



WWF

POLICY
INPUT

ZA

2017

Inputs to South Africa's climate change mitigation system



Cut-and-Paste Legal Regulations for Company Carbon Budgets

This document contains two illustrative regulations that we suggest are a cut-and-paste solution into a legal framework to implement and manage company carbon budgets. They are companion pieces which should be read together – Carbon Budget Regulations and Mitigation Plan Regulations.



Key elements of the **illustrative Carbon Budget Regulations**:

- Companies or other entities required by law to report their greenhouse gas (GHS) emissions are allocated a carbon budget with which they must comply.
- A distinction is made between entities that generate electricity for sale as their main activity, and those that do not.
- Offences and penalties apply for exceeding a carbon budget.



Accompanying these regulations there will need to be '**Carbon Budget Technical Guidelines**', which describe all technical aspects to determine carbon budgets and criteria for new entrants.



The **illustrative Mitigation Plan Regulations** refer to a template for the mitigation plan and annual progress report, and this should require facility-level information to ensure ambiguity does not become a loophole and thereby defeat the purpose of carbon budgets.



Key elements of the **illustrative Mitigation Plan Regulations**:

- Entities who have a carbon budget must submit mitigation plans.
- The entity must implement its planned mitigation actions and must report annually on progress.
- Offences and penalties apply for failing to submit a mitigation plan or a progress report, or for supplying false or misleading information.



These illustrative regulations are drafted in a way that they can either be promulgated under the existing **National Environment Management Act: Air Quality Act 39 of 2004**, or a new **standalone climate change law**.



This project is supported by the International Climate Initiative (IKI) of the



Federal Ministry for the
Environment, Nature Conservation,
Building and Nuclear Safety

SUMMARY

South Africa is rolling out a post-2020 climate change mitigation regime and relevant legal frameworks, as part of pursuing the National Climate Change Response Policy and fulfilling its international legal obligation under the UNFCCC Paris Agreement.

Company-level carbon ‘budgets’ (allowances) are a central feature of the planned mitigation system and are included as a measure in South Africa’s Nationally Determined Contribution (NCD). Without a legal framework in place South Africa will not be able to implement its post-2020 climate change mitigation system. It is therefore paramount that the necessary legal framework is in place in time to ensure effective post-2020 mitigation action.

We refer to the following documents distributed by the Department of Environmental Affairs (DEA):

- Mitigation System Report: ‘Final Draft Report of the Development of South Africa’s Post-2020 Climate Change Mitigation System (Version 6.0)’, dated 10 July 2017
- Legal Framework Draft: ‘Proposed Content for a Climate Change Response Legal Framework’, dated 8 May 2017

WWF submissions on the Mitigation System Report and on the Legal Framework Draft can be found online.^{1 2}

This document includes two sets of illustrative regulations that WWF proposes to ensure that carbon budgets are allocated and implemented, and that South Africa has an ambitious mitigation system post-2020. They draw on:

- The current Pollution Prevention Plans, which the DEA has noted will become ‘mitigation plans’
- National Greenhouse Gas Emission Reporting Regulations, published on 3 April 2017 in Government Gazette 40762 Notice Number 275
- Declaration of Greenhouse Gases as Priority Air Pollutants, published on 21 July 2017 in Government Gazette 40996 Notice Number 710
- National Pollution Prevention Plans Regulations, published on 21 July 2017 in Government Gazette 40996 Notice Number 712

CONTENTS

Illustrative Carbon Budget Regulations 3

Illustrative Mitigation Plan Regulations 11

In addition to those we propose in this policy brief, the implementation of South Africa’s post-2020 mitigation system depends on the promulgation of various Regulations, including:

- Regulations determining the national emissions trajectory.
- Reporting Regulations including:
 - Reporting Regulations for Direct Emissions: National Greenhouse Gas Reporting Regulations, published in April 2017

- Reporting Regulations for Indirect Emissions: *[still-to-be-drafted Indirect Emissions Reporting Regulations]*.
- Regulations on flexibility mechanisms, being carbon offsets and carbon trading.
- Regulations about the articulation between a carbon tax and carbon budgets.
- Further Regulations may also be required for:
 - Phase down and phase out of synthetic greenhouse gas emissions
 - Declaration of further greenhouse gases.

