

Carbon Offsets: Overview and trends

September 2019



Speakers



Tom Schröder PhD

Head of Climate Action
South Pole



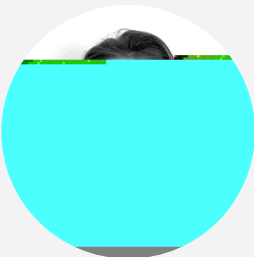
Polly Hemming

Communications and Engagement Manager, Climate change division
Department of the Environment and Energy



Julien Gastaldi

General Manager
Natural Carbon

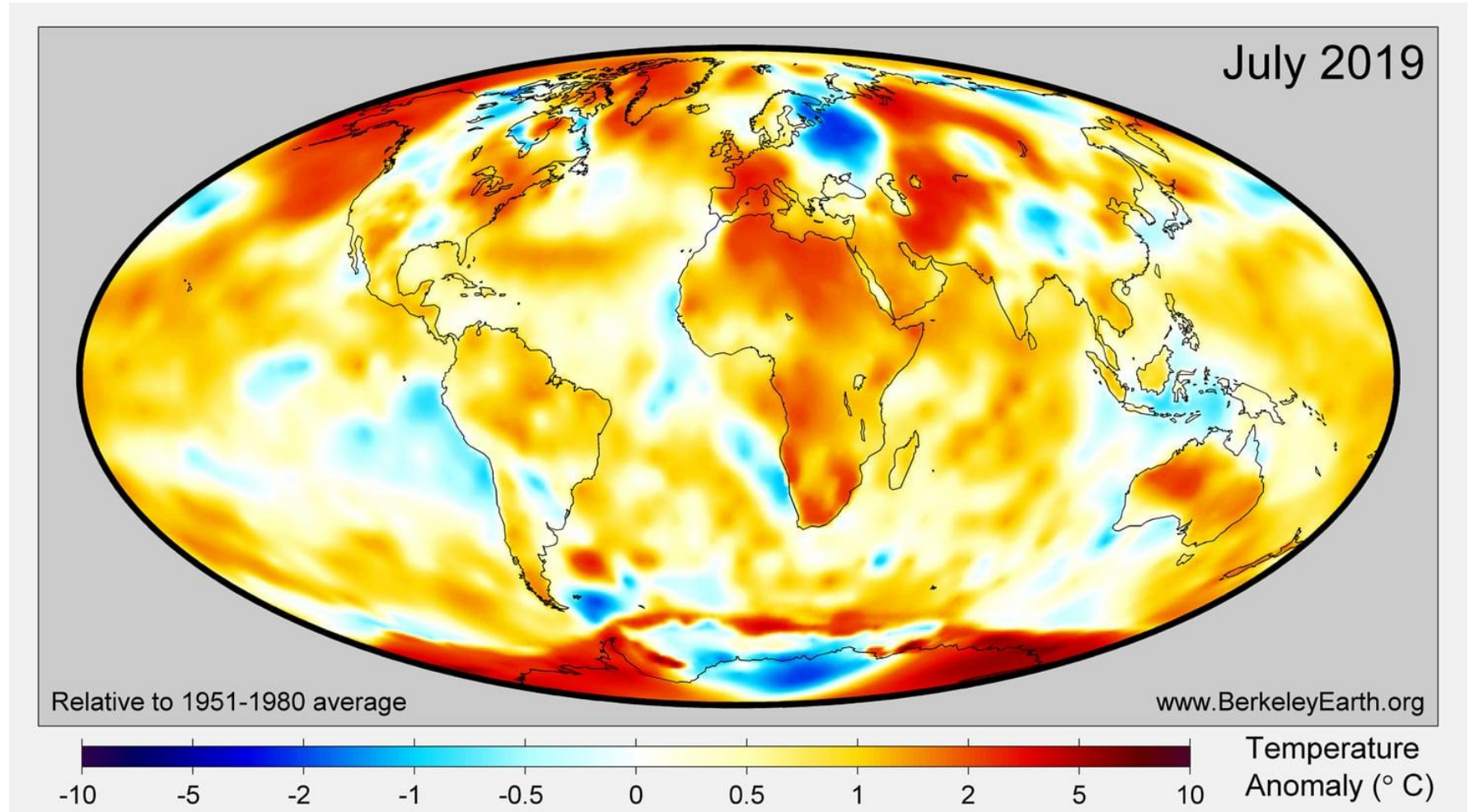


Gabriella Warden (host)

Communications Specialist
South Pole

Climate Change, Emissions Reductions and Offsets

Constant new heat records



Global average surface temperatures during July 2019 compared to the 1951-1980 average. (Credit: Berkeley Earth)

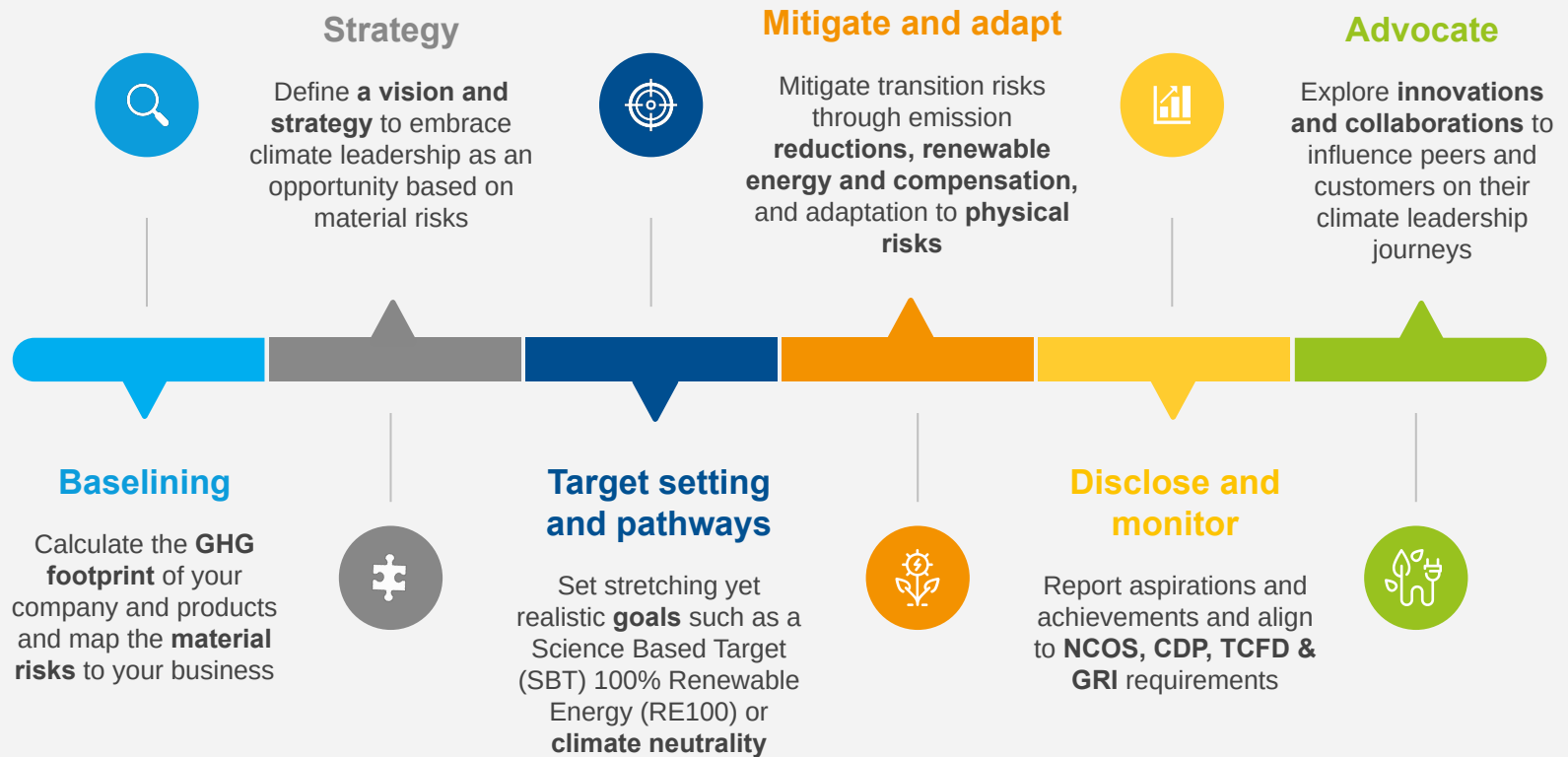
**Climate change
is hitting
the mainstream...**



