

The Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport PO Box 6100
Parliament House Canberra ACT 2600

Dear Sirs,

Inquiry into the Implementation, Operation and Administration of the
Legislation Underpinning Carbon Sink Forests

We submit that the legislation should allow carbon credits only as they accrue and not in advance. For example the credit for investment in a tree should accrue to the investor as the carbon is actually stored. It may then be the case that the total amount of credits for an investment in a tree may be spread over 100 years. We would expect that in the market place the investment would then be structured so that the annual payment by the purchaser is calculated to reflect the cost of the amount of credits actually accruing in that year.

If it is possible for total credits to be purchased in the year a tree is planted notwithstanding that ownership of the tree might subsequently be transferred or the tree itself destroyed by natural or any other event then clearly the legislation has failed. Carbon credits in this instance will have been credited in respect of carbon that has not been stored. Quite possibly such an investment could impose a carbon negative impact on the environment which outcome would be absurd.

Yours faithfully

James and Diane Ingles