1 Available online at: <https://www.dropbox.com/s/nxmsdfwk5j80042/WPI%20WWF%20submission%20on%20Mitigation%20System%2017-03-03.pdf?dl=0> and <https://www.dropbox.com/s/c5i2dggjtsieoy/WWF%20letter%20on%20Mitigation%20System%2017-08-11.pdf?dl=0>

2 Available online at: <https://www.dropbox.com/s/snig5q0i06fv7j/WPI%20WWF%20submission%20on%20legal%20framework%2017-05-23.pdf?dl=0>.

GENERAL NOTICE

NOTICE xx OF xx

DEPARTMENT OF XX

RELEVANT ACT

ILLUSTRATIVE CARBON BUDGET REGULATIONS FOR THE PERIOD POST 1 JANUARY 2021

These Regulations will be made by the Minister under the relevant sections of the Act: section 6 (regulating carbon budgets), section 13(1)(a)(i) and (ii) (regulations), section 17 (consultation), section 18 (participation).

Note: All references to the draft Climate Change Bill / Act are made in accordance with the 8 May 2017 version circulated by the Department of Environmental Affairs titled: Proposed Content for a Climate Change Framework.

SCHEDULE

TABLE OF CONTENTS

CHAPTER 1

DEFINITIONS AND PURPOSE

1. Definitions
2. Purpose

CHAPTER 2

DETERMINATION AND ALLOCATION OF CARBON BUDGETS

3. Determination of carbon budgets
4. Allocation of carbon budgets
5. New entrant allowance

CHAPTER 3

PERSONS REQUIRED TO SUBMIT MITIGATION PLANS AND REQUIREMENTS FOR SUBMISSION OF MITIGATION PLANS

6. Persons required to submit mitigation plans
7. Requirements for submission of mitigation plans

CHAPTER 4

OFFENCES, PENALTIES AND GENERAL MATTERS

8. Offences
9. Penalties
10. Short title and commencement

CHAPTER 1

DEFINITIONS AND PURPOSE

1. Definitions

In these Regulations any word or expression to which a meaning has been assigned in this Act has that meaning, and unless the context indicates otherwise –

“carbon budget” means the maximum volume of total greenhouse gas emissions that a carbon budget entity is allowed to emit over a certain period of time for all reportable activities;

“carbon budget entity” means data providers, including public sector entities, who as emitters or energy users, are required by law to report greenhouse gas emissions, and who have been allocated a carbon budget by the Minister;

“category A data provider” means any person, classified as a Category A data provider in regulation 4 of the National Greenhouse Gas Emission Reporting Regulations, and shall include –

- (i) Its holding company or corporation or legal entity, registered in South Africa in accordance with the legislation of the Republic of South Africa;
- (ii) All its subsidiaries and legally held operations, including joint ventures and partnerships where it has a controlling interest, or is nominated as the responsible entity for the purpose of reporting under these Regulations;
- (iii) All facilities generally over which it has operational control, which are not part of another data provider as provided for in the National Greenhouse Gas Emission Reporting Regulations.

“competent authority” means the SET and Carbon Budget Unit based at the National Department of Environmental Affairs;

“data providers” means both Category A data providers and data providers of indirect greenhouse gas emissions;

“data providers of indirect greenhouse gas emissions” means data providers that will be required to report under the [*still-to-be-drafted Indirect Emissions Reporting Regulations*];

“direct emissions” means greenhouse gas emissions from sources that are owned or controlled by the Category A data provider;

“facility” means all locations where reportable activities are being undertaken;

“greenhouse gas” means any one of the following gases: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Sulphur hexafluoride (SF₆), Perfluorocarbons (PFCs), Hydrofluorocarbons (HFCs); and other greenhouse gases as may be declared priority pollutants by the Minister from time to time;

“**indirect emissions**” means greenhouse gas emissions resulting from the generation of electricity, heating and cooling, or steam generated off site but purchased by the entity. For the purpose of these Regulations indirect emissions are restricted to emissions resulting from the generation of grid electricity;

