



Australian Government

Emissions Reduction Fund Terms of Reference

October 2013



INFORMATION FOR RESPONDENTS

Purpose

The Australian Government seeks the views of the community on the design of the Emissions Reduction Fund. These views will be considered in the development of an Emissions Reduction Fund Green Paper to be published in December 2013 and an Emissions Reduction Fund White Paper to be published in early 2014.

Following publication of the White Paper, further submissions will be sought in the process of finalising legislation to support the operation of the Emissions Reduction Fund. The Emissions Reduction Fund will begin operation on 1 July 2014.

Key dates

Release of Emissions Reduction Fund Terms of Reference	16 October 2013
Submissions due in response to Terms of Reference	18 November 2013
Release of Green Paper	December 2013
Release of White Paper and Exposure Draft legislation	Early 2014
Commencement of Emissions Reduction Fund	1 July 2014

Submission guidelines

Where possible, submissions in response to the Emissions Reduction Fund Terms of Reference should be lodged electronically, preferably in Microsoft Word or other text based formats via the email address below. Submissions may alternatively be sent to the postal address below to arrive by the due date of COB AEDT Monday 18 November 2013.

To provide a submission, please download and complete the cover sheet and submission template.

Important: All submissions must include the cover sheet and be written within the submission template.

Email: emissions-reduction-submissions@environment.gov.au (the preferred option)

Post: Emissions Reduction Fund Submissions
Department of the Environment
GPO Box 787
CANBERRA, ACT 2601

For further information, or to request a hard copy of the document, please call 1800 057 590.

Privacy statement

Your views are being sought by the Department of the Environment for the purpose of providing input on the design of the Emissions Reduction Fund. Personal information that you provide will only be used for these purposes. Personal information may be disclosed to employees of other Australian Government agencies assisting the Department for the purposes outlined above. Contents of your submission may be included in subsequent publications.

Confidentiality Statement

All submissions will be treated as public documents, unless the author of the submission clearly requests otherwise. Public submissions may be published in full on the website, including any personal information of authors and/or other third parties contained in the submission.

If your submission contains personal information about any person who is not an author of the submission, please indicate on the cover sheet if the person or persons have not consented to the publication of their information.

Any request under the *Freedom of Information Act 1982* for access to a submission marked 'confidential' will be determined in accordance with that Act.



Australian Government

EMISSIONS REDUCTION FUND WHITE PAPER – TERMS OF REFERENCE

The Government acknowledges the science of climate change and recognises that climate change is a global problem whereby all countries need to work together. Australia must act in a way that protects Australia's international competitiveness, while playing our part in any global effort to address this issue.

The Government is committed to reducing Australia's emissions by 5 per cent from 2000 levels by the year 2020.

Legislation to repeal the carbon tax will be the first Bill brought before the new parliament. In place of the carbon tax, the Government will institute incentives for businesses, farmers, households and other entities to invest in technologies that will reduce our emissions at lowest cost. The Government's Direct Action Plan will efficiently and effectively source low cost emissions reductions that will contribute towards our 2020 target.

The Government is calling for submissions on the design of the Emissions Reduction Fund, the centrepiece of the Direct Action Plan.

The Government has committed to review Australia's Renewable Energy Target in a separate consultative process in 2014.

The Government will release a Green Paper on the development of the Emissions Reduction Fund for public comment in late 2013, with a White Paper containing final policy design to be released in early 2014.

Emissions Reduction Fund

The Emissions Reduction Fund will commence operations on 1 July 2014, after the repeal of the carbon tax, and will be designed to purchase low cost abatement.

The Government is seeking business and community views on the design of the Emissions Reduction Fund including:

- the likely sources of low cost, large scale abatement to come forward under the Emissions Reduction Fund;
- how the Emissions Reduction Fund can facilitate the development of abatement projects, including through expanding the Carbon Farming Initiative and drawing on the National Greenhouse and Energy Reporting Scheme;
- the details of auction arrangements to deliver cost effective outcomes;
- the governance arrangements that will support the Emissions Reduction Fund, including the role of key institutions such as the Clean Energy Regulator;
- the details of the monitoring, verification, compliance and payments arrangements for successful bidders at auction;
- transitional issues relating to the existing Carbon Farming Initiative; and
- the design and operation of a mechanism applying to emissions above the business as usual baseline.