

Organisations:

Climate Change Act 22 of 2024

Compliance Course Overview

INSPIRING THE PROGRESS,
LEADING THE CHANGE



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Overview of Climate Change Act 22 of 2024

Changes in SA: Climate Change Act signed into Law

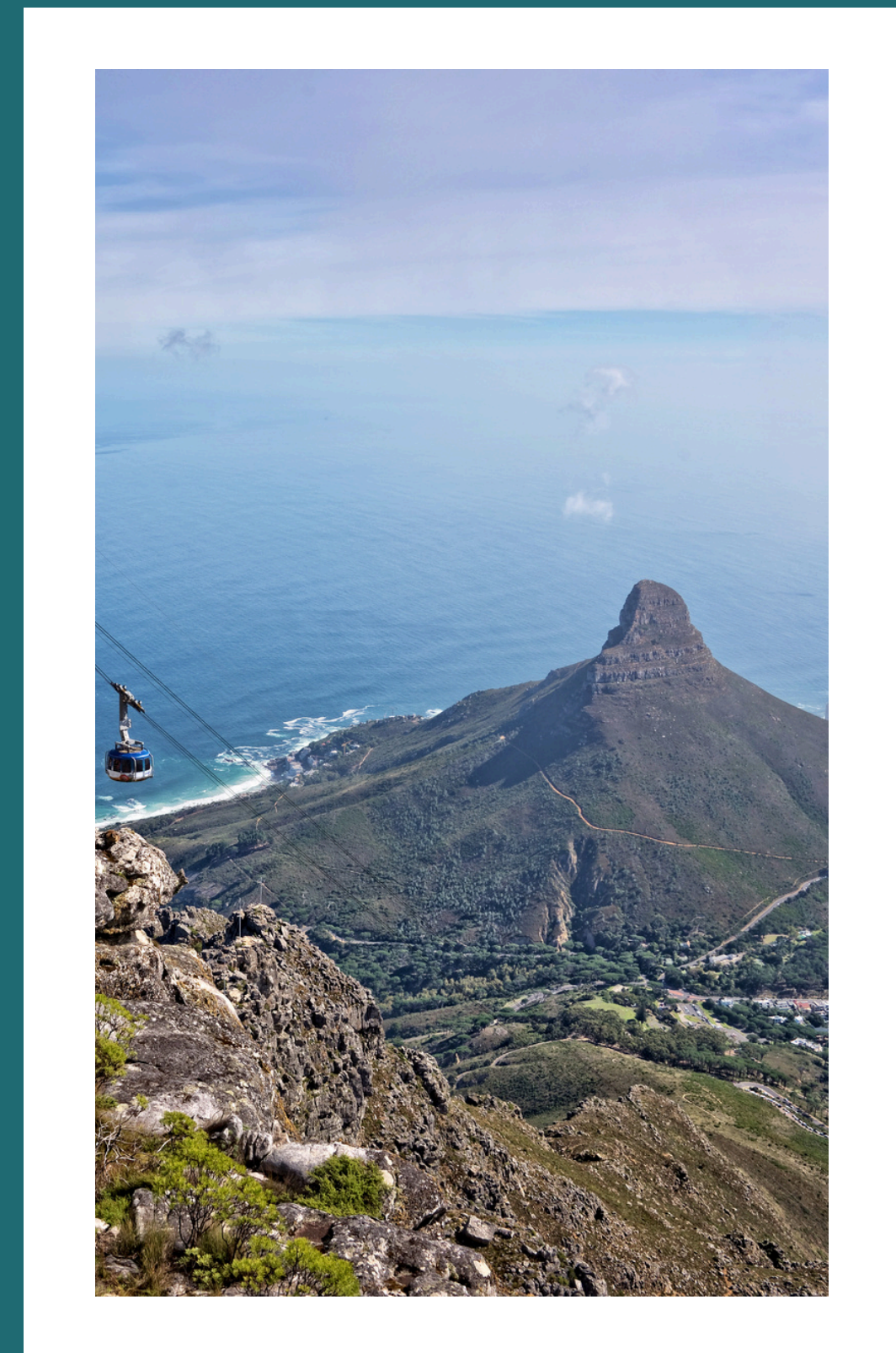
- President Cyril Ramaphosa signed the Climate Change Act 22 of 2024 in **July 2024**
- This marked a significant step in **South Africa's commitment** to international climate agreements, particularly the Paris Agreement

