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**AIGN Feedback to the Department of Climate  
Change, Energy, the Environment & Water on the  
Carbon Leakage Review  
Consultation Paper**

**December 2023**

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## 1 SUMMARY

The Australian Industry Greenhouse Network (AIGN) welcomes the opportunity to provide a submission to the Department and the Carbon Leakage Review team for consideration during the early stages of the Carbon Leakage Review.

- AIGN supports the Government's commitment to the Paris Agreement and to meeting its goals, recognising the need for increasing ambition to keep the 1.5°C warming goal within reach and to achieve net-zero emissions by mid-century.

### Timing and volume of work concerns

- AIGN has concerns about the overwhelming amount of policy development and implementation the Government has planned for 2023/24. This concern extends well beyond the work of the Carbon Leakage Review, although it is certainly included.
- The rapid and voluminous schedule of work creates a higher risk of policy misalignment and unintended consequences. Assessing carbon leakage risk in the context of this fluid policy landscape will also be challenging for the Government.
- These points have been made by AIGN in other relevant consultation processes. AIGN recommends a single, central responsible agency be tasked with drawing together the many streams of work to ensure consistency, orderly sequencing and sufficient capacity to develop good policy. This may include deferral of some policy processes, to allow time for considered feedback and consideration of policy in the context of other current and emerging policies.

### Defining carbon leakage

- Carbon leakage is complex and nuanced, and must be examined within the broader trade, economic and global climate settings in which it is occurring.
- AIGN agrees that the causes of carbon leakage can pose domestic risk; primarily, differentiated emissions reduction goals and climate, energy and trade policies, as well as differences in policy application (i.e. the headline cost of a policy can be mitigated in various direct and indirect ways).
- Carbon leakage has the potential to affect the competitiveness of facilities operating in Australia. It can also divert new investment and reinvestment from Australia to other jurisdictions due to carbon cost differentials.

### Addressing carbon leakage

- Addressing carbon leakage risk is necessary due to asymmetry in global climate action. This promotes domestic climate mitigation and supports the global net-zero transition.
- Choosing how to address carbon leakage requires identifying the market failure that is being solved for. The gap(s) in the policy suite must be understood for effective regulation to be developed and deployed. The policy approach(es) chosen to address carbon leakage must preserve Australia's ability to contribute to the global transition to net-zero.

- Addressing carbon leakage will also require extensive empirical analysis and access to data. AIGN recognises the Department is aware of the challenges associated with this task and looks forward to further engagement as data sources are evaluated and analysis commences.
- Australia's climate policy approach is sectoral, so it makes sense that a single approach to addressing carbon leakage may not be feasible. Crucially, a sectoral approach requires coordination, fungibility, and proficiency to achieve the objective of transitioning the economy to net-zero.
- Regardless of how carbon leakage risk is addressed, the most important factor is ameliorating the real-world risks that some facilities may be unable to operate competitively in the global market, and that investment in new developments and upgrades may be diverted due to the carbon cost differential.
- Regular review of carbon leakage risk and policies in other jurisdictions will be necessary to understand the shifting market conditions in which Australian facilities operate and to tailor carbon leakage policies to genuinely address carbon leakage risk.

### **Policy options to address carbon leakage**

- Noting Australia's sectoral climate policy approach and the inherent variability between sectors, AIGN members have different views on how carbon leakage risk is best addressed for their commodities, sub-commodities, and finished goods, as well as impacts on all factors of production.
- The consultation process will need to address the issue of what would happen to existing measures if other carbon leakage policies were implemented. This includes access to Trade-Exposed, Baseline-Adjusted (TEBA) provisions under the Safeguard Mechanism – noting that it is unclear how these will operate in an increasingly carbon-constrained future.
- With respect to a carbon border adjustment mechanism (CBAM), a detailed proposal for an Australian CBAM would enable industry stakeholders to assess how effective this approach would be for solving carbon leakage risk for their situations.
- Emissions product standards would need to be internationally consistent and require deep, extensive engagement with industry stakeholders, and the development of a more detailed policy proposal to be assessed and responded to.
- Targeted public investment is a legitimate and potentially effective way to support the competitiveness of Australian industry. Investment signals in Australia would need to be capable of attracting globally relevant industrial and manufacturing investment and be competitive with other jurisdictions. If successful, this approach could help bring forward abatement via technological transformation and de-risking private investment decisions.

