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## GOVERNMENT NOTICE

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### DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT

NO.

2025

#### CLIMATE CHANGE ACT, 2024 (ACT NO. 22 of 2024)

#### **PUBLICATION OF THE DRAFT NATIONAL GREENHOUSE GAS CARBON BUDGET AND MITIGATION PLAN REGULATIONS, WHICH INCLUDE THE DECLARATION OF THE LIST OF GREENHOUSE GASES AND ACTIVITIES FOR PUBLIC COMMENT**

I, Dion Travers George, Minister of Forestry, Fisheries and the Environment hereby in terms of sections 30(2)(a)(i), 26, 27, 31, and 32 of the Climate Change Act, 2024 (Act No. 22 of 2024) (the Act), publish the draft National Greenhouse Gas Carbon Budget and Mitigation Plan Regulations which include the declaration of the List of Greenhouse Gases and Activities (the draft Regulations) in the *Government Gazette* for public comment, as set out in the Schedule hereto.

The draft Regulations set out the requirements necessary for allocating, implementing, and enforcing any approved carbon budget and associated mitigation plan. With respect to carbon budgets, the draft Regulations provide for mandatory allocation; progress tracking; compliance assessment and enforcement. With respect to mitigation plans, the draft Regulations provide for mandatory implementation of interventions; and mechanisms for the Department to monitor and evaluate the effectiveness of the plans.

The draft Regulations apply to all Data Providers as defined in paragraph 1 of these Regulations. Section 26 of the Act empowers the Minister to develop a list of greenhouse gases which the Minister reasonably believes cause or are likely to cause or exacerbate climate change. The Minister is enabled to also publish a list of activities which emit, or has the potential to emit, one or more of the greenhouse gases as listed in these Regulations. These Regulations will repeal the Pollution Prevention Plan Regulations published in Government Notice No. R.712 in *Government Gazette* No. 40996 of 21 July 2017 as amended. These Regulations will also repeal the list of Greenhouses Gases as Priority Air Pollutants published in Government Notice No. R.710 in *Government Gazette* No. 40996 of 21 July 2017, in terms of the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).

Members of the public are invited to submit within 60 (sixty) days from the date of publication of this notice in the *Government Gazette*, or the newspaper, whichever date occurs last, written comments to any of the following addresses:

**By post to:** The Director-General: Department of Forestry, Fisheries and the Environment  
Attention: Mr Jongikhaya Witi  
Private Bag X477  
**PRETORIA**  
0001

**By hand at:** Ground Floor (Reception), Environment House, 473 Steve Biko Road, Arcadia, Pretoria, 0083

**By e-mail:** [SETSComments@dfre.gov.za](mailto:SETSComments@dfre.gov.za)

Members of the public can access the draft Regulations from the Departmental website at [www.dfre.gov.za](http://www.dfre.gov.za), under publications for comment, or [www.gpwonline.co.za](http://www.gpwonline.co.za).

Any inquiries in connection with the draft Regulations can be directed to Mr. Jongikhaya Witi at Tel: 0123999048 Cell: 0839919913 or by email: [jwiti@dfre.gov.za](mailto:jwiti@dfre.gov.za)

**Comments received after the closing date may not be considered.**

The Department of Forestry, Fisheries and the Environment complies with the Protection of Personal Information Act, 2013 (Act No. 4 of 2013). Comments received and responses thereto are collated into a comments and response report which will be made available to the public as part of the consultation process. If a commenting party has any objection to his or her name, or the name of the represented company/ organisation, being made publicly available in the comments and responses report, such objection should be highlighted in bold as part of the comments submitted in response to this Government Notice.



**DR DION TRAVERS GEORGE**

**MINISTER OF FORESTRY, FISHERIES AND THE ENVIRONMENT**

## **SCHEDULE**

### **DRAFT NATIONAL GREENHOUSE GAS CARBON BUDGET AND MITIGATION PLAN REGULATIONS, WHICH INCLUDE THE DECLARATION OF THE LIST OF GREENHOUSE GASES AND ACTIVITIES**

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## CHAPTER 1 INTERPRETATION AND PURPOSE OF REGULATIONS

### DEFINITIONS

1. In these Regulations, unless indicated otherwise, a word or expression that is defined in the Act bears the same meaning in these Regulations, and in addition —
  - “**Annual Assessment**” refers to the assessment performed by the Competent Authority on the annual progress report submitted by the data provider;
  - “**Annual Progress Report**” means the annual reporting, which may be compiled in terms of regulation 13, on the carbon budget and mitigation plan compliance and implementation that the data provider submits to the Competent Authority by 31 March to report on progress in the preceding calendar year;
  - “**Baselines**” means the calculated emissions profiles for listed activities derived on the basis of status quo historical data supplied by the data providers;
  - “**carbon budget allocation**” means the carbon budget allocated or allowed to a data provider by the Competent Authority in accordance with regulation 8;
  - “**Carbon Budget Allocation Report**” means the report on the carbon budget allocated or allowed to a data provider as determined and provided by the Competent Authority;
  - “**carbon tax**” has the meaning assigned to it in terms of the Carbon Tax Act, 2019 (Act No.15 of 2019);
  - “**commitment period**” means the five-year period within which a data provider is obliged to adhere to their allocated carbon budget and planned mitigation measures as approved by the Competent Authority;
  - “**Competent Authority**” means the national department responsible for the environment;
  - “**data provider**” means a person conducting a production process set out in Annexure 2 to this Notice, and as amended from time to time, which involves emission of greenhouse gases in excess of a specified amount of tonnes CO<sub>2</sub>-eq annually as listed in these Regulations and which may be amended from time to time, reported as carbon dioxide equivalents (CO<sub>2</sub>-eq), and or if so directed by the Minister, is subject to these Regulations and required to submit a carbon budget and a mitigation plan to implement the allocated budget to the Minister for approval;
  - “**Days**” means calendar days;
  - “**economy-wide emissions cap**” means a maximum quantity of reportable GHG emissions that may be emitted per commitment period by data providers;
  - “**emissions**” refers to the release of greenhouse gases or their precursors into the atmosphere over a specified area and period of time;
  - “**first commitment period**” means the initial operational five-year period within which a data provider is obliged to adhere to their allocated carbon budget and planned mitigation measures as approved by the Competent Authority set to commence on 1 January 2026 and ends on 31 December 2030;
  - “**Fixed Target Approach**” means a performance measure used to gauge a data provider's performance against an internal benchmark set by the Competent Authority;
  - “**fugitive emissions**” refers to the release of greenhouse gases that occur during the exploration, processing, and delivery of fossil fuels to the point of final use. This excludes greenhouse gas emissions from fuel combustion for the production of useful heat or power. It encompasses venting, flaring, and leaks;
  - “**greenhouse gas**” or “**GHG**” has the same meaning as defined in the Act;
  - “**Greenhouse Gas Emission Reporting Regulations**” means National Greenhouse Gas Emission Reporting Regulations, 2016, published under Government Notice No. 275 in Government *Gazette* No. 40762 of 03 April 2017 under the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004);

**“independent assessor”** means a person with a relevant, specialised set of skills and competencies

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- (a) to conduct verification of submissions including greenhouse gas emissions data and the associated activity data submitted by a person applying for the carbon budget to the Department in terms of these Regulations;
- (b) that has no business, financial, personal, or any other interest in the activity or reporting in respect of which that specialist person is appointed in terms of these Regulations;
- (c) that presents no circumstances that may compromise the objectivity of that specialist person in performing such work; excluding –
  - (i) normal remuneration for a specialist permanently employed by the independent assessor; or
  - (ii) fair remuneration for work performed in connection with the verification undertaken in terms of these Regulations; and
- (d) that does not have either a real or an apparent conflict of interest and not being part of, or under the control of, the Department or either the organization to which the verification applies”;

**“independent mitigation specialist”** means an independent service provider contracted by the Competent Authority to assist in the carbon budget allocation process. This party is an independent mitigation expert with experience in–

- (a) allocating mitigation targets;
- (b) determining mitigation plans;
- (c) quantification of GHG emissions and GHG emission reductions;
- (d) GHG emission verifications; and
- (e) GHG emission mitigation projects.

