity-building, represents a significant missed opportunity for renewable energy projects. As a local municipal official, Carl, succinctly put it:

> ***The [IPP] construction phase is a grey area for us; our concern is that the jobs must be decent and sustainable … we understand some are technical, but we have bright stars in the community. Make them part and parcel of the operation and maintenance. Train them!*** (interview, October 2024)

Carl's concerns point to a broader governance gap in rural renewable energy rollouts: a mismatch between project labour practices and local realities. Addressing this gap requires more than technical fixes; it demands deliberate investment in local skills and clear strategies for managing external workforces, both of which are essential to project success and social cohesion.

Yet internal disconnects within IPP companies further complicate this picture. Dennis, an IPP company representative in a managerial role, had limited knowledge of the SED and ED initiatives related to skills development and training. "No, I know nothing about what happens [in town]. They don't tell us, and I don't ask" (interview,

August 2024), he said, acknowledging the disconnect. He was unaware of any training being offered by his company to locals. In contrast, Claire, who worked in the IPP company's SED and ED department, confirmed that training programmes were indeed rolled out, though regrettably, only after the wind farm's construction had ended (interview, August 2024). These misalignments, between policy, timing, and organisational roles, undermine the programme's developmental goals, revealing how rigid metrics and siloed operations can reproduce exclusion rather than redress it.

According to IPP company representative Benjamin, one of the most persistent challenges lies in the disconnect between what contractors are contractually obligated to deliver and what is realistically achievable when it comes to enterprise and supplier development. "Those challenges are evident in the way that construction sites get disrupted," he explained (August 2024). This gap between promise and practice is not just technical, it's political.

Indeed, during the construction phase, several protests erupted in response to unmet expectations around ED commitments. Communities, having been told to expect local procurement, training, or subcontracting opportunities, found themselves sidelined as subcontractors failed to follow through. These disruptions reflect more than poor communication, they reveal a structural flaw in the REIPPPP's delivery model, one that outsources developmental obligations without ensuring mechanisms for accountability or redress.

From procurement to precarity: accountability in post-construction energy landscapes

Having examined the REIPPPP's design and bidding architecture, this section turns to the post-construction phase, where accountability often falters, and developmental promises begin to unravel. In remote areas, institutional fragmentation and weak oversight significantly undermine the long-term success of renewable energy projects. A diffuse leadership structure, coupled with the transient nature of contractors and limited post-project investment, frequently leads to infrastructural neglect and unfulfilled enterprise development commitments.

As IPP representative Dennis vividly articulated, the involvement of numerous companies and shareholders creates a confusing, opaque decision-making environment: "It's confusing sometimes. We once had a meeting ... company X people came, company Y people came, company Z people came, at the same time, and you're

kind of confused ... who is the boss ... they are all shareholders [laughs]" (Dennis, August 2024).

This diffuse leadership structure not only disorients on-site personnel but also fosters a broader issue of dispersed responsibility that persists well beyond the construction phase. Crucially, this fragmentation extends to community relationships, where local and municipal officials are left navigating a revolving door of contractors and consultants, often unsure which entity is the ultimate bearer of socio-economic development obligations (Simon, municipal official, interview, October 2025).

Adding to these challenges is a familiar breakdown in coordination and accountability between contractors, developers, and the communities who are meant to benefit. Poor follow-up on maintenance and the frequent absence of contractors after the project's completion point to deeper failures in long-term planning and oversight (Benjamin, August 2024). Too often, developers arrive with a short-term mindset, focused on meeting construction deadlines rather than building lasting relationships or ensuring the infrastructure they leave behind is properly supported.

This challenge is further compounded by the reluctance of contractors, often based in distant urban centres, to return to project sites for follow-up work or maintenance. As Dennis lamented, "people don't like this place, and they don't want to come back ... if you call them, they say, 'you fix it yourself and send me the bill'" (Dennis, August 2024). The site's physical distance from urban technical hubs compounds coordination issues, turning geographic isolation into a structural barrier. What appears to be poor coordination is a deeper structural detachment: contractors often have little connection to the communities they serve, operating within a delivery model that is decentralised, short-term, and driven by compliance rather than care. The result is a kind of infrastructural and institutional abandonment. Local management teams are left to deal with technical faults and system upkeep, often without the resources or institutional support they need, and crucially, without the necessary local technical skills, as training pipelines frequently terminate with the end of the construction contract.

Conclusion: bridging the gap between green ambitions and developmental realities

Wind turbine blade transport to construction site, Sutherland, Northern Cape.
Photo: Stephanie Paula Borchardt

South Africa's developmental state, envisioned as a driver of industrialisation and inclusive growth, finds itself increasingly hollowed out by market logics. The REIPPPP, despite its green and developmental promises, operates through competitive procurement and compliance-driven scorecards that outsource transformation to private capital. In towns like Sutherland, this manifests as short-term construction jobs, external labour, and fragmented governance, a choreography of deferred responsibility.

Technological advancement alone cannot deliver socio-economic change. The state gestures toward development, but its interventions are limited, speculative, and often exaggerated. Initiatives are sold with urgency, then diluted in practice. Municipalities function as intermediaries, not engines of transformation, while communities are pathologised and excluded. The result is a renewable energy rollout that mirrors South Africa's broader contradictions rather than resolving them.

To reclaim the transformative potential of the energy transition, the developmental state must be reimagined, not as a facilitator of private investment, but as a strategic actor that embeds equity, industrial policy, and long-term inclusion into its core. This means taxing the initiative, not just the outcome; investing in regional capacity, not just infrastructure; and treating renewable energy as a social project, not a technical fix.

Without sustained public investment, community-led governance, and a commitment to human development, South Africa's green future will remain uneven, exclusionary, and ultimately unsustainable, swept away like dust in the wind.

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INTERVIEWS

All interviewees have been assigned pseudonyms, and, in some instances, their positions have been intentionally obscured.

Johnathan – Tourism sector, Sutherland, Northern Cape (August 2024)
Liam – South African Police Service, Sutherland, Northern Cape (August 2024)
Dennis – IPP company representative, Northern Cape (August 2024)
Claire – IPP company representative, SED and ED position, Northern Cape (August 2024)
Benjamin – IPP company representative, managerial position, Northern Cape (August 2024)
Carl – Local municipal officer, Northern Cape (October 2024)
Alex – South African Police Service, Sutherland, Northern Cape (November 2024)
Simon – Local municipal officer, Northern Cape (October 2025)

ENDNOTES

[1] The Northern Cape province is home to 51 renewable energy projects and of these 47 are operational (IPPO, 2025).

[2] Black under this policy refers to Black African, Coloured, Indian, Asian and second-generation Chinese citizens.

[3] This reporting is submitted to the IPP Office, rather than to local municipalities or host communities.

[4] Sutherland is home to the Southern African Large Telescope (SALT), the largest single optical telescope in the southern hemisphere (see https://www.salt.ac.za)

[5] Survey data indicate that most individuals who migrated to Sutherland identified as White or Coloured (Eigelaar-Meets & Groenewald, 2025).

[6] The previous 12 months were up to February 2024.

[7] These figures may now be even higher, as the 2024 Sutherland survey was conducted during the construction phase of one of the local wind farms, a period that likely influenced employment and economic activity.

[8] Gqeberha was specifically mentioned during several interviews.

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BIOGRAPHY

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