## 2 CONTEXT

AIGN recognises and supports Australia's Paris Agreement-aligned net-zero by 2050 target.

The *Climate Change Act 2022* requires developing policies to have regard to this and related matters (e.g., Australia's emissions reduction targets of 43% below 2005 levels by 2030 and net-zero by 2050), to ensure consistent progress towards limiting global warming.

### 2.1 Framing domestic policy in an international context

The level of ambition needed to meet Paris Agreement goals will require deep and rapid action across the world. The nature of Nationally Determined Contributions will result in uneven climate action and varying levels of climate-related costs in different jurisdictions. This is expected to be a serious consideration for some years before global convergence around net-zero is reached.

The inherent uncertainty in this space, and the uneven nature of climate action across the world, justifies the Government's attention to maintaining the international competitiveness of entities operating in Australia.

AIGN recognises the need to strike a careful balance to satisfy multiple priorities and to ensure that the underlying data on which domestic climate policies and our international climate action commitments are based is credible, verifiable, and clearly reported.

### 2.2 Deliberate policy interventions

This review is taking place within a much larger framework of policy interventions to target specific climate-related outcomes in Australia.

The Government is developing many policies simultaneously and rapidly (see section 2.3). While there is much to do, to address the challenges in the climate and energy transition, a careful focus on carbon leakage must be overlaid to ensure emissions and jobs are not simply exported.

To promote the best outcome for all this work, the Government must work towards a clearly defined objective across its climate policy suite.

In AIGN's view, this objective should be transitioning the Australian economy to net-zero (in line with the Paris Agreement and the *Climate Change Act 2022*) at least cost and greatest economic benefit. This is necessary to encourage a healthy and thriving economy, which in turn supports the wellbeing of all Australians.

AIGN's policy principles favour a strategic, national approach to climate policy that promotes equity and efficiency, which is consistent with the objective above. Within a sectoral approach that deploys multiple, smaller policies, cost-effectiveness can only be achieved by maintaining a strong focus on this objective, as well as intentional cross-agency coordination.

### 2.3 Climate policy consultation timeframes

It is vital to contextualise this consultation process within the Government's overall climate policy development approach. The Government is undertaking an immense amount of policy development and implementation in a short timeframe.

Whilst climate action is both urgent and important – we need to get the design right and develop an efficient, effective policy framework that accelerates the transition to a net-zero economy and avoids policy overlap and omissions.

A fast-tracked consultation approach may deliver compromised outcomes.

This concern extends beyond this review, as there is a suite of ambitious deadlines across a wide range of policy development and implementation processes in 2023 and 2024.

### 2.3.1 Current and upcoming work in the climate space

In addition to the Carbon Leakage Review, AIGN members are actively engaged in a wide range of important consultation processes. These include:

- Implementation and finalisation of Safeguard Mechanism reforms, requiring extensive engagement with the Department and the Clean Energy Regulator
- Consultation on development of international best practice benchmarks for the Safeguard Mechanism
- Consultation (led by the Australian Accounting Standards Board) on the development of the relevant standards for the climate disclosure framework
- Consultation and/or applications to the Powering the Regions Fund and the National Reconstruction Fund
- Consultation on the Climate Change Authority's wide-ranging work program, including legislated reviews and advice
- The Net-Zero Plan and the associated six sectoral decarbonisation plans (Net Zero Economy Agency and the Climate Change Authority)
- Consultation on the NGER and ERF Reviews (Climate Change Authority)
- Consultation on the National Climate Risk Assessment
- Other, related processes specific to their sector, such as development of the National Hydrogen Strategy, Guarantee of Origin scheme, Net Zero Council initiatives, review of the Offshore Carbon Capture and Storage Regime and the Future Gas Strategy, as well as reforms within the east and west coast electricity markets.
- Other, related State and Territory laws, such as the recently passed *NSW Climate Change (Net Zero Future) Bill 2023*.

There is also an extraordinary amount of work under the Sustainable Finance Strategy in the next 12 months, including:

- Commencing reporting periods for Group 1 entities under the climate-related financial disclosure framework (1 July 2024) – there are many timing concerns with respect to this work (e.g. necessary standards, guidance and infrastructure may not be available in a timely manner).
- Consultation on broader priorities and options for strengthening transition planning and disclosure of transition-related targets and claims (which will occur while entities will need to devote time to implementation of the climate disclosure framework in 2024).
- Consultation on the development of the sustainable finance taxonomy (March – October 2024).
- Consultation on work to create a labelling regime for investment products labelled as 'sustainable' or similar (2024).