**“Indicator”** means a numerical metric that data providers may use to monitor progress on their performance measured against their carbon budget and mitigation plan;

**“IPCC”** means the Intergovernmental Panel on Climate Change established for the purposes of providing internationally co-ordinated scientific assessments of the magnitude, timing, and potential environmental and socio-economic impact of climate change by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) and endorsed by the United Nations by General Assembly Resolution 43/53 made at the 70th plenary meeting on 6 December 1988;

**“IPCC emission source”** means the emission sources identified by the IPCC which are listed under Annexure 3B of these Regulations;

**“listed activity”** refers to a list of activities contemplated in section 26(2) of the Act and listed in Annexure 2 to these Regulations;

**“mitigation measure”** means technology (that is, a piece of equipment or a technique for performing a particular activity), process, or practice which, if employed, would reduce direct greenhouse gas emissions below anticipated future levels, when compared to the status quo;

**“Mitigation Potential Analysis”** means the technical analysis conducted with stakeholders to understand the mitigation potential of different sectors or activities;

**“monitoring plan”** means a plan setting out measures to monitor and report greenhouse gas emissions;

**“month”** means calendar month;

**“new entrant”** means any installation carrying out one or more of the activities listed in Annexure 2, starting activities for the first time at any point after the commencement of these Regulations;

**“new entrant reserve”** means the portion of the economy-wide emissions cap set aside for allocation to new data providers who become eligible for a carbon budget during a commitment period;

**“operational control”** means that a data provider has operational control or another company over its facilities if it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies at the company its activities;

**“process emissions”** refers to greenhouse gas emissions other than combustion emissions occurring:

- (a) during the use of specific substances;
- (b) as a result of intentional and unintentional reactions between substances or their transformation, including the chemical or electrolytic reduction of metal ore, the thermal decomposition of substances; or
- (c) the formation of substances for use as product or feedstock;

**“production process”** means the process from which greenhouse gas emissions that are likely to cause or exacerbate climate change may arise;

**“Product-Level Benchmarking”** means the performance measure used to determine how a data provider's emission compares to its competitors in the same sector based on the approved metric;

**“Progress Report”** means a report on the carbon budget and mitigation plan compliance and implementation that the data provider submits to the Competent Authority to report on compliance and implementation measures for the full commitment period;

**“reporting cycle”** means a period between January to March of each calendar year;

**“reporting period”** means the preceding calendar year from January to December;

**“scope 1 emissions”** means direct greenhouse gas emissions that occur from emissions sources that are controlled or owned by an organization or alternatively under the operational control of the data provider (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles, emissions from industrial processes or fugitive emissions);

**“scope 2 emissions”** means the greenhouse gas emissions from the generation of purchased electricity consumed by the data provider. These are also termed indirect emissions. Purchased electricity is electricity purchased and brought within the operational control of the data boundary;

**“scope 3 emissions”** means emissions resulting from assets not owned or controlled by the data provider, but that the data provider indirectly affects in its value chain. The value chain consists of both upstream and downstream activities. Scope 3 emissions include all sources not within the Scope 1 and 2 boundaries;

**“Technical Guidelines for The Validation and Verification of Greenhouse Gas Emissions”** refers to the document published by the Competent Authority outlining the requirements for the verification and validation of information submitted under the national GHG emissions reporting program;

**“technical assessment”** means an assessment performed by the Competent Authority on the progress report submitted by a data provider. The assessment will assess the completeness of information submitted and performance against carbon budget allocation;

**“the Act”** means the Climate Change Act, 2024 (Act No. 22 of 2024);

**“the or these Regulations”** means the National Carbon Budget and Mitigation Plan Regulations which include the declaration of the List of Greenhouse Gases and Activities;

**“threshold”** means the quantity of greenhouse gasses emitted due to conducting any of the production processes set out in Annexure 2 to this Notice, which involves the emission of greenhouse gases in excess of a specified amount of tonne CO<sub>2</sub>-eq annually as set out in these Regulations, which may be amended from time to time, reported as carbon dioxide equivalents (CO<sub>2</sub>-eq), applicable at company level but traceable at facility level based on operational control, based on the availability of feasible mitigation technology and taking into account any opportunities and constraints to the implementation of policies and measures;

**“tiered hierarchical methodological approach”** refers to the three carbon budget allocation methodology options, each of differing stringency. This includes product-level benchmarking, mitigation potential analysis, and fixed targets in order of preference;

**“transparency”** means that the assumptions and methodologies used as a basis for reporting activity data and greenhouse gas emissions should be clearly explained and made available to facilitate replication and assessment of the submitted information by users of the reported information;

**“validation”** means the establishment of a sound approach and foundation. In the context of emissions inventories, carbon budgets and mitigation plans, validation involves checking to ensure that reported greenhouse gas emissions data have been compiled correctly in line with reporting instructions and guidelines. It checks the internal consistency of the inventory, carbon budgets and mitigation plans;

**“verification”** refers to an assessment done by the independent assessor with the purpose of identifying risks of material discrepancies, to establish or confirm accuracy, reliability, completeness, comparability, consistency, transparency, and credibility of the reported data submitted by a data provider for the purposes of carbon budget calculations by the Competent Authority; and

**“web-based platform”** means the online greenhouse gas emissions reporting module.

## PURPOSE OF REGULATIONS

2. The purpose of these Regulations is to –
  - (1) facilitate the implementation of sections 30(2)(a)(i), 26 and 27 of the Act;
  - (2) provide for the determination, review, revision, compliance with, and enforcement of carbon budget allocations and carbon budgets, the amendment and cancellation of carbon budget allocations where appropriate;
  - (3) provide for the preparation and implementation of, and compliance with, mitigation plans; and
  - (4) provide for the declaration of a list of greenhouse gases which the Minister reasonably believes cause or are likely to cause or exacerbate climate change and a list of activities which emit, or has the potential to emit, one or more of the greenhouse gases as listed in these Regulations.

## CHAPTER 2 DECLARATION OF LIST OF GREENHOUSE GASES AND ACTIVITIES

3. In accordance with section 26(1) and (2) of the Act the Minister hereby declares that:
  - (1) The greenhouse gases, listed in Annexure 1 to these Regulations, constitute the list of greenhouse gases which cause or are likely to cause or exacerbate climate change;
  - (2) the activities listed in Annexure 2 to these Regulations, constitute the list of activities that emit or have the potential to emit, one or more of the greenhouse gases listed in Annexure 1, which activities must have already commenced, and which apply to the data providers as provided for in regulation 4 of these Regulations; and
  - (3) The content of Annexures 1 and 2 may be reviewed in accordance with sections 26(5) and (6) of the Act periodically.

## CHAPTER 3

### DATA PROVIDER, REGISTRATION, CHANGES TO REGISTRATION, MODIFICATIONS AND CANCELLATION OF REGISTRATION

#### DATA PROVIDER

- 4 For purposes of these Regulations, in order to be classified as a data provider, a person must:
  - (1) satisfy the definition of a “data provider” in terms of these Regulations; and
  - (2) meet or exceed the threshold of 30 000 tonnes CO<sub>2</sub>-eq annually for the listed activities in Annexure 2 to these Regulations, calculated as the average of a minimum of three consecutive years’ emissions within the five-year reporting period preceding the carbon budget allocation and mitigation plan.
  - (3) The threshold will be regularly reviewed and updated by Notice in the *Government Gazette*.
  - (4) Any data provider defined in terms of the Greenhouse Gas Emission Reporting Regulations, who falls below the threshold, may choose to voluntarily and independently of the Competent Authority determine and adopt a carbon budget allocation and mitigation plan and thereby commit to the reporting requirements, against the adopted allocation, for the full commitment period.
  - (5) If a data provider chooses to voluntarily adopt a carbon budget allocation and mitigation plan as per sub-regulation (4), implications for non-compliance will not be applicable.

#### REGISTRATION

5. A data provider must register all facilities under its operational control and IPCC emission sources in terms of Annexure 3A and 3B of these Regulations, by providing the accurate and relevant information as listed in Annexure 4 to these Regulations, on the following timelines:
  - (1) All data providers that are operational at the time of these Regulations coming into effect must, register within 60 days.
  - (2) Any new data provider commencing GHG-emitting activities after the effective date of these Regulations must register within 30 days of commencing operations.
  - (3) Registration is subject to the following conditions:
    - (a) Reporting shall be done at the facility level and also be aggregated at the data provider level, whereas the threshold to trigger registration is applicable at the data provider level.
    - (b) A data provider must also be registered on the reporting program under the Greenhouse Gas Emission Reporting Regulations.
  - (4) A data provider must ensure that registration details are a complete and accurate reflection of the IPCC emissions sources at each facility.
  - (5) The registration must be done:
    - (a) on the carbon budget management system within the web-based platform, and
    - (b) In cases where the web-based platform is not available to the data provider to register, the registration must be completed by submitting the registration information specified in Annexure 4 in an electronic format to the Competent Authority.
  - (6) In cases where sub-regulation 5(5)(b) applies, the Minister may issue a directive in the *Government Gazette* calling for registration outside the web-based platform.



