

---

# AUSTRALIAN INDUSTRY GREENHOUSE NETWORK



## ANNUAL REPORT 2017-2018

**Australian Industry Greenhouse Network Ltd**

PO Box 4622, Kingston ACT 2604

T +61 2 6295 2166 |

E [admin@aign.net.au](mailto:admin@aign.net.au) | W [www.aign.net.au](http://www.aign.net.au)

---



## CONTENTS

<b>1. INTRODUCTION .....</b>	<b>1</b>
<b>2. A YEAR IN REVIEW .....</b>	<b>1</b>
2.1 POLICY .....	1
2.2 NATIONAL ENERGY GUARANTEE .....	2
2.3 SAFEGUARD MECHANISM AMENDMENTS.....	2
2.4 RENEWABLE ENERGY TARGET SCHEME AMENDMENTS.....	3
2.5 VICTORIAN GOVERNMENT INTERIM TARGETS.....	3
<b>3. INTERNATIONAL MEETINGS AND POLICY.....</b>	<b>3</b>
3.1 OVERVIEW .....	3
3.2 PROGRESS ON THE PARIS AGREEMENT AT COP23 .....	3
3.3 PROGRESSING THE PARIS RULEBOOK AT COP24.....	4
<b>4. AIGN NETWORK MEETINGS.....</b>	<b>5</b>
<b>5. POLICY SUBMISSIONS AND PRESENTATIONS.....</b>	<b>5</b>
<b>6. AIGN CLIMATE CHANGE POLICY PRINCIPLES .....</b>	<b>7</b>
<b>7. OPERATING MODEL.....</b>	<b>9</b>
7.1 OBJECTIVES .....	9
7.2 AIGN SECRETARIAT .....	9
<b>8. MEMBERSHIP .....</b>	<b>9</b>
<b>9. AIGN BOARD .....</b>	<b>10</b>
<b>10. FINANCIALS.....</b>	<b>11</b>



## Chair's Report

In what has been an eventful year, AIGN remained a steadfast voice for reasoned and stable climate change and energy policy. AIGN and its members continue to play a valuable role in facilitating sensible discussion and collaborating effectively with government and other key stakeholders.

AIGN stands apart as a unique community of highly skilled and experienced individuals due to our engaged membership, which brings together their collective ideas and expertise to promote the development of sensible international, national and local climate policy.

The monthly network meetings continue to play a valuable role in providing AIGN members a Chatham House forum to engage with a wide variety of stakeholders, including government officials and selected experts on the development and implementation of Australia's climate policy suite.

In March, AIGN successfully advocated for a number of improvements to the legislation underpinning the Emissions Reduction Fund Safeguard Mechanism to ensure that it more appropriately reflects the policy intent of the Safeguard Mechanism, and does not simply become a tax on growth. These improvements will go a long way towards achieving the dual goals of maintaining economic prosperity whilst providing a marginal abatement incentive to manage emissions.

### International Developments

Following the adoption and ratification of the Paris Agreement in 2015 and 2016 respectively, Parties to the United Nations Framework Convention on Climate Change (UNFCCC) continue the work begun last year, of developing the Paris rule book that will operationalise this landmark agreement to limit global temperature increases to well below 2° Celsius above pre-industrial levels, and to pursue efforts to limit temperature increases even further to 1.5° Celsius.

A growing focus on implementation of the Paris Agreement and the potential for the private sector to participate in a global market mechanism are beginning to influence the relevance of UNFCCC activity to our membership.

AIGN increased its participation in the international climate policy development through stronger relationships and deeper discussions of key issues with Australian delegates, greater involvement with international business and industry representatives, and closer shadowing of the international negotiations. To this end, AIGN was represented at both the 2017 end-of-year negotiations and an intersessional negotiation in September 2018. Both meetings were important in distinctive ways. At those meetings, AIGN was able to work collaboratively with the Australian delegation, stressing the importance of deep liquid carbon market, underpinned by practical and robust rules, to drive lowest cost carbon abatement.



As we look ahead to COP24 in Katowice, Poland, at the end of 2018, and the complex issues around finance and markets that must be resolved to finalise the Paris rulebook, AIGN will remain at the forefront of international developments and working with colleagues from across the globe in our joint endeavour to support Party delegates in their ambitious, and necessary, work.