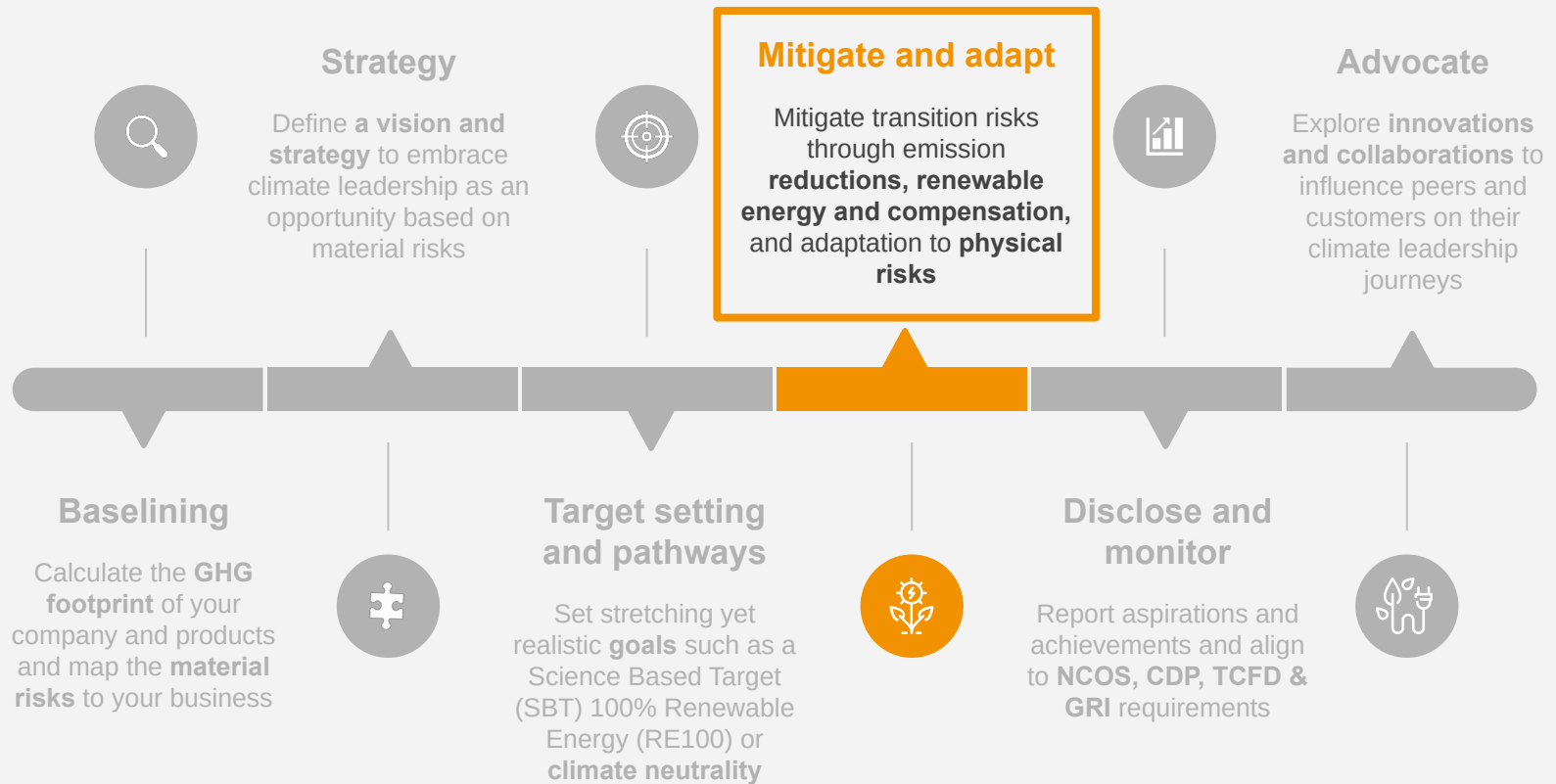
And Australia?