“**reportable activities**” means the activities that data providers are required to report in terms of the National Greenhouse Gas Emission Reporting Regulations and or the [*still-to-be-drafted Indirect Emissions Reporting Regulations*];

“**mitigation plan**” means a plan contemplated in section 6(3) of the Act, prepared specifically for the mitigation of greenhouse gases;

“**National Greenhouse Gas Emission Reporting Regulations**” means the Regulations published under General Notice 275 in Gazette No. 40762 of 3 April 2017 as amended from time to time;

“**new entrant**” means a data provider that has not been assigned a carbon budget;

“**person**” includes a juristic person;

[“**still-to-be-drafted Indirect Emissions Reporting Regulations**”] means the regulations that need to be drafted under future climate change regulations to make provision for the reporting of indirect greenhouse gas emissions;

“**technical guidelines**” means both the Technical Guidelines for Monitoring, Reporting and Verification of Greenhouse Gas Emissions by Industry and the [*still-to-be-drafted Carbon Budget Technical Guidelines*];

“**the Act**” means the National Environment Management Act: Air Quality Act 39 of 2004, or a [Climate Change Act], such as envisaged in the Legal Framework Draft: ‘Proposed Content for a Climate Change Response Legal Framework’, dated 8 May 2017

2. Purpose

The purpose of these Regulations is to assign and regulate compliance with carbon budgets, as contemplated in Chapter 2 of the Act, to data providers for the period post 1 January 2021.

CHAPTER 2

DETERMINATION AND ALLOCATION OF CARBON BUDGETS

3. Determination of carbon budgets

Carbon budgets shall be determined by the Minister in terms of the Carbon Budget and Greenhouse Gas Mitigation Plans: Technical Guidelines.

4. Allocation of carbon budgets

- (1) Scope of emissions covered by carbon budgets:
 - (a) Allocation of carbon budgets for data providers whose main activity is the generation of electricity for sale, shall be based on total reportable direct greenhouse gas emissions;
 - (b) Allocation of carbon budgets for all other data providers whose main activity is not the generation of electricity for sale, shall be based on total reportable direct and indirect greenhouse gas emissions.
- (2) Allocation of carbon budgets for the first carbon budget period:
 - (a) Carbon budgets are allocated to all data providers that are required by law to report greenhouse gas emissions.
 - (b) The Minister shall, by written notice to a data provider, allocate a carbon budget that the carbon budget entity shall comply with.
- (3) All data providers that have been allocated a carbon budget shall be deemed a carbon budget entity in terms of these Regulations.
- (4) Allocation of carbon budgets to carbon budget entities for subsequent carbon budget periods:
 - (a) One year before the start of the next carbon budget period, a carbon budget entity must make application to be allocated a carbon budget for the coming period, failing which its carbon budget will be zero.
 - (b) The application must motivate:
 - (i) Why allowing the carbon budget entity to continue to emit greenhouse gases is aligned with the Republic's National Development Plan;
 - (ii) How the carbon budget entity's use of its carbon budget contributes to achievement of the Republic's emission reduction goals as captured in national policy and the Republic's National Development Plan;
 - (c) How the carbon budget entity's use of its carbon budget contributes to achievement of the Republic's international obligations in particular its Nationally Determined Contribution communicated under the Paris Agreement. Within 60 days the Minister shall, by written notice to a carbon budget entity which has submitted an application in accordance with regulation 4(2), allocate a carbon budget that the carbon budget entity shall comply with.
- (4) All allocated carbon budgets remain in force until such time that the Minister allocate revised carbon budgets.

5. New entrant allowance

- (1) A data provider that is deemed a new entrant shall apply to the competent authority for a carbon budget.

- (2) The Minister shall determine and allocate a carbon budget in accordance with regulations 3 and 4.

CHAPTER 3

PERSONS REQUIRED TO SUBMIT MITIGATION PLANS AND REQUIREMENTS FOR SUBMISSION OF MITIGATION PLANS

6. Persons required to submit mitigation plans

A carbon budget entity that is assigned a carbon budget in terms of these Regulations must prepare and submit a mitigation plan to the Minister for approval.

