

Safeguard Mechanism Taskforce

Safeguard.mechanism@industry.gov.au

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Dear Taskforce

RE: Reform of the Safeguard Mechanism

Environmental Advocacy in Central Queensland (**EnvA**) is a Central Queensland community group concerned about the risks associated with coal mining, coal seam gas and climate change.

We have seen first-hand here in Central Queensland an increase in bushfire intensity, floods, storms, record-breaking heatwaves and mass coral bleaching events. It is time to take serious action to reduce greenhouse gas emissions. Hence, we write to ask that you make your the Safeguard Mechanism stronger and require Australia's biggest polluters to make genuine emissions cuts this decade.

We acknowledge and welcome your work to tackle the significant emissions from Australia's fossil fuel and industrial sectors through the reform of the Safeguard Mechanism. However, we are concerned that it has significant loopholes that mean there is not enough incentive for polluting facilities to make genuine emissions cuts.

The current proposal simply makes it easier and cheaper for polluters to buy offsets, instead of investing in the technology and processes needed to cut emissions at their facilities. Offsets will not reduce emissions and will only maintain the status quo of emission levels and if new fossil fuel developments are allowed to proceed, emission levels are likely to increase.

If the Safeguard Mechanism allows unlimited use of carbon credits including from new highly polluting coal and gas projects and does not require Australia's biggest polluters to genuinely slash emissions from their pollution facilities this decade, Australia risks falling short of its 43% emissions reduction target.

For a safe future, we need to reach 70% emissions reductions this decade if Australia is to do our part to keep global warming as close to 1.5 degrees as possible. We can't afford to open any new coal and gas projects and we need the Safeguard Mechanism to play a genuine role in curbing emissions from existing projects.



You can do this with a stronger Safeguard Mechanism that:

1. Stops polluters purchasing carbon credits unless they first invest in genuine emissions cuts at their facilities. Polluters should not be allowed to just buy their way out of making genuine emission cuts.
2. Requires polluters to use Safeguard Mechanism Credits before being allowed to use Australian Carbon Credit Units. We strongly believe that polluters must invest in real emission reductions and not rely on the easy way out by purchasing offsets (which are longer-term solutions and often ineffective in reducing emissions). Offsets must be a last resort, a principle that is universally acknowledged.
3. Prohibits new or expanding coal and gas facilities creating huge volumes of additional emissions. This would place a huge burden on other facilities to stay within the emissions cap and threaten the success of the Safeguard Mechanism contributing to emissions reductions.
4. Does not use Powering the Regions Funds to finance compliance by fossil fuel producers. This represents yet more tax-payer subsidies for an incredibly lucrative and polluting industry at the expense of industries that actually have a viable future in a clean economy.

We trust that you will strengthen the Safeguard Mechanism so that emission-reduction targets are not only met, but are exceeded.

Kind regards



Dr Coral Rowston

Director

Environmental Advocacy in Central Queensland