## **CHANGES TO REGISTRATION, MODIFICATIONS AND CANCELLATIONS OF REGISTRATION**

6. (1) A data provider must notify the Competent Authority, in writing, of any change in registration details, as listed in Annexure 4 of these Regulations, within 30 days from the date the data provider becomes aware of such change.
- (2) If a data provider transfers ownership or operational control of a facility or alters the capacity of a facility by means of discontinuation or expansion of an activity, the data provider must notify the Competent Authority, in writing, within 30 days of such transfer of ownership or operational control or the activity being changed or discontinued. This requirement also applies to temporary closure for care and maintenance and an indefinite shutdown of certain facilities.
- (3) The notification of changes and modifications should be accompanied by the supporting documents as specified in Annexure 4.
- (4) Where applicable, the notified changes and modifications may result in the following revisions and amendments to a data provider's carbon budget allocation, carbon budget, and mitigation plan –
  - (a) List of emission sources and facilities;
  - (b) New emissions allocation calculated as per regulation 9;
  - (c) Removal or addition of mitigation measures in the mitigation plan; and
  - (d) Cancellation of a carbon budget and mitigation plan.
- (5) Modification may trigger an external specialist assessment, in this case, modification assessment costs are the burden of the data provider who will need to employ an independent mitigation specialist.
- (6) A data provider to whom ownership or operational control of a facility or activity is transferred as contemplated in sub-regulation (2) must, within 30 days after taking ownership or operational control of the facility or activity, register as a data provider, in terms of regulation 5 of these Regulations, alternatively, provide notification in terms of this regulation of the related changes to its existing status as a data provider.
- (7) The registration of a data provider in terms of regulation 5 is deemed to have been withdrawn once the Competent Authority has, within 30 days, acknowledged receipt of notification.

## **CHAPTER 4**

### **CARBON BUDGETS**

#### **SUBMISSION REQUIREMENTS FOR DETERMINATION OF CARBON BUDGET ALLOCATION**

7. (1) To enable a carbon budget allocation to be determined, a data provider identified in terms of regulation 4 must submit IPCC emission sources and related greenhouse gas emissions and activity data as specified in Annexure 5 to these Regulations, for all of the greenhouse gases and for each of its facilities and in accordance with the data and format requirements specified in Annexure 5 to these Regulations; at least 1 year before the start of the first commitment period and thereafter 2 years before the start of each successive commitment period.
- (2) Data provided to the Competent Authority through the Greenhouse Gas Emission Reporting Regulations shall also be referred to in calculating the baselines for determining carbon budget allocations to data providers, and in particular for the first commitment period.
- (3) Where appropriate, the Competent Authority may direct in writing that the data provider submit further specified data or delineate specified data, in addition to the data or documents already provided in accordance with the Greenhouse Gas Emission Reporting Regulations.
- (4) For the determination and validation of a carbon budget, a minimum of three consecutive years' data reported under the Greenhouse Gas Emission Reporting Regulations shall be used to determine and validate the carbon budget allocation for each successive commitment period.
- (5) A data provider may be required to provide or may voluntarily provide additional information regarding relevant factors in accordance with section 27(2)(a) to (f) of the Act for the Competent Authority's consideration in the determination of the carbon budget allocation.
- (6) A draft mitigation plan must be submitted by a data provider as part of the carbon budget allocation submission process to indicate what types of measures the data provider plans to implement to reduce emissions during the particular commitment period.
- (7) A data provider may voluntarily elect to submit data on Scope 2 and 3 emission sources to the Competent Authority as part of the information submitted for the determination of the carbon budget allocation, provided that the data provider meets the threshold for the application of the carbon budget allocation.

#### **DETERMINATION OF CARBON BUDGET ALLOCATION**

8. (1) The Competent Authority must determine a carbon budget allocation applicable to the data provider on the basis of information stipulated in regulation 8 and present such allocation to the data provider in the form of a Carbon Budget Allocation Report, which is compiled substantially in accordance with the content of the template included at Annexure 9.
- (2) The Competent Authority must consider all of the considerations in section 27(2)(a) to (f) of the Act, and apply the provisions of regulation 10, when determining a carbon budget allocation.
- (3) In respect of the first commitment period the Carbon Budget Allocation Report must be provided to the data provider more than 6 months prior to the commencement of the first commitment period.
- (4) After the first commitment period, Carbon Budget Allocations must be provided to the data provider during the course of the year preceding the start of the relevant commitment period but no later than 6 months prior to the relevant commitment period.
- (5) The Competent Authority may appoint an independent mitigation specialist to support the Competent Authority with the Carbon Budget allocation process.
- (6) A carbon budget allocation determination is deemed to have been accepted by the data provider, if the Competent Authority does not receive any representations in writing or an appeal within 20 days from the date of receipt of the Carbon Budget Allocation Report.

## METHODS FOR THE DETERMINATION OF CARBON BUDGET ALLOCATIONS

9. (1) The determination of the carbon budget allocation to a data provider will be made on the basis of the tiered hierarchical methodological approach, where:
- (a) Product-Based Benchmarking is the preferred allocation methodology;
  - (b) Mitigation Potential Analysis is the first fall-back allocation methodology; and
  - (c) A Fixed Target Approach will be applied as the final and least preferred fall-back allocation methodology.
- (2) The Competent Authority will apply the tiered hierarchical methodological approach for each listed activity using the data submitted by data providers, as described in Annexure 5, to determine the applicability of any of the three methods outlined in sub-regulation (1)(a) to (c).
- (3) The allocation methodology related to each listed activity is defined in Annexure 2 to these Regulations and must be applied in the determination of the carbon budget allocation.
- (4) The allocation methodology related to each listed activity is subject to reassessment prior to the commencement of each commitment period.
- (5) The determination of the carbon budget allocation will be calculated according to the following formula:

$$\text{Company carbon budget} = \sum_{r=1}^n F_r = F_1 + F_2 + F_3 + \dots + F_n$$

- (a) Where  $F_n$  denotes the total number of Facilities under the Company
  - (b) Emissions intensities are expressed as:  
*tonne CO<sub>2</sub>-eq/ Unit of production or generation output*
  - (c) In the case of product-based benchmarking, carbon budget allocations are calculated using projected production values:  
*Carbon Budget = Forecasted Production/output \* Emission Intensity Benchmark*
- (6) In the case of Mitigation Potential Analysis, carbon budget allocations will be informed by the mitigation potential obtained from the Mitigation Potential Analysis developed by the Competent Authority.
- (7) In the case of the Fixed Target Approach, carbon budget allocations will be determined on the basis of sector wide fixed reductions.
- (8) Detailed technical guidance on allocation methodologies and the process is provided in the Technical Guideline to these Regulations.
- (9) The Minister may periodically review the Methods for the Determination of the Carbon Budget Allocation by notice in the Government Gazette.
- (10) After the end of the commitment period, when the data provider provides the actual production and output data as required in terms of regulation 13(4), this information will be used by the Competent Authority to inform the determination of the carbon budget allocation for the next commitment period.
- (11) The carbon budget allocation will be retired at the end of the commitment period and a new allocation will be determined for the next commitment period.



## **DATA PROVIDER TO SUBMIT CARBON BUDGET AND CONFIRMATION PROCESS**

10. (1) Upon receipt of the carbon budget allocation, the data provider must prepare its Carbon Budget, which must fully comply and align with the carbon budget allocation by the Competent Authority.
- (2) A Carbon Budget must specify the maximum amount of greenhouse gas emissions that may be emitted during the first commitment period and provide an indicative carbon budget for a duration of at least two subsequent commitment periods.
- (3) The data provider must submit the Carbon Budget within 30 days of the date of receipt of the Carbon Budget Allocation Report or from the date of receipt of an appeal decision and at the latest, at least 2 months prior to the commencement of the first commitment period.
- (4) The data provider must submit the Carbon Budget at least 6 months prior to the commencement of successive commitment periods.
- (5) The Competent Authority must issue a formal letter of response to the submitted Carbon Budget within 60 days after the data provider has submitted its Carbon Budget, which either confirms that the Carbon Budget is in accordance with the carbon budget allocation or which specifies the extent to which the Carbon Budget does not comply with the carbon budget allocation.
- (6) The Competent Authority may direct that specified amendments be made to the Carbon Budget in order to bring it into compliance with the carbon budget allocation.
- (7) Within 20 days of receiving a letter of confirmation from the Competent Authority, the data provider must submit its Carbon Budget formally via the web-based platform using the minimum information requirements stipulated in Annexure 5.
- (8) Any voluntarily declared Scope 2 and Scope 3 emissions must be accounted for separately from the Scope 1 emissions in the Carbon Budget.
- (9) If a data provider falls below the threshold at any time during the course of the commitment period, but is still in operation, the data provider must continue with reporting for the full period of the relevant commitment period.

