

**THE GREEN ECONOMY AND CLIMATE CHANGE
ACT, 2024**

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY PROVISIONS

Section

1. Short title and commencement
2. Interpretation
3. Guiding principles

PART II

ADMINISTRATION

4. Department of Green Economy and Climate Change
5. Director, climate change officers, other staff and authorised officers
6. Green Economy and Climate Change Council
7. Functions of Council
8. Green Economy and Climate Change Technical Committee
9. Functions of Technical Committee

PART III

ADAPTATION AND MITIGATION

10. Development of National Adaptation and Mitigation Plans
11. Adaptation and risk reduction
12. Mitigation and low emission development
13. Sector emission reduction plan

PART IV

GREENHOUSE GAS EMISSIONS

14. Greenhouse Gas Inventory Management System
15. Sources of greenhouse gas data
16. Greenhouse gas emission standards
17. Inventory of greenhouse gas related information
18. Integrated Measuring Reporting and Verification System

PART V

CARBON STOCK MANAGEMENT

19. Non-application of Part
20. Concept note
21. Evaluation of project proposal

PART VI

CARBON MARKETS

22. Ownership of carbon
23. Prohibition of trading in carbon credits without authorisation
24. Application for authorisation to trade in carbon credits
25. Suspension or revocation of certificate of authorisation
26. Duplicate certificate of authorisation
27. Prohibition of transfer of certificate of authorisation
28. Dispute resolution

PART VII

REGISTRATION FOR VERIFIERS

29. Prohibition of verifying carbon credits without registration
30. Registration of verifiers
31. Suspension or revocation of registration

PART VIII

ENFORCEMENT

32. Powers of authorised officer
33. Compliance order

PART IX

THE GREEN ECONOMY AND CLIMATE CHANGE FUND

34. Establishment of Green Economy and Climate Change Fund
35. Management of Fund
36. Accounts and audit
37. Annual report

PART X

GENERAL PROVISIONS

38. Appeals
39. Climate Change Register
40. Immunity
41. Integration of climate change in learning programmes
42. Incentives for climate change action
43. Offence by principal officers of body corporate and unincorporate body
44. General penalty
45. Guidelines
46. Regulations
47. Savings and transitional provisions

SCHEDULE

GOVERNMENT OF ZAMBIA

ACT

No. 18 of 2024

Date of Assent: 20th December, 2024

An Act to provide for climate change adaptation and disaster risk reduction; provide for climate change mitigation, low emission development, green economy and related actions; regulate carbon markets; provide for environmental and social safeguards in climate change actions; establish the Climate Change Fund; domesticate the United Nations Framework Convention on Climate Change and the Paris Agreement; and provide for matters connected with, or incidental to, the foregoing.

[26th December, 2024

ENACTED by the Parliament of Zambia.

Enactment

PART I

PRELIMINARY PROVISIONS

1. This Act may be cited as the Green Economy and Climate Change Act, 2024, and shall come into operation on the date that the Minister may appoint by statutory instrument.

Short title
and
commencement

2. In this Act, unless the context otherwise requires—

Interpretation

“adaptation” means a response to global warming or an adjustment to actual or expected climate change and the impacts of climate change;

“adaptive capacity” means the ability of systems, institutions, human beings or other organisms to adjust to potential damage, take advantage of opportunities or respond to any other consequence of climate change;

“additionality” means the effects of a project activity to reduce anthropogenic greenhouse gas emissions below the level that would have occurred in the absence of the project activity;

“appropriate authority” means the Minister responsible for, or a public body, entity or person having, climate change duties or related activities, and includes a public or statutory office, body or institution under the following:

- | | |
|--------------------|--|
| Act No. 14 of 2015 | (a) the Zambia Wildlife Act, 2015; |
| Act No. 28 of 1997 | (b) the Water Supply and Sanitation Act, 1997; |
| Act No. 12 of 2011 | (c) the Environmental Management Act, 2011; |
| Act No. 5 of 2016 | (d) the Civil Aviation Act, 2016; |
| Act No. 12 of 2002 | (e) the Public Roads Act, 2002; |
| Act No. 11 of 2002 | (f) the Road Traffic Act, 2002; |
| Cap. 321 | (g) the Zambia Revenue Authority Act; |
| Cap. 322 | (h) the Customs and Excise Act; |
| Cap. 323 | (i) the Income Tax Act; |
| Cap. 173 | (j) the National Heritage Conservation Commission Act; |
| Cap. 184 | (k) the Lands Act; |
| Cap. 185 | (l) the Lands and Deeds Registry Act; |
| Act No. 14 of 2024 | (m) the Minerals Regulation Commission Act, 2024; |
| Act No. 22 of 2011 | (n) the Fisheries Act, 2011; |
| Act No. 4 of 2015 | (o) the Forests Act, 2015; |
| Act No. 21 of 2011 | (p) the Water Resources Management Act, 2011; |
| Act No. 10 of 2007 | (q) the Biosafety Act, 2007; |
| Cap. 466 | (r) the Inland Waters Shipping Act; |
| Cap. 295 | (s) the Public Health Act; |
| Act No. 4 of 2017 | (t) the Standards Act, 2017; |
| Act No. 2 of 2019 | (u) the Local Government Act, 2019; |
| Act No. 13 of 2010 | (v) the Disaster Management Act, 2010; |