- Feedback on sustainability data challenges and priorities for financial sector participants (recommendations to be published to Government by end 2024)

Moreover, AIGN corporate members are developing and implementing their corporate net-zero projects across their operations, which is essential to support the Government's emissions reduction targets in 2030 and beyond.

In this context a carefully considered response to carbon leakage could not be more important to ensure that this transition is not another policy risk for Australian industry, resulting in leakage.

### 2.3.2 Administrative arrangements

The crowded climate policy agenda risks creating confusion in terms of the focus of responsibility for climate change policy.

Relevant Government agencies include not only the Department of Climate Change, Energy, the Environment and Water (DCCEEW), but each department involved in the sectoral plans (e.g., agriculture, industry, transport).

Additionally, the Treasury is leading with revived climate modelling capability, as well as the Sustainable Finance Strategy including the climate disclosure framework. The Prime Minister's department is involved via the Net-Zero Economy Agency (NZEA). The Climate Change Authority has several responsibilities, as will the Net Zero Authority, once established.

One of these agencies could be given responsibility for drawing all this work together, ensuring consistency, orderly workflows, and sufficient capacity to develop good policy.

A streamlined administrative approach to policy development, with a central point of responsibility will make it easier for industry to engage.

### 2.3.3 Stakeholder capacity

This workload puts AIGN members' resources under considerable strain. The responsibility to engage in the consultation processes belongs to a small team of specialists within each organisation. The input required from across industry in this work comes from a limited number of professionals with the necessary knowledge and expertise.

The sheer volume of engagement being offered to industry stakeholders is concerning. AIGN and our members are strongly motivated to participate effectively in each consultation process, owing to their importance. Optimal policy outcomes can only be achieved with sufficient time devoted to designing well-developed policies.

### 2.3.4 Prioritising optimal policy outcomes

Allowing sufficient time for consultation, design, feedback, and implementation of new or evolving policies will mitigate many risks and promote policies that:

- are harmonised and complementary across the policy suite – including providing clarity around how state-based policies interact with national policies
- promote alignment and equal treatment of cross-cutting issues
- minimise administrative costs for the Government, and transaction costs for stakeholders
- promote effective implementation and accountability, including by clarifying where responsibility for various elements of policy development and implementation resides
- achieve efficient and effective emissions reductions at least cost (noting that,

even in a least-cost scenario, the level of ambition required to meet Paris goals will impose significant costs)

A whole-of-government approach is needed to evaluate the feasibility of the volume and timeframe of current climate-related policy and implementation plans. While the Government is attempting this through both the NZEA and Sectoral Plans, it is also undertaking other concurrent processes.

Taking the time to develop policies that will operate as intended and ensuring that stakeholders are given sufficient opportunity to engage in their development, will facilitate an orderly implementation in a timely manner, and at least cost.

### 3 CARBON LEAKAGE

Carbon leakage is a complex issue, made more nuanced by the broader trade, economic, and global climate setting within which it must be understood and addressed.

#### 3.1 Defining carbon leakage

AIGN agrees that the causes of carbon leakage can pose domestic risk, such as differentiated emissions reduction goals and policies (including what the paper calls ‘policy stringency’). This is a foundational design feature of the Paris Agreement, which requires countries to nominate their approach to contributing to Paris Agreement goals.

With respect to policy stringency, policy application must also be considered. The headline cost of a policy can be mitigated at the industry, sector or facility level in various ways.

This can include direct policy interventions such as administrative allocation of permits in an emissions trading scheme, access to funding, or exemptions from obligations.

Indirect interventions have also been used in some countries (e.g., China) to ameliorate the impact of climate policy-related costs. Indirect interventions can be much harder to identify and quantify.

#### 3.2 Understanding carbon leakage

Under the Paris Agreement, the world has elected to strive to limit global warming to 1.5°C. The ‘bottom-up’ nature of the agreement will result in differentiated climate policies, varied rates of implementation and unequal ambition. Theoretically, this should converge over time, but it does create an uneven playing field, at least in the short and medium term.

In this environment, measures to counteract carbon leakage risk are necessary to allow climate mitigation policies to work as intended. If domestic carbon costs result in waning domestic production and a rise in imports (which will come from countries with low or no climate policy stringency), it is doubtful that atmospheric greenhouse gas levels will come down.