7. Requirements for submission of mitigation plans

A mitigation plan must demonstrate how the carbon budget entity will achieve its carbon budget in accordance with the requirements set out in the [*Illustrative Mitigation Plan Regulations*] developed in terms of section 13 (1)(a)(ii)(aa) of the Act.

CHAPTER 4

OFFENCES, PENALTIES AND GENERAL MATTERS

8. Offences

A carbon budget entity is guilty of an offence if that carbon budget entity –

Fails to remain within the carbon budget that it has been prescribed in terms of these Regulations.

9. Penalties

A carbon budget entity convicted of an offence in terms of regulation 8 is liable in the case of a first conviction to a fine based on double the carbon price as determined by Treasury, or to imprisonment for a period not exceeding five years, and in the case of a second or subsequent conviction, to a fine based on double the carbon price as determined by Treasury, or to imprisonment for a period not exceeding 10 years, and in respect of both instances to both such fine and such imprisonment.

10. Short title and commencement

These Regulations are called the National Carbon Budget Regulations, 20xx, and come into effect on the date of publication in the Gazette.

ILLUSTRATIVE

GENERAL NOTICE

NOTICE XX OF XX

DEPARTMENT XX

RELEVANT ACT

ILLUSTRATIVE MITIGATION PLAN REGULATIONS FOR THE PERIOD POST 1 JANUARY 2021

These Regulations will be made by the Minister under the relevant sections of the Act: section 6 (regulating carbon budgets), section 13(1)(a)(i) and (ii) (regulations), section 17 (consultation), section 18 (participation).

Note: All references to the draft Climate Change Bill / Act are made in accordance with the 8 May 2017 version circulated by the Department of Environmental Affairs titled: Proposed Content for a Climate Change Framework.

SCHEDULE

TABLE OF CONTENTS

CHAPTER 1

DEFINITIONS AND PURPOSE OF THE REGULATIONS

1. Definitions
2. Purpose

CHAPTER 2

MINIMUM REQUIREMENTS FOR MITIGATION PLANS

3. Minimum requirements for mitigation plans

CHAPTER 3

METHODOLOGIES TO APPLY WHEN QUANTIFYING GREENHOUSE GAS EMISSIONS FROM ACTIVITIES

4. Methodologies to apply when quantifying greenhouse gas emissions and emissions reductions from activities

CHAPTER 4

SUBMISSION AND APPROVAL OF MITIGATION PLANS AND ANNUAL PROGRESS REPORTS

5. Submission and approval of mitigation plans
6. Submission and approval of annual progress reports

CHAPTER 5

VERIFICATION OF INFORMATION AND GENERAL MATTERS

7. Verification of information
8. Publication and confidentiality of information
9. Offences
10. Penalties
11. Short title and commencement

CHAPTER 1

DEFINITIONS AND PURPOSE OF THE REGULATIONS

1. Definitions

In these Regulations any word or expression to which a meaning has been assigned in this Act has that meaning and, unless the context indicates otherwise –

“**actions**” means both mitigation measures and flexibility mechanisms;

“**carbon budget**” means the maximum volume of total greenhouse gas emissions that a carbon budget entity is allowed to emit over a certain period of time for all reportable activities;

“**carbon budget entity**” means data providers, including public sector entities, who as emitters or energy users, are required by law to report greenhouse gas emissions, and who have been allocated a carbon budget by the Minister;

“**category A data provider**” means any person, classified as a Category A data provider in regulation 4 of the National Greenhouse Gas Emission Reporting Regulations, and shall include –

- (i) Its holding company or corporation or legal entity, registered in South Africa in accordance with the legislation of the Republic of South Africa;
- (ii) All its subsidiaries and legally held operations, including joint ventures and partnerships where it has a controlling interest, or is nominated as the responsible entity for the purpose of reporting under these Regulations;
- (iii) All facilities generally over which it has operational control, which are not part of another data provider as provided for in the National Greenhouse Gas Emission Reporting Regulations.

