



Submission to Carbon Tax Discussion



CELEBRATING **15** YEARS | of Shaping a Sustainable Future

Valerie Geen : NBI Director
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Declaration on data



- The context of CDP data reflected in the Carbon Tax Paper:
 - Confined to JSE listed companies who responded to CDP request
 - Global vs Local emissions profiles
 - Disclosure variability amongst companies in terms of scope
 - The data challenge : GHG inventory and Energy statistics, sectors, and capacity, measurement and verification

South African Business response to Climate Change



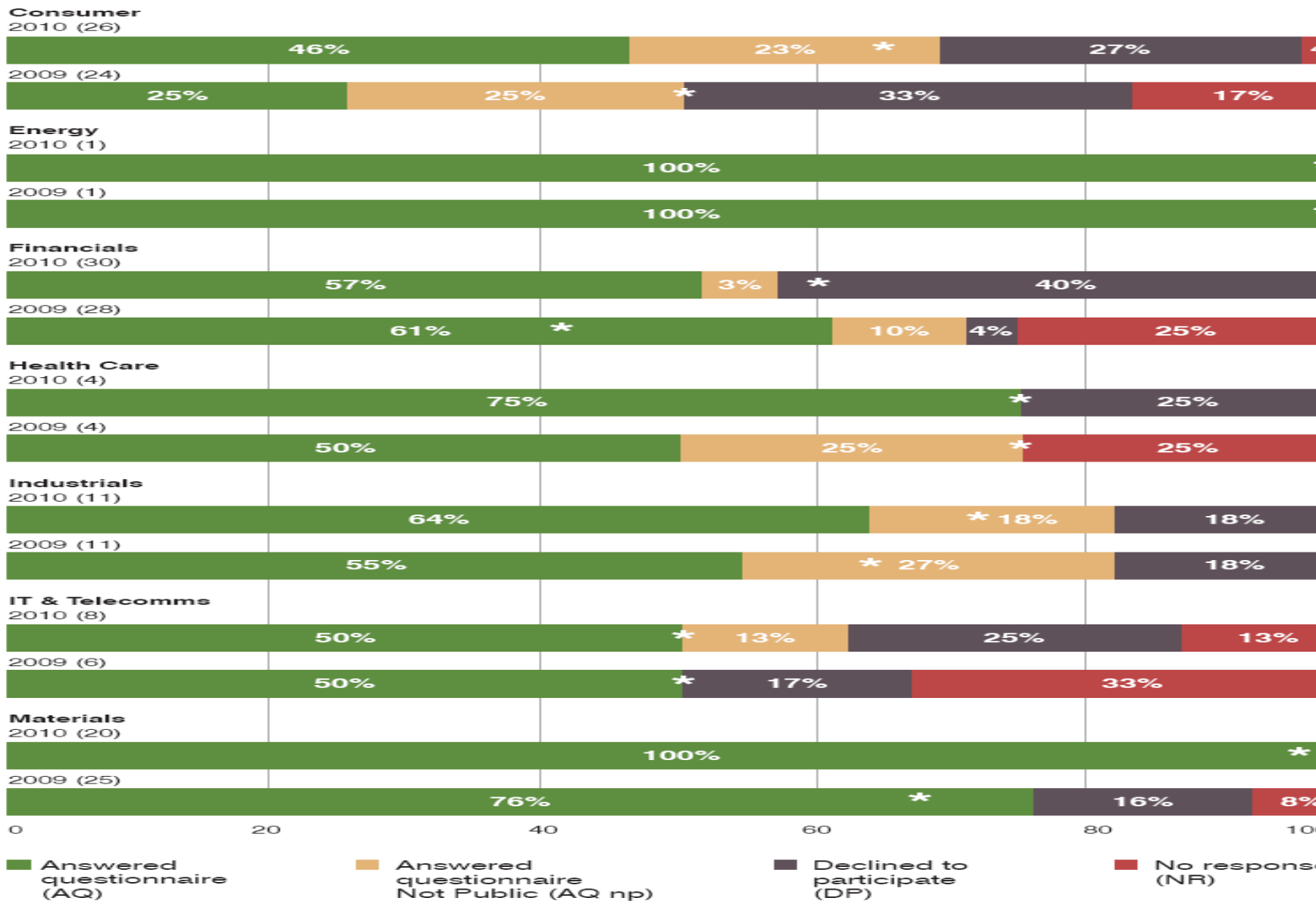
JSE Top 100 Carbon Disclosure Respondents: 2010



THE AVENG GROUP




Fig. 4: JSE 100 response by sector - CDP 2010 vs. CDP 2009



GHG emissions disclosure rate for each sector is denoted by the position of ' * ' as plotted on the x axis. Number in brackets indicates total number of companies in the sector.

The need for assessment of policy measures (e.g. tax) against Business Drivers



- Sustainability
 - Global Competitiveness
 - Risks and Opportunities
 - Corporate responsibility
 - Policy Certainty
- 

Risks and associated cost implications for the economy

- **Regulatory:**
- Carbon Tax
- Regulations around energy use ,energy efficiency, energy intensity , energy pricing
- Standards compliance
- Transportation costs
- **Physical:** Extreme weather events, changing temperature and rainfall patterns, water, impact on ecosystems, health
- **Reputation :** Shareholder value, Consumer activism, relationship with government and communities
- **Litigation**

Opportunities



- ▶ **Regulatory framework:**
- ▶ Investment in renewable energy, co-generation, investment in new technologies, green jobs, Financing, new standards
- ▶ Shift to less GHG intensive products
- ▶ ICT solutions to help reduce energy consumption
- ▶ Financing carbon credit projects or incentive schemes(dependent on 2012 regime)
- ▶ New technology e.g fuel cells for greater fuel efficiency



To ring fence or not to ring fence:

That is the question

Mitigation



Energy Efficiency

- Industrial Efficiency
- Commercial Efficiency
- Product Efficiency (labelling and standards)



Power Generation

- Reduced demand through energy efficiency and renewable energy options
- Cleaner coal technology for reduction of CO₂ and CCS
- Investment in Renewable and alternative energy
- (What are interim measures in a scenario of increasing economic growth?)