- (w) the Citizens Economic Empowerment Act, 2006; Act No. 9 of 2006
- (x) the Zambia Development Agency Act, 2022; Act No. 17 of 2022
- (y) the Public-Private Partnership Act, 2023; Act No. 18 of 2023
- (z) the Tourism and Hospitality Act, 2015; Act No. 13 of 2015
- (aa) the Energy Regulation Act, 2019; Act No. 12 of 2019
- (bb) the Solid Waste Regulation and Management Act, 2018; Act No. 20 of 2018
- (cc) the Ionising Radiation Protection Act, 2005; Act No. 16 of 2005
- (dd) the Land Survey Act; Cap. 188
- (ee) the Urban and Regional Planning Act, 2015; Act No. 3 of 2015
- (ff) the Gender Equity and Equality Act, 2015; Act No. 22 of 2015
- (gg) the Agricultural Lands Act; Cap. 187
- (hh) the National Housing Authority Act; Cap. 195
- (ii) the Animal Health Act, 2010; and Act No. 27 of 2010
- (kk) any other law related to climate change;
- “associate” has the meaning assigned to the word in the Anti-Corruption Act, 2012; Act No. 3 of 2012
- “authorised officer” means the Director, a climate change officer or a public officer designated as an authorised officer under section 5;
- “beneficiaries” means persons or a community that is involved in, or is affected by, a project approved under this Act;
- “carbon” means the equivalent of greenhouse gases arising from a process or activity that emits a greenhouse gas, an aerosol or a precursor of a greenhouse gas into the atmosphere;
- “carbon credits” means the saleable verified emissions reduction or removal credit, or any other carbon mitigation measure recognised under the standards of the international carbon market regimes which is equivalent to one tonne of carbon dioxide or its equivalent which can be counted towards an individual’s, organisation’s, a company’s or country’s greenhouse gas mitigation target;
- “carbon market” means a system through, or platform on, which units of carbon dioxide equivalent of greenhouse gases are traded to meet emission reduction targets;

- “carbon verification” means the process of evaluating calculations of the actual amount of greenhouse gas emissions that have been avoided or sequestered through the implementation of a project;
- “certificate of authorisation” means a certificate issued under section 24, authorising a person to trade in carbon credits;
- “certificate of registration” means a certificate issued under section 30;
- “climate change” means a change in climatic conditions attributed directly or indirectly to human activities that alter the composition of the global atmosphere which is additional to natural variability and observed over comparable periods of time;
- “climate change mitigation” means efforts that seek to prevent or slow down the increase of atmospheric greenhouse gas concentrations by limiting current and future emissions and enhancing potential sinks for greenhouse gases;
- “climate change officer” means a person appointed as a climate change officer under section 5;
- “Climate Change Register” means the Climate Change Register kept and maintained under section 39;
- “climate resilience” means the ability of a system and the system’s component parts to anticipate, absorb, accommodate or recover from the impacts of climate change in a timely and efficient manner;
- “climate variability” means variations in the mean state and other statistics of the climate on temporal and spatial scales beyond that of individual weather events largely due to natural internal processes within the climate system;
- “community development and benefit sharing agreement” means an agreement that is signed between a project developer and beneficiaries under section 21(7);
- “Convention” means the United Nations Framework Convention on Climate Change signed by Zambia on 11th June, 1992, and ratified on 28th May, 1993;
- “Council” means the Council of Ministers established under section 6;
- “Department” means the Department of Green Economy and Climate Change responsible for the administration of the Act as provided under section 4;
- “Designated National Authority” means the entity or organisation granted the responsibility to authorise and approve participation in projects under the international carbon market regimes;

“Director” means a person appointed as Director of green economy and climate change under section 5;

“double counting” means a scenario under which a singular greenhouse gas emission reduction or removal is reported or monetised separately by two different entities or where a greenhouse gas emission reduction or removal is sold to multiple buyers;

“ecosystems” means a living functional system which contains all organisms, including human beings, their environment and the relationship that exists between them;

“emission” means the release of greenhouse gases or their precursors into the atmosphere;

“Emoluments Commission” means the Emoluments Commission established by the Constitution;

Cap. 1

“Fund” means the Climate Change Fund established under section 34;

“green economy” means an economy that allows for low carbon emission, resource efficiency and social inclusiveness resulting in an improved human wellbeing and social equity while significantly reducing environmental risks and ecological scarcities;

“greenhouse gases” means the gaseous constituents of the atmosphere, both natural and human induced, that absorb and re-emit infrared radiation;

“Greenhouse Gas Inventory Management System” means the system established under section 14;

“green investments” means activities aligned with economic growth while reducing pollution and greenhouse gas emissions, minimising waste and improving efficiency in the use of natural resources;

“Integrated Measuring Reporting and Verification System” means the system established under section 18;

“National Adaptation Plan” means a comprehensive medium to long term climate adaptation plan that fosters climate resilience;

“National Mitigation Plan” means a comprehensive medium to long term climate mitigation plan that fosters low carbon development and emission reduction;

- “Nationally Determined Contributions” means national plans and pledges made by a Party to the Paris Agreement to meet the universal goal of maintaining global temperatures to well below two degrees celsius above pre-industrial levels, while aiming for one point five degrees celsius to avoid the worst impacts of climate change;
- “Paris Agreement” means the legally binding international treaty on climate change adopted in Paris on 12th December, 2015, and which entered into force on 4th November, 2016, signed by Zambia on 20th September, 2016, and any successor agreement;
- Act No. 12 of 2011 “precautionary principle” has the meaning assigned to the words in the Environmental Management Act, 2011;
- “private body” means a private entity or a non-state actor that emits greenhouse gases;
- “project developer” means a person who proposes to undertake a project that requires approval under this Act;
- Act No.1 of 2018 “public body” has the meaning assigned to the words in the Public Finance Management Act, 2018;
- Act No. 3 of 2012 “relative” has the meaning assigned to the word in the Anti-Corruption Act, 2012;
- “sector emission target” means a science-based target for a given sector used to provide a clearly defined pathway for a person to reduce greenhouse gas emissions;
- “Technical Committee” means the Committee established under section 8;
- “verifier” means a person registered as a verifier under section 30 and who has the capability, qualifications and expertise to inspect a carbon programme or project and ensure the programme or project meets internationally agreed standards governing the carbon market;
- “vulnerability” means the degree of susceptibility to the negative effects of climate change;
- “vulnerable groups” means groups that are more susceptible than others to impacts of climate change either due to their location or socio-economic status; and
- Act No. 12 of 2011 “Zambia Environmental Management Agency” means the Zambia Environmental Management Agency established under the Environmental Management Act, 2011.