“**competent authority**” means the SET and Carbon Budget Unit based at the National Department of Environmental Affairs;

“**data providers**” means both Category A data providers and data providers of indirect greenhouse gas emissions;

“**data providers of indirect greenhouse gas emissions**” means data providers that will be required to report under the *[still-to-be-drafted Indirect Emissions Reporting Regulations]*;

“**direct emissions**” means greenhouse gas emissions from sources that are owned or controlled by the Category A data provider;

“**facility**” means all locations where reportable activities are being undertaken;

“greenhouse gas” means any one of the following gases: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Sulphur hexafluoride (SF₆), Perfluorocarbons (PFCs), Hydrofluorocarbons (HFCs); and other greenhouse gases (GHGs) as may be declared priority pollutants by the Minister from time to time;

“indirect emissions” means greenhouse gas emissions resulting from the generation of electricity, heating and cooling, or steam generated off site but purchased by the entity. For the purpose of these Regulations indirect emissions are restricted to emissions resulting from the generation of grid electricity;

“methodology” means the methodology as set out in the technical guidelines;

“mitigation plan” means a plan contemplated in section 6(3) of the Act, prepared specifically for the mitigation of greenhouse gases;

“National Greenhouse Gas Emission Reporting Regulations” means the Regulations published under General Notice 275 in Gazette No. 40762 of 3 April 2017 as amended from time to time;

“person” includes a juristic person;

“*still-to-be-drafted Indirect Emissions Reporting Regulations*” means the Regulations that need to be drafted under future climate change Regulations to make provision for the reporting of indirect greenhouse gas emissions;

“technical guidelines” means both the Technical Guidelines for Monitoring, Reporting and Verification of Greenhouse Gas Emissions by Industry and the [*still-to-be-drafted Carbon Budget Technical Guidelines*];

“the Act” means the National Environment Management Act: Air Quality Act 39 of 2004, or a [Climate Change Act], such as envisaged in the Legal Framework Draft: ‘Proposed Content for a Climate Change Response Legal Framework’, dated 8 May 2017

2. Purpose

The purpose of these Regulations is to prescribe the minimum requirements that mitigation plans need to comply with to demonstrate how carbon budget entities will remain within their carbon budgets in terms of section 6(3) of the Act.

CHAPTER 2

MINIMUM REQUIREMENTS FOR MITIGATION PLANS

3. Minimum requirements for mitigation plans

- (1) A mitigation plan must be submitted by the carbon budget entity that is assigned a carbon budget in terms of the National Carbon Budget Regulations;
- (2) A mitigation plan must be completed in accordance with the template as provided in the [*still-to-be-drafted Carbon Budget Technical Guidelines*];
- (3) A mitigation plan must provide for all facilities under the operational control of the carbon budget entity and must at minimum include –
 - (a) All facility details as registered on the National Atmospheric Emissions Inventory System (NAEIS) in accordance with the National Greenhouse Gas Reporting Regulations and or the [*still-to-be-drafted Indirect Emissions Reporting Regulations*];
 - (b) All actions taken by the carbon entity on an annual basis to remain within its carbon budget;
 - (c) The total amount of reduced greenhouse gas emissions as a result of all the actions taken;
- (4) Mitigation plans must cover a five-year period starting from 1 January 2021 to 31 December 2025. Subsequent mitigation plans must be prepared for each five-year period starting on 1 January of the particular five-year period.

CHAPTER 3

METHODOLOGIES TO APPLY WHEN QUANTIFYING GREENHOUSE GAS EMISSIONS FROM ACTIVITIES

4. Methodologies to apply when quantifying greenhouse gas emissions and emissions reductions from activities

- (1) Methodologies applied in the mitigation plans must be prepared in accordance with the [*still-to-be-drafted Carbon Budget Technical Guidelines*] and shall include –
 - (a) Methodology used in calculating the greenhouse gas emissions;

- (b) Assumptions made to calculate projected emissions reductions as a result of mitigation interventions implemented;
 - (c) Greenhouse gas emissions, disaggregated by IPCC category;
 - (d) Total energy produced;
 - (e) Total energy consumed;
 - (f) Information on current production: provide product descriptions, itemise and describe facility, plant or equipment used in manufacture or other production process of these products, and amount of emissions production per facility, plant or equipment;
 - (g) Information on any planned expansion or contraction in production: description of planned expansion or contraction or production, date when expansion of facility, plant or equipment is expected to become operational or to be taken off line, and/ or projected increased or reduced volumes of emissions due to planned expansion or contraction of production;
 - (h) Uncertainty assessment of data.
- (2) Companies may voluntarily provide additional data on –
- (a) Information explaining company's greenhouse gas emission and energy profile and actions being taken or planned to reduce emissions and increase energy efficiency;
 - (b) Any other data the company may wish to provide.

