

2010-2011

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

Presented and read a first time

**Carbon Credits (Consequential
Amendments) Bill 2011**

No. , 2011

(Climate Change and Energy Efficiency)

**A Bill for an Act to deal with consequential matters
arising from the enactment of the *Carbon Credits
(Carbon Farming Initiative) Act 2011* and the
*Australian National Registry of Emissions Units Act
2011*, and for other purposes**

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1 **A Bill for an Act to deal with consequential matters**
2 **arising from the enactment of the *Carbon Credits***
3 **(*Carbon Farming Initiative*) Act 2011 and the**
4 ***Australian National Registry of Emissions Units Act***
5 **2011, and for other purposes**

6 The Parliament of Australia enacts:

7 **1 Short title**

8 This Act may be cited as the *Carbon Credits (Consequential*
9 *Amendments) Act 2011*.

10 **2 Commencement**

11 (1) Each provision of this Act specified in column 1 of the table
12 commences, or is taken to have commenced, in accordance with

1 column 2 of the table. Any other statement in column 2 has effect
2 according to its terms.

3

Commencement information

| Column 1 | Column 2 | Column 3 |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------|
| Provision(s) | Commencement | Date/Details |
| 1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table | The day this Act receives the Royal Assent. | |
| 2. Schedule 1 | At the same time as section 3 of the <i>Carbon Credits (Carbon Farming Initiative) Act 2011</i> commences. | |
| 3. Schedule 2 | The day after this Act receives the Royal Assent. | |

4 Note: This table relates only to the provisions of this Act as originally
5 enacted. It will not be amended to deal with any later amendments of
6 this Act.

7 (2) Any information in column 3 of the table is not part of this Act.
8 Information may be inserted in this column, or information in it
9 may be edited, in any published version of this Act.

10 3 Schedule(s)

11 Each Act that is specified in a Schedule to this Act is amended or
12 repealed as set out in the applicable items in the Schedule
13 concerned, and any other item in a Schedule to this Act has effect
14 according to its terms.

15 Note: On 1 January 2011, the short title of the *Trade Practices Act 1974* was
16 changed to the *Competition and Consumer Act 2010* by the *Trade*
17 *Practices Amendment (Australian Consumer Law) Act (No. 2) 2010*.
18

1 **Schedule 1—General amendments**

2 **Part 1—Amendments**

3 *Anti-Money Laundering and Counter-Terrorism Financing*
4 *Act 2006*

5 **1 Section 5**

6 Insert:

7 *Australian carbon credit unit* has the same meaning as in the
8 *Carbon Credits (Carbon Farming Initiative) Act 2011*.

9 **2 Section 5**

10 Insert:

11 *eligible international emissions unit* has the same meaning as in
12 the *Australian National Registry of Emissions Units Act 2011*.

13 **3 Subsection 6(2) (after paragraph (b) of the cell at table**
14 **item 33, column headed “Provision of a designated**
15 **service”)**

16 Insert:

(ba) an Australian carbon credit unit; or

(bb) an eligible international emissions
unit; or

17 **4 Subsection 6(2) (paragraph (d) of the cell at table item 33,**
18 **column headed “Provision of a designated service”)**

19 After “derivatives”, insert “, Australian carbon credit units, eligible
20 international emissions units”.

21 *Australian Securities and Investments Commission Act 2001*

22 **5 After paragraph 12BAA(7)(k)**

23 Insert:

24 (l) an Australian carbon credit unit;

25 (la) an eligible international emissions unit;

1 **6 Paragraph 12BAB(1)(g)**

2 After “financial product”, insert “(other than an Australian carbon credit
3 unit or an eligible international emissions unit)”.

4 **7 At the end of subsection 127(2A)**

5 Add:
6 ; (e) the Carbon Credits Administrator.

7 ***Competition and Consumer Act 2010***

8 **8 After paragraph 155AAA(12)(l)**

9 Insert:
10 (la) the Carbon Credits Administrator;

11 ***Corporations Act 2001***

12 **9 Section 9**

13 Insert:
14 *Australian carbon credit unit* has the same meaning as in the
15 *Carbon Credits (Carbon Farming Initiative) Act 2011*.

16 **10 Section 9**

17 Insert:
18 *eligible international emissions unit* has the same meaning as in
19 the *Australian National Registry of Emissions Units Act 2011*.