3. The following principles shall be applied in achieving the purpose of this Act: Guiding principles

- (a) environmental sustainability and the contribution to social economic development;
- (b) the incorporation of measures to build resilience to climate change and consideration of all aspects of low carbon emissions and green economy;
- (c) the undertaking of climate change actions in an integrated and a consultative manner;
- (d) special consideration for vulnerable groups and gender inclusiveness;
- (e) the importance of ecosystems in addressing the impacts of climate change;
- (f) complementarity of adaptation, disaster risk reduction and mitigation;
- (g) the consideration of environmental and social safeguards;
- (h) public participation and awareness in the development and implementation of green economy and climate change programmes;
- (i) the development and transfer of appropriate technology in climate change programmes;
- (j) the promotion and fulfilment of international obligations on green economy and climate change; and
- (k) the precautionary principle.

PART II

ADMINISTRATION

4. (1) The Department of Green Economy and Climate Change, in the ministry responsible for climate change is responsible for the administration of this Act, under the general direction of the Permanent Secretary in the ministry responsible for climate change. Department of Green Economy and Climate Change

(2) Subject to the other provisions of this Act, the functions of the Department are to do all things as are necessary to achieve low carbon, climate resilience and green economy.

(3) Despite the generality of subsection (2), the functions of the Department are to—

- (a) facilitate the implementation of green economy and climate change projects and programmes in all sectors in collaboration with relevant stakeholders;
- (b) monitor and evaluate the implementation of green economy and climate change projects and programmes in all sectors;
- (c) regulate the carbon market;
- (d) facilitate capacity building in institutions and agencies implementing green economy and climate change projects and programmes;
- (e) provide technical support on green economy and climate change projects and programmes;
- (f) support the strengthening of climate change information and early warning systems;
- (g) facilitate and promote research on green economy and climate change;
- (h) facilitate and conduct education and public awareness on green economy and climate change;
- (i) facilitate the implementation of international obligations on climate change;
- (j) establish sector emission targets;
- (k) support the mobilisation of resources to promote green investments;
- (l) oversee the revision and updating of the Nationally Determined Contributions;
- (m) guide and oversee the implementation of the Republic's Integrated Measuring Reporting and Verification System; and
- (n) provide technical guidance on the means of adaptation, mitigation and implementation of adaptation, mitigation to various sectors.

Director,
climate
change
officers,
other staff
and
authorised
officers

5. (1) The Civil Service Commission shall appoint as a public officer, the Director of green economy and climate change who is responsible for the performance of the functions of the Department.

(2) The Permanent Secretary in the ministry responsible for climate change may give to the Director, general or specific directions, which are consistent with the provisions of this Act, relating to the performance of the Director's functions and the Director shall give effect to those directions.

(3) The Civil Service Commission shall appoint as public officers, climate change officers and other staff of the Department.

(4) The Minister may, in consultation with the Director, by *Gazette* notice, designate any public officer to be an authorised officer for the purpose of the exercise and performance of any of the functions conferred on an authorised officer under the provisions of this Act.

(5) The Director shall, issue to an authorised officer an identity card which shall be *prima facie* evidence of the authorised officer's appointment.

(6) An authorised officer shall, in performing a function under this Act—

(a) be in possession of the identity card referred to under subsection (5); and

(b) show the identity card to a person who requests to see it or who is subject to an investigation under this Act.

(7) The Director may, by direction in writing and on conditions that the Director considers necessary, delegate to a climate change officer, an authorised officer or any other staff any of the Director's functions under this Act.

6. (1) There is established a Green Economy and Climate Change Council consisting of the following part-time members appointed by the President:

Green
Economy and
Climate
Change
Council

(a) the Vice-President, who shall be the Chairperson; and

(b) the Minister responsible for climate change who shall be the Vice-Chairperson;

(c) the Ministers responsible for—

(i) finance and national planning;

(ii) agriculture;

(iii) energy;

(iv) lands;

- (v) water development and sanitation;
- (vi) justice;
- (vii) mines;
- (viii) wildlife;
- (ix) fisheries and livestock;
- (x) technology and science; and
- (xi) local government and rural development.

(2) The Secretary to the Cabinet shall be an *ex officio* member of the Council.

(3) The Council may invite a Minister whose presence is, in the opinion of the Council, desirable to attend and to participate in the deliberations of the meeting of the Council but that Minister shall have no vote.

(4) The Department shall provide secretarial services to the Council.

(5) The Schedule applies to the Council.

Functions of Council

7. (1) The functions of the Council are to—

- (a) provide policy guidance and oversee the implementation of interventions relating to green economy and climate change in the Republic;
- (b) provide policy guidance on carbon markets to the public, private sector and other stakeholders;
- (c) set targets for the regulation of greenhouse emission; and
- (d) provide policy guidance on research, training and awareness on climate change.

(2) The Council may, by direction in writing and on the conditions that the Council considers necessary, delegate to the Technical Committee or Director any of the Council's functions under this Act.

Green Economy and Climate Change Technical Committee

8. (1) There is established the Green Economy and Climate Change Technical Committee consisting of the following part-time members appointed by the Minister:

- (a) a representative in the ministry responsible for—
 - (i) finance and national planning;
 - (ii) agriculture;
 - (iii) energy;

- (iv) lands;
- (v) water development and sanitation;
- (vi) fisheries and livestock;
- (vii) mines;
- (viii) wildlife;
- (ix) forestry;
- (x) meteorology;
- (xi) commerce, trade and industry;

(b) a representative of the Attorney-General;

(c) a representative of the Disaster Management and Mitigation Unit;

(d) a representative of the Zambia Environmental Management Agency;

(e) a representative of a civil society organisation involved in green economy and climate change;

(f) a representative from academia; and

(g) a representative of a private sector organisation with knowledge and expertise in matters relating to this Act.

(2) The Director shall be an *ex-officio* member of the Technical Committee.

(3) The members referred to under subsection (1) shall be nominated for appointment by their respective institutions or organisations.

(4) The Minister shall appoint the Chairperson from among the members and the members shall elect the Vice-Chairperson from among themselves.

(5) The Department shall provide secretarial services to the Technical Committee.

(6) The Technical Committee shall be the Designated National Authority.

(7) The Schedule applies to the Technical Committee.

