



SAFEGUARD MECHANISM

FAQ

Q

Will the Safeguard Mechanism (SGM) really reduce emissions?

A

AP4CA is deeply concerned that the proposed amendments to the SGM may not reduce the 28% of Australia's emissions covered by the SGM by the claimed 4.9% per annum and may actually allow emissions to increase.

<https://www.ap4ca.org>

FAQ



Q

**Does the SGM
prevent new fossil
fuel projects being
undertaken?**



A

**The SGM does nothing to
prevent new projects that,
once active, are likely to
increase emissions**

FAQ



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**What emissions
does the SGM
measure?**



A

The SGM only measures facilities direct emissions. It does not include emissions associated with downstream use of the products they produce (eg: burning gas or coal, or venting)

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FAQ

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Are there any loopholes that might mean the SGM won't work to reduce emissions?

A

Yes. There are several loopholes included in the current SGM amendments. Currently emission reductions are tied to emissions intensity- eg: emissions per unit of production. A facility can increase production and as long as it has theoretically reduced per unit of production (eg: emissions per tonne of coal, gas, cement or whatever) by 4.9% per year then it can produce as much as it wants. In other words , if it increases production by more than 4.9% per annum it will increase its overall emissions.

FAQ



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**Will ACCUs
reduce
emissions?**



A

No, ACCUs will not reduce a facility's emissions because they can be purchased if needed. Also the price of ACCUs is capped at \$75. If the cost of them increases this gap is paid by the Australian tax payer.

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FAQ



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**How much a year
will it cost to
subsidise ACCUs?**



A

**Current estimates reveal
that by 2030 taxpayers could
face a multi-billion dollar bill
to subsidise big polluters
who choose to buy ACCUs
rather than actually
reducing their emissions.**

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