Purpose of the Act:

- The Act is designed to **reduce greenhouse gas (GHG) emissions** and build **climate resilience**
- It aligns South Africa with the goal of achieving **net-zero emissions by 2050**.
- Promotes a **low-carbon, climate-resilient economy** that ensures sustainable development

Impact of the Act on Corporations:

- The Act sets strict **sectoral emission targets**, mandates **carbon budgeting**, and includes **penalties for non-compliance**
- Aligning **corporate strategies** with **national goals** is critical to avoiding **fines** and **criminal penalties**



Corporate Obligations under the Act

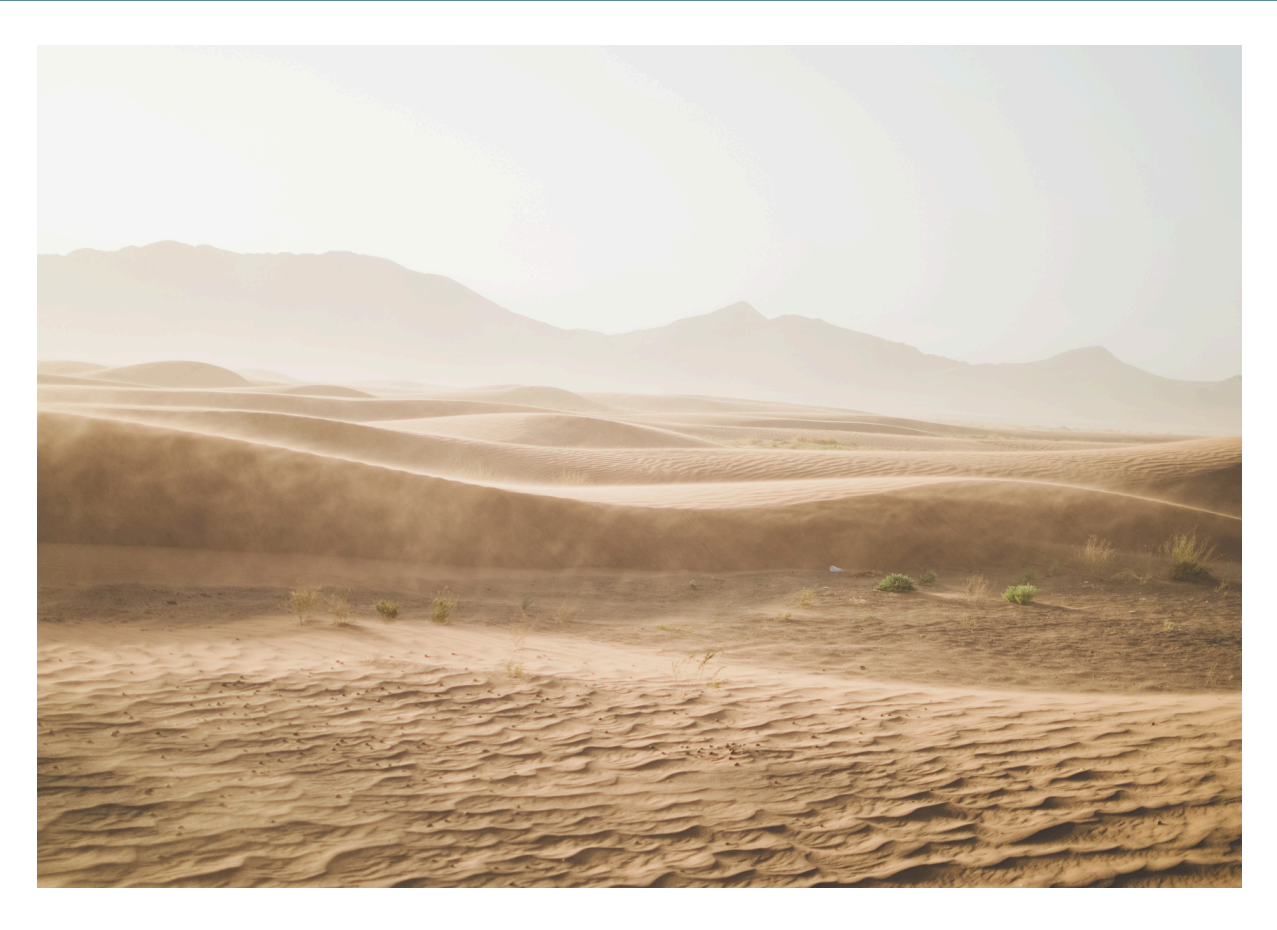
Overview: Corporates are required to (1) **Manage carbon budgets**, (2) **Meet sectoral emission targets**, (3) **Submit annual GHG**, and (4) **Phase out synthetic GHGs**

(1) Manage Carbon Budgets (Section 27)

What It Is: Corporates in carbon-intensive sectors will be assigned **carbon budgets**, which are **legally binding limits** on how much greenhouse gas (GHG) they can emit **over a specific period**.