## **CHAPTER 5 MITIGATION PLANS**

### **MITIGATION PLANS REQUIRED TO DEMONSTRATE COMPLIANCE WITH CARBON BUDGET ALLOCATION**

- 11 (1) A data provider to whom a carbon budget has been allocated must prepare and submit to the Competent Authority for approval of a mitigation plan, together with the submission of its Carbon Budget in terms of regulation 12, detailing the mitigation measures the data provider proposes to implement in order to remain within the carbon budget allocated to the data provider for the relevant commitment period.
- (2) In respect of only the first commitment period, all approved pollution prevention plans as contemplated in section 29 of the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004), and the National Pollution Prevention Plans Regulations, 2017, must be deemed to be mitigation plans, as required in terms of this regulation.
- (3) The mitigation plans must align with carbon budget allocations in terms of mandatory and voluntary elected emissions sources.
- (4) A mitigation plan must include –
  - (a) details of the data provider as provided in terms of the Greenhouse Gas Emissions Reporting Regulations program;
  - (b) description of production processes and activities as stipulated in regulation 5(1).

- (c) greenhouse gases generated from the production processes listed in Annexure 1 to these Regulations and their IPCC emission sources reported in accordance with the National Greenhouse Gas Emission Reporting Regulations;
- (d) description of the mitigation measures that will be implemented as a result of a reduction from the greenhouse gas emissions baseline over the commitment period, and the projected emission reductions that will be achieved to meet the Carbon Budget;
- (e) the mitigation measures must be identified per facility and IPCC emission source specified in the carbon budget allocation;
- (f) the indicator and activity data used to quantify and track progress of the measure – including assumptions and greenhouse gas emission estimation methods used to quantify emission reduction on the basis of the indicator;
- (g) Scope 1 mitigation measures that are ready for implementation within the commitment period, with approval from the relevant board of directors – or other relevant governance structure – of the data provider before submission to the Competent Authority; and
- (h) Scope 2 mitigation measures. These mitigation measures will only be recorded for noting and data collection by the Competent Authority.
- (5) A mitigation plan may include –
  - (a) mitigation measures that are being planned but not ready for implementation during the commitment period. These mitigation measures will only be recorded for noting by the Competent Authority. These may include measures under research, feasibility studies, pilot projects, prototype tests and/or environmental impact assessment.
  - (b) Scope 3 mitigation measures. These mitigation measures will only be recorded for noting and data collection by the Competent Authority.
- (6) Mitigation plans must be reviewed by the Competent Authority in response to the carbon budget allocation at least once every five years.
- (7) If the carbon budget allocation to a data provider is changed or modified, as per regulation 6, this will automatically trigger the requirement for the data provider to revise the associated mitigation plan to be in accordance with the modified carbon budget.
- (8) A data provider may request the Competent Authority, once per commitment period, to have their mitigation plan revised based on unforeseen events, unrealistic expectations or improved performance or other relevant and reasonable changes from its existing mitigation plan, provided that the replacement measures would still result in similar or more ambitious results as the original approved plan.
- (9) A change includes cases where a mitigation measure was implemented but the emission reductions were not realised as estimated due to errors in emission reduction estimation.

## **SUBMISSION AND APPROVAL OF CARBON BUDGET AND MITIGATION PLANS**

- 12 (1) The Competent Authority must, in writing, within 30 days after the date of submission of the Carbon Budget and the associated mitigation plan, acknowledge receipt.
- (2) The Competent Authority must consider whether the mitigation actions contained in the submitted mitigation plan ensures compliance with the carbon budget allocation complies with regulation 12 of these Regulations and must, in writing, within 90 days after the date of receipt of the mitigation plan—
- (a) approve the mitigation plan and direct the data provider to implement the approved mitigation plan; or
  - (b) reject the mitigation plan.

- (3) If a mitigation plan is rejected in terms of sub-regulation (2), the Competent Authority must, in writing, direct the data provider to amend the mitigation plan within 60 days after receipt of such written direction.
- (4) A revised mitigation plan must be resubmitted to the Competent Authority for approval and be dealt with in accordance with this regulation 13 as if it were a new submission.
- (5) If the assessment of a mitigation plan reveals that the information provided is inadequate, the Competent Authority may direct the data provider to provide such information and amend the mitigation plan within 30 days after receipt of written instruction from the Competent Authority. While the Competent Authority is awaiting additional information, the processing time will pause until all the relevant information is received.
- (6) A mitigation plan is valid for the commitment period for which the mitigation plan was approved by the Competent Authority and must be reviewed at the end of the commitment period in accordance with the Carbon Budget to be allocated for the subsequent commitment period.
- (7) The data provider is required to implement and comply with the approved mitigation plan.
- (8) Mandatory reporting on a mitigation plan must be submitted together with the reporting on compliance with the Carbon Budget.
- (9) Approved mitigation measures where the emission reductions extend beyond a specified commitment period must continue to be reported on in subsequent commitment periods and form part of the baseline of total data provider emissions and mitigation measures implemented.
- (10) A data provider is wholly and solely liable for any and all costs of compliance and failures to comply with its Carbon Budget and mitigation plan and any damages which may flow from such compliance or non-compliance, and has no right of recourse against the Competent Authority in respect thereof.

## **CHAPTER 6**

### **REPORTING REQUIREMENTS**

13. The reporting requirements are as follows:

- (1) **Annual Progress Reporting on Compliance with Carbon Budget**
  - (a) A data provider must continually monitor and evaluate its compliance with its Carbon Budget and submit an Annual Progress Report as specified in Annexure 8 on its compliance with its Carbon Budget to the Competent Authority by 31 March each year for the preceding calendar year.
  - (b) The same tiered hierarchical methodological approach included in regulation 9 for that was applied for the determination of the relevant carbon budget allocation must be used for annual progress reporting for that specific commitment period.
  - (c) Annual reporting must be done at both data provider level and at facility level.
  - (d) Annual reporting must be done on the carbon budgets reporting module within the web-based platform.
  - (e) Where the web-based platform is unavailable, the Minister may issue a directive or instruction by way of notice in the Government Gazette calling for reporting to be done outside the web-based platform.
- (2) **Annual Progress Reporting on Implementation of Mitigation Plans**
  - (a) A data provider must monitor and evaluate the implementation of the approved mitigation plan and submit an Annual Progress Report to the Competent Authority by 31 March each year for the preceding calendar year.

- (b) The Annual Progress Reports required in terms of regulation 13(1) and 13(2) must be submitted simultaneously and may be combined by the data provider.
- (c) An Annual Progress Report on the implementation of the approved mitigation plan must include at least the following information in accordance with Annexure 8—
  - (i) Details on the mitigation measures that were implemented for all facilities and for all emissions sources for which mitigation measures are declared in the mitigation plan;
  - (ii) Quantum and unit of the indicator that results in emission reductions for a given measure;
  - (iii) Assumptions used to convert the indicator to emission reductions;
  - (iv) Emission factors and methods used to quantify emission reductions from the measures;
  - (v) Resulting emissions reductions from the implementation of the measures;
  - (vi) Details of deviations from the approved mitigation plan, if any, and remedial action undertaken to address any deviations to still implement the approved mitigation plan within the commitment period; and
  - (vii) Actions taken to manage of any risks and limitations.

**(3) Consideration of Annual Progress Reports on Compliance with Carbon Budgets and on the implementation of Mitigation Plans**

- (a) The Competent Authority must acknowledge receipt, in writing, within 30 days after the Annual Progress Reports are received.
- (b) The Competent Authority must, in writing, within 60 days after the date of receipt of the Annual Progress Reports, consider whether the content of the Annual Progress Reports complies with the requirements of these Regulations and may—
  - (i) approve the Annual Progress Report; or
  - (ii) reject the Annual Progress Report and direct the data provider to amend the Report accordingly.
- (c) If an Annual Progress Report is rejected, the Competent Authority must, in writing, direct the data provider to amend the report within 30 days upon receipt of written instruction from the Competent Authority.
- (d) A revised annual progress report must be resubmitted to the Competent Authority for approval in terms of sub-regulation (2).
- (e) The Competent Authority must issue an Annual Assessment Report within 60 days of approval of the Annual Progress Report or Reports.

**(4) Reporting Requirements after the end of the Commitment Period**

- (a) For the final year of the commitment period, the Annual Progress Reports referred to in regulations 13(1) and 13(2) shall incorporate an additional consolidated Final Progress Report on compliance with the Carbon Budget and the implementation of the approved mitigation plan over the course of the full commitment period to be submitted by 31 March of the year immediately subsequent to the commitment period.
- (b) A data provider must provide qualitative information, as specified in Annexure 8, to enhance the transparency of its Final Progress Report and to enable the Competent Authority to assess compliance against the data provider's Carbon Budget and mitigation plan.
- (c) In the Final Progress Report the data provider must include the actual activity data such as production output or output generated for the full 5-year commitment period.
- (d) The Competent Authority will use this information to re-estimate the CO<sub>2</sub>-eq emissions if the product-level benchmarking approach is used.

