

***Submission
Senate Select Committee on Climate Policy***

Introduction

Greening Australia is Australia's largest environmental NGO with offices in all states and territories and many rural and regional locations around Australia. We have been in existence for 27 years and have a staff of 350 and a turnover of \$50M per annum.

Our work is the large scale transformation of degraded landscapes. This is achieved through the restoration, expansion and establishment of biodiverse native forests, woodlands and other vegetation systems.

Greening Australia's particular interest in climate change policy is finding the policy instrument that achieves both climate change mitigation and adaptation outcomes. We support the introduction of an emissions trading scheme (ETS) because the carbon market can provide investment capital for large scale landscape transformation. This work is vital to the restoration of Australia's degraded habitat and biodiversity, agricultural lands, healthy soils and water quality, as well as preparing us for the increasing impact of climate change.

Greening Australia has developed a carbon business that markets biodiverse carbon offsets. These offsets are generated from carbon sequestered from biodiverse native forest and bring, in addition to sequestered carbon, a range of environmental services - biodiversity, habitat restoration, improved water quality, salinity remediation and soil health. Greening Australia's carbon sinks deliver both carbon emissions mitigation and climate change adaptation.

Submission

1. General Comments

a. An Emissions Trading Scheme as the central policy instrument in Australia's approach to carbon pollution reduction

Greening Australia's response to climate change policy assumes the adoption of the IPCC scientific target of a 60% reduction on year 2000 emissions by 2050. We believe that it is critical for the Government's Carbon Pollution Reduction Scheme(CPRS) to adopt medium and long-term national targets, a carbon price, and permit allocation process that are rigorous enough to achieve the behavioural and operational changes that are necessary to move Australia to a low carbon economy by no later than 2050.

- i) Greening Australia supports an ETS as the policy instrument that can reduce carbon pollution at the lowest economic cost and we refer to a number of comprehensive analyses of the economic cost of addressing climate change: Treasury Report 2008, Garnaut Review 2008, Nicholas Stern Report 2007, and Business Roundtable Report 2006. An ETS provides business certainty by embedding the program in private sector investment that is not confined to short term political or financial cycles.

- ii) If the scheme is appropriately structured it will change behavior at an operational level, resulting in a reduction of carbon emissions (changes in energy intensity are not enough). It will create a competitive market for investment in clean energy and low emission technology. Greening Australia supports the retention of a Renewable Energy Target until the ETS delivers a competitive market for renewable energy & low cost technology.

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- iii) An ETS is the preferred policy approach internationally and Australia's adoption of such a scheme opens a range of opportunities for emissions trading at the international level.

b. Contribution of complementary measures such as the protection or development of terrestrial carbon stores such as native forests and soils:

Greening Australia recognizes a unique opportunity for an ETS to deliver both climate change mitigation and adaptation outcomes by linking landscape restoration with the protection and establishment of conservation carbon sinks.

Greening Australia's interest in carbon biodiverse native forest sinks is straight forward:

1. About 25% of global elevated CO₂ is due to forest clearing, making reforestation an important mitigation strategy.
2. The creation of a carbon market worth potentially billions of dollars can be leveraged to "turbo-charge" existing efforts to halt and reverse the degradation of Australia's environmental assets through the establishment of large scale carbon sinks that reconnect isolated remnants of biodiverse native forests and woodlands.
3. Biodiverse native forest carbon sinks deliver a range of environmental services and are distinguished by the following:
 - The plantings are self replacing – they self-regenerate after natural disturbances such as fire and storms;
 - They are sourced from seed native to the bioregion in which they are planted with an eye to making sure climate shifts are accounted for in the genetics;
 - They are suited to local soil, slope and climatic conditions;
 - They restore native ecosystems, re-establishing original forest cover with the return of under storey and native grasses;
 - They strengthen current stocks of carbon locked up in native forest by connecting and restoring remnant vegetation;
 - Over the longer-term they re-establish natural drainage systems, natural water flows and improve water quality by removing silt and sedimentation;
 - They are at least 10ha in size and more than 100m wide to ensure permanency and self replacement;
 - They improve soil carbon;
 - They are actively managed for at least 100 years;
 - They are most capable of adaptation to climate change including hotter temperatures, lower and more variable rainfall, and more frequent fires;
 - They represent the lowest environmental and financial investment risk;
 - They inject private sector capital into the National Reserve System; and
 - The avoidance of clearing land of remnant native vegetation.

c. Environmental effectiveness of the CPRS:

- i. The CPRS medium-term target of a 5-15% reduction of 2000 levels by 2020 in avoiding dangerous climate change is underwhelming. It is more meaningful in the light of the long-term emissions reduction target of 60% below 2000 levels by 2050. Meeting the long-term target when we start from such a low base will require some serious ramping up after 2020. An inadequate target however should not be equated with an ETS as an inadequate measure-there are choices to be made about target setting and these choices will determine whether or not Australia can start with a low target and still meet the scientific target .
- ii. The degree to which Australia achieves meaningful greenhouse mitigation also depends on complementary measures to the CPRS. If the scheme provides incentives for carbon sequestration, a major contribution to achieving significant reductions can be made from this form of carbon abatement. The links between this form of abatement and landscape restoration have been described at 1(b) above.

For further information please contact

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