



THE HON ANGUS TAYLOR MP
MINISTER FOR ENERGY AND EMISSIONS REDUCTION

MS21-002022

07 FEB 2022

Mr Grant King
Chair
Climate Change Authority
GPO Box 2013
CANBERRA ACT 2601

Dear Mr King *Grant*

Please find attached an instrument requesting the Climate Change Authority to undertake a special review under Section 59 of the *Climate Change Authority Act 2011*.

Yours sincerely

A handwritten signature in cursive script that reads 'Angus Taylor'.

ANGUS TAYLOR

Enc



Climate Change Authority (Offset Assessment Principles) Instrument 2022

I, Angus Taylor, Minister for Industry, Energy and Emissions Reduction, acting under subsection 59(1) of the *Climate Change Authority Act 2011* (the Act), request the Authority to conduct a review of the following matters to the extent to which they relate to the use of offsets related to carbon abatement outside Australia under Climate Active and/or the creation or use of offsets as part of the Indo-Pacific Carbon Offset Scheme (IPCOS) in the context of the Paris Agreement (including recent outcomes from Glasgow and the finalised Article 6 Rulebook):

- (a) the most important criteria for accepting emissions offsets for use in Climate Active and as part of IPCOS, including considering emissions offset claims from within and across different carbon accounting frameworks; and
- (b) what are leading practice approaches for taking into account non-carbon benefits and avoiding adverse impacts; and
- (c) potential differences in criteria relating to the use of those offsets under Climate Active, as part of IPCOS or for other purposes; and
- (d) whether the criteria can or should be applied at a scheme level, by classes of units or project types or individual projects; and
- (e) to what extent the vintage of units (such as relating to abatement, project registration or issuance) should be relevant to the use of those offsets; and
- (f) which offsets could be eligible for use under Climate Active at the present time.

Receipt of the report under paragraph 60(1)(b) of the Act by 30 June 2022 would assist in the review of Climate Active and development of IPCOS.

Dated 7/2/22

Angus Taylor
Minister for Industry, Energy and Emissions Reduction