**(5) Reporting Boundaries**

- (a) A data provider must define its reporting boundaries on the basis of operational control within the jurisdiction of the Republic of South Africa.
- (b) The total greenhouse gas emissions reported by a data provider must include greenhouse gas emissions from all operating conditions including normal, abnormal, start-up and shutdown and emergency situations over the reporting period.
- (c) The emission sources to be included and excluded within the reporting boundary for the Carbon Budgets and mitigation plans must be specified as defined in the Greenhouse Gas Emission Reporting Regulations.

**(6) Completeness of Monitoring and Reporting Requirements**

- (a) A data provider's monitoring and reporting must be complete and accurate and cover all scope 1 emissions, inclusive of process, fugitive and combustion emissions from all greenhouse gas emission sources and source streams belonging to activities listed in Annexure 2 to these Regulations and taking into account the threshold.
- (b) A data provider may elect to account for and voluntarily report on scope 1 emission sources that are not mandatory for carbon budget allocation and scope 2 and 3 emissions as in accordance with Annexure 3. If elected, it is mandatory to report complete and accurate data on these emissions throughout the commitment period.

## **CHAPTER 7**

### **VALIDATION AND VERIFICATION, NEW ENTRANTS, ACCESS TO INFORMATION AND RECORD KEEPING**

#### **VALIDATION AND VERIFICATION**

- 14
- (1) A data provider must, as a minimum, in respect of each and every commitment period, ensure that three instances of independent verification, and two instances of validation, of annual progress reports submitted in terms of these Regulations is conducted.
  - (2) Validation and verification of the carbon budget and mitigation plan data must be conducted by an independent assessor within six months from the beginning of the commitment period.
  - (3) Verification of compliance with the carbon budget and mitigation plan must be conducted by an independent assessor within six months from the end of the commitment period in accordance with the Technical Guidelines for the Validation and Verification of Greenhouse Gas Emissions (2021).
  - (4) At any point within the commitment period, the Competent Authority may use its discretion to trigger the third instance of mandatory independent validation and verification.
  - (5) Notwithstanding any of the three mandatory instances of independent verification, and two instances of independent validation, if the Competent Authority reasonably believes that any information submitted for the determination of the carbon budget allocation, the Carbon Budget, the mitigation plan or Annual Progress Reports are incomplete or false, and do not meet the quality assurance principles of transparency, completeness, accuracy, comparability and consistency, the Competent Authority must direct, in writing, the data provider verify the information submitted.
  - (6) A data provider instructed in terms of sub-regulation (5) must verify the information submitted, and provide the supporting information required to substantiate the submission within 60 days after receiving the written directive from the Competent Authority.



- (7) The Competent Authority must provide a technical assessment as an input to the independent validation and verification process.
- (8) A data provider is liable for all costs incurred in validating and verifying the information in terms of sub-regulations (1) to (7).
- (9) Data providers must remediate their annual progress reports where necessary on the basis of findings and remediation actions identified from the independent verification and validation process.
- (10) Detailed technical and methodological requirements for the execution of independent validations and verifications are included in the Technical Guidelines for Validation and Verification of Greenhouse Gas Emissions (2021) and data providers must ensure that these requirements are applied.

## **NEW ENTRANTS, ADDITIONAL ALLOCATIONS, RE-ALLOCATIONS AND DISCONTINUATION OF ALLOCATIONS**

- 15. (1) The Competent Authority must quantify an economy-wide emissions cap per commitment period in respect of these Regulations.
- (2) An allowance of five percent of the reportable economy-wide emissions cap will be made available through a new entrants reserve for new entrants or in respect of significant capacity expansions.
- (3) A person is deemed a new entrant if, after carbon budgets are allocated for a given commitment period, they commence with activities in that commitment period that qualify them as a data provider.
- (4) New entrants as defined in sub-regulation (3), must proceed with registration for a carbon budget and mitigation plan–
  - (a) as per regulation 5, if they are commencing a new activity with no relation to a previous data provider and where no transfer of ownership or operational control of a facility or activity has taken place;
  - (b) as per regulation 6(6) if a transfer of ownership or operational control of a facility or activity has taken place;
- (5) Existing data providers may be allocated additional CO<sub>2</sub>-eq to their carbon budget through registration changes and reported modifications or expansions per regulation 6.
- (6) Carbon budget allocations cancelled and no longer in use, due to discontinuation, temporary care, indefinite shutdown, or significant capacity reductions will be added back to the new entrants reserve.
- (7) In cases where the new entrants reserve is depleted, no further carbon budget allocations will be considered.

## **CONFIDENTIALITY AND PUBLIC ACCESS TO INFORMATION**

- 16. (1) Information provided to the Minister or the Department in terms of these Regulations must be made available by the Minister subject to the provisions of the Promotion of Access to Information Act, 2000 (Act No. 2 of 2000), and the Protection of Personal Information Act, 2013 (Act No. 4 of 2013).
- (2) It is the responsibility of the Competent Authority to publish a report on the progress of implementation of these Regulations.
- (3) The Competent Authority may report annually on publicly available information related to emission reports, carbon budgets and mitigation plans.

## **RECORD KEEPING BY DATA PROVIDER**

17. (1) A data provider must ensure transparency, accessibility and accountability of submissions, by archiving all data, measurement reports, algorithms, procedures, and technical references used to estimate greenhouse gas emissions and used in submissions to the Competent Authority.
- (2) A data provider must keep a record of the information submitted to the Competent Authority in terms of these Regulations and all information mentioned in sub-regulation (1) for at least five years after the end of the relevant commitment period to which the data applies and such records must, on request, be made available for inspection by the Competent Authority and an independent assessor where required.

## **CHAPTER 8 GENERAL MATTERS**

### **APPEALS**

18. Any appeal lodged in terms of these Regulations must be dealt with in terms of section 36 of the Act.

### **OFFENCES**

19. (1) A data provider is guilty of an offence if that data provider—
- (a) fails to register as a data provider if they meet the requirements in terms of regulation 5;
  - (b) fails to submit the information required by the Competent Authority to determine a carbon budget allocation in terms of regulation 7;
  - (c) fails to submit a Carbon Budget for confirmation in terms of regulation 12;
  - (d) fails to submit a mitigation plan as required in terms of regulation 11(1) and within the stipulated commitment period;
  - (e) fails to implement an approved mitigation plan required in terms of regulation 12(6);
  - (f) when directed to provide information in terms of sub-regulation 12(4) above, does not provide such information;
  - (g) fails to submit Annual Progress Reports in accordance with regulations 13(1) and 13 (2);
  - (h) fails to submit a Final Progress Report as required in terms of regulation 13(4);
  - (i) fails to implement mitigation measures within the stipulated commitment period;
  - (j) supplies false or misleading information to the Competent Authority in terms of these Regulations;
  - (k) fails to comply with the verification and validation requirements as per regulation 15;
  - (l) when directed to provide information referred to sub-regulation 14(6), does not provide such information;
  - (m) does not implement recommended remediation identified by an independent verifier.

### **PENALTIES**

20. (1) A data provider convicted of an offence referred to:
- (a) in regulation 20(1)(a) to (m) is liable in the case of a first conviction to a fine not exceeding five million rand, or to imprisonment for a period not exceeding five years and in the case of a second or subsequent conviction, to a fine not exceeding R10 million or imprisonment for a period not exceeding 10 years and in respect of both instances to both such fine and such imprisonment.

## **COMPLIANCE WITH CARBON BUDGET ALLOCATION**

21. A data provider is subject to a higher carbon tax rate as provided for in the Carbon Tax Act, 2019 (Act No.15 of 2019) if it exceeds its carbon budget allocation prescribed by the Competent Authority in regulations 9 and 11, during the applicable commitment period.

## **SHORT TITLE AND COMMENCEMENT**

22. These Regulations are called the National Greenhouse Gas Carbon Budget and National Mitigation Plan Regulations, 2025, and take effect on the date of publication in the *Gazette* for implementation.



