

World's first Carbon Industry Code of Conduct increases impact and reach.

The second Australian Carbon Industry Code of Conduct Annual Report shows a 67% growth in signatories with a surge in full compliance. The Carbon Market Institute (CMI), as Code Administrator, released its second Annual Report today.

The Report highlights that in its second year, Signatories overwhelmingly fully complied or implemented foundational compliance procedures to warrant 100% compliance.

“The Code is the first of its kind in global carbon markets and has become a vital part of the internationally respected integrity and assurance measures of the Australian carbon market,” says John Connor, CEO of the Carbon Market Institute.

“The Signatories in the 2019-20 compliance year have shown commitment to upholding best practice within Australia’s evolving carbon market and we look forward to an important transition year with the Code becoming fully operational in 2021.

“Signatories all received full or foundational compliance with full compliance increasing from 58% in 2018-19 to 79% in 2019-20. The Administrator worked with all Signatories to ensure appropriate procedures were in place to warrant foundational compliance with all aspects of the Code.

As a key risk mitigation and quality assurance tool of Australia’s carbon market, this level of compliance is crucial to promoting best practice standards in our domestic climate change mitigation efforts.”

Signatories notified 3 complaints and 6 potential breaches of the Code. All complaints were resolved and all breaches were resolved or in a process of resolution.

Now in a transitional year after two foundational years, Code Signatories have grown 67% since the Code began in mid-2018.

“There are now 20 Signatories accounting for at least 38% of projects registered and at least 40% of carbon credits issued under the Federal Government’s Emissions Reduction Fund since mid- 2018. On conservative estimates, Code Signatories now account for almost half of land sector projects registered in that time.”

The Report notes the Administrator will work to ensuring the Code is a tool for providing governments and demand-side corporates with a level of comfort around the transparency, accountability and integrity of the carbon providers they interact with.

“As Australian governments and business continue to set net-zero targets, trust and accountability in our domestic carbon market become increasingly important. The Code will help position Australia’s market as the highest integrity market in the world, in turn attracting domestic purchasing of carbon credits, and supporting communities across Australia.”

“As Signatories continue to increase in number, we look forward to working with them, stakeholders and the community to protect the integrity of our carbon market and realise the full potential of their significant employment, social, Indigenous and environmental benefits.”

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