Functions of
Technical
Committee

9. (1) The Technical Committee shall advise the Council on matters relating to green economy and climate change as provided under this Act.

(2) Despite the generality of subsection (1), the Technical Committee shall—

- (a) oversee the development, revision and implementation of appropriate policies, programmes, projects, plans and strategies relating to green economy and climate change;
- (b) approve concept notes relating to a carbon project under Part V of the Act;
- (c) approve project proposals relating to a carbon project under Part V of the Act;
- (d) recommend projects and programmes relating to green economy and climate change to the Council; and
- (e) review proposals, work plans, budgets and implementation reports for green economy and climate change projects and programmes.

PART III

ADAPTATION AND MITIGATION

Development
of National
Adaptation
and
Mitigation
Plans

10. (1) The Minister shall cause to be developed a National Adaptation Plan and a National Mitigation Plan.

(2) The plans referred to under subsection (1) shall be reviewed every five years.

Adaptation
and risk
reduction

11. (1) An appropriate authority shall, in developing or reviewing and implementing a policy, programme, project and plan relating to adaptation and risk reduction take into account—

- (a) measures to build resilience; and
- (b) a comprehensive climate vulnerability assessment, climate information and services and early warning.

(2) Despite subsection (1), an appropriate authority shall take actions to—

- (a) reduce vulnerability to the adverse impacts of climate change;
- (b) increase the adaptive capacity;
- (c) foster climate resilience; and
- (d) ensure that climate resilience is mainstreamed in development planning.

12. An appropriate authority shall, in developing or reviewing and implementing a policy, programme, project and plan relating to mitigation and low emission development take into account measures to address greenhouse gas emissions and mainstream low carbon strategies.

Mitigation and low emission development

(2) An appropriate authority shall report on sectoral greenhouse gas emissions to the Department, in a prescribed manner and form.

13. (1) An appropriate authority shall develop a sector emission reduction plan in accordance with the guidelines specified under section 45.

Sector emission reduction plan

(2) The plan referred to under subsection (1) shall be reviewed every five years.

PART IV GREENHOUSE GAS EMISSIONS

14. (1) The Department shall establish and maintain the Greenhouse Gas Inventory Management System which shall serve as a central depository for data and information on greenhouse gases.

Greenhouse Gas Inventory Management System

(2) Despite the generality of subsection (1), the Greenhouse Gas Inventory Management shall, be used for—

(a) collecting, managing, storing and retrieving of information on greenhouse gases from sectors specified under section 15; and

(b) compiling and preparing reports relating to information on greenhouse gases.

(3) Despite subsection (1), the Minister may, by notice in the *Gazette*, designate the Zambia Environmental Management Agency to manage the Greenhouse Gas Inventory Management System.

15. The following sectors shall, in a prescribed manner and form, provide data and information to the Department, for the purposes of the Greenhouse Gas Inventory Management System:

Sources of greenhouse gas data

(a) forestry;

(b) energy;

(c) agriculture;

(d) livestock;

(e) industrial processes and product use;

(f) waste; and

(g) any other sector that the Minister may determine.

- Greenhouse gas emission standards
- Act No. 12 of 2011
- Inventory of greenhouse gas related information
- Integrated Measuring Reporting and Verification System
- 16.** (1) The Minister may, by statutory instrument, make Regulations setting out the emission standards for greenhouse gases.
- (2) The Regulations referred to under subsection (1) shall not set out standards in relation to gases regulated under the Environmental Management Act, 2011.
- (3) A person who fails to comply with greenhouse gas emission standards prescribed under subsection (1), commits an offence and is liable, on conviction—
- (a) in the case of a natural person, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding five years, or to both; or
- (b) in the case of a legal person, to a fine of not less than two million penalty units but not exceeding three million penalty units.
- 17.** (1) A person who emits greenhouse gases shall, in a prescribed manner and form, keep and maintain an inventory of greenhouse gas related information.
- (2) A person who contravenes subsection (1), commits an offence and is liable, on conviction, to a fine not exceeding fifty thousand penalty units or imprisonment for a term not exceeding six months, or to both.
- (3) A person who keeps and maintains an inventory referred to under subsection (1) shall, within a prescribed period, submit the inventory to the Department or to the Zambia Environmental Management Agency, where the Zambia Environmental Management Agency is designated as the manager under section 14.
- (4) A person who contravenes subsection (3), commits an offence and is liable, on conviction, to a fine not exceeding three thousand penalty units for each day that the contravention continues.
- 18.** (1) The Department shall establish and maintain the Integrated Measuring Reporting and Verification System for the purposes of documenting emissions, mitigation and adaptation activities, financial support and technology transfer received and deployed.
- (2) The Integrated Measuring Reporting and Verification System may consist of the following components:
- (a) greenhouse gas inventory;
- (b) mitigation actions;
- (c) adaptation actions;
- (d) climate finance;

- (e) capacity building;
- (f) technology transfer; and
- (g) any other component that the Department may determine.

(3) Despite subsection (1), the Minister may, by notice in the *Gazette*, designate the Zambia Environmental Management Agency to manage any of the components referred to under subsection (2).

(4) A public body and private body shall, in a prescribed manner and form, provide data and information to the Integrated Measuring Reporting and Verification System.

(5) The Minister may, by statutory instrument, make Regulations setting out the procedure for administering the Integrated Measuring Reporting and Verification System.

PART V CARBON STOCK MANAGEMENT

19. This Part shall not apply to carbon generated under the Forests Act, 2015.

Non-
application
of Part
Act No. 4 of
2015
Concept note

20. (1) A project developer who intends to engage in carbon credit generation shall submit a concept note to the Director, in a prescribed manner and form on payment of a prescribed fee.

(2) The Director shall, within five days of receipt of the concept note, refer the concept note to the Technical Committee.

(3) The Director shall, where the Director considers that the concept note submitted under subsection (1) is incomplete, within five days of receipt of the concept note, request the project developer, in writing, to submit any other information that the Director may require.

(4) The Technical Committee may, within thirty days of receipt of the concept note from the Director, approve or reject the concept note.

(5) The Technical Committee shall, where the Technical Committee rejects the concept note, notify the project developer, in writing, stating the reasons for the rejection.