CHAPTER 4

SUBMISSION AND APPROVAL OF MITIGATION PLANS AND ANNUAL PROGRESS REPORTS

5. Submission and approval of mitigation plans

- (1) A carbon budget entity must submit a mitigation plan to the Minister within three months from the date of promulgation of these Regulations.
- (2) The Minister must, in writing, within 14 days after the date of submission of the mitigation plans, acknowledge receipt of the mitigation plan.
- (3) The Minister must consider whether the content of the mitigation plan complies with regulation

3 of these Regulations and must, in writing, within 60 days after the date of receipt of the mitigation plan –

- (a) Approve the mitigation plan and direct the carbon budget entity to implement the approved mitigation plan; or
 - (b) Reject the mitigation plan and direct the carbon budget entity to amend accordingly.
- (4) If a mitigation plan is rejected in terms of subregulation (3)(b), the Minister must, in writing, direct the carbon budget entity to amend the mitigation plan within 30 days after receipt of written instruction from the Minister.
- (5) A revised mitigation plan must be resubmitted to the Minister for approval and be dealt with in accordance with subregulation (3).
- (6) A mitigation plan is valid for a period of five years after the date of approval by the Minister, thereafter a new mitigation plan must be submitted for the following five-year period and in accordance with subsequent allocated carbon budgets.

5. Submission and approval of annual progress reports

- (1) A carbon budget entity must monitor and evaluate implementation of the approved mitigation plan and submit an annual progress report to the Minister by 31 March each year for the preceding calendar year.
- (2) An annual progress report must be completed in accordance with the template as provided in the *[still-to-be-drafted Annexure I to these Regulations]*.
- (3) An annual progress report must include –
- (a) Details on the mitigation measures that were implemented;
 - (b) The amount of greenhouse gas emissions reductions that occurred as a result of the implementation of the mitigation measure(s);
 - (c) Details of the methodology and assumptions used to quantify these emissions reductions;
 - (d) Greenhouse gas emissions, disaggregated by facility and activity;
 - (e) Details of deviations from the approved greenhouse gas mitigation plan, if any, and remedial action undertaken to address any deviations;
 - (f) Management of any risks and limitations.
- (4) The Minister must acknowledge receipt, in writing, within 30 days after the date of submission of the annual progress report.
- (5) The Minister must, in writing, within 60 days after the date of receipt of the annual progress report, consider whether the content of the annual progress report complies with subregulations (2) and (3) and may –

- (a) Approve the annual progress report; or
 - (b) Reject the annual progress report and direct the carbon budget entity to amend the report accordingly.
- (6) If an annual progress report is rejected in terms of subregulation (5)(b), the Minister must, in writing, direct the carbon budget entity to amend the report within 30 days after receipt of written instruction from the Minister.
- (7) A revised annual progress report must be resubmitted to the Minister for approval in terms of subregulations (2) and (3).

CHAPTER 5

VERIFICATION OF INFORMATION AND GENERAL MATTERS

7. Verification of information

- (1) If the Minister reasonably believes that any information submitted in the mitigation plan or annual progress report is incomplete or false, the Minister must instruct, in writing, the carbon budget entity that submitted the information in terms of these Regulations to verify the information submitted.
- (2) A carbon budget entity instructed in terms of subregulation (1) must verify the information within 60 days after receipt of written instruction from the Minister.
- (3) An independent third party must undertake the verification of information described in subregulation (2).
- (3) Verification must be done in accordance with the [*still-to-be-drafted Carbon Budget Technical Guidelines*].
- (5) A carbon budget entity is liable for all costs incurred in verifying the information in terms of these Regulations.