The sustainability journey

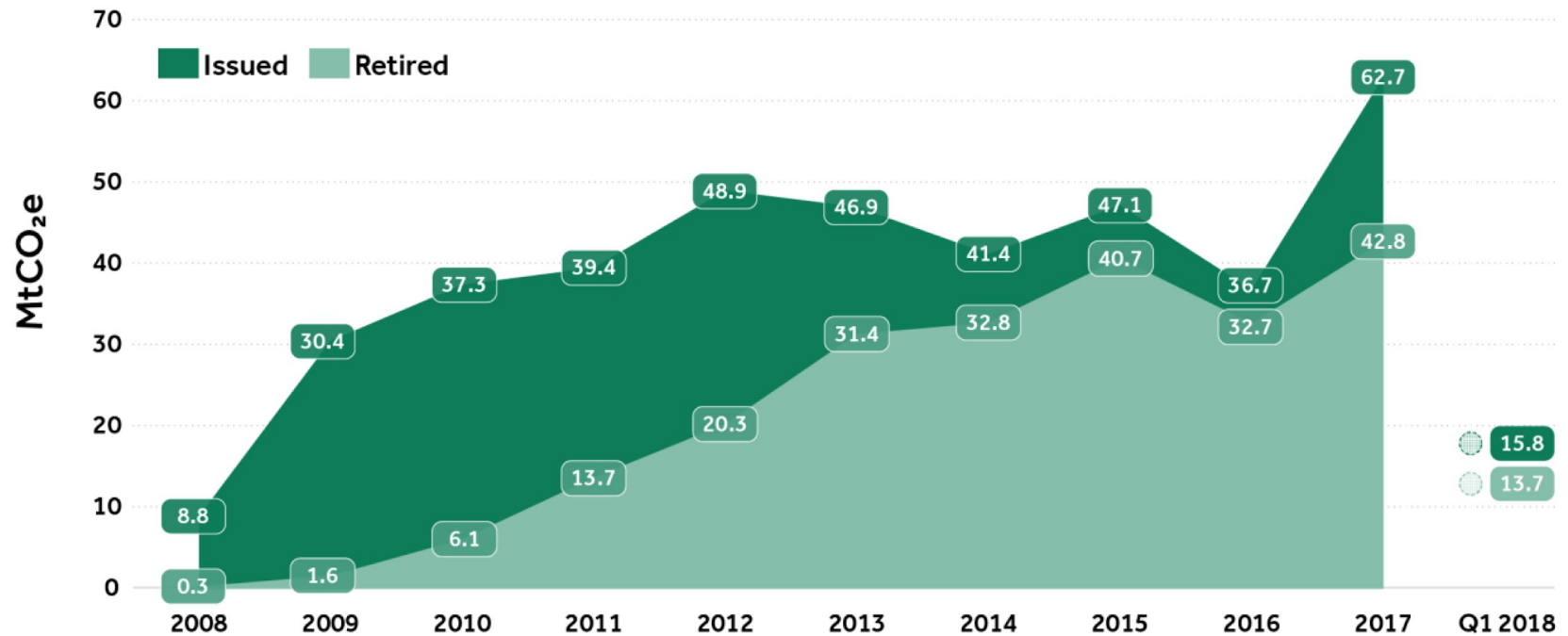


The role of offsets for reducing emissions

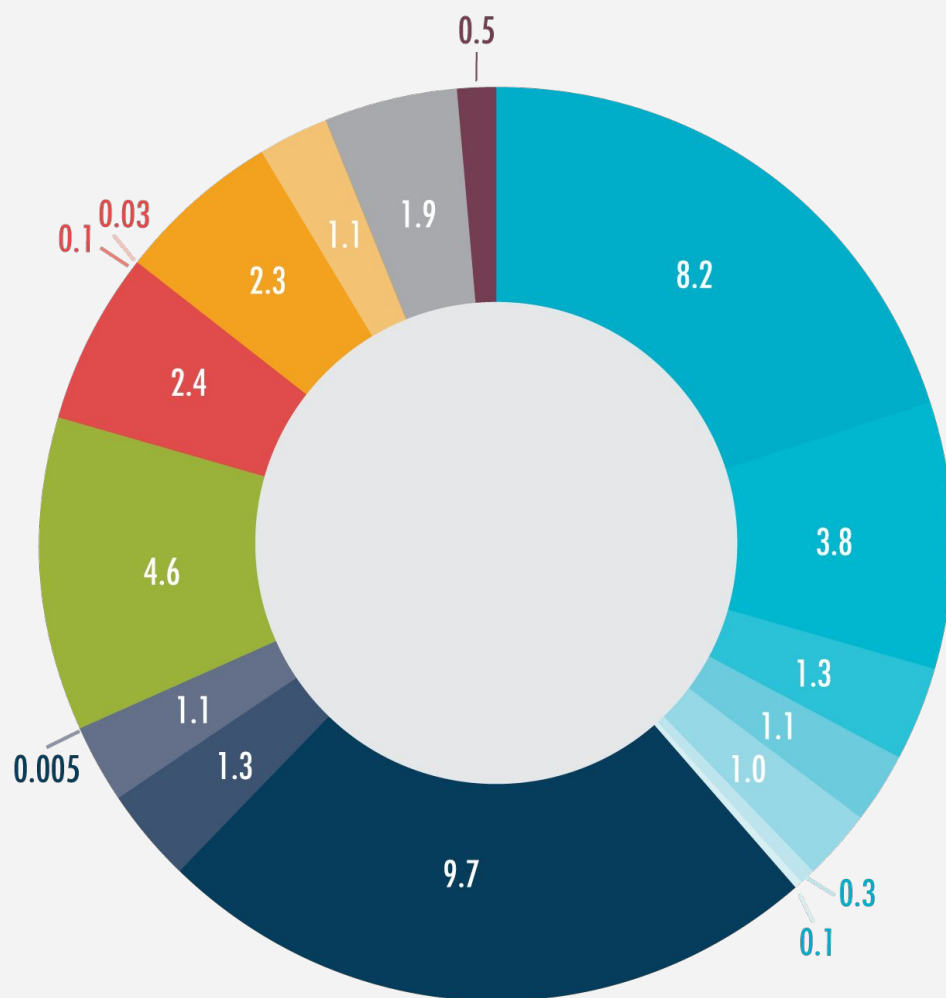


Voluntary Market Update

