



AUSTRALIA

SUBMISSION

SEPTEMBER 2024

Submission for Future Made in Australia (Guarantee of Origin) Bill 2024 [Provisions] and related bills

ABOUT WWF-AUSTRALIA

WWF is one of the world's largest and most experienced independent conservation organisations, with over 30 million supporters and a global network active in more than 100 countries. WWF-Australia is part of the WWF International Network and is one of Australia's most trusted conservation organisations. At WWF, we work to protect threatened species and habitats, meet the challenge of climate change, and build a world where people live in harmony with nature.

WWF-AUSTRALIA INTEREST IN FMIA AND GO LEGISLATION

WWF-Australia supports the global goal of reducing greenhouse gas (GHG) emissions to limit global warming to 1.5°C in line with the Paris Agreement. Our climate advocacy focuses on emission reduction targets, renewable energy, and emission reduction in the steel and construction sectors. We have a particular interest in the role of renewable hydrogen to lower emissions in steel production and in the development of onshore iron making industries in Australia. We see the development of an onshore iron industry as an ideal focus for *Future Made in Australia* (FMIA), and as essential for decarbonisation of the wider Indo-Pacific region. The iron ore sector is a critical income source for the Australian economy that needs to be proactively transitioned by the Federal Government and State Governments. Not doing so risks our economic security and disruption of long-term trading relationships with countries critical to our regional security.

A robust Guarantee of Origin (GO) certification scheme that certifies only the renewable energy and renewable components of products is an essential component of low-emissions market economy development. Accurate and transparent product certification is needed to build and maintain buyer and investor confidence, create demand for low emissions products, and to avoid greenwashing.

The Government must create legislation that is easily adapted to future low-emission products that may require GO certification. These include mined raw materials and processed mineral products. It should also be in line with national emission reduction targets.

COMMENTS ON FMIA GO BILL

- The scheme should be compulsory. Without this, the ability of this scheme to help Australia reach its emission reduction goals is limited.
- The scheme does not exclude products like hydrogen and ammonia produced from fossil gas. It merely states that fossil energy sources cannot be used. This is not in line with other Government initiatives such

as *Hydrogen Headstart*. Production of fossil hydrogen and ammonia is not compatible with meeting Australia's emission reduction goals. PGO certificates should specifically exclude fossil raw material.

- Carbon capture to mitigate fossil raw material use should also not be permitted at PGO facilities. Allowing both defeats the purpose of the GO in preventing greenwashing and giving consumers clear information on renewable products and energy.
- REGO & PGO certificates should be time matched. It is widely recognised that documentation such as Renewable Energy Certificates will probably be inadequate for future proof of origin applications. DCCEEW's own policy paper in the Guarantee of Origin Scheme (December 2022) acknowledges this: *"Requirements for time matched renewables (e.g., where renewable generation occurs in the same hour as the product production) is emerging internationally in certain regions and through some private corporate demand. The GO scheme does not require time matching to be demonstrated. However participants could voluntarily produce or source LGCs or REGOs that demonstrate this"*. The market will likely move quickly to demand the more accurate time-matched certification, and we understand early conversations with the EU markets are proving this to be true.
- WWF-Australia does not support classification of biomass and wood waste as a renewable energy source (regardless of its source).
- Full data transparency and public data publication should be a compulsory requirement of the GO Register.
- A compulsory system for ensuring that at least some compliance audits occur should be included. The penalties outline in Section 125 (6) do not seem to be enough to deter non-compliance.

RELEVANT WWF-AUSTRALIA POSITION DOCUMENTS

Our report on requirements for establishing a green iron industry in Australia:

https://assets.wwf.org.au/image/upload/f_pdf/file_WWF_Green_Iron_Report

Our report on Australia's emission reduction targets and how these compare to Paris Agreement pathways:

https://assets.wwf.org.au/image/upload/f_pdf/Climate-Resource-Updated_assessment_of_Australia_s_emission_reduction_targets_and_1.5C_pathways

Our NDC position statement has been attached separately for this submission

OUR VISION

WWF-Australia has a vision of Australia as a renewable energy superpower and has been an active leader, in the region and globally, on a transition to a thriving and resilient decarbonised world¹⁴. An economy driven by petroleum and raw material export alone will not allow us to realise this vision to transition to a regenerative economy where people live in harmony with nature. To be a renewable energy superpower and achieve our climate goals the transition must be:

1. A *fast* transition meets agreed-upon international targets for emissions reduction and positions Australia and our regional partners for a prosperous future in the net-zero economy¹⁵.
2. A *best* transition protects our planet's life support systems – we must deploy joint solutions to solve the energy, nature, and climate crises¹⁶.
3. A *just* transition incorporates equity for all people (including First Nations peoples) and benefit sharing for communities throughout and after the transition. Undertaking a 'just transition' of systemic change at scale "...depends on environmental and social policies being mutually reinforcing, not contradictory"¹⁷.



Working to sustain the natural world for the benefit of people and wildlife.

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