8. Publication and confidentiality of information

- (1) The competent authority shall publish an annual report with information on greenhouse gas emission reductions as a result of allocated carbon budgets.
- (2) The competent authority may disclose confidential information obtain in terms of these Regulations –

- (a) If the information is disclosed in compliance with the provisions of any law; or
- (b) If the carbon budget entity is ordered to disclose the information by a court of law; or
- (c) If the information is disclosed to enable a carbon budget entity to perform a function in terms of these Regulations; or
- (d) For the purposes of the administration of justice.

9. Offences

A carbon budget entity is guilty of an offence if that carbon budget entity –

- (a) Fails to submit a mitigation plan as required in terms of regulation 5(1);
- (b) Fails to submit an annual progress report as required in terms of regulation 6(1);
- (c) Supplies false or misleading information to the Minister in terms of these Regulations.

10. Penalties

A carbon budget entity convicted of an offence in terms of regulation 9 is liable in the case of a first conviction to a fine based on double the carbon price as determined by Treasury, or to imprisonment for a period not exceeding five years, and in the case of a second or subsequent conviction, to a fine based on double the carbon price as determined by Treasury, or imprisonment for a period not exceeding 10 years, and in respect of both instances to both such fine and such imprisonment.

11. Short title and commencement

These Regulations are called the National Mitigation Plan Regulations, 20xx, and come into effect on the date of publication in the Gazette.



Inputs to South Africa's climate change mitigation system

The climate change mitigation debate in South Africa needs to move from improving efficiency within a projection of the existing economy, to innovation and options beyond the constraints of the current dispensation and structure of the economy. It may take step changes in the development path to achieve mitigation adequate to South Africa domestic and international commitments, and maximise economic development and social wellbeing. Business models presently unconsidered may be waiting in the wings.

The 'Low-carbon development frameworks in South Africa' project seeks to deepen understanding of, and reveal opportunities for, transitions to a low-carbon economy. It facilitates and develops contributions at the intersection of climate change mitigation, economic development and socio-economic dimensions, across immediate, medium and long-term horizons.

Working variously with government, business and labour, the project reaches from providing input to emerging government mitigation policies and measures; through investigating the business and socio-economic case for selected mitigation initiatives which hold growth potential in energy, transport, industry, waste, and land use; to analysing potential future economic trajectories and the systemic opportunities offered by these.

This policy brief is one in a set making concrete contributions to the policy arena.

The project is funded by the International Climate Initiative (IKI) of the Federal Ministry for the Environment (BMUB) of Germany, and implemented by WWF South Africa.

WWF South Africa's Policy and Futures Unit undertakes enquiry into the possibility of a new economy that advances a sustainable future. The unit convenes, investigates, demonstrates and articulates for policymakers, industry and other players the importance of lateral and long term systemic thinking. The work of the unit is oriented towards solutions for the future of food, water, power and transport, against the backdrop of climate change, urbanisation and regional dynamics. The overarching aim is to promote and support a managed transition to a resilient future for South Africa's people and environment. The organisation also focuses on natural resources in the areas of marine, freshwater, land, species and agriculture.

www.wwf.org.za

IN THIS SERIES

Policy inputs

Business cases

Futures papers

Available at: www.wwf.org.za/report/illustrative_draft_regulations

Contact for WWF South Africa:
Saliem Fakir, Head: Policy and Futures Unit

Telephone +27 (0)21 657 6600, e-mail
sfakir@wwf.org.za, www.wwf.org.za

Series editor: Barbara Hutton

Design: Farm Design,
www.farmdesign.co.za

Cover Photograph: Elsabe Gelderblom,
Shutterstock.com

Commissioned by WWF South Africa

Published in October 2017 by WWF-SA, Cape Town, South Africa. Any reproduction in full or in part must mention the title and credit WWF-SA as the copyright owner.

Copyright: You are welcome to quote the information in this paper provided that you acknowledge the source as follows: Cut-and-Paste Legal Regulations for Company Carbon Budgets, commissioned by WWF South Africa, published 2017. If you would like to share copies of this paper, please do so in this printed or electronic PDF format.

© Text 2017 WWF-SA. All rights reserved.



Why we are here

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

www.wwf.org.za/energy