Key Requirements:

- Companies must **track and report their emissions** to ensure they remain within their allocated carbon budget.
- **Exceeding the carbon budget** can result in **financial penalties** and increased **carbon tax liabilities**.
- Companies must **implement emissions reduction** strategies to comply with their carbon budgets.



(2) Sectoral Emission Targets (Section 25)

What It Is: Specific sectors, such as mining, manufacturing, and transport, will have **emission reduction targets** set by the Minister. These targets aim to ensure that industries contribute to the overall **national reduction of GHG emissions**.

Key Requirements:

- Corporates must **adopt technologies and practices** that **reduce** their GHG **emissions** to meet the defined limits.
- Sectoral targets must be achieved within a **specified timeframe**, with monitoring and reporting obligations to **ensure compliance**.
- **Non-compliance** with sectoral targets may lead to **penalties under the Act**.

Corporate Obligations under the Act

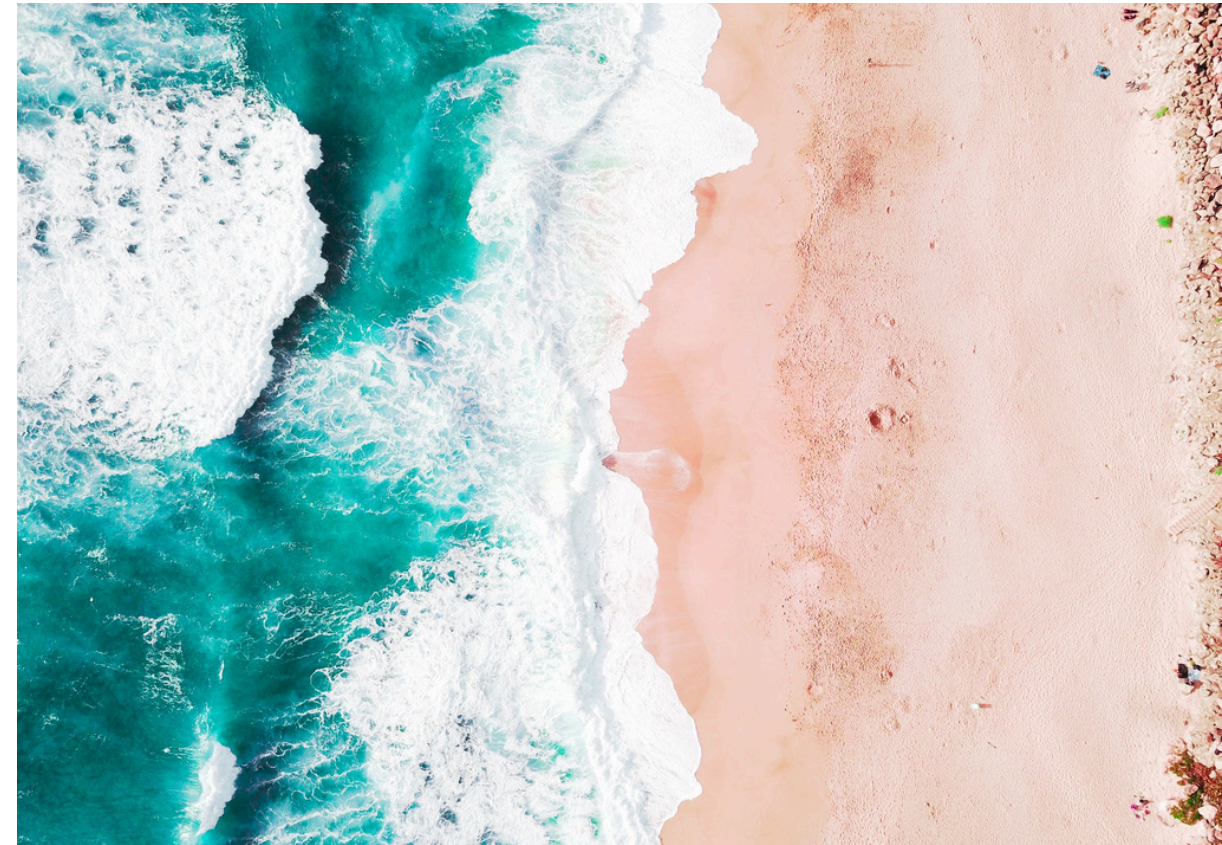
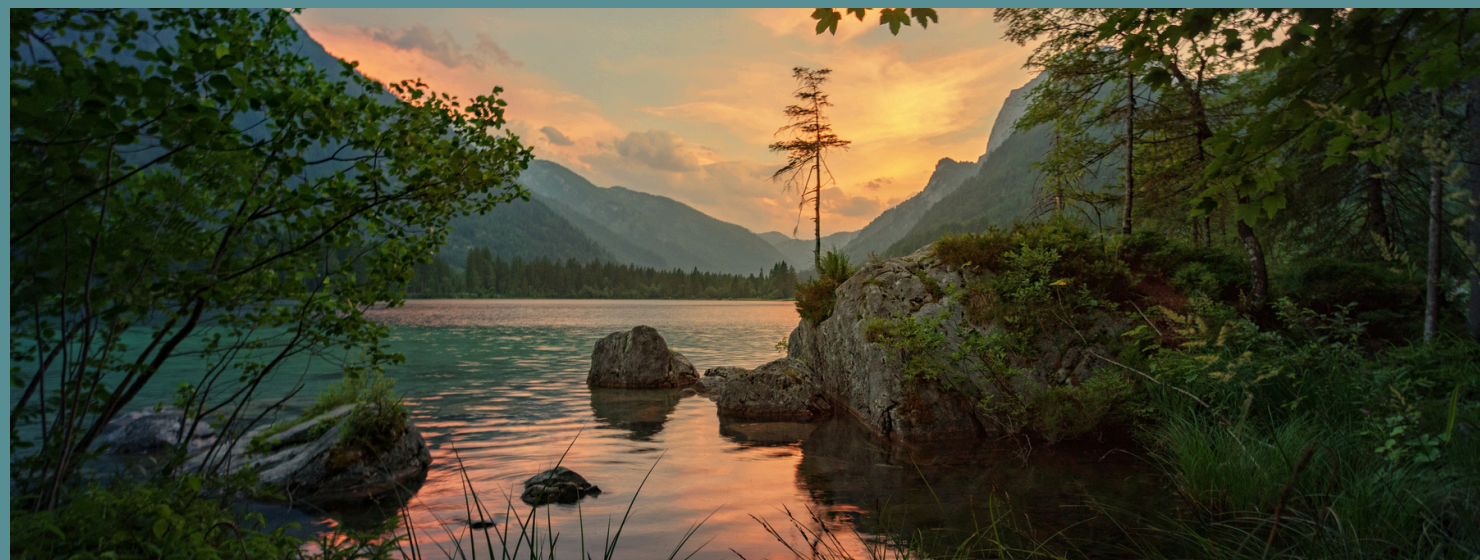
Overview: Corporates are required to (1) **Manage carbon budgets**, (2) **Meet sectoral emission targets**, (3) **Submit annual GHG inventories**, and (4) **Phase out synthetic GHGs**

(3) GHG Inventory (Section 29)

What It Is: Corporates are required to contribute data to a **national GHG inventory**, which is an **annual report** summarising **greenhouse gas (GHG) emissions** across sectors in South Africa.

Key Requirements:

- Corporates must submit detailed **reports on their GHG emissions** annually to the relevant authorities.
- The report should cover **all direct and indirect emissions** related to their operations.
- The GHG inventory will be used to **track progress** on national climate goals and serve as a **benchmark for emissions reductions**.



(4) Phase out synthetic GHGs

What It Is: The Act mandates the **phasing out** of certain **synthetic GHGs** (such as HFCs, PFCs, and SF6) that have a **high global warming potential**. These gases are typically used in **industrial processes** and refrigeration.

Key Requirements:

- Corporates must **identify and phase out** synthetic GHGs as per the list declared by the Minister.
- Companies should **develop plans to transition** to environmentally friendly alternatives to synthetic gases.
- Failure to comply with this requirement may result in **penalties and enforcement actions**.