## ANNEXURES

### ANNEXURE 1

#### LIST OF GREENHOUSE GASES DECLARED IN TERMS OF SECTION 26(1) OF THE ACT

Greenhouse Gas	Sub-species
A. Carbon Dioxide	CO <sub>2</sub>
B. Methane	CH <sub>4</sub>
C. Nitrous Oxide	N <sub>2</sub> O
D. Hydrofluorocarbons (HFCs)	(HFCs: e.g., HFC-23 (CHF <sub>3</sub> ), HFC-134a (CH <sub>2</sub> FCF <sub>3</sub> ), HFC-152a (CH <sub>3</sub> CHF <sub>2</sub> ), HFC-1234yf (CF <sub>3</sub> CF=CH <sub>2</sub> )), including hydrofluoro-olefins (HFOs: e.g. HFC-1234yf, HFC-1234ze) and (HFCO-1233zd)
E. Perfluorocarbons (PFCs)	CF <sub>4</sub> , C <sub>2</sub> F <sub>6</sub> , C <sub>3</sub> F <sub>8</sub> , C <sub>4</sub> F <sub>6</sub> , C <sub>4</sub> F <sub>10</sub> , c-C <sub>4</sub> F <sub>8</sub> , C <sub>5</sub> F <sub>12</sub> , C <sub>6</sub> F <sub>14</sub>
F. Sulphur hexafluoride	SF <sub>6</sub>
G. Nitrogen Trifluoride	NF <sub>3</sub>
H. Trifluoromethyl sulphur pentafluoride	(SF <sub>5</sub> CF <sub>3</sub> )
I. Halogenated ethers	C <sub>4</sub> F <sub>9</sub> OC <sub>2</sub> H <sub>5</sub> , CHF <sub>2</sub> OCF <sub>2</sub> OC <sub>2</sub> F <sub>4</sub> OCF <sub>2</sub> , CHF <sub>2</sub> OCF <sub>2</sub> OCF <sub>2</sub> , CF <sub>3</sub> OCF(CF <sub>3</sub> )CF <sub>2</sub> OCF <sub>2</sub> OCF <sub>3</sub> (PFPMIE)
J. Other halocarbons not covered by the Montreal Protocol including	CF <sub>3</sub> I, CH <sub>2</sub> Br <sub>2</sub> , CHCl <sub>3</sub> , CH <sub>3</sub> Cl, CH <sub>2</sub> Cl <sub>2</sub>

## ANNEXURE 2

### LISTED ACTIVITIES DECLARED IN TERMS OF SECTION 26(2) OF THE ACT

Listed activities for allocation of mandatory carbon budgets for the first CB commitment period	
A. Coal mining	P. Electricity production from fossil fuels excluding the use of back-up generators
B. Production and/or refining of crude oil	Q. Petroleum refining
C. Production and/or processing of natural gas	R. Chemical production
D. Production of synthetic fuels from coal or gas;	S. Hydrogen production
E. Cement production	T. Sugar production
F. Glass production	U. Lead production
G. Ammonia production	V. Zinc Production
H. Nitric acid production	W. Charcoal and Biochar production
I. Carbon black production	X. Lime production
J. Iron and steel production	Y. Ceramics production
K. Ferro-alloys production	Z. Brick production
L. Aluminium production, excluding foundries	AA. Domestic Aviation
M. Polymers production	BB. Food and Beverage Productions (excluding sugar production)
N. Pulp and paper production	CC. Mining
O. Titanium	

## ANNEXURE 3A

### APPLICABILITY OF EMISSION SOURCES FOR ALLOCATION OF GREENHOUSE GAS CARBON BUDGETS AND MITIGATION PLANS (include voluntary activities which can be elected, i.e. mobile combustion, Scope 2 and 3)

EMISSION DESCRIPTION	SOURCE	COVERAGE	IMPLICATIONS FOR THE CARBON BUDGET: COMMITMENT PERIOD 1	APPLICABILITY RULE FOR COMMITMENT PERIOD 2 AND COMMITMENT PERIOD 3
Stationary Combustion		Mandatory	Emission source forms part of Carbon Budget accounting	Accounting of this emission source forms part of Carbon Budget accounting
Civil aviation				
Domestic navigation				
Fugitive Emissions				
Industrial Processes and Product Use				
Road Transportation		Voluntary	Once elected, emission source forms part of accounting for Carbon Budgets	If included in Commitment Period 1, emission source remains part of accounting for Carbon Budgets in Commitment Period 2 and Commitment Period 3
Agriculture				
Forestry and Land Use				
Waste				
Scope 2 sources		Voluntary	If elected, emission source will not form part of Carbon Budget accounting	If elected, emission source will not form part of Carbon Budget accounting.
Scope 3 sources				
			Emission savings from mitigation measures targeting scope 2/3 related activities are reported as memo items	Emission savings from mitigation measures targeting scope 2/3 related activities are reported as memo items

## ANNEXURE 3B

### SCOPE 1: EMISSION SOURCE APPLICABILITY AND IPCC EMISSION ESTIMATION METHODOLOGY FOR CARBON BUDGET ALLOCATION

IPCC Source Code	Source Category Name	Scope 1 - IPCC emission source applicability for Carbon Budget allocation	Mandatory emission estimation methodology
<b>1</b>	<b>ENERGY</b>		
<b>1A</b>	Fuel Combustion Activities		
<b>1A1</b>	Energy Industries		
<b>1A1a</b>	Main Activity Electricity and Heat Production	YES	Tier 2 or 3
<b>1A1b</b>	Petroleum Refining	YES	Tier 2 or 3
<b>1A1c</b>	Manufacture of Solid Fuels and Other Energy Industries	YES	Tier 2 or 3
<b>1A2</b>	Manufacturing Industries and Construction	YES	
<b>1A2a</b>	Iron and Steel (Including Ferroalloy production)	YES	Tier 2 or 3
<b>1A2b</b>	Non-Ferrous Metals	YES	Tier 2 or 3
<b>1A2c</b>	Chemicals		Tier 2 or 3
<b>1A2d</b>	Pulp, Paper and Print	YES	Tier 2 or 3
<b>1A2e</b>	Food Processing, Beverages and Tobacco	YES	Tier 1, 2 or 3
<b>1A2f</b>	Non-Metallic Minerals	YES	Tier 2 or 3
<b>1A2g</b>	Transport Equipment	YES	Tier 1, 2 or 3
<b>1A2h</b>	Machinery	YES	Tier 1, 2 or 3
<b>1A2i</b>	Mining and Quarrying	YES	Tier 2 or 3
<b>1A2j</b>	Wood and Wood Products	YES	Tier 1, 2 or 3
<b>1A2k</b>	Construction	YES	Tier 1, 2 or 3
<b>1A2l</b>	Textile and Leather	YES	Tier 1, 2 or 3
<b>1A2m</b>	Brick manufacturing:	YES	Tier 1, 2 or 3
<b>1A2n</b>	Manufacture of ceramic products by firing in particular roofing tiles, tiles, stoneware or porcelain	YES	Tier 1, 2 or 3
<b>1A3</b>	Transport		
<b>1A3a</b>	Civil Aviation (Domestic and International)	YES	Tier 2 or 3
<b>1A3b</b>	Road Transportation	NO	Tier 1, 2 or 3
<b>1A3c</b>	Railways	NO	Tier 1, 2 or 3
<b>1A3d</b>	Water-borne Navigation (Domestic and International)	NO	Tier 1, 2 or 3
<b>1A3e</b>	Other Transportation (pipeline transport)	YES	Tier 1, 2 or 3
<b>1A4</b>	Other Sectors		
<b>1A4a</b>	Commercial/Institutional	YES	Tier 2 or 3
<b>1A4b</b>	Residential	NO	Tier 2 or 3
<b>1A4c</b>	Agriculture/Forestry/Fishing/Fish Farms	YES	Tier 2 or 3
<b>1A5</b>	Non-Specified		
<b>1A5a</b>	Stationary	NA	Tier 2 or 3
<b>1A5b</b>	Mobile	NA	NA
<b>1A5c</b>	Multilateral Operations	NA	NA
<b>1B</b>	Fugitive Emissions from Fuels		
<b>1B1</b>	Solid Fuels		
<b>1B1a</b>	Coal Mining and Handling	YES	Tier 2 or 3
<b>1B1b</b>	Uncontrolled Combustion, and Burning Coal Dumps	NA	NA
<b>1B1c</b>	Solid Fuel Transformation	YES	Tier 2 or 3
<b>1B2</b>	Oil and Natural Gas		
<b>1B2a</b>	Oil	NO	Tier 1, 2 or 3
<b>1B2b</b>	Natural Gas	NO	Tier 1, 2 or 3
<b>1B3</b>	Other Emissions from Energy Production	YES	Tier 2 or 3
<b>1C</b>	Carbon Dioxide Transport and Storage		
<b>1C1</b>	Transport of CO <sub>2</sub>	NA	NA
<b>1C1a</b>	Pipelines	NA	NA