20 **11 After paragraph 764A(1)(k)**

21 Insert:
22 (ka) an Australian carbon credit unit;
23 (kb) an eligible international emissions unit;

24 ***National Greenhouse and Energy Reporting Act 2007***

25 **12 Section 7**

26 Insert:
27 *CFI audit* means:

- 1 (a) an audit under section 214 or 215 of the *Carbon Credits*
2 *(Carbon Farming Initiative) Act 2011*; or
3 (b) an audit carried out for the purposes of preparing an audit
4 report prescribed for the purposes of any of the following
5 provisions of the *Carbon Credits (Carbon Farming*
6 *Initiative) Act 2011*:
7 (i) paragraph 13(1)(e);
8 (ii) paragraph 23(1)(d);
9 (iii) paragraph 76(4)(c).

10 **13 Section 7**

11 Insert:

12 ***CFI audit report*** means:

- 13 (a) an audit report under section 214 or 215 of the *Carbon*
14 *Credits (Carbon Farming Initiative) Act 2011*; or
15 (b) an audit report prescribed for the purposes of any of the
16 following provisions of the *Carbon Credits (Carbon*
17 *Farming Initiative) Act 2011*:
18 (i) paragraph 13(1)(e);
19 (ii) paragraph 23(1)(d);
20 (iii) paragraph 76(4)(c).

21 **14 After subsection 26(4)**

22 Insert:

- 23 (4A) The Greenhouse and Energy Data Officer, or a person authorised
24 by the Greenhouse and Energy Data Officer, may disclose
25 greenhouse and energy information to the Carbon Credits
26 Administrator for the purposes of, or in connection with, the
27 performance of the functions, or the exercise of the powers, of the
28 Carbon Credits Administrator.

29 **15 Section 75**

30 Repeal the section, substitute:

1 **75 Conduct of audits**

- 2 (1) The Minister may determine, by legislative instrument,
3 requirements to be met by registered greenhouse and energy
4 auditors in:
5 (a) preparing for and carrying out greenhouse and energy audits;
6 and
7 (b) preparing audit reports in relation to greenhouse and energy
8 audits; and
9 (c) preparing for and carrying out CFI audits; and
10 (d) preparing CFI audit reports.
- 11 (2) The determination may set out different requirements for:
12 (a) different types of audits; and
13 (b) different types of audit reports.
- 14 (3) A registered greenhouse and energy auditor must comply with
15 requirements determined under subsection (1).

16 **16 At the end of subsection 75A(1)**

17 Add “and the *Carbon Credits (Carbon Farming Initiative) Act 2011*”.
18

1 **Part 2—Transitional provisions**

2 **17 Transitional—Registry accounts**

3 *Scope*

- 4 (1) This item applies to an account held by a person within the register:
5 (a) known as the Australian National Registry of Emissions
6 Units; and
7 (b) that was in existence under the executive power of the
8 Commonwealth immediately before the commencement of
9 this item.

10 *Continuation of account*

- 11 (2) The account continues in existence as a Registry account under the
12 *Australian National Registry of Emissions Units Act 2011*.

13 **18 Transitional—Commonwealth Registry accounts**

14 *Scope*

- 15 (1) This item applies to an account held by the Commonwealth within the
16 register:
17 (a) known as the Australian National Registry of Emissions
18 Units; and
19 (b) that was in existence under the executive power of the
20 Commonwealth immediately before the commencement of
21 this item.

22 *Designation of account*

- 23 (2) If, immediately before the commencement of this item, the account was
24 described as a Commonwealth holding account, the *Australian National*
25 *Registry of Emissions Units Act 2011* has effect as if the account had
26 been designated by the Carbon Credits Administrator as a
27 Commonwealth holding account.
- 28 (3) If, immediately before the commencement of this item, the account was
29 described as the retirement account for the first commitment period, the
30 *Australian National Registry of Emissions Units Act 2011* has effect as
31 if the account had been designated by the Carbon Credits Administrator
32 as the retirement account for the first commitment period.