Penalties & Risks for Non-Compliance

Financial Penalties



Carbon Budget Penalties

Increased Carbon Tax Liability

Companies will face higher carbon tax liabilities under the Carbon Tax Act for **emissions beyond their allocated budget**

Reporting Penalties

ZAR 5 - 10 million

First offence: Fines up to ZAR 5 million for missing or inaccurate GHG data or reports
Subsequent offences: Fines up to ZAR 10 million

Criminal Penalties



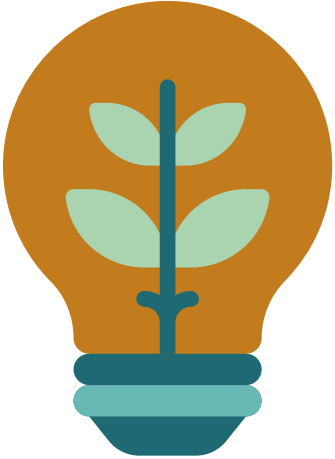
Non-compliance or Fraudulent Reporting

5 - 10 Years of Imprisonment

First offence: Fine of up to ZAR 5 million or up to **5 years** imprisonment

Subsequent offences: Fine of up to ZAR 10 million or up to **10 years** imprisonment

Reputation & Operation Risks



Reputational Risks

Decreased corporate credibility

Non-compliance damages corporate credibility, affecting **investor and stakeholder confidence**

Operational Risks

Stricter regulatory scrutiny

Companies could face stricter regulatory scrutiny and **limitations on future operations** due to non-compliance

Course Outline

Objective: This course is designed to help corporates **comply with South Africa’s Climate Change Act 22 of 2024**, focusing on **carbon budgets, emissions reporting, and managing synthetic GHGs**. Participants will gain practical **tools and templates** to ensure their business aligns with national climate goals and avoids financial penalties.

Key Takeaways



Understanding Legal obligations and Compliance



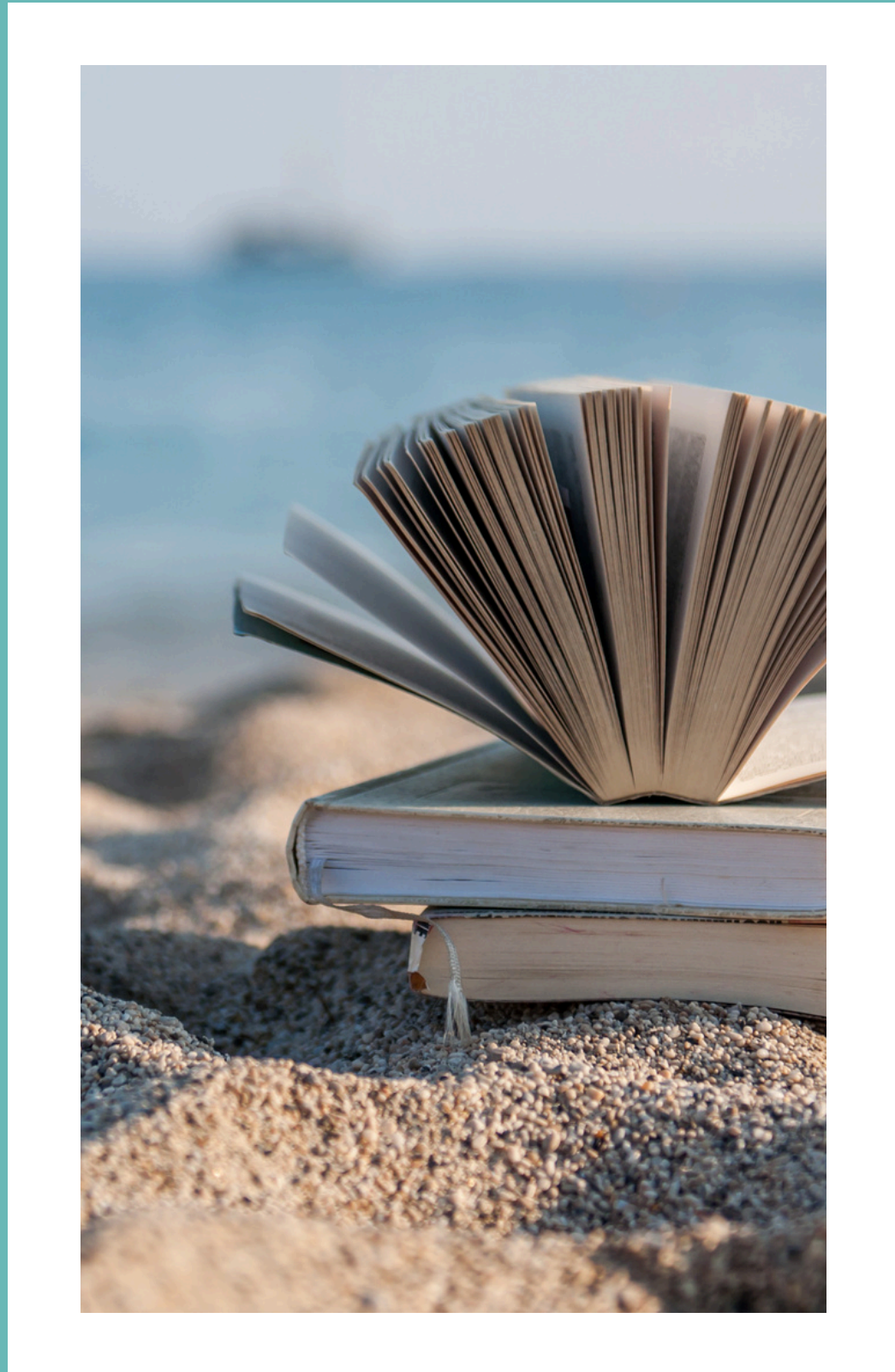
Practical tools and templates for reporting and monitoring