IPCC Source Code	Source Category Name	Scope 1 - IPCC source emission applicability for Carbon Budget allocation	Mandatory emission methodology	IPCC estimation
1C1b	Ships	NA	NA	
1C1c	Other (please specify)	NA	NA	
1C2	Injection and Storage			
1C2a	Injection	NA	NA	
1C2b	Storage	NA	NA	
1C3	Other	NA	NA	
2	INDUSTRIAL PROCESSES AND PRODUCT USE			
2A	Mineral Industry			
2A1	Cement Production	YES	Tier 2 or 3	
2A2	Lime Production	YES	Tier 2 or 3	
2A3	Glass Production	YES	Tier 2 or 3	
2A4	Other Process Uses of Carbonates	YES	Tier 1, 2 or 3	
2A4a	Ceramics	YES	Tier 1, 2 or 3	
2A4b	Other Uses of Soda Ash	YES	Tier 1, 2 or 3	
2A4c	Non-Metallurgical Magnesia Production	YES	Tier 2 or 3	
2A4d	Other (please specify)	YES	Tier 1, 2 or 3	
2A5	Other (please specify)	YES	Tier 1, 2 or 3	
2B	Chemical Industry			
2B1	Ammonia Production	YES	Tier 2 or 3	
2B2	Nitric Acid Production	YES	Tier 2 or 3	
2B3	Adipic Acid Production	YES	Tier 2 or 3	
2B4	Caprolactam, Glyoxal and Glyoxylic Acid Production	YES	Tier 2 or 3	
2B5	Carbide Production	YES	Tier 2 or 3	
2B6	Titanium Dioxide Production	YES	Tier 2 or 3	
2B7	Soda Ash Production	YES	Tier 2 or 3	
2B8	Petrochemical and Carbon Black Production			
2B8a	Methanol	YES	Tier 2 or 3	
2B8b	Ethylene		Tier 2 or 3	
2B8c	Ethylene Dichloride and Vinyl Chloride Monomer	YES	Tier 2 or 3	
2B8d	Ethylene Oxide	YES	Tier 2 or 3	
2B8e	Acrylonitrile	YES	Tier 2 or 3	
2B8f	Carbon Black	YES	Tier 2 or 3	
2B9	Fluorochemical Production			
2B9a	By-product Emissions	NO	Tier 1, 2 or 3	
2B9b	Fugitive Emissions	NO	Tier 1, 2 or 3	
2B10	Other (Please specify)	YES	Tier 1, 2 or 3	
2C	Metal Industry			
2C1	Iron and Steel Production	YES	Tier 2 or 3	
2C2	Ferroalloys Production	YES	Tier 2 or 3	
2C3	Aluminium Production	YES	Tier 2 or 3	
2C4	Magnesium Production	YES	Tier 2 or 3	
2C5	Lead Production	YES	Tier 2 or 3	
2C6	Zinc Production	YES	Tier 2 or 3	
2C7	Other (please specify)	YES	Tier 1, 2 or 3	
2D	Non-Energy Products from Fuels and Solvent Use			
2D1	Lubricant Use	NO	NA	
2D2	Paraffin Wax Use	NO	NA	
2D3	Solvent Use	NO	NA	
2D4	Other (please specify)	NO	NA	
2E	Electronics Industry			
2E1	Integrated Circuit or Semiconductor	NO	Tier 1, 2 or 3	
2E2	TFT Flat Panel Display	NO	Tier 1, 2 or 3	
2E3	Photovoltaics	NO	Tier 1, 2 or 3	
2E4	Heat Transfer Fluid	NO	Tier 1, 2 or 3	
2E5	Other (please specify)	NO	Tier 1, 2 or 3	
2F	Product Uses as Substitutes for Ozone Depleting Substances			
2F1	Refrigeration and Air Conditioning	NO	Tier 1, 2 or 3	
2F1a	Refrigeration and Stationary Air Conditioning	NO	Tier 1, 2 or 3	
2F1b	Mobile Air Conditioning	NO	Tier 1, 2 or 3	
2F2	Foam Blowing Agents	NO	Tier 1, 2 or 3	
2F3	Fire Protection	NO	Tier 1, 2 or 3	
2F4	Aerosols	NO	Tier 1, 2 or 3	



IPCC Source Code	Source Category Name	Scope 1 emission applicability for Budget allocation	IPCC source Carbon	Mandatory emission methodology	IPCC estimation
2F5	Solvents	NO		Tier 1, 2 or 3	
2F6	Other Applications (please specify)	NO		Tier 1, 2 or 3	
2G	OTHER PRODUCT MANUFACTURE AND USE				
2G1	Electrical Equipment	NO		Tier 1, 2 or 3	
2G1a	Manufacture of Electrical Equipment	NO		Tier 1, 2 or 3	
2G1b	Use of Electrical Equipment (SF <sub>6</sub> use)	NO		Tier 1, 2 or 3	
2G1c	Disposal of Electrical Equipment	NO		Tier 1, 2 or 3	
2G2	SF <sub>6</sub> and PFCs from Other Product Uses	NO		Tier 1, 2 or 3	
2G2a	Military Applications	NO		Tier 1, 2 or 3	
2G2b	Accelerators	NO		Tier 1, 2 or 3	
2G2c	Other (please specify)	NO		Tier 1, 2 or 3	
2G3	N <sub>2</sub> O from Product Uses	NO		Tier 1, 2 or 3	
2G3a	Medical Applications	NO		Tier 1, 2 or 3	
2G3b	Propellant for Pressure and Aerosol Products	NO		Tier 1, 2 or 3	
2G3c	Other (Please specify)	NO		Tier 1, 2 or 3	
2G4	Other (Please specify)	NO		Tier 1, 2 or 3	
2H	Other				
2H1	Pulp and Paper Industry	NO		Tier 1, 2 or 3	
2H2	Food and Beverages Industry	NO		Tier 1, 2 or 3	
2H3	Other (please specify)	NO		Tier 1, 2 or 3	
3	AGRICULTURE, FORESTRY, AND OTHER LAND USE				
3A	Livestock				
3A1	Enteric Fermentation	NO		Tier 1, 2 or 3	
3A1a	Cattle	NO		Tier 1, 2 or 3	
3A1b	Buffalo	NO		Tier 1, 2 or 3	
3A1c	Sheep	NO		Tier 1, 2 or 3	
3A1d	Goats	NO		Tier 1, 2 or 3	
3A1e	Camels	NO		Tier 1, 2 or 3	
3A1f	Horses	NO		Tier 1, 2 or 3	
3A1g	Mules and Asses	NO		Tier 1, 2 or 3	
3A1h	Swine	NO		Tier 1, 2 or 3	
3A1j	Other (please specify)	NO		Tier 1, 2 or 3	
3A2	Manure Management				
3A2a	Cattle	NO		Tier 1, 2 or 3	
3A2b	Buffalo	NO		Tier 1, 2 or 3	
3A2c	Sheep	NO		Tier 1, 2 or 3	
3A2d	Goats	NO		Tier 1, 2 or 3	
3A2e	Camels	NO		Tier 1, 2 or 3	
3A2f	Horses	NO		Tier 1, 2 or 3	
3A2g	Mules and Asses	NO		Tier 1, 2 or 3	
3A2h	Swine	NO		Tier 1, 2 or 3	
3A2i	Poultry (Installations for the intensive rearing of poultry)	NO		Tier 1, 2 or 3	
3A2j	Other (please specify)	NO		Tier 1, 2 or 3	
3B	Land				
3B1	Forest Land				
3B1a	Forest land Remaining Forest Land	NA		NA	
3B1b	Land Converted to Forest Land	NA		NA	
3B2	Cropland				
3B2a	Cropland Remaining Cropland	NA		NA	
3B2b	Land Converted to Cropland	NA		NA	
3B3	Grassland				
3B3a	Grassland Remaining Grassland	NA		NA	
3B3b	Land Converted to Grassland	NA		NA	
3B4	Wetlands				
3B4a	Wetlands Remaining Wetlands	NA		NA	
3B4b	Land Converted to Wetlands	NA		NA	
3B5	Settlements				
3B5a	Settlements Remaining Settlements	NA		NA	
3B5b	Land Converted to Settlements	NA		NA	
3B6	Other Land				
3B6a	Other Land Remaining Other Land	NA		NA	