For example, the consultation paper points out that around 40% of EU emissions were subject to the EU allowance price of €80 per tonne, on average, in 2022 (p 14). What is not examined is the measures to counteract carbon leakage that have been implemented in this jurisdiction.

In 2022, [about 60% of units were freely allocated](#) in the EU.

These allocations were concentrated around trade-exposed industries. Further analysis is required to understand the actual carbon cost borne by facilities operating in the EU, as well as which facilities would be in competition with Australian operations.

Additionally, the EU scheme treats each covered sector quite differently to Australia’s NGER



Scheme and Safeguard Mechanism in terms of coverage.

Carbon leakage is a genuine risk, and is part of a broad, complex economic and policy landscape.

The possibility of facility closure is real.

Generally, the closure of a facility is due to multiple factors including policy uncertainty, energy prices as well as the explicit cost of climate policy, which have had and will continue to play a significant role in choices around the future of Australian industry.

If not managed, carbon leakage can act as a disincentive for investment in Australia. This is not only evident in the potential for facility closures, but in decisions not to invest in current and new facilities.

Such investment decisions are the result of a larger tapestry of energy, industry, and economic policy; and climate policy incentives (or disincentives) can play a key role in failure to attract capital – with clear flow-on impacts.

As a result, investment that could come to Australia may be lost to another jurisdiction because equivalent carbon prices are not in place. This carbon cost differential can be difficult to measure due to the complex nature of investment decisions, but it is a material and observable factor. Similarly, the urgency around the development of climate and energy policy can be regarded by international investors as a source of policy uncertainty and influence investment decisions.

### 3.3 Addressing carbon leakage

Maintaining the competitiveness of Australian industry, and Australia's attractiveness as an investment destination, supports the contribution Australia can make to reaching the goals of the Paris Agreement.

The purpose of carbon leakage policy is not to protect domestic production for its own sake –

it is about promoting climate mitigation and supporting the net-zero transition.

Carbon leakage must be addressed due to the asymmetry in global climate action. For example, many countries (including China) have not pledged to reach net-zero by 2050 within their jurisdictions.

#### 3.3.1 Choosing how to address carbon leakage

Having established what carbon leakage is, how it affects the economy and climate ambition, and the importance of adequately addressing carbon leakage, the pertinent question becomes *how* to do this.

An important scene-setting question in any policy development process is – what is the market failure being solved for? The gap(s) in the policy suite must be understood for regulation to be developed and deployed.

Carbon leakage risk interferes with Australia's ability to contribute to the global net-zero transition. If this risk is not addressed, Australia will ultimately outsource the production of emissions-intensive commodities to other jurisdictions and, with it, the responsibility to reduce atmospheric levels of greenhouse gases.

The policy approach(es) chosen to address carbon leakage must preserve Australia's ability to contribute to the global transition to net-zero.

The consultation paper examines various commodities and the volumes of imports and exports of these commodities. These are a helpful starting point to understanding the scope of the issue, which goes considerably beyond this snapshot.

AIGN is aware that the Department is looking to access reliable and comprehensive data to support their assessment of the extent of carbon leakage risk, and that there are some challenges in this area.

Each commodity, and even sub-levels of commodities and some finished products, need to be considered.

### 3.4 How carbon leakage impacts climate policy

In 2017, AIGN commissioned CIE to undertake a [study of the competitiveness of Australian industry](#) under the climate policy framework at the time. The specific policies reviewed need to be refreshed, but the overarching analysis remains relevant today.

These lessons from policy implementation are an excellent guide in considering how to deal with the risks of carbon leakage:

- Trade and competitiveness effects are an inevitable consequence of production-based climate policy development.
- The bottom-up nature of the Paris Agreement, with variation between countries in how targets are expressed and actually implemented, means a greater tendency for competitiveness issues (i.e., carbon leakage risk) to arise.
- Macroeconomic details alone will miss what is happening at an individual sector and facility-by-facility level.
- The implementation details of policy are crucial. It is possible for the actual effects at a sector or facility level to be considerably different to that implied by broad descriptions of the policy.
- Policy announcement is not the same as implementation.

The report included multiple case studies of other economies and their detailed climate implementation approaches.

This is the sort of work that will need to be completed for today's conditions to accurately assess carbon leakage risk. The Government has in the past [commissioned the Productivity Commission to study carbon prices](#) in key economies to assist with climate policy development for Australia.