Understanding the risks and penalties of non-compliance



Long-term sustainable strategy alignment



Module Overview

01

Understanding the Climate Change Act 22 of 2024

A detailed breakdown of the Act, focusing on corporate responsibilities, carbon budgeting, and emissions reduction goals

02

Carbon Budgeting and Emission Tracking

Learn how to calculate, manage, and stay within your company's assigned carbon budget while tracking emissions effectively.

03

Greenhouse Gas (GHG) Emissions Reporting

The step-by-step processes for preparing, calculating, and submitting accurate emissions reports in line with national regulations.

04

Sectoral Emission Targets and Alignment

Understand and interpret sector-specific emissions reduction goals, and guidance on integrating goals into corporate strategy

05

Compliance and Risk Management

Identify the financial and legal consequences of non-compliance and how to assess and mitigate risks

06

Monitoring, Reporting and Verification (MRV)

Understand tools and templates to implement internal systems to track and verify compliance

Course Details & Pricing

Course Duration **8 Hours**

2 Sessions of 4 Hours each

- Session 1: Module 1-3
- Session 2: Module 4-6

Broken into either:

- 1 Full day
- 2 half-days

In **person or remote**

Course Pricing **R10,000 pp**

Pricing Tiers

- 0-10 Participants: ZAR 10,000 per person.
- 11-20 Participants: ZAR 8,500 per person.
- 20+ Participants: Scaled discounts available. Contact us for custom pricing based on group size.





Jessica Wilson

-Founder, OnEarth

"We believe that teaching organisations to manage their own climate strategies will create far greater impact than simply doing it for them. By giving them the tools and knowledge, we empower them to drive long-term change on their own terms."

Our Expertise

Technical Qualifications

Masters of Science in	Imperial College
Climate Change, Management and Finance	London

- Specialisation in Carbon Accounting and Reporting, Mitigating Climate Change, and Climate Adaptation strategies.
- Recognised for Academic Excellence (**Dean’s List**), with a top 10% ranking in a class of 115.
- **Key modules:** The Science of Climate Change, Financial Markets & Climate Change, Carbon Reporting.

Bachelors of Business Science in	University of
Finance (Honours) and Accounting	Cape Town

- **Focused on** Corporate Finance, Banking and Treasury Management, and Applied Investments.
- **Dean’s List** for Academic Excellence in 2016 and 2017.

CFA Levels I, II, and III	Chartered
Passed on first attempt	Financial Analyst

- Ranked in the **90th percentile for CFA Level II**, showcasing advanced financial analysis and investment management skills.



Practical Experience

- 30+** Stakeholder engagement meetings with LDC carbon projects
- 20+** Person workshop with members from Allan Gray Philanthropy team on improving social impact
- 50+** Investment Banking and Investment Finance classes taught
- 5+** Reports, and sections of reports written on Climate Policy, Climate Finance, and Carbon accounting
- 5+** Years of teaching experience in Investment banking and Investment finance

THANK YOU



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