(6) The Technical Committee shall, where the Technical Committee approves the concept note, notify the project developer, in writing, of the decision and request the project developer to submit a project proposal to the Department, within ninety days of receipt of the decision, on payment of a prescribed fee.

21. (1) The Director shall, within ten days of receipt of the project proposal referred to under section 20(6), submit the project proposal to the Technical Committee.

Evaluation of
project
proposal

(2) The Director shall, where the Director considers that the project proposal submitted in accordance with section 20(6) is incomplete, within five days of receipt of the project proposal, request the project developer to submit any other information that the Director may require.

(3) The Technical Committee shall, within thirty days of receipt of the project proposal, under subsection (1), evaluate the project proposal and approve or reject the project proposal.

(4) The Technical Committee shall, where the Technical Committee rejects a project proposal under subsection (3), notify the project developer, in writing, stating the reasons for the rejection.

(5) The Technical Committee shall, where the Technical Committee approves a project proposal under subsection (3), issue an approval to the project developer, in a prescribed form.

(6) The Department shall enter a project approved under this section into the Integrated Measuring Reporting and Verification System established under section 18.

(7) A project developer shall prior to implementing a project approved under this section, where applicable, sign a community development and benefit sharing agreement with the beneficiaries where operations are to be carried out in a prescribed manner.

(8) The community development and benefit sharing agreement referred to under subsection (7) shall contain particulars as prescribed.

PART VI
CARBON MARKETS

Ownership of carbon **22.** The ownership of carbon is vested in the President, on behalf of the Republic, until transferred or assigned under this Act or under any other written law.

Prohibition of trading in carbon credits without authorisation **23.** (1) A person shall not trade in carbon without a certificate of authorisation issued under this Act.

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding five hundred thousand penalty units or to imprisonment for a term not exceeding three years, or to both.

Application for authorisation to trade in carbon credits **24.** (1) A person who intends to trade in carbon credits shall apply to the Director for a certificate of authorisation, in a prescribed manner and form on payment of a prescribed fee.

(2) Subject to subsections (4) and (5), the Director shall, within thirty days of receipt of an application under subsection (1), approve or reject the application.

(3) The Director shall, where the Director rejects an application under subsection (2), notify the applicant in a prescribed manner and form, stating the reasons for the rejection.

(4) The Director shall issue an applicant with a certificate of authorisation in a prescribed manner and form if the applicant—

- (a) has carbon verification by a registered verifier; and
- (b) is a project developer whose project has been approved under Part V of this Act or a holder of a carbon stock management permit issued under the Forests Act, 2015.

Act No 4 of
2015

(5) The Director shall, in addition to the conditions under subsection (3), have regard to the following when considering an application made under subsection (1):

- (a) preservation of environmental integrity;
- (b) avoidance of double counting;
- (c) participation and benefit sharing in the profits arising from carbon trading with local communities;
- (d) demonstration of additionality; and
- (e) promotion of sustainable development.

(6) The certificate of authorisation issued under this section shall be valid for a period of five years from the date of issue.

25. (1) Subject to this Act, the Director may suspend or revoke a certificate of authorisation if the holder of the certificate of authorisation—

Suspension
or revocation
of certificate
of
authorisation

- (a) obtained the certificate through fraud, misrepresentation or concealment of a material fact;
- (b) fails to comply with a term or condition of the certificate;
or
- (c) contravenes a provision of this Act or any other relevant written law.

(2) In addition to subsection (1), the Director may, in the public interest, suspend or revoke a certificate of authorisation.

(3) The Director shall, before suspending or revoking a certificate of authorisation in accordance with subsection (1) or (2), notify the holder of the certificate of authorisation of its intention to suspend or revoke the certificate and shall—

- (a) give reasons for the intended suspension or revocation;
and
- (b) require the holder of the certificate of authorisation to show cause, within a period of not more than thirty days, why the certificate of authorisation should not be suspended or revoked.

(4) The Director shall not suspend or revoke a certificate of authorisation under this section if the holder of the certificate of authorisation takes remedial measures to the satisfaction of the Director within the period specified under subsection (3).

(5) The Director shall, in making its final determination on the suspension or revocation of a certificate of authorisation, consider the submissions made by the holder of the certificate of authorisation under subsection (3).

(6) The Director may suspend or revoke a certificate of authorisation if the holder of the certificate after being notified under subsection (3) fails to show cause or does not take any remedial measures, to the satisfaction of the Director, within the time specified under that subsection.

(7) A holder of the certificate of authorisation shall, where a certificate of authorisation is revoked in accordance with this section, surrender that certificate to the Director, subject to the conditions that the Director may impose.

Duplicate
certificate of
authorisation

26. (1) A person whose certificate of authorisation is destroyed or lost may apply to the Director for a duplicate certificate in a prescribed manner and form on payment of a prescribed fee.

(2) The Director may, within thirty days of receipt of an application under subsection (1), issue a duplicate certificate of authorisation to the applicant.

Prohibition
of transfer of
certificate of
authorisation

27. A certificate of authorisation issued under this Part shall not be transferred to a third party.

Dispute
resolution

28. (1) Any dispute arising during the implementation of a programme or project relating to carbon credits shall be resolved in a manner that shall be agreed by the parties or failing such agreement, in accordance with the Arbitration Act, 2000.

Act No. 19
of 2000

(2) A dispute resolved in accordance with this section shall take into account

- (a) meeting the beneficiaries' needs and requirements;
- (b) compensation of beneficiaries; and
- (c) the provision of information to beneficiaries.