Historical Issuance and demand voluntary carbon

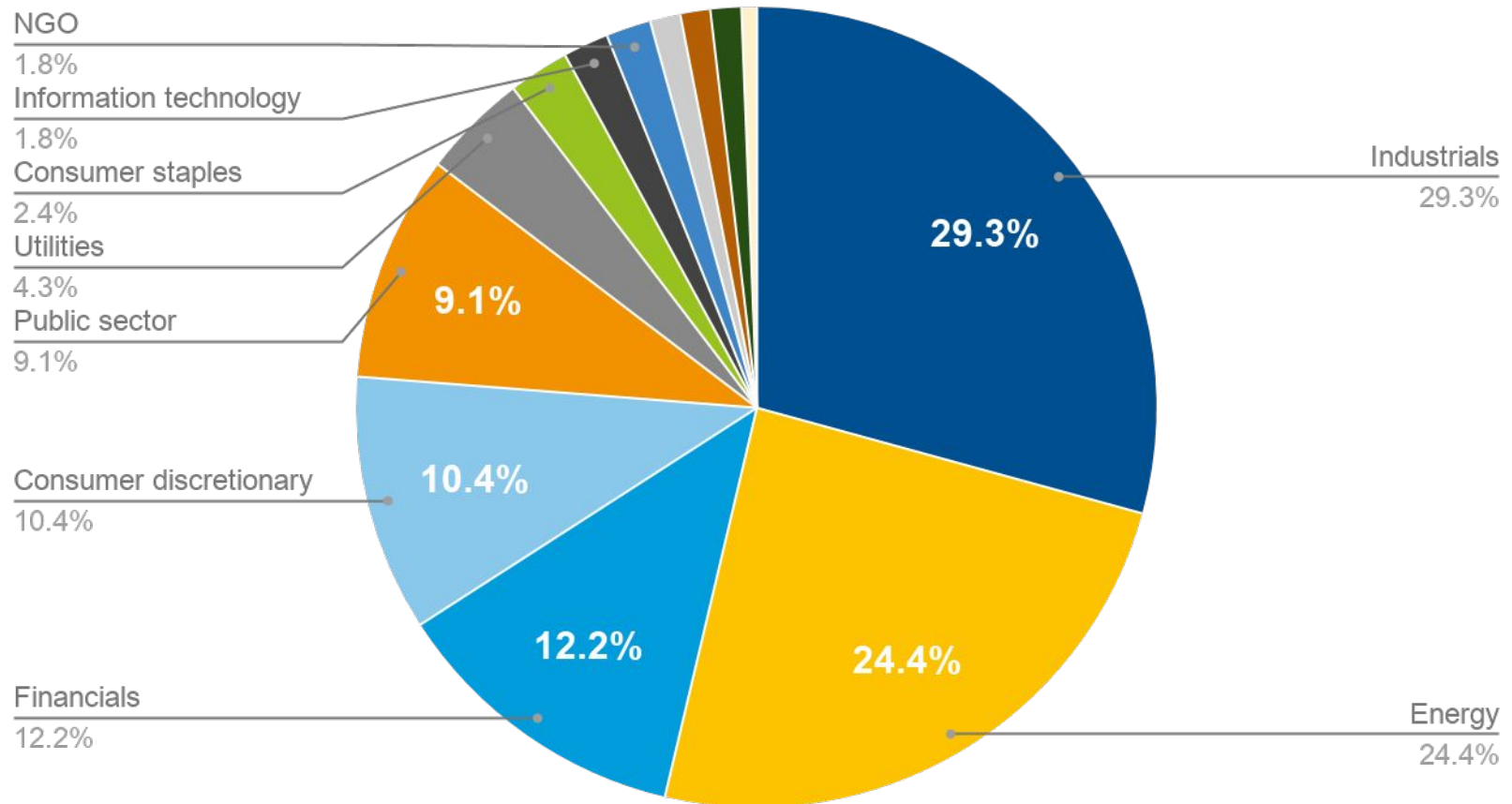


Transacted volume by project type

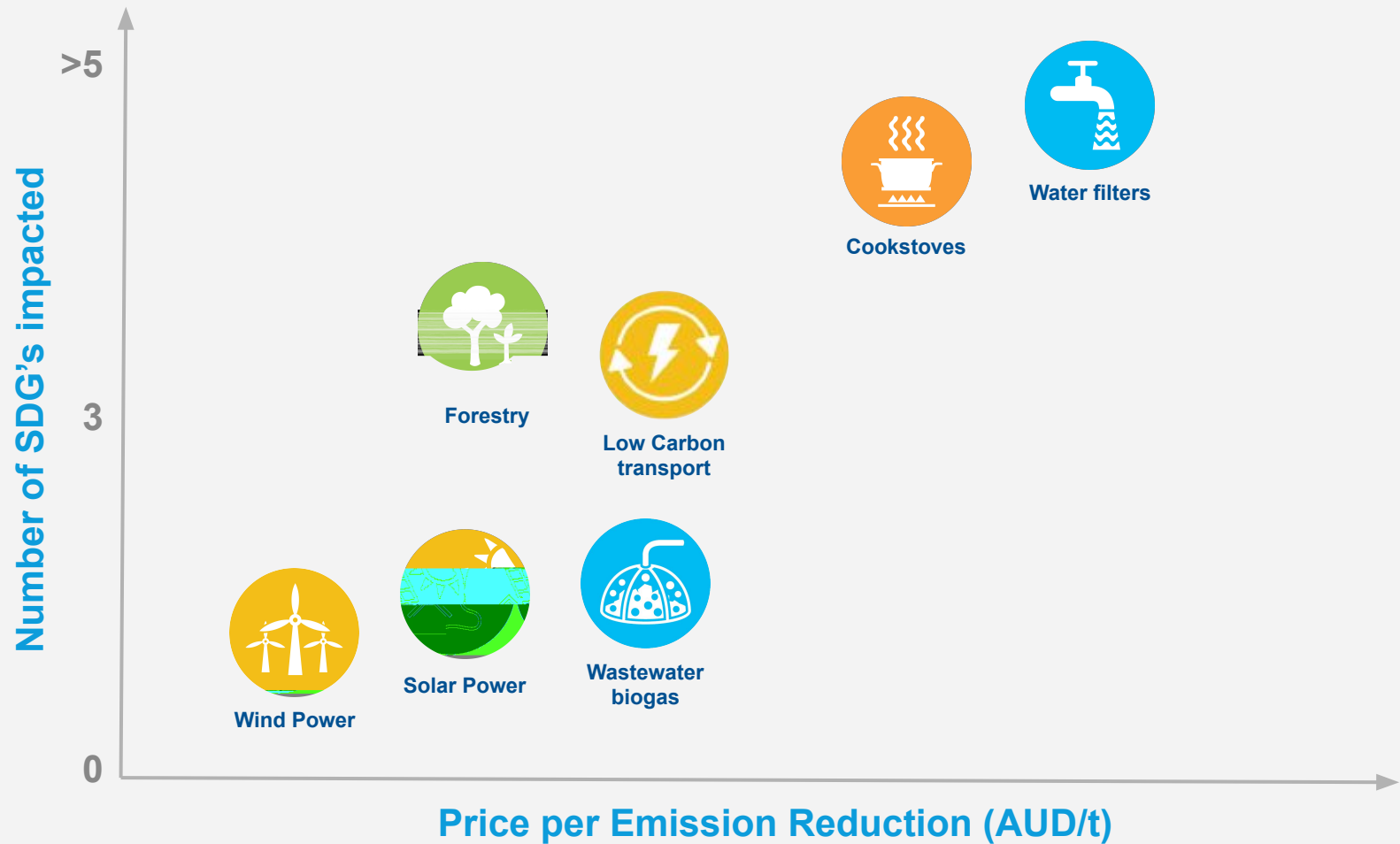


All values are in MtCO₂e.

