



Conservation Council
of South Australia Inc



Comments on the *Climate Change and Greenhouse Emissions Reduction Bill 2006*

Submission by

The Conservation Council
of South Australia Inc.

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General comments

The Conservation Council of South Australia Inc (CCSA) is the peak environment body in SA with a membership of over 50 environment groups. The Wilderness Society (SA Branch) Inc (TWS) is a community-based environmental advocacy organisation whose mission is protecting, promoting and restoring wilderness and natural processes across South Australia for the survival and ongoing evolution of life on Earth.

CCSA and TWS welcome the opportunity to comment on the *Climate Change and Greenhouse Emissions Reduction Bill 2006* and commend the South Australian Government on what we recognise to be very significant new legislation. Creating laws to acknowledge the serious threat of climate change and take steps to address it sends the right message to the South Australian community and will undoubtedly give South Australia an advantage over jurisdictions whose responses are far less advanced.

We wish to emphasise the likelihood that this legislation will have a strong bearing on the responses of other states and territories, both in Australia and the rest of the world. This increases the imperative for the legislation to demonstrate best practice, being as ambitious and comprehensive as possible.

Overall, we see the framework outlined in the draft Bill as a positive approach to addressing the causes of climate change, however it could be strengthened to be both more ambitious and more comprehensive in what it sets out to achieve.

This submission outlines some of the areas where we believe additions are necessary. Suggested wording for additions is provided where possible.

Biodiversity resilience and adaptation

We know that climate change will have an impact on all aspects of life in South Australia. However impacts that are social and economic in nature, pertaining directly to the wellbeing of our species, tend to receive priority. As history demonstrates, the wellbeing of non-human species is not always prioritised in the same way, and this failure to acknowledge the value of our natural systems has left us a legacy of environmental problems which ultimately affect our social and economic health very considerably.

South Australia's biodiversity statistics make grim reading, and we know that we do not currently have the systems in place to protect our species and ecosystems from further dramatic decline caused by climate change. There is an obvious need for intervention to increase protection with the strongest means available to us, and that is legislation.

It is therefore a serious omission for the draft Bill to remain silent on issues of biodiversity adaptation in the face of climate change.

CCSA and TWS recommend an additional Object, to be included at the highest level, along with the Objects to reduce emissions and increase renewable energy.

Suggested additions:

3.1.a.iii: by supporting measures to increase the resilience of communities, terrestrial and aquatic species and ecosystems, and industries at risk in South Australia to assist their adaptation to climate change

3.2.a.iv: enhancing the resilience of South Australia's terrestrial and aquatic species and ecosystems, by improving ecosystem health and connectivity, to assist their adaptation to climate change

This submission does not attempt to be exhaustive in suggesting all the areas of the Bill where references to biodiversity adaptation would be appropriate. We consider the inclusion of the additional Object in 3.1 to be of paramount importance, but suggest that all sections of the Bill be

reviewed to reflect the intentions of this Object. For example, the roles of the Minister and the Council to consider these matters would be important additions to back up the objects.

Ensuring the targets are adequate and will be delivered

Beginning with a voluntary approach in the first instance has pros and cons. While we understand the need to keep all sectors 'on-board', too much reliance on voluntary action will delay meaningful emissions reductions, and run the risk that some targets simply will not be met. But the Bill should be amended to prevent these outcomes.

Interim emission reduction target

An additional reduction target within a shorter time frame would more effectively convey the urgency of the need for action, and would provide greater certainty to businesses.

Suggested wording addition:

3.1.a.i: ...to reduce by 31 December 2020 greenhouse gas emissions within the State by at least 20% to an amount that is equal to or less than 80% of 1990 levels (the SA 2020 target) and ...(the SA 2050 target) etc

Regular review of the targets

The 60% deep cuts target and the 2020 target suggested above reflect the accepted scientific recommendations of recent years. However, the science of climate change is highly dynamic, and consequently these recommendations are changing all the time. A growing chorus of voices is saying that cuts of 60% by 2050 are nowhere near enough to prevent dangerous climate change, rather that they should be closer to 80% by 2030.

As a result, we strongly recommend that the Bill's reporting period should be annual rather than four-yearly. Furthermore, it must be explicit in the Bill that the review will include an assessment of the adequacy of the targets themselves, and not merely progress towards achieving them.

Suggested wording change:

7. Annual reports

7.1 The Minister must, on **an annual** basis, prepare a report on the operation of this Act.

Suggested addition:

7.2.a (insertion): an assessment of the adequacy of the SA 2020 target, the SA 2050 target and the renewable energy target to prevent dangerous climate change, based on the most up-to-date information and recommendations from the scientific community

Mechanism to achieve the renewable energy target

While the renewable energy target is ambitious, there is nothing in the Bill to deliver it. The South Australian Government has consistently acknowledged the efficacy of the Federal MRET and called for it to be extended. The MRET worked because it created a guaranteed market for renewables and so allowed the industry to grow. A state-based MRET could do exactly the same thing. Victoria has now introduced its VRET. South Australia could join this scheme or design its own, incorporating the best from the Federal and State schemes, and others around the world.