Schedule 1 General amendments

Part 2 Transitional provisions

- 1 (4) If, immediately before the commencement of this item, the account was
2 described as the net source cancellation account for the first
3 commitment period, the *Australian National Registry of Emissions*
4 *Units Act 2011* has effect as if the account had been designated by the
5 Carbon Credits Administrator as the net source cancellation account for
6 the first commitment period.
- 7 (5) If, immediately before the commencement of this item, a
8 Commonwealth Registry account was described as the non-compliance
9 cancellation account for the first commitment period, the *Australian*
10 *National Registry of Emissions Units Act 2011* has effect as if the
11 account had been designated by the Carbon Credits Administrator as the
12 non-compliance cancellation account for the first commitment period.
- 13 (6) If, immediately before the commencement of this item, the account was
14 described as the voluntary cancellation account for the first commitment
15 period, the *Australian National Registry of Emissions Units Act 2011*
16 has effect as if the account had been designated by the Carbon Credits
17 Administrator as the voluntary cancellation account for the first
18 commitment period.
- 19 (7) If, immediately before the commencement of this item, the account was
20 described as the mandatory cancellation account for the first
21 commitment period, the *Australian National Registry of Emissions*
22 *Units Act 2011* has effect as if the account had been designated by the
23 Carbon Credits Administrator as the mandatory cancellation account for
24 the first commitment period.
- 25 (8) If, immediately before the commencement of this item, a
26 Commonwealth Registry account was described as the temporary
27 certified emission reduction replacement (expiry) account for the first
28 commitment period, the *Australian National Registry of Emissions*
29 *Units Act 2011* has effect as if the account had been designated by the
30 Carbon Credits Administrator as the temporary certified emission
31 reduction replacement (expiry) account for the first commitment period.
- 32 (9) If, immediately before the commencement of this item, the account was
33 described as the long-term certified emission reduction replacement
34 (expiry) account for the first commitment period, the *Australian*
35 *National Registry of Emissions Units Act 2011* has effect as if the
36 account had been designated by the Carbon Credits Administrator as the
37 long-term certified emission reduction replacement (expiry) account for
38 the first commitment period.
-

1 (10) If, immediately before the commencement of this item, the account was
2 described as the long-term certified emission reduction replacement
3 (storage reversal) account for the first commitment period, the
4 *Australian National Registry of Emissions Units Act 2011* has effect as
5 if the account had been designated by the Carbon Credits Administrator
6 as the long-term certified emission reduction replacement (storage
7 reversal) account for the first commitment period.

8 (11) If, immediately before the commencement of this item, the account was
9 described as the long-term certified emission reduction replacement
10 (non-certification) account for the first commitment period, the
11 *Australian National Registry of Emissions Units Act 2011* has effect as
12 if the account had been designated by the Carbon Credits Administrator
13 as the long-term certified emission reduction replacement
14 (non-certification) account for the first commitment period.

15 **19 Transitional—section 75 of the *National Greenhouse and***
16 ***Energy Reporting Act 2007***

- 17 (1) This item applies to a determination if:
18 (a) the determination was made for the purpose of section 75 of
19 the *National Greenhouse and Energy Reporting Act 2007*;
20 and
21 (b) the determination was in force immediately before the
22 commencement of this item.
- 23 (2) The determination has effect, after the commencement of this item, as if
24 it had been made under section 75 of the *National Greenhouse and*
25 *Energy Reporting Act 2007* as amended by this Act.
26

1 **Schedule 2—Amendments relating to**
2 **reporting transfer certificates**
3

4 *National Greenhouse and Energy Reporting Act 2007*

5 **1 Section 7 (definition of *interim financial year*)**

6 Repeal the definition.

7 **2 Subsection 13(3)**

8 Omit “in an interim financial year”.

9 **3 Subsection 19(5A)**

10 Omit “in an interim financial year”.

11 **4 Subsection 22G(1)**

12 Omit “an interim financial year”, substitute “a financial year”.

13 **5 Subsection 22G(1)**

14 Omit “that interim financial year”, substitute “that financial year”.

15 **6 Paragraph 22G(2)(d)**

16 Omit “interim financial year”, substitute “financial year”.

17 **7 Subsection 22G(4)**

18 Omit “an interim financial year”, substitute “a financial year”.

19 **8 Subsection 22H(1)**

20 Omit “an interim financial year”, substitute “a financial year”.

21 **9 Subparagraphs 22L(3)(c)(i), (ii) and (iii)**

22 Omit “an interim financial year”, substitute “a financial year”.

23 **10 Subsections 22M(3) and (4)**

24 Repeal the subsections, substitute:

25 (3) A reporting transfer certificate remains in force until:

- 1 (a) a surrender of the certificate takes effect under section 22N;
2 or
3 (b) the certificate is cancelled under section 22P.

4 **11 Subsection 24(1AD)**

5 Omit “an interim financial year”, substitute “a financial year”.

6 **12 Subsection 24(1AD)**

7 Omit “the interim financial year”, substitute “the financial year”.