Carbon credit buyers per sector



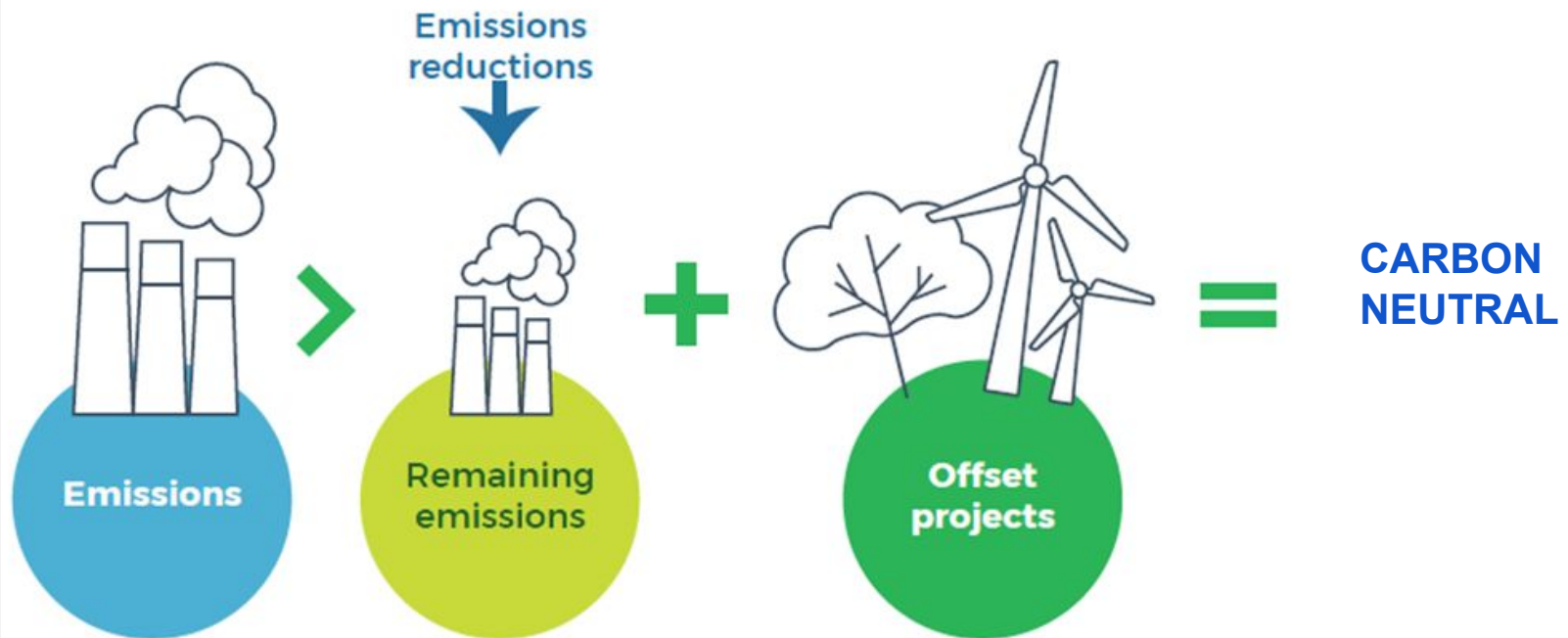
Correlation between degree of SDG and price



The National Carbon Offset Standard and Carbon Neutral certification

Using offsets in your business

Practical application of carbon credits



Find out more at: environment.gov.au/carbon-neutral

NCOS and carbon neutral certification

Get a return on your sustainability investment



Intrepid Group



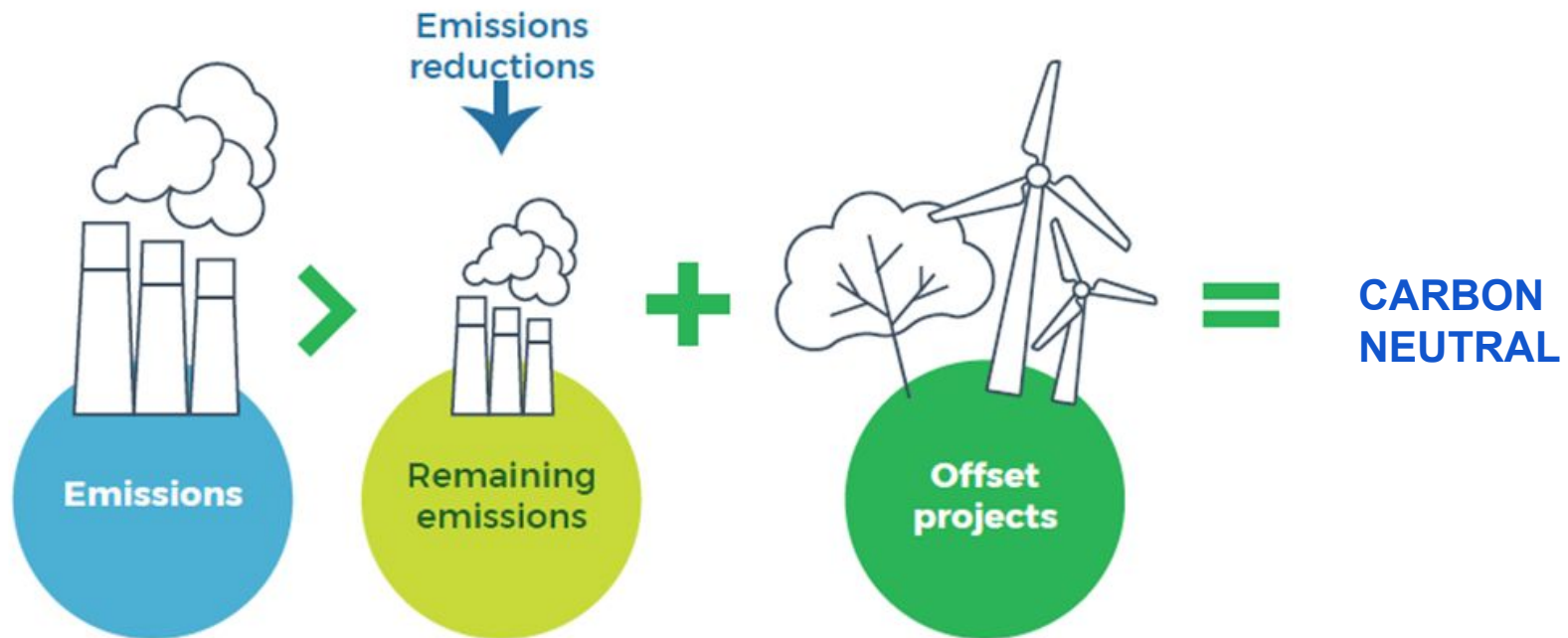
An Australian Government Initiative

1. Uniquely Australian approach
2. Ensures credible, best-practice carbon neutrality
3. Applicable to all sectors and business sizes
4. 100 certifications over 75 businesses
5. Offset over 14 million tCO₂e offset since the program began



