



environment, forestry & fisheries

Department:
Environment, Forestry and Fisheries
REPUBLIC OF SOUTH AFRICA

B.3.6. Additionality

- a) The mere presence of carbon stocks is excluded from reporting and accounting¹⁶ (i.e. only C stock change is reported for the accounting year and activity, and not the C stocks cumulated from the past).
- b) Accounting should exclude removals resulting from indirect human activities:
 - i. elevated carbon dioxide concentrations above their pre-industrial level;
 - ii. indirect nitrogen deposition; and
 - iii. the dynamic effects of age structure resulting from activities and practices before the accounting year, assuming robust scientific information becomes available.

Note: the gross-net accounting rule does factor out indirect human induced activities, particularly for forest management. However, the SA forestry industry currently does not have capacity to implement a net-net accounting system (see section A.12.3 of Chapter A);

- c) Only managed forest land is eligible to comply. Therefore, natural forests or woodlands are excluded from accounting, but only if they are not managed.

B.3.7. Incentives and policy alignment

- b) The information required to report and account for forestry related activities under the Carbon Tax Act 2019 is consistent with the information required under the NGER with some additional elements:
 - i. Different eligibility criteria to facilitate inclusion of 3rd party harvest in HWP accounting.

Additional reporting requirements for deforestation and HWP to ensure the principles of carbon accounting are adhered to (

- ii. Table A.3, see section A.7 of Chapter A);
- iii. Reporting but not accounting for emissions from fires and fertiliser application;
- iv. Discounting of waste carbon emissions associated with wood processing under HWP;
- v. Additional verification and validation data requirement to ensure adherence to accounting rules.
- c) In order to incentivise afforestation and to disincentivise deforestation, activities should be accounted on a gross-net basis.
- d) Forest management activities should be accounted for on a gross-net basis. However, future rules should consider a net-net accounting in cases such as:

Where forests with declining stock due to legacy management practice, age class structure changes or natural phenomena can be fairly accounted without penalising as an owner or entity for indirect human induced effects (see additionality principle in

¹⁶ For example, produced HWP stock cannot be considered as an accountable removal amount without considering emissions due to product life cycle or harvest emissions.