### **Domestic Policy**

Despite the busy year of climate policy development, overall progress toward the much-needed efficient and enduring policy framework Australian businesses are looking for has been lamentably slow.

The biggest setback, of course, has been the relinquishment of the emissions obligation element of the National Energy Guarantee. It is regrettable that a policy that looked to have achieved bipartisan political, and widespread stakeholder, support, had to be put aside. With the approach of the year 2020, the Renewable Energy Target policy will soon enter its maintenance phase, it is unclear if the Emissions Reduction Fund will be replenished, and the long-term future of its associated Safeguard Mechanism may be affected by the fate – whatever it will be – of the ERF itself.

In the midst of such changeable policy, which has been a feature of the climate and energy debate in Australia for over a decade, AIGN's climate change policy principles continue to provide an enduring framework for engagement with key stakeholders. AIGN will continue to advocate for a strategic, bipartisan national approach to addressing climate change that provides the institutional stability necessary to encourage long-term investment in abatement, and that maintains the competitiveness of Australian export- and import-competing industries.

As a result of the 2017 review of climate change policies, amendments were proposed to two key policies: the RET and the Safeguard Mechanism. These took the form of adjusting administrative elements to clarify and/or simplify the achievement of their policy objectives, and updating relevant underpinning data. AIGN and members engaged in these detailed discussions productively.

AIGN has continued to cultivate constructive relationships with key departments and agencies, with whom we have engaged on issues ranging from policy principles to detailed elements of the Emissions Reduction Fund safeguard mechanism, the Renewable Energy Target and the National Greenhouse and Energy Reporting Scheme.

We have also reached out to State and Territory Governments; our aim is to promote a streamlined, national approach to climate change policy, and discourage state-level initiatives that duplicate Commonwealth Government policy and are inconsistent across state borders. This is particularly important when it comes to climate mitigation policies. AIGN does, however, support the states taking a leadership role in developing and deploying adaptation measures.



## Looking Ahead

In the year to come, AIGN will continue to engage closely with relevant officials as work on the Paris rulebook continues, with technical details expected to be addressed in a work program after COP24 – where, it is hoped, Parties will succeed in agreeing to a broad framework for the rulebook.

The delivery of Australia's commitments under the Paris Agreement will, clearly, shape domestic policy discussions. The gap left by the proposed National Energy Guarantee, and the increasing ambition of Australia's emissions reduction targets beyond 2020, require a concerted effort by politicians, officials and stakeholders to enable Australia to meet its Paris obligations and maintain a healthy economy. AIGN will continue to partner with our members as this task is addressed.

## Acknowledgements and Appreciation

First and foremost, the active involvement of AIGN members is, as ever, greatly appreciated; let us continue on in this manner, making an articulate and insightful contribution in bringing a broader industry perspective to climate change policy as it is developed and implemented.

I would like to thank State and Federal Government officials for their willingness to engage openly and often with AIGN. We thank, in particular, the Department of the Environment and Energy, the Department of Foreign Affairs and Trade, the Clean Energy Regulator, and the Climate Change Authority.

I would also like to gratefully acknowledge the work of the AIGN Secretariat in providing a depth of expertise and information to their services.

And so, I join with AIGN members in looking forward in anticipation of what the next year will bring. My sincere thanks to all who support and contribute to make AIGN the respected organisation it has been for so many years.

**Damian Dwyer**

**Chair, Australian Industry Greenhouse Network**

## 1. Introduction

The Australian Industry Greenhouse Network Limited (AIGN) is a network of industry associations and corporations which contribute to the climate change policy debate and see value in joint industry action on climate change policy issues in order to promote sustainable industry development.

AIGN seeks to promote the development of Australia's natural resources, manufacturing and industrial resources by:

- providing information, advice and a forum for the analysis and formulation of public policy;
- consulting with government and other opinion leaders on the adoption of a principled national and international greenhouse policy framework within which effective, equitable, efficient and appropriate domestic greenhouse gas abatement actions are developed and implemented, consistent with sustainable development; and
- contributing to the international climate change debate including through participation in international climate change meetings and events.

AIGN is an active contributor to industry-government consultation and routinely attends the United Nations Framework Convention on Climate Change (UNFCCC) negotiations.

AIGN provides focused research and information service for its members, issuing updates on policy,

government policy submissions and research publications on relevant climate change issues.

