



Householders' Options to Protect the Environment (HOPE) Inc.

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Think Globally. Act Locally!

11 September 2025

Productivity Commission

4 National Circuit

Barton ACT 2600

Australia

c/o: 5pillars@pc.gov.au

Re: Submission to the Productivity Commission- Interim Report Investing in cheaper, cleaner energy and the net zero transformation

Householders Options' to Protect the Environment (HOPE) Inc eagerly awaits the Productivity Commission's Interim Report which recognises that Australia's economic reforms must align with a net zero transformation and climate resilience.

HOPE Inc is a national 'grassroots' not-for-profit organisation fighting to protect and preserve our environment. We spread awareness on global issues, educate everyday citizens on sustainable living and demonstrate how this can be done. HOPE was established in 1988 with our slogan "Think globally, act locally" to encourage citizens to embrace sustainable living practices. We also look at broader environmental issues that impact adversely on communities locally, state-wide and nationally.

In the last 12 months alone Australia has experienced record heatwaves, cyclones, and severe floods costing billions of dollars for governments, insurers, households and impact on the wider community. We are also facing an extinction crisis as the Environmental Protection and Biodiversity Conservation (EPBC) Act continues to allow the clearing of precious habitat leading to loss of species and fragile ecosystems, undermining climate and biodiversity goals. These include our celebrated and world renown Great Barrier Reef, Gondwana Rainforests and the Wet Tropics World Heritage Area which work against climate change.

Renewable energy transition made with proper bioregional planning and environmental safeguards are critical to ensure that clean energy infrastructure restores rather than harms nature. Done right, the transition can accelerate emissions reduction bringing us closer to our climate action goals and secure lasting benefits for communities and the environment.

HOPE supports the recommendations put forward by the Queensland Conservation Council, as follows.

Recommendation 1: Reducing the Cost of Meeting Emissions Targets

HOPE appreciates the Productivity Commission's focus on cost effective pathways to net zero. However, the credibility and effectiveness of those pathways depend on ensuring that emissions-reduction tools are scientifically sound, equitably applied and capable of delivering real world outcomes.

To do this, Australian Carbon Credit Units (ACCUs) can only play a role in reducing the cost of climate action if the methodologies behind them are scientifically robust and environmentally credible. Multiple independent reviews have raised serious concerns about the integrity of some ACCU methodologies. If offsets do not genuinely reduce emissions, they simply displace the effort required in other sectors, increasing the overall cost of climate change to society. To strengthen credibility, the government must:

- Ensure that ACCUs are only used as a last resort, where all other emission reduction activities have been utilised
- Phase out low-integrity methods and prioritise approaches with clear additionality, permanence, and biodiversity benefits.
- Ensure that any integration of ACCUs into emissions reduction policies delivers co-benefits for ecosystems, such as restoring native vegetation, improving soil health, or creating habitat corridors.
- Invest in transparent monitoring and reporting systems, so communities and markets can trust that ACCUs are delivering measurable outcomes.
- Without such reforms, ACCUs risk becoming a barrier to genuine decarbonisation rather than a cost-effective tool.

Transport Reform and Electric Vehicles

Transport is one of Australia's fastest growing sources of emissions with high costs from car dependency and freight intensity. The Institute for Energy Economics and Financial Analysis highlights that "the rail freight industry needs to make fleet replacement decisions within the next 12 years to have any hope of achieving net zero by 2050". We support national standardisation for electric vehicle incentives to remove state by state inconsistencies and provide certainty for both consumers and manufacturers. We also support cost effective transport measures to encourage public and active transport that reduces private car use. These can lower household costs, reduce congestion and deliver substantial health and air quality benefits along with emission reductions.