Findings demonstrated that jurisdictions were doing anything from: no action; to action in unrelated sectors/commodities; to fully implemented policies with extreme (direct and indirect) shielding at the facility level.

This is why macroeconomic assessments alone are insufficient to understand the full extent of carbon leakage risk; it is also why the detailed implementation approach of a policy matters to understanding the actual costs imposed at the facility level.

## 4 FEEDBACK ON THE CONSULTATION PAPER

AIGN members span multiple industry sectors and, in turn, cover numerous commodities and sub-commodities.

Some members are also monitoring how more complex finished goods may be impacted by a carbon leakage policy.

The policy options in the consultation paper may have different impacts within sectors, commodity, and sub-commodity groups.

The feedback AIGN's association and corporate members provide directly to this review will assist in elucidating these differences.

## 4.1 Sectoral considerations

Australia's climate policy approach includes multiple instruments for different sectors.

In the absence of a single, economy-wide climate policy, it makes sense that a single, economy-wide approach to addressing carbon leakage may not be the most suitable complement to a sectoral climate policy suite.

Crucially, a sectoral approach requires the utmost care to ensure coordination, fungibility, and proficiency so that the objective of transitioning the economy to net-zero at least cost can be achieved.

## 4.2 Implementation considerations

Regardless of which policy option(s) may be implemented to address carbon leakage, the most important factor is ameliorating the real-world risks that some facilities will be unable to operate competitively in the global market in the absence of equivalent effective carbon prices for their competitors, and that investment in new developments and upgrades may be diverted due to the carbon cost differential.

In this sense, any policy option must adhere to common principles around maintaining the competitiveness of import and export-competing industries operating in Australia, as well as the attractiveness of Australia as an investment destination.

This is straightforward at the principles level, but much harder to implement in practice because carbon costs are not the only relevant economic challenge entities must manage. Still, some entities are already feeling the impact of the Safeguard Mechanism, for example, on the value of their assets and investments; this will directly affect the likelihood of further investment in Australian industry (particularly if

best practice benchmarks for the Safeguard Mechanism are implemented as proposed).

Another complicating factor is the constantly shifting market conditions in which facilities operate – especially in relation to carbon cost. Countries are implementing and accelerating climate policy approaches at varying rates, so regular review of carbon leakage policies will be necessary to ensure they are genuinely addressing carbon leakage risk.

The Government has established a clear narrative that the costs of climate inaction are unacceptably high. A successful policy that addresses carbon leakage will come at a cost to consumers. This is particularly relevant given current concerns about cost-of-living pressures. This should be openly acknowledged as part of a larger dialogue around the cost of climate action, which is the counterpoint that is needed to balance the public narrative in this space.

## 4.3 Existing measures

The consultation paper rightly points out that existing policies such as the Safeguard Mechanism include design elements aimed at minimising the risk of carbon leakage and reducing the cost burden on trade-exposed facilities.

Note that this is not quite the same as maintaining the competitiveness of these facilities; while the risk of carbon leakage is reduced, it is not neutralised.

The consultation process will need to address the issue of what would happen to these existing measures if other carbon leakage policies are implemented.

While it may be too early in the consultation process to make this assessment at present, Safeguard Mechanism participants will need to understand how their access to Trade-Exposed-Baseline-Adjustment (TEBA), Safeguard-

Mechanism-Credits (SMCs) and funding options for transformation projects might be affected if new measures are put in place. It is also important for clear communication around what will happen if increasingly more facilities qualify for TEBA, and how this may impact other Safeguard facilities.

Furthermore, if multiple policy instruments with similar objectives are simultaneously in place, this will have implications for the efficiency, effectiveness and equity of these measures.

For example, at this stage in the absence of EBIT Guidelines, companies cannot fully calculate their potential TEBA status for the first year of compliance, so using the Safeguard Mechanism as a stable operating system is premature.

Lastly, AIGN would like to address a small but fundamental assumption the consultation paper exhibits in relation to the behaviour of facility operators under the Safeguard Mechanism:

“Facilities that choose not to reduce on-site emissions are foregoing the opportunity to earn and sell SMCs.” (p 12)

This assumption does not recognise the conditions in which Safeguard facilities are operating, and the way entities make commercial decisions.

Most Safeguard facilities are operating in highly competitive markets; they do not have the luxury to choose not to avoid compliance costs. Facilities that can economically and environmentally reduce on-site emissions will do so. This is contingent on available, technically and commercially sound alternatives (including, in some cases, access to alternate forms of energy).