Key to AIGN's success are the monthly network meetings, which facilitate policy discussions and information sharing between members and invited government representatives and other subject matter experts.

## 2. A year in review

Climate change and energy policy has once again been at the forefront of public discussion in 2017-18. The development of amendments to the Safeguard Mechanism has contributed to a productive and demanding year for the AIGN secretariat and members.

Largely, it has been an unsettled year in the climate and energy policy. Developments over the year showcased the disparity of views around climate change and energy policies in Australia.

In this politically challenging and evolving policy environment AIGN has an important role to play, by representing members and providing a forum to offer consolidated industry views to Government, as well as keeping members abreast of potential changes and implications – particularly in regard to trade competitiveness issues.

### 2.1 Policy

AIGN maintained its strong tradition of networking with members, governments and other key stakeholders to provide a reasoned and informed voice for industry in the development and implementation of climate change policy.

AIGN advocates for sensible policy, which promotes economic growth and is underpinned by the principles of sustainable development. AIGN's policy principles (see Section 6) form the basis of this engagement.

While the network's primary focus is on national policy, the evolution of state-level climate change policies continues to draw focus. The strength of AIGN's internal networking comes to the fore in this area, with members providing valuable insight into state policy. Duplication of mitigation and reporting policy at a subnational level introduces unnecessary red tape and adds to the cost of doing business in Australia. AIGN continues to advocate for stable and streamlined national policy to address climate change mitigation and reporting.

International climate change policy is seen as an increasingly important priority for several reasons: politics evinces an enduring bipartisan preference for aligning Australia's international commitments with domestic emissions reduction targets; furthermore, the subtle shift within the negotiations to design and implementation suggests a deepening value for close stakeholder engagement with the international process – particularly in light of the former observation. Only through access to deep liquid international carbon markets can Australian businesses access lowest cost carbon abatement.

## 2.2 National Energy Guarantee

The Energy Security Board (ESB) led the process for designing a National Energy Guarantee (NEG) covering the eastern states via amendments to the laws establishing and regulating the National Electricity Market (NEM).

AIGN and members participated actively in the consultation process, including meeting with

members of the ESB, engaging with the Department and providing written submissions where appropriate. AIGN advocated for various design elements, including provisions to address competitiveness issues for trade-exposed industry, flexibility to nominate preferred participation models for large users, as well as sensible and cost-effective administrative arrangements.

The NEG represented the first time that a policy was being designed to address energy and emissions priorities simultaneously – a logical approach supported by AIGN members. However, the removal of the emissions requirement from the NEG and the ensuing uncertainty about the direction of energy policy more generally, have left a gap that has not yet been replaced with a comparable alternative.

AIGN will continue to promote a return to policy stability and an approach to climate policy in line with our principles.

## 2.3 Safeguard Mechanism Amendments

As a result of the 2017 review of climate change policies, the Department initiated a consultation process on amendments to the Safeguard Rule; these amendments update baselines and simplify some administrative elements of the mechanism.

AIGN hosted detailed and constructive engagement sessions for its members on the proposed amendments with the Department of the Environment and Energy and the Clean Energy Regulator. AIGN recognises the Government's intent to bring baselines up-to-date with current data and provide flexibility to sensibly implement this policy.

## 2.4 Renewable Energy Target Scheme Amendments

Similar to the safeguard mechanism amendments, the work undertaken on the Renewable Energy Target (RET) Scheme was administrative in nature, aligning exemptions for trade-exposed industry with electricity use. Given their technical nature, AIGN worked in close consultation with members to support their engagement with departmental and regulatory officials on the detail of these amendments.

## 2.5 Victorian Government Interim Targets

The Victorian Climate Change Minister appointed an independent expert panel to provide advice on the first two sets of interim emissions reduction targets (2020-25, 2026-30) required by its *Climate Change Act 2017*. AIGN's contribution to the consultation process focused on the need to make room for national climate policy to achieve its objectives, the risks of over-legislation, and the negative impact on investment that can result from layers of mitigation policy and associated administrative costs. AIGN emphasised the crucial role state and local governments have to play in the climate change adaptation space.

# 3. International Meetings and Policy

## 3.1 Overview

The [United Nations Framework Convention on Climate Change](#) (UNFCCC) facilitates the development and implementation of common action across the international community to address climate change.