PART VII
REGISTRATION OF VERIFIERS

- 29.** (1) A person shall not verify carbon credits in the Republic without a certificate of registration as a verifier issued under this Act. Prohibition of verifying carbon credits without registration
- (2) A person who contravenes subsection (1), commits an offence and is liable, on conviction, to a fine not exceeding three hundred thousand penalty units or to imprisonment for a term not exceeding three years, or to both.
- 30.** (1) A person who intends to verify carbon credits in the Republic shall apply to the Director for registration as a verifier in a prescribed manner and form and on payment of a prescribed fee. Registration of verifiers
- (2) The Director shall, within thirty days of receipt of an application under subsection (1), grant or reject the application.
- (3) The Director shall, where the Director rejects an application under subsection (2), inform the applicant in a prescribed manner, stating the reasons for the rejection.
- (4) The Director shall, where an applicant meets the requirements under this Act, issue the applicant with a certificate of registration in a prescribed form which shall be valid for a period of three years.
- 31.** (1) Subject to this Act, the Director may suspend or revoke a certificate of registration if the holder of the certificate of registration— Suspension or revocation of registration
- (a) obtained the certificate through fraud, misrepresentation or concealment of a material fact;
 - (b) fails to comply with a term or condition of the certificate; or
 - (c) contravenes a provision of this Act or any other relevant written law.
- (2) The Director shall, before suspending or revoking a certificate of registration in accordance with subsection (1), notify the holder of the certificate of registration of its intention to suspend or revoke the certificate and shall—
- (a) give reasons for the intended suspension or revocation; and
 - (b) require the holder of the certificate of registration to show cause, within a period of not more than thirty days, why the certificate of registration should not be suspended or revoked.

(3) The Director shall not suspend or revoke a certificate of registration under this section if the holder of the certificate of registration takes remedial measures to the satisfaction of the Director within the period specified under subsection (2).

(4) The Director shall, in making its final determination on the suspension or revocation of a certificate of registration, consider the submissions made by the holder of the certificate of registration under subsection (2).

(5) The Director may suspend or revoke a certificate of registration if the holder of the certificate after being notified under subsection (2) fails to show cause or does not take any remedial measures, to the satisfaction of the Director, within the time specified under that subsection.

(6) A holder of the certificate of registration shall, where a certificate of registration is revoked in accordance with this section, surrender that certificate to the Director, subject to the conditions that the Director may impose.

PART VIII
ENFORCEMENT

Powers of
authorised
officer

32. (1) Subject to this Act, an authorised officer may, at any reasonable time with a warrant—

- (a) enter on and inspect any land, building or premises where the authorised officer has reasonable grounds to believe that an offence has been or is likely to be committed;
- (b) search any person found on any land, building or premises where the authorised officer has reasonable grounds to believe that the person is in possession of a book, record, document, product, measuring instrument or measuring equipment that has a bearing on an inspection, except that a person shall only be searched by a person of the same sex;
- (c) request that information is provided about any book, document, record, product, measuring instrument, measuring equipment, industrial facility or plant, undertaking or business by—
 - (i) the owner of the land, building or premises;
 - (ii) the person in control of the land, building or premises; or
 - (iii) the person in control of any book, document, record, product, measuring instrument, measuring equipment, industrial facility or plant, undertaking or business;

- (d) examine any book, document, record, product, measuring instrument, measuring equipment, industrial facility or plant, undertaking or business;
 - (e) take extracts from, or make copies of, any book, document or record found on the person, land, building or premises;
 - (f) use any computer system on the premises or require the assistance of a person on the premises to use that computer system to—
 - (i) search any data contained in, or available on, the computer system;
 - (ii) reproduce any records from the data; or
 - (iii) seize any output from the computer for examination and copying;
 - (g) seize any substance, material, matter, vehicle or other conveyance or equipment where the authorised officer has reasonable grounds to believe that the substance, material, matter, vehicle or other conveyance or equipment has been used or is being used for the commission of an offence under this Act; or
 - (h) attach and, if necessary, remove from the land, building or premises for examination and safeguarding, any book, document, record, product, measuring instrument or measuring equipment.
- (3) An authorised officer who removes anything from any land, building or premises shall—
 - (a) issue a receipt for anything removed to the owner or the person in control of the land, building or premises; and
 - (b) return anything removed as soon as practicable after the thing removed has served the purpose for which it was removed.
- (4) A person commits an offence if that person—
 - (a) delays or obstructs an authorised officer in the performance of the authorised officer's functions under this Act;
 - (b) refuses to give an authorised officer reasonable assistance that the authorised officer may require for purposes of exercising the authorised officer's functions;
 - (c) gives an authorised officer false or misleading information in answer to an inquiry made by the authorised officer; or
 - (d) impersonates or falsely represents oneself as an authorised officer.

(5) A person convicted of an offence under subsection (4) is liable, on conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding two years, or to both.

Compliance
order

33. (1) The Director may, where the Director has reasonable grounds to believe that any condition of an authorisation or certificate issued under this Act has been breached, serve a compliance order, in a prescribed manner and form, on the person requiring that person to remedy the breach within the period stipulated in the order.

(2) A compliance order issued under subsection (1) may—

(a) suspend the authorisation or certificate with immediate effect if the Director considers that the suspension is necessary for the purposes of this Act; or

(b) require the person to take specified measures to achieve the purposes of this Act.

(3) A person on whom a compliance order is served shall comply with the requirements of the order by the date specified in the order and if no date is specified, the person shall comply with the order immediately.

(4) The Director may, where the holder of an authorisation or certificate fails to comply with a compliance order—

(a) revoke the authorisation or certificate; or

(b) take such other action as the Director considers necessary.

(5) A person who contravenes subsection (3), commits an offence and is liable, on conviction—

(a) in the case of a natural person, to a fine not exceeding three hundred thousand penalty units, or to imprisonment for a term not exceeding three years, or to both; or

(b) in the case of a legal person, to a fine not less than five hundred thousand penalty units but not exceeding three million penalty units.

(6) A person shall, where a person fails to comply with a requirement specified in the compliance order within the specified time, be liable, in addition to the penalty specified under subsection (5), to a further fine not exceeding six thousand penalty units for each day after the date specified in the order during which the offence continues.

PART IX

THE GREEN ECONOMY AND CLIMATE CHANGE FUND

34. (1) There is established the Green Economy and Climate Change Fund for the purpose of managing green economy and climate change interventions.