The Department has been deeply engaged with Safeguard entities in the design and implementation of Safeguard Mechanism reforms over the past year or more.

It should be well understood that, in several industries, the technology to enable reductions in direct emissions is simply not ready for deployment.

Affected facilities will be unable to earn and sell SMCs and may have to acquire units to acquit emissions above their baselines. This is not a choice, it is an operating constraint that comes at an unavoidable, annually increasing cost to these facilities, until such time as they are able to deploy emissions abatement projects.

#### 4.4 Carbon border adjustment mechanism

AIGN notes that there is some support for a Carbon Border Adjustment Mechanism (CBAM), and that this approach could enable Australia to pursue domestic emissions reductions in a world of uneven climate policy ambition and implementation. To more fully assess the potential for a CBAM to effectively address carbon leakage risk, a detailed proposed policy approach would be helpful.

For example, is the Government considering an import-only approach? Which greenhouse gas emissions would be included?

Such details would enable industry stakeholders to better assess how effective a CBAM would be for solving carbon leakage risk for their commodities, sub-commodities and finished products.

AIGN notes that the EU has commenced the operation of its CBAM with an initial, reporting-only phase as part of a phased implementation approach to support domestic industry.

How the CBAM will work once fully implemented will be interesting. The valuable lessons we can take from the European experience will need to be tempered with the understanding that the Australian economy is more export-oriented than the EU. This suggests a CBAM with export rebates may support domestic climate action.

#### 4.5 Emissions product standards

Developing effective emissions product standards would require deep and extensive engagement with relevant industry stakeholders, including the coverage of the standards (e.g. some commodities have global certification schemes that extend beyond emissions content, including a broader range of material environmental, social and governance issues across whole value chains). These would need to be internationally consistent to facilitate international trade while enabling informed choice for consumers.

#### 4.6 Targeted public investment

AIGN recognises that the Government currently offers several public decarbonisation investment pathways through, for example, the Industrial Transformation Stream and Safeguard Transformation Stream under the Powering the Regions Fund. Targeted public investment is a legitimate and potentially effective way to support the competitiveness of Australian industry; this approach can help to reduce carbon leakage, de-risk private investment decisions, and accelerate technology uptake.

To achieve these outcomes, Australia's investment signals must be capable of attracting globally relevant industrial and manufacturing investment. The level of co-investment offered must be competitive with other jurisdictions to

help bring forward abatement via technological transformation in Australia.

#### 4.7 Decarbonisation imperative

In considering carbon leakage risk and options to address it, it is worth reflecting on the importance of the task the world has agreed to, as confirmed by the Paris Agreement.

Reaching net-zero global emissions by mid-century is a colossal undertaking. Analysis at the international level has consistently shown that we will need every single available pathways to reduce, mitigate and offset emissions to have a chance of reaching net-zero by 2050.

Any credible option that is affordable, accessible, and scientifically verifiable needs to be deployed.

This strongly supports an approach that does not pick winners or prohibit any sector, commodity, or technology from action that contributes to the pathway to net-zero.

The Government needs to strongly and publicly endorse all viable options for decarbonisation.

This is especially important given the repeated warnings from the scientific community that [we are not on track to reach Paris Agreement goals](#). What matters is that atmospheric levels of greenhouse gases are reduced, and further emissions are mitigated and avoided where possible.

The Government must make inroads to promoting community acceptance of options such as offsets, carbon capture and storage, and other transitional measures to keep the Paris Agreement 2°C and 1.5°C goals within reach.

## 5 CONCLUSION

AIGN is a network of industry associations and individual businesses. Our focus is on collaborative discussions on key climate policy issues and providing a forum for information-sharing and analysis. AIGN is a unique community of highly experienced professionals, bringing together their collective knowledge and expertise in international, national, and local climate policy.

In considering this written submission and other contributions to this conversation, please recognise [AIGN's broad membership base](#).

Our engagement reflects our long-held [climate change policy principles](#) and the common views of our members, but does not directly represent any individual industry association or corporate member. This is of particular significance in the context of the Carbon Leakage Review, as different sectors (and, occasionally, sub-sectors and finished products) have different leakage risks.

Thank you for taking AIGN's feedback into consideration. As the Carbon Leakage Review progresses; we look forward to future opportunities to share views and engage with the review team over the course of its work.

AIGN welcomes future opportunities to engage with the Department.