A long-term, universal climate agreement based on common and transparent commitments across member parties will encourage industry to make the appropriate investment in transitioning to a low net carbon environment.

Typically, international commitments have been faithfully reflected in domestic policy. AIGN's involvement in international negotiations is long-standing and crucial in ensuring the interests of Australian businesses are represented in this space.

## 3.2 Progress on the Paris Agreement at COP23

The adoption of the Paris Agreement saw widespread global commitment to the objectives of limiting global temperature increases to well below 2 degrees Celsius above pre-industrial levels, and pursuing efforts to limit temperature increases even further to 1.5 degrees Celsius. The priority of the Parties is to agree to a rulebook to implement the Paris Agreement at the upcoming COP in Katowice, Poland (December 2018).

As is custom, the AIGN secretariat had a presence at the UNFCCC's Conference of the Parties, meeting for the twenty-third time (i.e. COP23) in November 2017 in Bonn, Germany, under the Presidency of Fiji. The meeting was in keeping with the previous COP in Marrakech in its tone, being a procedural rather than a political affair. Nevertheless, the US Administration's announcement of its intention to leave the Paris Agreement was a pervasive influence that influenced, in some measure, many of the major themes addressed (e.g. sources of adaptation finance for developing countries).

The Australian Minister for the Environment and Energy, the Hon Josh Frydenberg MP, attended the

ministerial meetings on behalf of the Australian Government, and attended a side event to talk about the Government's climate change policy (including, at the time, the ERF, safeguard mechanism, National Energy Guarantee, and multilateral work on blue carbon).

Non-State actors from industry, local governments, the finance sector and cities were once more in prominent attendance, reflecting the increasing recognition that reducing emissions requires a response across all levels of society.

In Bonn, Parties continued to discuss critical issues requiring resolution to complete the Paris rulebook. Finance remains a key theme, and discussions around establishing a market mechanism have shed light on a range of views and preferences that will need to be reconciled for a workable mechanism to be created.

AIGN deepened its engagement with the international business and industry community, attended side events, and engaged with the Australian Government delegation.

AIGN also attended SB48.2 – a meeting of the subsidiary bodies to the UNFCCC (what is known as an intersessional meeting) in Bangkok, in September 2018. Intersessional meetings are usually held exclusively in Bonn (UNFCCC headquarters) around the middle of each year – this additional meeting in Bangkok was agreed upon due to the amount of work Parties wished to finalise in the lead-up to COP24.

Without the large schedule of side events and lower attendance numbers, the level and quality of engagement with the negotiators, the Australian delegation and the international business community was very high.

While Party delegates participated in good faith and showed great willingness to bridge differences, a number of crucial issues remain on the table and will most likely require decisions at the ministerial level at COP24 in Katowice. Overall, AIGN found attendance at this meeting to be beneficial.

### 3.3 Progressing the Paris Rulebook at COP24

Looking ahead, COP24 (Katowice, Poland) will focus on reviewing the latest state of the science, as well as the nature of commitments made by signatories to the Paris Agreement. Importantly, the rule book is set to be finalised at this meeting.

As countries develop policies to meet their targets, there are further differences emerging in their approaches and the costs imposed on domestic business. These differences will be critical in determining possible impacts on Australian businesses and ultimately policy to address trade exposed businesses.

Issues around trade competitiveness remain valid in any future policy development in Australia, and must be addressed to minimise differences in the facility-level costs of climate change policies.

It will be critical to develop and implement measures to ensure the integrity of nationally determined contributions. Of particular importance is the ability of countries to monitor, review and verify the impact of climate change policies. As such, the details of the rule book will be of great interest to members.

## 4. AIGN Network Meetings

AIGN's monthly network meetings continue to facilitate valuable exchanges among members and with key public and private sector stakeholders. These meetings provide opportunities to develop robust and thoughtful positions on common issues. In addition to valuable internal discussion, AIGN hosted a diverse program of invited guests over the past 12 months covering a wide variety of issues:

