



FEEDBACK ON NATIONAL CARBON OFFSET STANDARDS:

The Council of Capital City Lord Mayors (CCCLM) appreciates the opportunity to provide feedback on the National Carbon Offset Standards.

The CCCLM represents the interests of the Lord Mayors (and ACT Chief Minister) of Australia's eight capital cities. Together, the capital cities account for over two-thirds of Australia's population and economy. The latest ABS population projections forecast an increased concentration with 5.5 million of the additional 7 million persons expected by 2031 to live in capital cities.

Overview

CCCLM believes that the proposed National Carbon Offset Standards (NCOS) for buildings are broadly consistent with the existing NCOS for organisations and products and services.

The draft standards provide an appropriate level of flexibility for application in different scenarios, e.g. carbon neutral certification of a whole building or base building operations only, and for precincts of varying sizes. In addition, the draft standards provide appropriate guidance on carbon accounting for building and precincts.

CCCLM does not have any concerns with the draft standards and supports the proposed role for the NABERS energy rating administrator and Green Building Council of Australia in the administration of carbon neutral certification for buildings, noting that processes will need to be in place to ensure consistency in decision making across the different certification bodies.

CCCLM also notes specific guidance in the standards on how to account for renewable energy and energy efficiency schemes and is supportive of treatments that avoid double counting of carbon emission reduction impacts. The avoidance of double counting is important to maintaining the integrity of carbon neutral claims.

CCCLM supports that both draft standards:

- Use the carbon accounting principles of relevance, completeness, consistency, transparency and accuracy.
- Apply to operational emissions, and that embodied emissions are not considered in this version of the Standard.
- Require an emissions reduction strategy to be developed and maintained by the building/precinct claiming carbon neutrality.
- Emphasise the need to reduce emissions where possible prior to offsetting.
- Refer to the carbon offsets integrity principles, which require a carbon offset to be: additional, permanent, measurable, transparent, address leakage, independently audited and registered. These principles are consistent with international best practice and ensure that offset units represent real and actual emission reductions.
- Require an annual report to be made publicly available to communicate progress on emission reduction activities and offsetting against a carbon neutral claim.

CCCLM recommends that both draft Standards are transparent and consistent with international best practice by including the full list of greenhouse gases under the Kyoto Protocol. Any exclusion (i.e. Nitrogen Trifluoride) should be justified.

Specific Comments on the draft National Carbon Offset Standard for Precincts:

CCCLM recommends that:

- The Global Protocol for Community-Scale Greenhouse Gas Emission Inventories definition of a city is included to differentiate precincts from cities.
- Consistent standards and definitions are applied for all Scope 1, 2 and 3 emissions based on a geographical boundary approach.
- The materiality threshold for precincts should be reviewed and tested to ensure that it is appropriate for the reality of data availability in precincts.
- The audit standard 'ASAE 3410: Assurance Engagements on Greenhouse Gas Statements' be included in the list provided in the draft Standard.
- The draft Standard considers whether the self-declaration of carbon neutrality for a precinct carbon account is appropriate.

Specific Comments on the draft National Carbon Offset Standard for Buildings:

CCCLM supports that the draft Standard:

- Allows for three certification pathways through which a building can achieve certification, two of which are existing schemes that the property sector is familiar with.
- Provides the option for a carbon neutral claim to be made for either a base building or whole building's operations.
- Lists compulsory emission sources to be included in a building's carbon account.

CCCLM recommends that the level of scrutiny required to meet the requirements of the draft standard be made consistent, irrespective of what certification method is used.

CCCLM would welcome the opportunity to discuss the feedback outlined in this response in greater detail.

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Yours sincerely

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