



Community Climate Chest suspends GreenPower sales

Community Climate Chest is suspending sales of GreenPower temporarily in response to a lack of transparency surrounding the surrender of international emissions units by the federal government. This means that the environmental *additionality* of GreenPower cannot be assured.

International “additionality”

Since countries started committing to mandatory limits on their total emissions, they have generally quarantined the voluntary purchases of renewable energy and other offsets, from the government’s own emissions accounting. To not do so would mean that any purchases of GreenPower etc. would simply increase the amount of surplus credits which the government can then bank, thus reducing the need for greater efforts by that government to reduce domestic emissions in the future.

Up until 2013 the federal government surrendered international permits in response to voluntary purchasers of renewable energy under the National GreenPower program. However an investigation by the Voluntary Carbon Markets Association can find no record of surrenders since the coalition government came to power in late 2013.

Statements by the federal Department of the Environment indicate that the government is committed to ensuring the additionality of GreenPower sales, however despite various requests they have been unable to provide any evidence of recent cancellations or provide any detail on whatever other mechanism they may have in mind.

By contrast many other countries’ governments have schemes where international permits equating to estimated voluntary sales are set aside at the beginning of each year and any difference reconciled once actual figures are known. Currently Australian government surrenders are running at least 3 years behind, leading to the fear that a change in government policy could render voluntary action over the last 3 years as meaningless.

This has led to the concern that future GreenPower sales may have no overall environmental benefit but be simply reducing the need for other polluting entities within Australia to take appropriate action themselves.

While Community Climate Chest acknowledges that the GreenPower scheme is a legitimate method to increase the uptake of renewable energy in Australia, it believes that its own customers would also wish to know that their individual purchases will lead to a commensurate and direct reduction in global emissions. Community Climate Chest is therefore suspending GreenPower sales until such time as the government can provide evidence that such sales will lead to a such a reduction and not just a reduction in the need to enact a more robust national climate policy.

Community Climate Chest will continue to sell internationally sourced Verified Carbon Standard and Gold Standard offsets, and in place of locally based GreenPower will be introducing Australian Carbon Farming Initiative (CFI) units which are internationally “additional” as their surrender is outside of the Australian government’s own accounting scope.