- Energy Policy
  - National Energy Guarantee
  - Renewable Energy Target amendments to exemption arrangements
  - Australian Alliance for Energy Productivity (A2EP)
- Climate Change Mitigation
  - 2017 Climate Change Review outcomes
  - Safeguard mechanism amendments
  - ALP's climate policy
  - Victorian Government interim emissions reduction targets review
  - Climate change scenarios joint project by CSIRO, ClimateWorks and Ernst & Young
  - Updates on Australian carbon market
- Emissions Reporting
  - National Greenhouse and Energy Reporting System review of guidance material
  - National Greenhouse Gas Inventory update
  - Auditing requirements for climate policies
- International
  - United Nations Framework Convention on Climate Change – Paris Rulebook
  - Taskforce on Climate-Related Financial Disclosures
  - European Union climate change policy update
  - New Zealand climate change policy update
  - United Kingdom climate change policy update
  - United States climate change policy update

## 5. Policy Submissions and Presentations

Public and corporate interest in climate change and energy policy issues reflects the social and economic importance of this policy area. This interest has generated many forums, gathering policy makers, regulators, thought leaders and affected entities to discuss common issues. AIGN secretariat and members were lead contributors to many of these over the course of the year.

AIGN's website, which has been recently updated, provides members and other stakeholders with access to key publications and further information about AIGN.

### AIGN Submissions (2017-18)

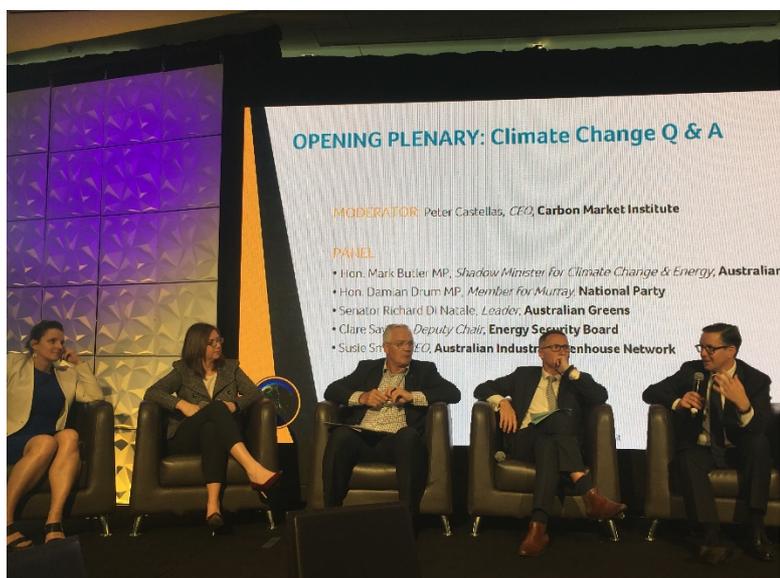
- AIGN SGM (Sept 2018)
- AIGN CCA NGERS Review (Sept 2018)
- AIGN NPI Review (Aug 2018)
- AIGN NEG ESB (Jul 2018)
- AIGN Victorian Interim Targets (May 2018)
- AIGN SGM (Mar 2018)
- AIGN RET EITE Amendments (Sept 2017)
- AIGN Climate Change Review (Mar 2017)

In addition to formal submissions on relevant climate change and energy policy, AIGN engaged in a number of public forums, either directly as a presenter / panellist or as a member of a roundtable session.

Media and public speaking engagements in 2017-18 included:

- Footprint news, media (Jul 2018)
- Crawford Masters Course: Business sector and climate policy, presentation (May 2018)
- CMI: 5th Australasian Emissions Reduction Summit, panellist (May 2018)
- ANU Climate Change Institute: Paul Hawken, roundtable (Feb 2018)
- SA Premier’s Climate Change Council, roundtable (Feb 2018)
- ATSE: Energy policy workshop, presentation (Nov 2017)
- COAG: Energy council meeting, roundtable (Nov 2017)
- SA Climate Change and Energy, roundtable (Nov 2017)
- Victorian Environment and Climate Change: Emissions reduction targets, roundtable (Nov 2017)
- CER: RET draft amendment, teleconference (Nov 2017)
- UNFCCC: COP 23, delegate (Nov 2017)
- DFAT: Australia’s priorities in international climate policy, roundtable (Oct 2017)
- APPEA: HSE Conference, presentation (Oct 2017)
- EU: Lead negotiator Jacob Werksman, roundtable (Oct 2017)
- UK: Climate change envoy, roundtable (Oct 2017)
- IGCC: Climate change investment and finance, panellist (Oct 2017)
- ANU Centre for Climate Economics and Policy: EU climate and electricity policy, roundtable (Sept 2017)
- AIGN: CIE/CM Group competitiveness report, departmental presentations (Aug 2017)

