



Australian
Academy of
Science

24 November 2022

Independent Review of Australian Carbon Credit Units
by email: ACCUreview@dcceew.gov.au

Dear Independent Panel,

The Australian Academy of Science (the Academy) has become informed of [commentary](#) about the Academy's recent review of four methods for generating Australian carbon credits units.

As a matter of principle, the Academy has concerns about a tendency to "cherry-pick" scientific findings. We seek to respond to claims which involve misunderstanding, or a selective reading, of the report provided to you.

Claim 1:

Andrew Macintosh, an Australian National University Professor and former Chair of the government's emissions reduction assurance committee who warned much of the carbon market was a waste of taxpayer funds, said the report findings "support our position that the carbon market has significant integrity problems that are in need of urgent attention".

Response:

For Human Induced Regenerated (HIR), Avoided Deforestation (AD), and Landfill gas, we identified some issues which triggered the offsets integrity standards. For Carbon Capture and Storage (CCS), the only integrity standard triggered relates to the reliance on commercial-in-confidence information, whether it is clear and convincing evidence of genuine additional abatement.

Claim 2:

The report also recommended such projects [HIR projects] be limited to "areas with higher rainfall and showing clearer signals of human activity", findings in line with his group's views.

Response:

The full quote in the report is:

Separating the impact of management actions from natural variability or climate change remains challenging. It may be possible to address this issue of attribution by restricting new HIR projects to areas with higher rainfall and showing clearer signals of human activity. Alternative methods for generating ACCUs with a relatively clearer anthropogenic intervention could be made available to landholders in areas of lower rainfall.

There is a substantial difference between 'it may be possible' and 'could be made available', against 'we recommend...'. The report suggests an avenue to explore, not an explicit recommendation.

Claim 3:

Similarly, landfill operators were claiming credits for cutting methane emissions that were often already earning large-scale generation credits for electricity production.

“Some landfill operators have a baseline under 30%, carried over from previous government schemes as part of the newness provision that allows project transitions,” the study found. “This runs counter to principles of regulatory additionality.”

Response:

The quote from the report refers to regulatory additionality but is placed here in the context of financial additionality discussions. These are separate issues that have not been represented as such. The concern about projects with baselines under 30% is one of regulatory additionality and does not relate to electricity production revenue.

Claim 4:

The academy report also emphasised the need for the government to avoid rushing through legislation on the related safeguard mechanism for industry “before it can guarantee the integrity of the credits being used”, Hemming said.

Response:

The Academy was not commissioned to analyse proposed reforms to the safeguard mechanism. The report does not discuss the timing or merits of safeguard mechanism reform—or, indeed, at all. The only reference that might possibly relate to the safeguard mechanism is highly oblique:

A functioning, high integrity, transparent and scientifically robust carbon offsets scheme is central to Australia’s emerging climate policy architecture.

To discuss or clarify any aspect of this response, please contact Mr Chris Anderson, Director Science Policy at Chris.Anderson@science.org.au.

Yours sincerely,



Professor Helene Marsh AO FAA FTSE
Secretary Biological Sciences
Australian Academy of Science