

Shayleen Thompson  
Climate Change Authority  
GPO Box 787  
Canberra ACT 2600

## **RE REVIEW OF THE CARBON FARMING INITIATIVE LEGISLATION AND THE EMISSIONS REDUCTION FUND**

Dear Shayleen,

The National Waste and Recycling Industry Council ([NWRIC](#)) welcomes the opportunity to provide feedback on the CFI and ERF review undertaken by the Climate Change Authority. The NWRIC acts as the industry's national policy setting body. Its core activity is to proactively engage with all of the industry's key stakeholders to promote solutions to the regulatory challenges facing the sector.

The members of the Council are; Alex Fraser Group, Cleanaway, J. J. Richards and Sons, Solo Resource Recovery, Sims Metal Management, Suez, Toxfree, Remondis, ResourceCo and Veolia. They have large investments in all aspects of waste management and recycling.

While the Council is a national body, it also works pro-actively with its 'state' Affiliates, which represent the interests of the industry at a state level. Through collective action, the Council and its State-based Affiliates form a network representing the industry Australia wide.<sup>1</sup> It is on behalf of these members that we respond.

### **RESPONSE TO THE CFI LEGISLATION AND ERF REVIEW**

Overall;

- ERF auction working well but there are concern over longer term funding if no market is created from the Safeguard Mechanism;
- Carbon Market Institute market initiative is encouraging;
- NGER reporting is working well for the waste industry;
- There are concerns over the current Emission Reduction Assurance Committee reviews, as the process is not clear, and new positions appear to be taken in respect to established methods.

Landfill gas combustion:

1. The Landfill gas combustion method is based on exceeding 'regulatory' requirements (based on an average across Australia).
2. The average regulatory environment hasn't changed over the past five years.
3. Further, landfill gas combustion infrastructure requires regular 'gas field' replacement.
4. As a result all current landfill gas projects should be extended to the maximum allowable under the Act OR *projects will be abandoned at the end of their current terms.*

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<sup>1</sup> NWRIC's state 'Affiliates' are; the Waste Recycling Industry Association of Queensland (WRIQ), the NSW Waste Contractors and Recyclers Association (WCRA), the Victorian Waste Management Association (VWMA), the Waste Recycling Industry Association of South Australia (WRI-SA) and the Waste Recycling Industry Association of WA (WRI-WA) and the Waste Recycling Industry Association of the Northern Territory (WRI-NT). They represent every Australian jurisdiction except Tasmania.

Soil Carbon:

- A simple soil carbon method is needed for 'compost application to agriculture' to initiate wider compost use as the current method leaves too much risk with the farmer;
- This is being considered by the Department but concerns over technical references and additionality are delaying a decision.

Other Methods:

- Organic waste diversion is difficult to apply as benefits need to be directed at the processor (compost or anaerobic facility operator) not the 'divertor';
- The energy from waste method needs finalisation;
- No attempt is being made to reward new recycling initiatives to capture more embodied energy and reduce electricity generation.

For further information, please contact me.

Sincerely,

Max Spedding,  
CEO, NWRIC  
0400 880 677  
[ceo@nwrlic.com.au](mailto:ceo@nwrlic.com.au)