Sustainable Transport

- Fuel Efficiency
- Modal Shifts (road to rail) and private to public
- Electric /hybrid vehicles

Mitigation



Sustainable Infrastructure

- Roads. bridges. Dams, transmission etc
- Sustainable Housing



Waste Minimisation

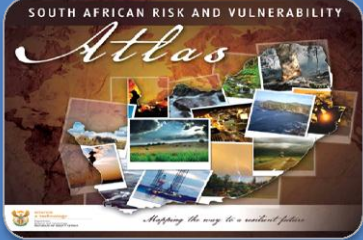
- Reduce, reuse, recycle (industrial symbiosis)
- Product development with lower carbon footprint (life cycle assessment)

Adaptation



Water

- Efficient technology
- Water treatment
- Catchment management
- Water Harvesting
- Supply chain management



Building Resilience

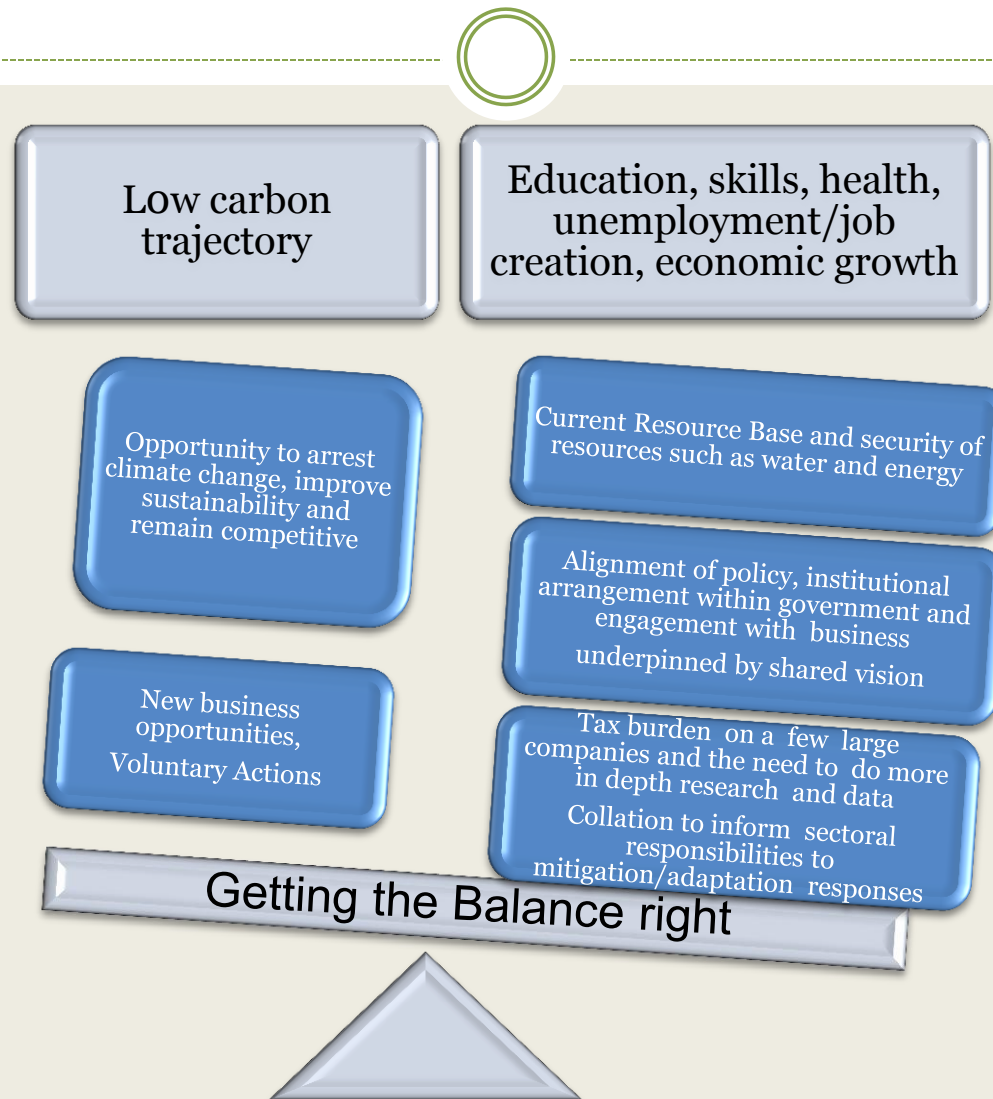
- Risk and vulnerability assessment
- Climate Proofing against fire, wind, flooding, temperature increases
- Agriculture



Biodiversity

- Assessing and monitoring Economic activity in relation to impacts of Ecosystems and their impacts on soil, Food, health, clean air
- Impacts on Tourism, agriculture, communities,
- Impacts on sustainable livelihoods

Transitioning into a green economy



Thank You

Geen.valerie@nbi.org.za