**Figure: Courtesy of Carbon Market Institute, Opening plenary at the 5th Australasian Emissions Reductions Summit, Melbourne,**



## 6. AIGN Climate Change Policy Principles

AIGN's climate change policy principles establish a framework for Australian policy development. In summary, these principles envisage a global agreement that imposes costs on the Australian community that are comparable to the costs expected to be borne in countries with similar wealth. In the domestic context, the principles envisage Australian policy measures that:

- are national
- are developed and implemented transparently to engender community support
- are stable, predictable and avoid complexity to help minimise investment uncertainty
- establish a long-term price signal across the whole economy
- do not expose Australian export- and import-competing industry to costs not faced by these industries in other countries
- promote public and private investment in first-of-a-kind low emission technologies
- do not discriminate against early movers and new entrants, and
- encourage the community to invest in adaptation strategies.

Adopting policies that meet these principles should deliver least-cost, environmentally-effective and equitable outcomes for Australia.

### AIGN Climate Change Policy Principles

Australia should make an equitable contribution, in accordance with its differentiated responsibilities and respective capability, to global action to reduce greenhouse gas emissions and to adapt to impacts of climate change.

Australia should engage the international community in pursuing identified and beneficial environmental outcomes through greenhouse gas emissions reduction action that:

- allows for differentiated national approaches;
- promotes international cooperation;
- minimises the costs and distributes the burden equitably across the international community;
- is comprehensive in its coverage of countries, greenhouse gases, sources and sinks;
- recognises the economic and social circumstances and aspirations of all societies; and
- is underpinned by streamlined, efficient and effective administrative, reporting and compliance arrangements.

In this global context, Australia should develop a strategic national approach to responding to climate change that:

- is consistent with the principles of sustainable development and other national policies, including economic growth, population growth, international trade, energy supply and demand, and environmental and social responsibility;
- takes a long-term perspective;
- maintains the competitiveness of Australian export and import-competing industries;
- distributes the cost-burden equitably across the community;
- adopts a consultative approach to the development of new policies; and
- is consistent and effectively coordinated across all jurisdictions throughout Australia.

Australia's future greenhouse policy measures should:

- be consistent with the strategic national approach;
- be trade and investment-neutral, in a way that does not expose Australian industry to costs its competitors do not face;
- not discriminate against new entrants to Australian industry, nor disadvantage 'early movers' in Australian industry who have previously implemented greenhouse gas abatement measures;
- take account of the differing sectoral circumstances;
- be based as far as is practicable on market measures;
- address all greenhouse gases, emission sources and sinks; and
- balance, in a cost-effective way, abatement and adaptation strategies, both of which should be based on sound science and risk management.

Australia's contribution to the global climate change effort as set out here reflects the principle in Article 3.1 of the United Nations Framework Convention on Climate Change. Differentiated responsibilities and respective capabilities could take account of such matters as a country's economic growth and structure, population growth, energy production and use, etc

## 7. Operating model

### 7.1 Objectives

The objectives of AIGN are to promote the development of Australia's natural resources, manufacturing and industrial resources. This is achieved through:

- Consultation with government and other opinion leaders on the adoption of a principled national and international greenhouse policy framework within which effective, equitable, efficient and appropriate domestic greenhouse gas abatement actions are developed and implemented, consistent with sustainable development;
- Provision of information, advice and a forum for developing analysis and participation in the process of public policymaking on the climate change issue; and
- Contribution to the international climate change debate, including through participation in international climate change meetings and events.

### 7.2 AIGN Secretariat

AIGN's small fit for purpose secretariat operate via a virtual office, utilising technology for day-to-day communications. This model optimises operational costs, whilst maintaining member benefits of

monthly Canberra network meetings and AIGN website.

Secretariat staff for this reporting period, 1 July 2017 to 30 June 2018 include **Susie Smith**, *Chief Executive* (0.5 FTE); **Marion Niederkofler**, *Senior Policy Advisor* (0.4 FTE); and Angela Gray, *Business Manager and Company Secretary duties* (0.8 FTE).

## 8. Membership

Membership fees in 2017-18 were:

- Association membership: \$21,400 (excluding GST)
- Corporate membership: \$10,700 (excluding GST)

In accordance with the AIGN constitutional requirements (Clause 11), members are required to provide notice of membership resignation prior to the commencement of the next financial year.