Carbon neutral makes business sense

Savings, competitive edge, risk mitigation



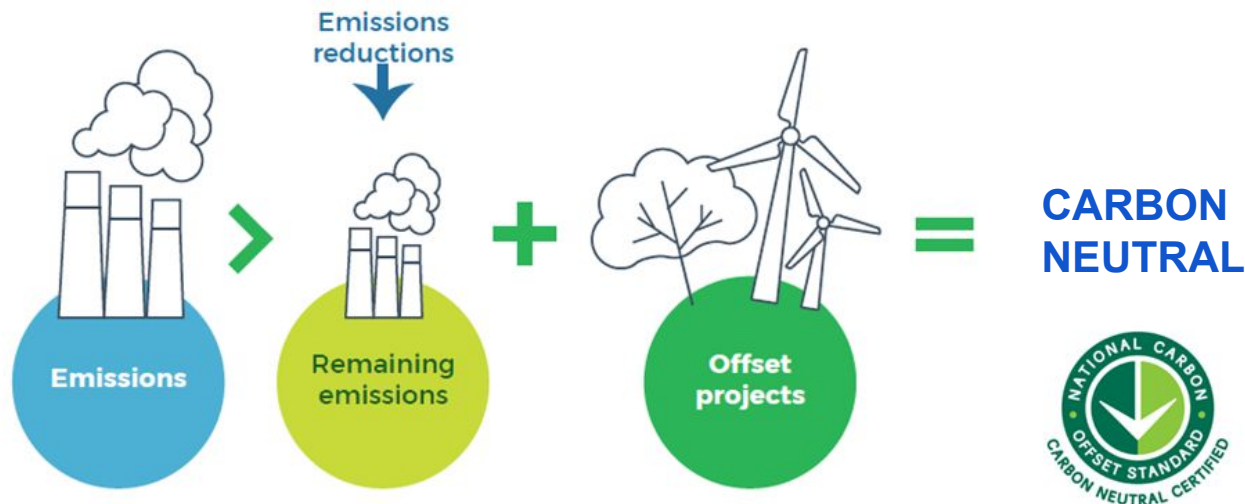
Business Case 1:
Knowing emissions
leads to financial
savings

Business Case 2:
Reducing emission
means less spend on
offsets

Business Case 3: Supporting
offset projects that align with
corporate values strengthens
a compelling brand story

Certification makes even more sense!

Credibility, rigour, networking



Business Case 1:
Knowing emissions
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savings

Business Case 2:
Reducing emission
means less spend on
offsets

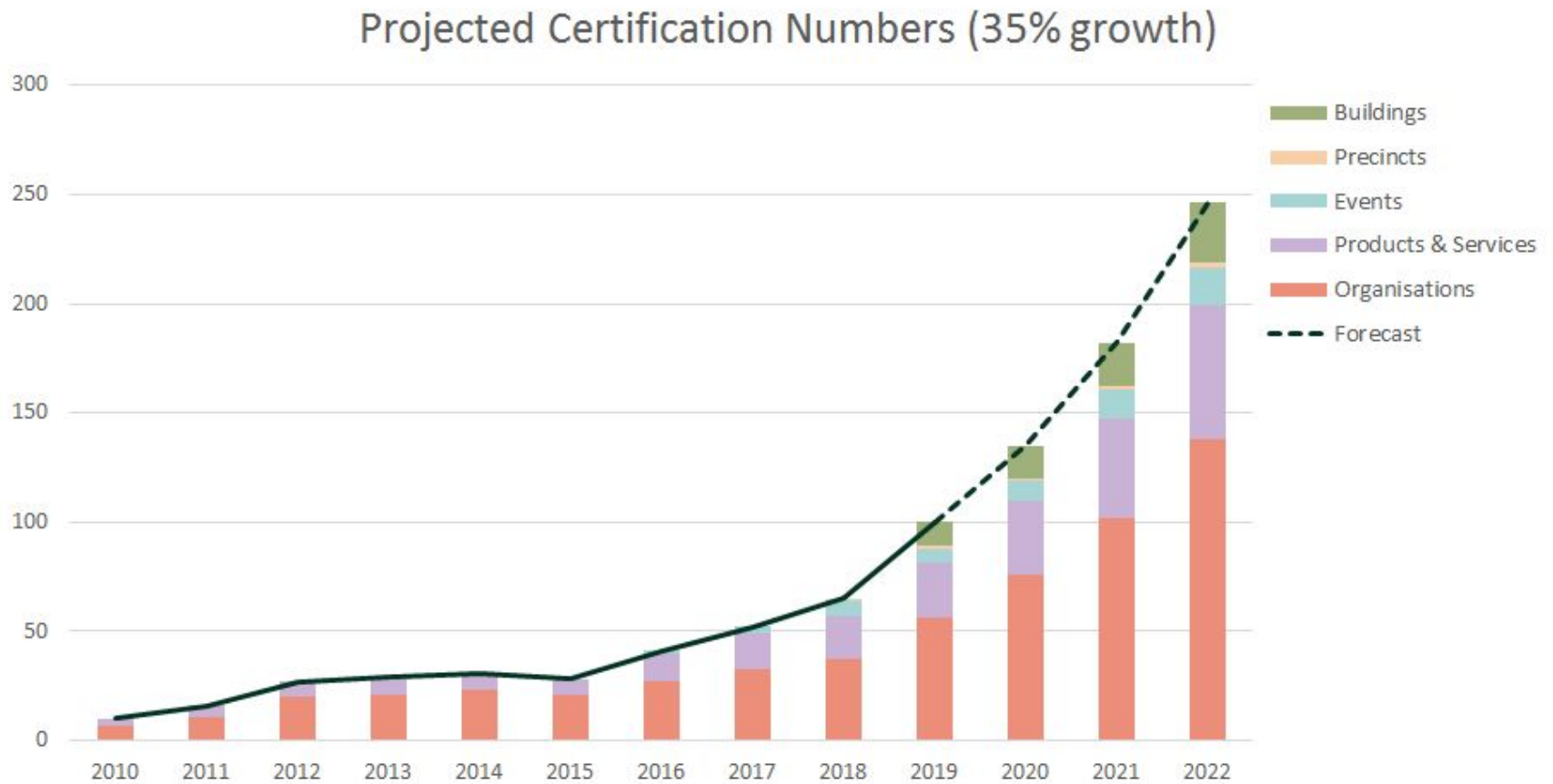
Business Case 3: Supporting
offset projects that align with
corporate values strengthens
a compelling brand story

Business Case 4:
Certification
provides a credible
check against carbon
neutral claim.

Business Case 5:
Public reporting
demonstrates
leadership to
customers, clients,
employees.

Business Case 6:
Access to a
network of carbon
neutral certified
businesses

Businesses are seeing the benefits



Australian Sourcing

Australian Carbon Credit Units – ACCUs



What are ACCUs? Australia's own Certified Emissions Reduction Units
How are they created?