Establishment
of Green
Economy
and Climate
Change Fund

(2) Despite the generality of subsection (1), the Fund may be applied for the purposes of—

- (a) financing projects for the implementation of climate change actions and measures, including specific technologies, materials, equipment, techniques or practices necessary to implement such projects;
- (b) maintaining the Integrated Measuring Reporting and Verification System;
- (c) capacity development;
- (d) research and data collection on climate change and systematic observation of climate change, taking into account the need to minimise duplication of effort;
- (e) providing grants and loans to individuals, private entities and local government for climate change research and innovation in industry, technology, science, academia and policy formulation; or
- (f) any other matter relating to the promotion of Green Economy and Climate Change, as may be prescribed.

(3) The Fund consists of monies that may—

- (a) be appropriated by Parliament for the purposes of the Fund;
- (b) subject to the Public Finance Management Act, 2018, be received by way of grants and donations from any source, with the approval of the Minister;
- (c) be levied from carbon credit transactions;
- (d) vest in, or accrue to, the Fund; and
- (e) be payable to the Fund by or under any other written law.

Act No. 1 of
2018

(4) Subject to the approval of the Minister responsible for finance, the ministry responsible for green economy and climate change may—

- (a) accept monies by way of grants or donations from a source within or outside the Republic; and
- (b) charge and collect fees for services provided by the Department.

306 No. 18 of 2024] *Green Economy and Climate Change*

- Act No. 1 of 2018 (5) Subject to the Public Finance Management Act, 2018, the ministry responsible for green economy and climate change may invest any monies of the Fund that are not immediately required for the purpose of the Fund, in a manner authorised by the Council.
- Management of Fund Act No. 1 of 2018 **35.** (1) Subject to the Public Finance Management Act, 2018, the Fund shall be managed and administered by the ministry responsible for green economy and climate change.
- (2) The Ministry responsible for climate change shall ensure that prudent controls are established for the Fund relating to—
- (a) fiscal controls and accounting procedures governing the Fund;
 - (b) reporting procedures for matters relating to the Fund; and
 - (c) investment of the monies of the Fund.
- Accounts and audit **36.** (1) The Ministry responsible for green economy and climate change shall cause to be kept proper books of accounts and other records relating to the Fund.
- (2) The Fund shall be audited annually by the Auditor-General or an auditor appointed by the Auditor-General.
- (3) The fees for the audit of the Fund shall be paid from the Fund.
- Annual report **37.** (1) The ministry responsible for green economy and climate change shall, as soon as practicable, but not later than ninety days after the end of the financial year, submit to the Minister responsible for finance a report concerning the Department's activities during the financial year.
- (2) The report under subsection (1), shall include information on the financial affairs of the Department and there shall be appended to the report—
- (a) an audited statement of financial position;
 - (b) an audited statement of comprehensive income and expenditure; and
 - (c) other information that the Minister responsible for finance may require.

(3) The Minister responsible for finance shall, not later than seven days after the first sitting of the National Assembly next after receipt of the report under subsection (1), lay the report before the National Assembly.

PART X

GENERAL PROVISIONS

38. (1) A person aggrieved with a decision of the Director made under this Act may appeal to the Minister within thirty days from the date of receipt of the decision. Appeals

(2) A person aggrieved with the decision of the Technical Committee made under this Act may appeal to the Council within thirty days from the date of receipt of the decision.

(3) In determining the appeal, the Minister or Council, as the case may be, shall have regard to—

(a) the purpose of this Act and the principles set out in section 3; and

(b) the relevant policies and standards on climate change and guidelines published by the Department.

(4) A person aggrieved with the decision of the Council may appeal to the High Court.

39. (1) The Department shall keep and maintain the Climate Change Register which shall contain information on green economy and climate change, as may be prescribed. Climate Change Register

(2) The register shall be kept in the custody of the Director and shall be open for inspection by members of the public during normal office hours, on payment of a prescribed fee.

(3) The Director may, on an application by any person, issue to the person a certified extract from the register, on payment of a prescribed fee.

(4) A document purporting to be an extract of an entry in the register and certified under the hand of the Director shall be received in evidence, as to the matters stated in the extract, in any legal proceedings.

(5) Subject to this Act, a copy of the last printed register shall be *prima facie* evidence in legal proceedings of what is contained in that Register.

Immunity **40.** An action or other proceeding shall not lie or be instituted against a member of the Council, Technical Committee or a committee of the Council, a member of staff of the Department or a person lawfully performing the duties of the Department for, or in respect of, an act or thing done or omitted to be done in good faith in the exercise or performance of any of the powers, functions or duties conferred under this Act.

Integration of climate change in learning programmes **41.** The ministry responsible for education shall, in consultation with the Director, integrate climate change education and research in the national curriculum.

Incentives for climate change action **42.** The Minister responsible for finance may, in consultation with the Minister, provide incentives as may be prescribed to persons engaged in implementing adaptation and mitigation measures in matters related to this Act.

Offence by principal officers of body corporate or unincorporate body **43.** Where an offence under this Act is committed by a body corporate or unincorporate body, with the knowledge, consent or connivance of the director, manager, shareholder or partner of the body corporate or unincorporate body, that director, manager, shareholder or partner commits the same offence as the body corporate or unincorporate body and is liable, on conviction, to the penalty specified for that offence under this Act.

General penalty **44.** A person who commits an offence under this Act for which no penalty has been provided is liable, on conviction, to a fine not exceeding three hundred thousand penalty units or to imprisonment for a term not exceeding three years, or to both.

Guidelines **45.** (1) The Department may in the exercise of its functions under this Act, issue guidelines as are necessary for the better carrying out of the provisions of this Act.

(2) The Department shall cause to be published the guidelines issued under this Act in the *Gazette* and in a daily newspaper of general circulation in the Republic or on the website for the ministry responsible for green economy and climate change, and the guidelines shall take effect on the date of publication in the *Gazette*.

(3) The guidelines published under subsection (2) shall bind the persons regulated under this Act.