Suggested addition:

13.1.a (insertion): a state-based Mandatory Renewable Energy Target scheme, to create certain markets for investors and deliver strong ongoing growth in renewable energy

If an MRET is not adopted, there needs to be an alternative mechanism to ensure the renewable energy is met.

Sector agreements

If sector agreements are to be voluntary, it is important to ensure that benefits arise from early action – and not from delaying tactics or even adverse action by entities seeking to achieve more generous emission allocations in the future.

This could be done by clearly outlining specific incentives for early action.

Alternatively (or additionally) it could be done by stating clearly that without sufficient progress, mandatory sectoral agreements will follow voluntary ones after the first annual review.

The Bill should state clearly that indemnity will not be provided for businesses or sectors who have increased their vulnerability as a result of insufficient action.

The Bill should require mandatory emissions reporting for businesses or sectors over a certain size or emissions intensity.

Interactions of the Bill with other legislation, plans and policies

The Bill is silent on this issue. To be effective, this Bill will need to have precedence, and other legislation, plans and policies must be amended for consistency. For example, the Development Act and the Roxby Downs Indenture Ratification Act should be amended such that all new projects or project expansions must achieve specified best practice energy efficiency standards. Additionally, projects expected to produce 500,000 tonnes of carbon dioxide/year or more should be subject to special assessment under this Act.

Targets in South Australia's Strategic Plan should also be reviewed for consistency with emission reductions targets, as currently there are some quite obvious areas of conflict, notably South Australia's growth trajectory.

Climate Change Council

Given how significantly the Council could determine the State's climate change response, it would be appropriate to include a requirement for each member to have demonstrated commitment to addressing climate change. This need not apply to the Chair, whose appointment should instead be based on demonstrated skills in the relevant functions of Chair.

The conservation community should be one of the sectors represented on the Council.

Suggested amendment:

9.2 The Council will consist of at least **6** members appointed by the Minister...

Suggested additions:

9.2.e: the conservation community

9.3 (insertion): Each member of the Council must have demonstrated a commitment to addressing climate change, except the individual selected as Chair, who should have demonstrated skills in this capacity.

Energy efficiency

Energy efficiency should be the cornerstone of emissions reduction programs. The role of energy efficiency should be made more explicit throughout the Bill and the Government should take a proactive approach by creating an energy efficiency fund.

Suggested addition:

Section 14 (insertion) – Energy Efficiency Fund

(1) The Minister may introduce an energy efficiency and demand management fund to stabilise and then reduce residential, industrial and government electricity consumption.

Voluntary offset programs

There are various reasons to approach carbon offset programs with caution. Without strict guidelines in place, offset programs can be more negative than positive. For example, in the case of biosequestration programs:

- Land that could otherwise be used for food or for ecological restoration projects can instead be turned into monoculture plantations of species that may not even be native to the area
- Such plantations can cause a range of environmental problems such as depletion of the water table, increased soil acidity, biodiversity loss and pesticide contamination¹
- Purchasing offsets can be seen as buying a license to pollute – programs can encourage *increased* energy use and consumption for those who can afford it (often already the biggest polluters), instead of encouraging *energy conservation*
- Offset programs can increase inequalities between rich and poor, for example when commercial offset companies from developed countries set up profit-driven operations in developing countries and local people are dispossessed
- Trees provide temporary carbon storage, and how much this amounts to is dependent on a number of factors. Plantations are not necessarily monitored, so there is no guarantee that the polluting activities in theory justified by the offsets are actually being offset.

However, there is the potential for the offset industry to achieve some positive biodiversity outcomes if it is properly regulated. The Act must not inadvertently facilitate some of the negative impacts described above. The Government could take a really positive step by using income from voluntary offsets to fund the expansion of WildCountry/NatureLinks corridors.

Suggested wording addition:

14.1 The Minister may take steps for the purpose of recognising, promoting or facilitating emission offset programs **that adhere to the provisions in subsection (3)** initiated on a voluntary basis.

Suggested addition:

14.3: Biosequestration offset schemes will only be eligible for registration under subsection (2) if they can demonstrate that:

- the vegetation planting provides positive biodiversity outcomes (ie, replicates the original composition of species in the area) and does not erode other existing natural resource assets
- plantings are monitored, with yearly reports on their carbon uptake capacity, and the offsets calculated accordingly

¹ <http://newint.org/features/2006/07/01/keynote/>