

Regulatory detail still lacking to comply with Climate Change Bill

The first draft on the Climate Change Bill is on the table, but there is still a lack of regulatory detail that organisations need to guide their preparations to comply.

The Department of Environmental Affairs (DEA) has pointed out that the detail will follow in the form of regulations, once the bill is passed into law – but many companies feel that time is running out, and that South Africa has fallen behind, says Ashleigh Maritz, senior environmental scientist at SRK Consulting.



Ashleigh Maritz, senior environmental scientist and Estie Retief, environmental scientist at SRK Consulting

“In the absence of South African climate change legislation, many local industrial companies take the Paris Agreement and other international frameworks into consideration as detailed legal requirements that will apply to them from a South Africa legislative perspective are still not specified,” she says.

International standards can be used for developing greenhouse gas (GHG) inventories, carbon reduction strategies, vulnerability assessments, adaptation plans and mitigation plans - all being important contributions towards future compliance.

Technical and financial challenges

She highlights the technical and financial challenge that large carbon emitters face in repurposing their operations to meet new carbon emission requirements, a process that could take several years of planning, design and implementation. In some cases, the necessary technology to achieve compliance in certain industry segments may not yet be available.

“It is understandable that the compliance details will go into the regulations of this proposed legislation, as it takes several years for a law to be passed through parliament. However, companies are under growing pressure to comply and it is not clear whether the timeframes to do so will be realistic – especially since the regulations will still take some time to be developed,” says Estie Retief, SRK environmental scientist.

Businesses are also looking for guidance about how their compliance with the carbon tax will be affected by this Bill, as tax issues fall under separate customs and excise legislation.

There was some concern among the different spheres of government about their precise regulatory functions and authority in terms of enforcement, as the bill is unclear on the delegation of authority.

"Some municipalities are setting emissions reduction targets and they have GHG inventories. They need clarity on how they can enforce emission reduction targets if the regulatory responsibility resides at national level," says Maritz.

Objective

The Bill follows on from a climate change framework document and a National Climate Change Response White Paper, and aims to underpin a coordinated effort in all spheres of government to address the country's climate change response. Its objective is to promote a reduction in carbon emissions in selected industries, while managing the impacts of climate change and facilitating the necessary adaptations by society and industry.

In addition, the proposed legislation calls for 'needs and response assessments' from municipalities, and this is certainly an area where progress can be made in the run-up to the enforcement of the climate change legislation. It is anticipated that municipalities will have resource and capacity challenges with implementation of the imminent legislation, and may need assistance from practitioners in this regard.

Retief emphasises the need for stakeholders to continue with their proactive efforts to reduce their carbon emissions, in anticipation of the more detailed requirements in future.

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