



11 April 2017

Senator Linda Reynolds
Chair
Senate Environment and Communications Legislation Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Via online submission: www.aph.gov.au/Parliamentary_Business/Committees/OnlineSubmission/Submit

Dear Senator,

Re: The Carbon Credits (Carbon Farming Initiative) Amendment Bill 2017.

Thank you for the opportunity to make a submission to the Inquiry on the Government's proposed Carbon Credits (Carbon Farming Initiative) Amendment Bill 2017 (Bill).

Corporate Carbon is an active Emissions Reduction Fund (ERF) participant with more than 40 million tonnes in carbon abatement contracts and is involved in over 70 projects across nine methodology areas, including savanna fire management. The ERF scheme overall has been a success story in providing incentives to develop emissions avoidance and sequestration projects, with nearly 35 million Australian Carbon Credit Units (ACCUs) issued to date, including nearly three million ACCUs from savanna projects.

Corporate Carbon supports the new proposed savanna method for crediting both avoided emissions from early dry season burning and increased storage of carbon in dead organic matter. This method is an important change for savanna fire management projects, both from a national and international context. We would like to recognise the important contribution that indigenous fire management practices have made to savanna fire management and the efforts of the Department of the Environment and Energy and Emissions Reduction Assurance Committee in advancing the new method.

There is significant value in recognising the additional sequestration benefits that savanna fire management projects deliver. This value will help underwrite project viability by delivering additional abatement from project activity. Importantly it will also drive improved fire management and coordination of fire management activities at a regional level leading to increased emissions avoidance and greater amounts of sequestration than would be the case in the absence of the method and wide spread adoption.

In order to achieve the potential benefits from avoided emissions and increased sequestration arising from savanna fire management projects, there are several changes that need to be made to the *Carbon Credits (Carbon Farming Initiative) Act 2011*. Corporate Carbon supports the proposed Bill amendments that seek to remove impediments within the Act that would otherwise hamper the abatement potential from savanna projects. For example:

- consistency of eligible interest holder consent conditions and requirements across emissions avoidance projects under the ERF is important. It is noted that this realignment for savanna projects does not remove obligations to have the legal right to undertake the project at the time of project registration, which requires engagement with landholders.



Furthermore the commercial driver for savanna emissions avoidance projects to transition to the sequestration method will provide an opportunity for engagement with all Eligible Interest Holders for any given project, as their consent is a pre-condition to the transition

- improved flexibility for projects to move between the savanna methods (sequestration and avoidance), change project areas (either through removal or addition of land) and manage ongoing permanence (and relinquishment) obligations only for the sequestration aspects of the project, are essential to enable projects to adapt to changing circumstances and proactively manage risks and obligations
- clarification of other items under the Act, such as consent rights for certain native title land and the ability to obtain regulatory approvals or consents after the end of reporting periods are also useful inclusions.

We support the ongoing efforts by the Government to address ERF implementation issues and reduce unnecessary regulatory burden that has been created by unintended or unforeseen application of the Act. Especially in this case as the successful implementation of the amendments for savanna projects will also assist the operation of other land based sequestration projects.

Please let me know if I can provide any additional information. Corporate Carbon looks forward to ongoing participation in the ERF and working collaboratively with all key stakeholders to ensure its continued success.

Regards

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Managing Director