46. (1) The Minister may, by statutory instrument, make Regulations for the better carrying out of the provisions of this Act. Regulations

(2) Despite subsection (1), the Regulations made under this section may provide for the—

- (a) criteria for engaging in carbon credit generation;
- (b) requirements for project proposals and concept notes for carbon credit generation;
- (c) monitoring of projects relating to approved project proposals;
- (d) qualifications and procedure for registration of verifiers;
- (e) provision of data and information to the Integrated Measuring Reporting and Verification System by specific sectors;
- (f) procedure for accessing funds under the Fund;
- (g) application of monies of the Fund;
- (h) procedure for the trading of carbon credits in the Republic;
- (i) information to be contained in the register;
- (j) standards for greenhouse gas emissions;
- (k) incentives for climate change actions;
- (l) form of submission of reports on sectoral greenhouse gas emissions and low carbon strategies;
- (m) forms used for purposes of applications made and authorisations or approvals issued under this Act;
- (n) form of a compliance order issued under this Act;
- (o) climate change obligations of a private body and individual;
- (p) the nature and procedure for reporting on the performance of private bodies and individuals with regard to the obligations imposed by the Minister under this section; and
- (q) fees payable under this Act.

Savings and
transitional
provisions

47. (1) The Minister shall develop a National Adaptation Plan and National Mitigation Plan within two years of the commencement of this Act.

(2) An appropriate authority shall develop a sector emission plan referred to under section 13, within two years of the commencement of this Act.

(3) A person who, prior to the commencement of this Act, was granted authorisation to participate in the carbon market shall be deemed to have been granted authorisation under this Act.

(4) A person who, prior to the commencement of this Act, was undertaking an activity to which this Act applies shall, within one hundred and eighty days of the commencement of this Act, apply for, and obtain, authorisation in accordance with this Act.

SCHEDULE
(Sections 6(5) and 8(7))

ADMINISTRATION OF THE COUNCIL AND TECHNICAL COMMITTEE

1. (1) A member of the Technical Committee shall, subject to other provisions of this Act, hold office for a term of three years and may be re-appointed for a further and final term of two years from the date of appointment.

Tenure of
office and
vacancy

(2) A member of the Technical Committee may, on the expiration of a term for which a member is appointed, continue to hold office until another member is appointed but in no case shall an extension of the period exceed three months.

(3) The office of a member of the Council and Technical Committee becomes vacant if the member—

- (a) dies;
- (b) is adjudged bankrupt under any written law;
- (c) resigns by giving one month's notice, in writing—
 - (i) in the case of the Council, to the President; and
 - (ii) in the case of the Technical Committee, to the Minister;
- (d) is legally disqualified from performing the functions of a member of the Council or Technical Committee;
- (e) is absent, without reasonable excuse, from three consecutive meetings of the Council or Technical Committee of which the member has had notice without the prior approval of the Council or Technical Committee; or
- (f) is convicted of an offence under this Act or any other written law and sentenced to imprisonment for a term of six months without the option of a fine.

(4) The Minister shall, where the office of a member of the Technical Committee becomes vacant before the expiry of the term of office, appoint another member to replace the member who vacates office but that person shall only hold office for the unexpired term of that office.

Proceedings
of Council
and
Technical
Committee

2. (1) Subject to the other provisions of this Act, the Council or Technical Committee may regulate its own procedure.

(2) The Council or Technical Committee shall meet for the transaction of business at least once in every three months at a place and time as the Chairperson may determine.

(3) The Chairperson may, on giving notice of not less than fourteen days, call for a meeting of the Council or Technical Committee, or where one third or more of the Council members or Technical Committee members so request, in writing, except that if the urgency of a particular matter does not permit the giving of a notice, a special meeting may be called on giving a shorter notice.

(4) Five members of the Council shall form a quorum at a meeting of the Council.

(5) Seven members of the Technical Committee shall form a quorum at a meeting of the Technical Committee.

(6) There shall preside at a meeting of the Council or Technical Committee—

(a) the Chairperson;

(b) in the absence of the Chairperson, the Vice-Chairperson;
or

(c) in the absence of both the Chairperson and Vice-Chairperson, a member of the Council as the members of the Council present may elect for the purpose of that meeting.

(7) A decision of the Council or Technical Committee on any question shall be by a majority of the members of the Council or Technical Committee present and voting at the meeting, and in the event of an equality of votes, the person presiding at the meeting shall have a casting vote in addition to that person's deliberative vote.

(8) The Council or Technical Committee may invite a person whose presence is in the Council's or Technical Committee's opinion desirable to attend and participate in the deliberations of the meeting, but that person shall have no vote.

(9) The Council or Technical Committee shall cause minutes to be kept of the proceedings of every meeting of the Council and of any committee of the Council or Technical Committee .

3. (1) The Council may, for the purpose of performing its functions under this Act, constitute a committee and delegate any of the Council's functions to the committee that it considers necessary.

Committee
of Council

(2) The Council may appoint as members of a committee persons who are or are not members of the Council, except that at least one member of the Council shall be a member of a committee.

(3) A member of a committee shall hold office for a term that the Council may determine.

(4) Subject to any specific or general direction of the Council, a committee may regulate its own procedure.

4. (1) A person who is present at a meeting of the Council, Technical Committee or a committee of the Council at which any matter is the subject of consideration, and in which matter that person or that person's relative or associate is directly or indirectly interested in a private capacity, shall, as soon as is practicable after the commencement of the meeting, declare that interest and shall not, unless the Council, Technical Committee or the committee of the Council otherwise directs, take part in any consideration or discussion of, or vote on, any question relating to that matter.

Disclosure of
interest

(2) A disclosure of interest made under subparagraph (1) shall be recorded in the minutes of the meeting at which it is made.

5. (1) A person shall not, without the consent in writing, given by or on behalf of the Council, Technical Committee or Committee of the Council, publish or disclose to a person, other than in the course of duties of that person, the contents of a document, communication or information which relates to, or which has come to the knowledge of that person in the course of that person's duties under this Act.

Prohibition
of
publication
or disclosure
of
information
to
unauthorised
persons

(2) A person who contravenes subparagraph (1) commits an offence and is liable, on conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding two years, or to both.

(3) A person who, having information which to that person's knowledge has been published or disclosed in contravention of subparagraph (1), unlawfully publishes or communicates the information to another person, commits an offence and is liable, on conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a term not exceeding two years, or to both.