*Clause 11 of AIGN's constitution states that: "A member may at any time, by giving notice in writing to the Secretary, resign as a member. The resignation will be effective three (3) months from the date of receipt of the notice by the Secretary. A member so resigning shall be liable for payment of the subscription fee for the financial year in which the resignation becomes effective. When the resignation of a member becomes effective, that member's name must be removed from the register."*

## 9. AIGN Board

In accordance with section 30 of the AIGN Constitution, AIGN’s Board of Directors is elected in general meeting.

In managing the Company, the Board will determine an annual business plan and in executing that plan make decisions on the management of the Company pursuant to and consistent with the policy framework and strategic agenda as determined by the general meeting(s) of the Company is responsible for the company’s business planning and operational oversight.

Business transacted and decisions made by the Board during 2017-18 have been communicated to members through its Network meetings and regular communications.

In 2017-18 AIGN report nil workplace incidents or near misses.

### AIGN Directors (1 July 2017 to 30 June 2018)

NAME	BOARD TENURE	BOARD MEETINGS						
		A	S	O	D	F	A	J
<b>Paul Barrett</b> <i>Chief Executive Officer</i> Australian Institute of Petroleum Ltd	Appointed: February 2015 Elected: October 2015 Re-elected: October 2017			●	●	●	●	●
<b>Damian Dwyer</b> BEc, Grad Dip Pub Ec Pol <i>Director, Economics</i> Australian Petroleum Production & Exploration Association	Elected: October 2011 Re-elected: October 2013, 15, and 16	●	●	●	●	●	●	●
<b>Charmaine (Tzila) Katzel</b> BSc, MSc, MPhil <i>Director, Policy, Environment &amp; Community Affairs</i> BP Australia	Elected: October 2016		●			●	●	
<b>Margie Thomson</b> BAgEcon, MEcon <i>Chief Executive</i> Cement Industry Federation Ltd	Appointed: March 2017 Elected: October 2017 Previous terms: October 2010 to 12	●	●	●	●	●	●	
<b>John Torkington</b> BAppSci <i>Manager, Climate Change Team</i> Chevron Australia Pty Ltd	Appointed: May 2007 Re-elected: October 2007, 09, 11, 13, 15, and 17				●	●	●	●
<b>Graham Winkelman</b> PhD Materials Eng <i>Practice Lead Climate Change</i> BHP Billiton Ltd	Appointed: January 2017 Elected: October 2017			●	●	●	●	●

*\*Directors may serve a two-year term on the Board. Directors are eligible to re-nominate via election at AIGN General Meeting.*

## 10. Financials

The financial statements, which accompany this report, confirm AIGN's continued sound financial position at the end of the reporting year. AIGN retains its commitment to providing members with a highly efficient, low cost network service. Operating costs have been reduced through closure of the Canberra office and rationalisation of administration and meeting costs.

AIGN's balance sheet at 30 June 2018 shows a figure of \$134,914 in retained earnings. The Board has justified the retention of this amount to use for two specific purposes, namely:

- to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due; and
- to provide sufficient funds to meet foreseen and unforeseen expenses in the unlikely event that the organisation is wound up.

The budget for 2018–19 was approved by the Board in June 2018. It predicts a net neutral budget at the end of this financial year. This is based on membership remaining stable and no changes to secretariat arrangements (resourcing and virtual office).

### AIGN Members at 30 June 2018

#### *ASSOCIATION MEMBERS*

---

Australian Aluminium Council  
Australian Forest Products Association  
Australian Industry Group  
Australian Institute of Petroleum  
Australian Petroleum Production & Exploration Association  
Cement Industry Federation  
Minerals Council of Australia

#### *CORPORATE MEMBERS*

---

BHP Billiton Ltd  
BlueScope Steel  
BP Australia Ltd  
Caltex Australia  
Chevron Australia Pty Ltd  
CSR Ltd  
Dampier Bunbury Pipeline  
Engie Australia  
ExxonMobil Australia  
Glencore Pty Ltd  
Incitec Pivot Ltd  
Origin Energy Ltd  
Rio Tinto Australia Ltd  
Santos Ltd  
Shell Australia Ltd  
Wilmar Sugar Australia Limited  
Woodside Petroleum Ltd