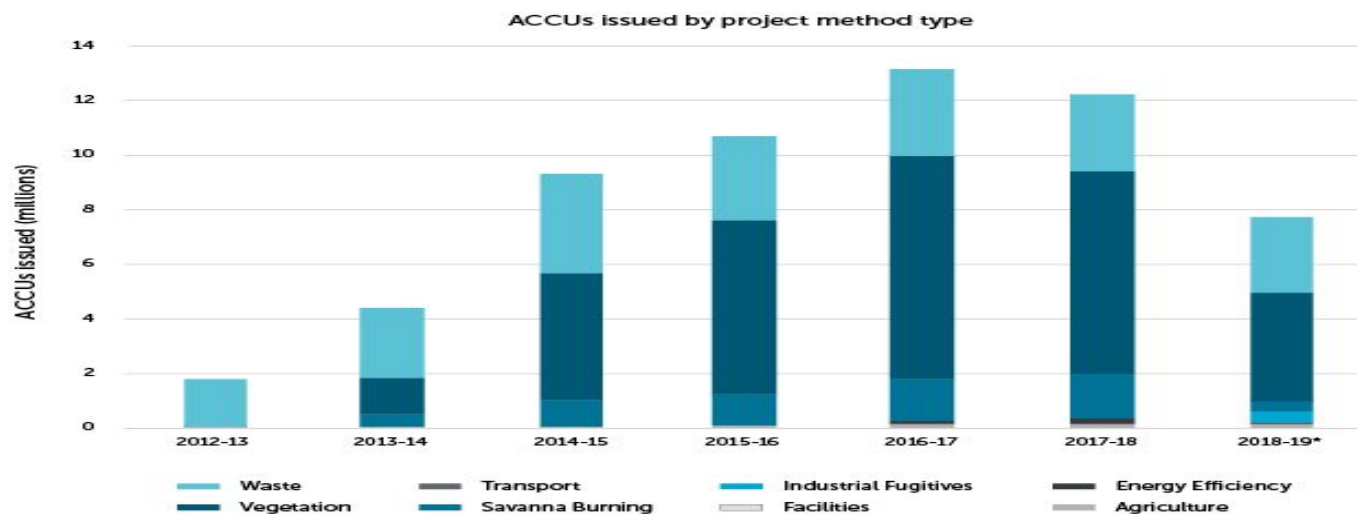
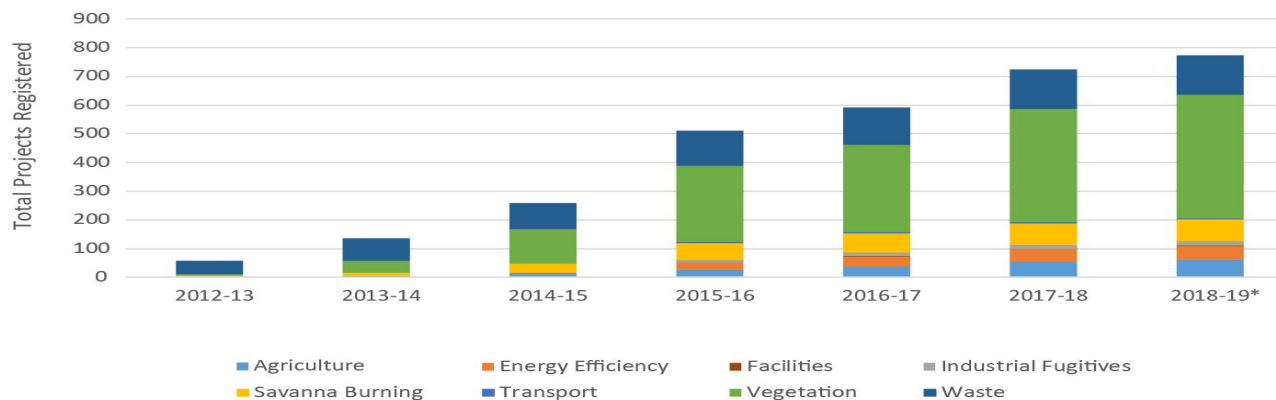
24 Avoidance Methods



12 Sequestration Methods

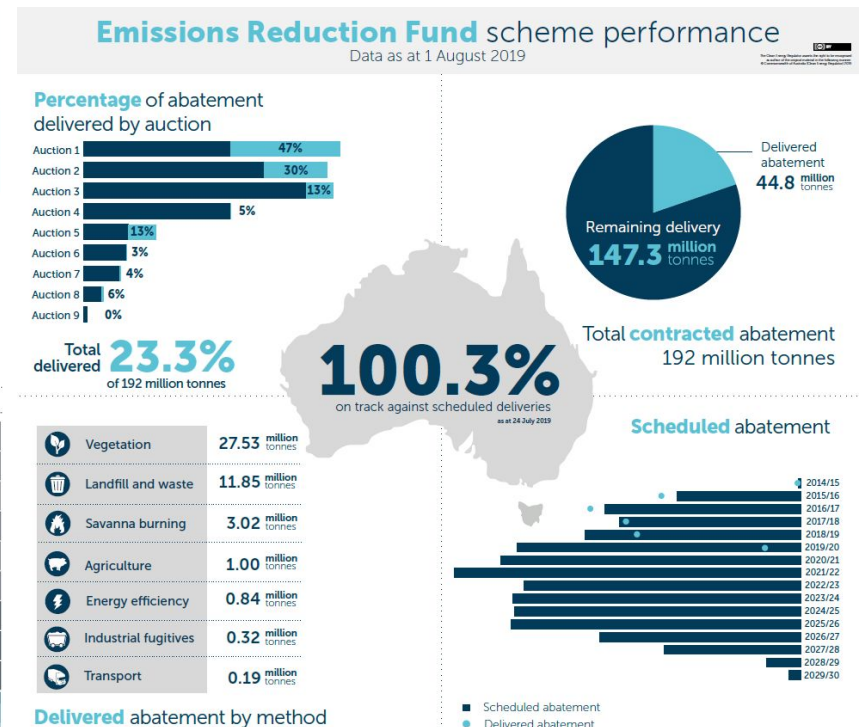
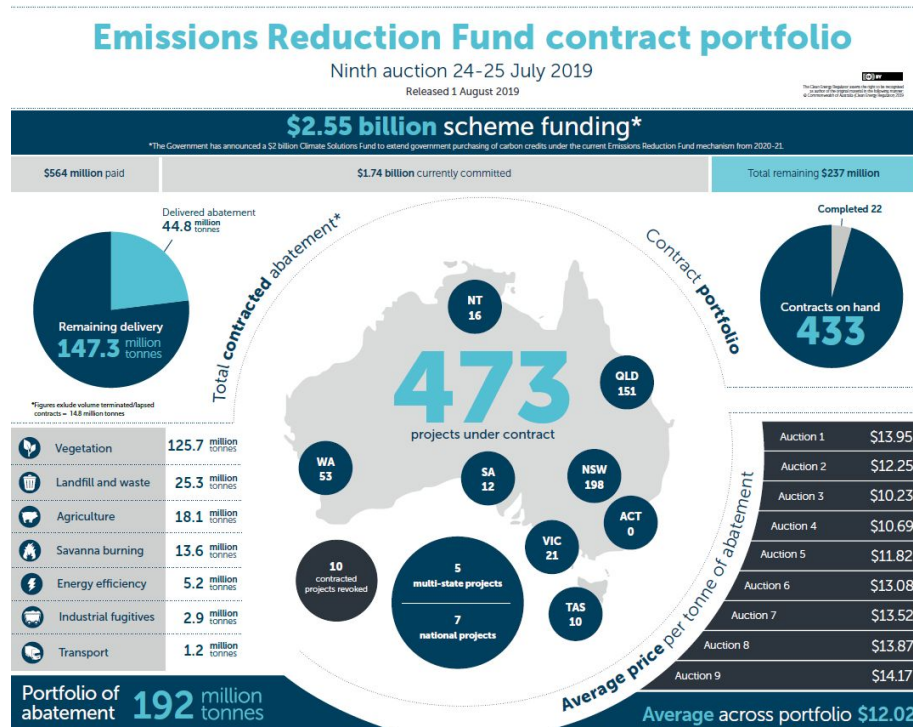