Strengthening the Safeguard Mechanism

We support the Productivity Commission's recommendation to lower the SGM threshold to cover facilities emitting more than 25,000 tonnes CO₂e per year, broadening its reach across industry. But simply expanding coverage is not enough. The scheme must be reformed to ensure it drives absolute emissions reductions:

- *Prevent new fossil fuel projects:* New coal and gas developments are incompatible with Australia's emissions target, creating long-term liabilities and increasing the cost of climate change for communities and taxpayers. This includes expansions of existing projects.
- *Enforce a hard cap:* The total emissions allowed under the Safeguard must be strictly limited and decline in line with Australia's carbon budgets. This ensures that overall emissions decrease, rather than being 'offset'. Without a binding cap, the scheme risks locking in high-polluting projects and undermining national targets.
- *Remove headroom for existing projects:* Allowing facilities to maintain inflated baselines undermines integrity and delays action. Baselines must reflect real, current emissions performance and be ratcheted down over time, not preserved at artificially high levels. Tightening these rules will create a level playing field, drive genuine cuts across all facilities, and prevent some operators from avoiding their fair share of the transition.

A strengthened SGM that delivers real cuts in emissions would help Australia meet its targets at lower long-term cost, while giving industry the policy certainty needed to invest in clean technology.

Recommendation 2: Speeding up Projects for New Energy Infrastructure

The renewable energy transition is critical to achieving net zero, but its delivery must be balanced with robust protection of biodiversity and community trust. Efforts to 'speed up' approvals should not come at the expense of environmental standards, transparency, or community engagement.

Introduction of National Environmental Standards and Regional Planning

We strongly support the Commission's call for national regional planning as the most effective way to guide renewable energy development while protecting sensitive ecosystems. Properly designed planning frameworks can identify areas of high conservation value, manage cumulative impacts across multiple projects, and create certainty for investors. Without this landscape-scale approach, approvals risk fragmenting habitats, placing species under additional pressure, and eroding community trust. Done well, bioregional planning can both accelerate renewable rollout and safeguard nature.

Integrity of Environmental Impact Assessments

The Interim Report proposes amending the EPBC Act to require decision-makers to consider the "needs of the energy transition" in approval decisions. We caution against diluting the purpose of Environmental Impact Assessments (EIAs), which must remain focused on objectively assessing environmental consequences. A durable transition requires stronger, not weaker, safeguards. EIAs should retain their integrity as independent environmental tests, with transition considerations addressed through broader planning and policy frameworks.

Specialist Strike Team and Coordinator-General

The Commission recommends establishing a dedicated strike team within DCCEEW and an independent Clean Energy Coordinator-General to expedite priority renewable energy projects. While we recognise the need for adequate resourcing and coordination, these proposals risk creating parallel fast-track pathways that favour speed over scrutiny.

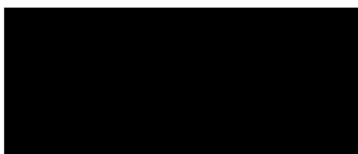
Any such bodies must operate with strict transparency, clear statutory limits, and mandatory community and First Nations engagement. Their role should be to ensure robust, timely decision-making, not to override environmental safeguards or facilitate industry assistance. Without strong checks and balances, these institutions could undermine public trust and weaken biodiversity protections, ultimately jeopardising the social licence needed to deliver the energy transition at scale.

Recommendation 3: Addressing Barriers to Private Investment in Adaptation

We support the Productivity Commission's proposal for a national climate risk information database and resilience rating scheme for housing. These tools will provide greater transparency and help households, developers, insurers, and financiers make informed decisions. However, information alone is not enough. To be effective, these measures must be backed by public investment in adaptation infrastructure and programs that enable communities to respond at scale.

To build a truly resilient economy, Australia must cut emissions faster, protect nature, and prepare communities for climate impacts. We call on the Commission to back a strong Safeguard Mechanism with real limits on pollution, ensure renewable energy is rolled out through bioregional planning and robust environmental laws, and support national adaptation programs with secure funding so communities can withstand floods, heat, and sea level rise.

Yours sincerely,



Anna Kula-Kaczmariski
President- HOPE Inc



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