IPCC Source Code	Source Category Name	Scope 1 - IPCC emission applicability for Carbon Budget allocation	Mandatory emission methodology	IPCC estimation
3B6b	Land Converted to Other Land	NA	NA	
3C	Aggregate Sources and Non-CO <sub>2</sub> Emissions Sources on Land			
3C1	Emissions from Biomass Burning			
3C1a	Biomass Burning in Forest Lands	NO	Tier 1, 2 or 3	
3C1b	Biomass Burning in Croplands		Tier 1, 2 or 3	
3C1c	Biomass Burning in Grasslands		Tier 1, 2 or 3	
3C1d	Biomass Burning in All Other Land		Tier 1, 2 or 3	
3C2	Liming	NO	Tier 1, 2 or 3	
3C3	Urea Application		Tier 1, 2 or 3	
3C4	Direct N <sub>2</sub> O Emissions from Managed Soils	NO	Tier 1, 2 or 3	
3C5	Indirect N <sub>2</sub> O Emissions from Managed Soils	NO	Tier 1, 2 or 3	
3C6	Indirect N <sub>2</sub> O Emissions from Manure Management	NA	NA	
3C7	Rice Cultivations	NO	Tier 1, 2 or 3	
3C8	Other (please specify)	NO	Tier 1, 2 or 3	
3D	Other			
3D1	Harvested Wood Products	NA	NA	
3D2	Other (please specify)	NA	NA	
4	WASTE			
4A	Solid Waste Disposal			
4A1	Managed Waste Disposal Sites	NO	Tier 1 or 2	
4A2	Unmanaged Waste Disposal Sites	NO	Tier 1 or 2	
4A3	Uncategorised Waste Disposal Sites	NO	Tier 1 or 2	
4B	Biological Treatment of Solid Waste	NO	Tier 1 or 2	
4C	Incineration and Open Burning of Waste	NO		
4C1	Waste Incineration (Hazardous and non-hazardous waste)	NO	Tier 1 or 2	
4C0	Waste – Pyrolysis	NO	Tier 2 or 3	
4C2	Open Burning of Waste		NA	
4D	Wastewater Treatment and Discharge			
4D1	Domestic Wastewater Treatment and Discharge	NO	Tier 1 or 2	
4D2	Industrial Wastewater Treatment and Discharge	NO	Tier 1 or 2	
4E	Other (please specify)	NA	NA	
5	Other			
5A	Indirect N <sub>2</sub> O Emissions from the Atmospheric Deposition of Nitrogen in NO <sub>x</sub> and NH <sub>3</sub>	NA	NA	
5B	Other (please specify)	NA	NA	



## ANNEXURE 4

### REGISTRATON AND AMENDMENTS AS DATA PROVIDER

Registration Item		Details	Comments
Data Provider Name			
Company	Registration Number		
Data Provider ID			To be generated by the system
Physical Address of the Data Provider			
Contact person			Name, designation, contact number, e-mail address
Facility/ies			
Facility 1	Name of Facility 1		Name used to identify the facility
	Facility ID		To be generated by the system
	Physical address		Physical address for the facility, Global positions system (GPS) coordinates of the facility
	Relevant IPCC code for the facility		See Annexure 3 for IPCC codes
	Installed capacity of the facility		Quantity and Units
	Description of non-combustion sources and installations		Description of process, technology and products, number of installations relevant for this category and their individual capacity
	Description of combustion sources and installations		Description of process, technology and products, number of installations relevant for this category and their individual capacity
Facility 2	Name of Facility 2		Name used to identify the facility
	Facility ID		To be generated by the system
	Physical address		Physical address for the facility, Global positions system (GPS) coordinates of the facility
	Relevant IPCC code for the facility		See Annexure 3 for IPCC codes
	Installed capacity of the facility		Quantity and Units
	Description of non-combustion sources and installations		Description of process, technology and products, number of installations relevant for this category and their individual capacity
	Description of combustion sources and installations		Description of process, technology and products, number of installations relevant for this category and their individual capacity

**\*Additional rows should be added to the table above to accommodate registration of all facilities as contemplated in Regulation 5.**



## ANNEXURE 5

SUBMISSION OF INFORMATION FOR CARBON BUDGETS ALLOCATION										
Company Name										
Facility Name And ID										
Production / Output Data										
				Year 1	Year 2	Year 3	Year 4	Year 5		
			Product a (forecast)							
			Product a (at full capacity)							
			Product b (forecast)							
			Product b (at full capacity)							
Projected Activity Data	Emissions Source	IPCC Category		2026	2027	2028	2029	2030	Unit	
	Stationary Combustion	Fuel 1A-								
	Fugitive Emissions	1B								MJ
										t CH4
	Process Emissions	2-								t CO2
	Other Emissions		Notes							
Greenhouse Gas Emissions Calculations				Year 1	Year 2	Year 3	Year 4	Year 5		
	Stationary Combustion	Fuel								
		GHG1	CO2 (t)							
		GHG2	CH4 (t)							
		GHG3	N2O (t)							
			t CO2e							
	Fugitive Emissions									
		GHG1	CH4 (t)							
	Process Emissions									
		GHG1	CO2 (t)							
	Other Emissions									
		GHG1								
		GHG2	CO2 (t)							
		GHG3	CH4 (t)							
			N2O (t)							
		Total								
			GHG1 (tCO2)							
			GHG2 (tCH4)							
			GHG2 (CO2eq)							
			GHG3 (tN2O)							
			GHG3 (CO2eq)							
			Total CO2eq							
Describe the approach (method, nature of activity data, emission factors, assumptions) to estimate projected activity data and greenhouse gas emissions: Additional data and information requirements shall be provided in the technical guidelines for Carbon Budgets and Mitigation Plans.										

## **ANNEXURE 6**

### **MONITORING PLAN TEMPLATE**

The monitoring plan shall include details for the data provider presented at facility level.

The monitoring plan shall include the following details.

#### **A. Data Provider section:**

1. Data Provider Name and ID:
2. Monitoring plan overview (introduction, data quality assurance policy, and objectives)
3. List of all facilities registered under the data provider
4. Overall out-of-scope list with rationale for each (e.g., list of facilities or activities, etc. not included in the proposed carbon budget and why)
5. Clarity of operational control assumed at the data provider level (including a graphical illustration showing all the facilities under operational control)
6. Roles and responsibilities of various actors in the carbon budget/mitigation plan determination and progress reporting value chain.
7. Record keeping procedures

#### **B. Facilities section:**

For each facility, the following details shall be included:

1. Facility name & ID
2. IPCC codes registered
3. Per IPCC code the following should be included:
  - a. Type of activity data, e.g. coal consumption
  - b. Description of the collection method/process and procedures (including frequency) for THE activity data
  - c. Description of quality control/quality assurance and filling of missing data processes applied to activity data used to determine and inform progress reporting on carbon budget and mitigation plan.
  - d. Description of the methodology used to estimate proposed carbon budget and mitigation plan
  - e. Assumptions used in determining the proposed carbon budget and mitigation plan.
  - f. A description of any relevant parameters used for the proposed carbon budget determination and mitigation plan.
  - g. Description of the collection methods/processes (including frequency) for the relevant parameters listed
  - h. Where direct measurements are used to quantify greenhouse gas emissions, information on measurement instrumentation used including calibration as well as validation and verification procedures and results.
  - i. Baseline used for projections/forecast portion of the proposed carbon budget and mitigation plan.
  - j. Assumptions used to estimate the proposed carbon budget for future years (i.e. projections/forecast) including mitigation plan actions.
4. List of activities considered as out of scope including the rationale

## ANNEXURE 7

### SUBMISSION OF MITIGATION PLANS

Facility Name				Facility I.D.					
Mitigation Measure	Description	Method & Assumptions	IPCC code	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Progress indicator used to translate performance into emission reductions (unit depends on the indicator used)			Progress Indicator (Projected emissions reduction)						
Estimated emissions reduction achieved by implementing the measure (tonnes CO2eq)									
Additional qualitative information concerning the mitigation measure (e.g., referenced literature).									

## ANNEXURE 8A

### CARBON BUDGET ANNUAL REPORTING FOR THE PURPOSES OF COMPILATION AND ACCOUNTING

Facility	Emission Scope <sup>1</sup>	Annual Carbon Budget <sup>2</sup>	Actual Emissions <sup>3</sup>	Comparison (Actual vs. projected) <sup>4</sup>	Cumulative Carbon Budget	Actual emission (Cumulative)	Cumulative Comparison (Actual vs. projected) <sup>4</sup>
Tonnes CO2eq							
Facility X							
Facility Y							
Facility Z							

<sup>1</sup> Guided by annexure 3.1 of these regulations

<sup>2</sup> Generated from the carbon budget allocated in terms of section 9 of these regulations

<sup>3</sup> Generated from the annual emissions report submitted and reviewed in terms of the National Greenhouse Gas Emission Reporting Regulations, 2016

<sup>4</sup> To be denoted by a positive sign if actual emissions are below the carbon budget allocation/assigned amount. To be denoted by a negative sign if actual emissions are above the allocated carbon budget/assigned amount.

## ANNEXURE 8B

### MITIGATION PLAN ANNUAL PROGRESS REPORTING

Facility Name	Facility I.D.								
Mitigation Measure	Description	Method & Assumptions	IPCC code	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Progress indicator used to translate performance into emission reductions (unit depends on the indicator used)			Progress Indicator (Projected)						
			Progress indicator (actual)						
Estimated emissions reduction achieved by implementing the measure (tonnes CO2eq)			(a) Projected emissions reduction						
			(b) Actual emissions reduction achieved						
			Difference = (a) – (b)						
Qualitative information concerning the annual progress report.									