ACCUs – Registered projects & supply



Source: Clean Energy Regulator. *Data as at 1 March 2019

ACCUs Demand – Primary buyer: ERF

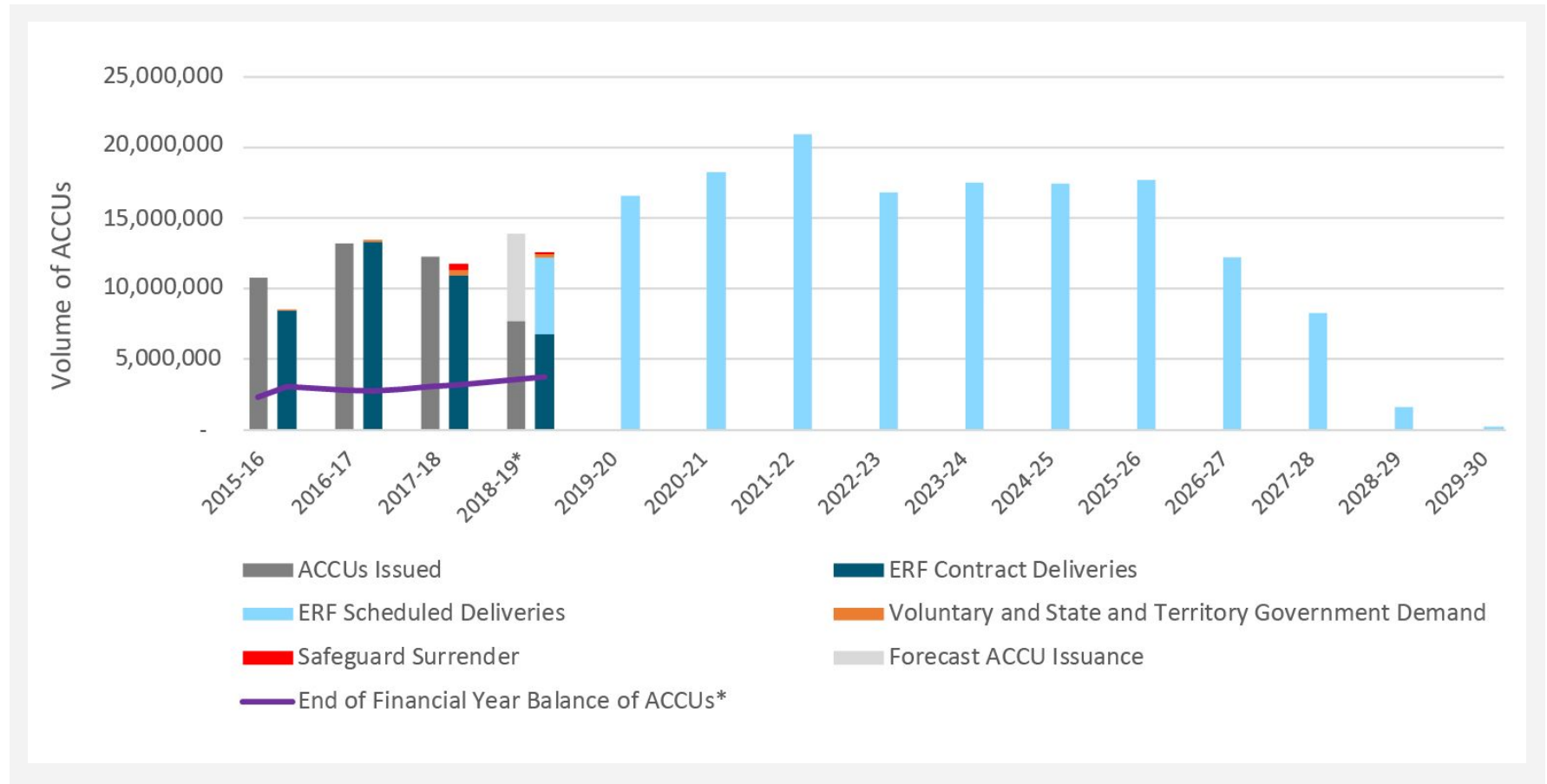


<http://www.cleanenergyregulator.gov.au/ERF/project-and-contracts-registers/carbon-abatement-contract-register>

<http://www.cleanenergyregulator.gov.au/Infocenter/Markets/buying-accus/australian-carbon-credit-unit-demand>

Source: Clean Energy Regulator 2019

ACCUs Balance “available”



Long lead times (>2yrs)

The ERF pays on delivery a fixed price for a fixed volume

<http://www.cleanenergyregulator.gov.au/Infocentre/Markets/buying-accus/australian-carbon-credit-unit-market-updates/statement-of-opportunities-in-the-accu-market-%E2%80%93-march-2019>

Source: Clean Energy Regulator 2019

ACCUs with co-benefits, e.g. Indigenous






**Raak Nguunge
– Pormpuraaw
Savanna Burning
Australia**

Supporting Indigenous Communities
to reduce emissions from wildfires by
lighting cool fires in the tropical winter



This savanna burning project works with local rangers to undertake strategic aerial and on-ground burning in the tropical winter, so as to reduce fuel loads in later (hotter) months when dry lightning storms begin. By preventing larger late-season wildfires, emissions are reduced when compared against the historical average. Raak Nguunge means 'burning season' in the Kuuk Thaayorre language, and the success of the project is thanks to strong collaboration between the Pormpuraaw Aboriginal Shire Council and the Pormpuraaw Land & Sea Management Rangers.

naturalcarbon.com.au




High quality offsets from trusted developers

The Carbon Industry Code of Conduct provides guidance for project developers, agents, aggregators and advisers undertaking carbon projects including under the Emissions Reduction Fund and other Voluntary Offset Schemes.



EcoAustralia: A great Aussie alternative



Mount Sandy Biodiversity, EcoAustralia: Mount Sandy brings together indigenous and non-indigenous communities of Australia by promoting traditional land management for biodiversity conservation. *This is **Wayne**, the Raukkan Community Nursery Manager.*



EcoAustralia credits - part 1: Australia

Choose a biodiversity conservation project in Australia

**Australian
Biodiversity Unit**

1.5 m²



+

**Verified International
Carbon credit**

1 tCO₂e

Gold Standard

=

**EcoAustralia
Credit**



EcoAustralia credits - part 2: International

Choose a Gold Standard international carbon offset from South Pole's portfolio

Australian
Biodiversity Unit

1.5 m²



+

Verified International
Carbon credit

1 tCO₂e

Gold Standard

=

EcoAustralia
Credit



Questions & Answers



Thank you

