



“Huge hit” to coal and gas as hard cap and pollution trigger added to Safeguard reforms


Sophie Vorrath (<https://reneweconomy.com.au/author/sophie-vorrath/>) 27 March 2023


4




[\(mailto:?\)](mailto:?)  **Tweet** (<https://twitter.com/share?&text=%E2%80%9CHuge%20hit%E2%80%9D%20to%20coal%20and%20gas%20as%20hard%20cap%20and%20pollution%20trigger%20added%20to%20safeguard%20reforms/>)

 [\(mailto:?\)](mailto:?) [subject=%E2%80%9CHuge%20hit%E2%80%9D%20to%20coal%20and%20gas%20as%20hard%20cap%20and%20pollution%20trigger%20added%20to%20safeguard%20reforms/](mailto:?)

 [in](https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com.au/huge-hit-to-coal-and-gas-as-hard-cap-and-pollution-trigger-added-to-safeguard-reforms/) (<https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com.au/huge-hit-to-coal-and-gas-as-hard-cap-and-pollution-trigger-added-to-safeguard-reforms/>)

 (whatsapp://send?text=https://reneweconomy.com.au/huge-hit-to-coal-and-gas-as-hard-cap-and-pollution-trigger-added-to-safeguard-reforms/)

 (<https://t.me/share/url?&text=%E2%80%9CHuge%20hit%E2%80%9D%20to%20coal%20and%20gas%20as%20hard%20cap%20and%20pollution%20trigger%20added%20to%20safeguard%20reforms/>)


The Greens have declared a major victory against the development of new coal and gas projects in Australia after securing a deal to add a “hard cap” on emissions, as well as a pollution trigger to Labor’s proposed Safeguard Mechanism amendments.

In separate statements on Monday, federal energy minister Chris Bowen and Greens leader Adam Bandt confirmed the two parties had come to an agreement on a number of significant changes to the proposed Safeguard Mechanism, that the Greens say will put Beetaloo and 116 new coal and gas projects “on the ropes.”

The deal breaks the political deadlock on Labor’s proposed reboot of the Safeguard Mechanism, clearing the way for a further amended Bill to make its way through Parliament and be put in place come July.

The raft of additional reforms agreed to by the two parties – 13 of them, according to a brief from the Greens – include a “hard cap or ceiling” on actual or absolute emissions, which won’t be able to exceed current pollution levels and will decrease over time.

According to Bandt, this means that pollution Australia’s biggest emitters will now go down and not up, as it was set to under Labor.

“[This means] real pollution must actually come down and the coal and gas corporations can’t  out of the cap with offsets,” the Greens leader said on Monday. “This puts a limit on coal and gas expansion in Australia.”

To that end, the agreed reforms to Safeguard would also include a pollution trigger, that will require Bowen to test a new or expanded project's impact on the hard cap and net carbon Budgets.


In short, says Bandt, this means that, "for the first time in history" new projects must be assessed for their impact on climate pollution and can be stopped if they are projected to breach the pollution cap.

In other words, he adds, "Every new coal and gas project that gets approved from here on in is Labor's direct responsibility."

Another key reform will see expansions to existing gas supply projects treated as new facilities and therefore given a net zero baseline for the CO2 in the new fields.

More specifically, in the case of the massive and controversial Beetaloo Basin fracking project in the Northern Territory, the parties have agreed that all new entrants in the basin will have to



h  scope 1 emissions from day one.

✕()

Greens spokesperson for resources, Darinda Cox, says these reforms mean that both Beetaloo and the Barossa gas project off the coast of Darwin have effectively been “derailed.”

“There are serious questions raised about whether these climate bombs will be financially viable now, raising a red flag to investors pouring money into these projects,” Cox said on Monday.

How Labor will spin this element of the Safeguard Mechanism deal to the fossil fuel lobby remains to be seen.

But in a media release Bowen said the “overdue, sensible reforms” would ensure Australia’s largest emitters were competitive in a decarbonising global economy and made a fair contribution to the national emissions reductions task.

“Today, we are a step closer to achieving net zero by 2050,” the minister said.

“We thank those across the Parliament who continue to approach this legislation in a constructive way to ensure accountability, transparency and integrity for the scheme, and ensure flexibility and support for industry.

“These reforms are the culmination of months of extensive feedback from Safeguard businesses, industry associations, climate and community groups, academics and private individuals.

“Business and climate groups have been clear that the Parliament should pass the strengthened legislation in front of it and deliver overdue policy certainty.”

Bowen says the government will finalise the further amended Safeguard Rules next month, keeping the scheme on track to be in operation by the start of July, 2023.

The reaction...

The deal seems even to have passed muster – sort of – with one of the most harsh critics of Labor’s treatment of the Safeguards Mechanism, The Australia Institute.

TAI says that while the reformed mechanism “still falls short” of the ban on new coal and gas that the science requires, “for the first time there will be a limit on gas and coal expansion in Australia.”

“The new hard cap on pollution will force hard choices about whether to use Australia’s new emissions budget on new coal and gas projects, or for refining critical minerals like lithium as the world moves towards a clean economy,” TAI says.

The Climate Council says it welcomes the “historic agreement” between Labor and the Greens, on what will be the first legislation in a decade that will regulate climate pollution.

Climate Council head of advocacy, Jennifer Rayner, also welcomes the anticipated shift in focus away from the Safeguard Mechanism and on to improving other national climate policies.

“The Safeguard Mechanism is just one weapon in the war to drive down Australia’s emissions. We need to throw the whole arsenal at tackling harmful climate change,” Rayner says.

“As a priority, Australia needs strong environmental laws that properly consider climate impacts, an end to fossil fuel financing and public subsidies, much tighter limits on offsetting to ensure we are achieving genuine and steep emissions reductions.”



 **Tweet** (<https://twitter.com/share?&text=%E2%80%9CHuge%20>) 

(mailto:?
✉ subject=%E2%80%9CHuge%20hit%E2%80%9D%20to%20coal%20and%20gas%20as%20hard
hit-to-coal-and-gas-as-hard-cap-and-pollution-trigger-added-to-safeguard-reforms/)
in (https://www.linkedin.com/shareArticle?mini=true&url=https://reneweconomy.com.au/huge
☎ (whatsapp://send?text=https://reneweconomy.com.au/huge-hit-to-coal-and-gas-as-hard-ca
🔗 (https://t.me/share/url?&text=%E2%80%9CHuge%20hit%E2%80%9D%20to%20coal%20and%
👤 (http://www.reddit.com/submit?url=https://reneweconomy.com.au/huge-hit-to-coal-and-ga

Sophie Vorrath (https://reneweconomy.com.au/author/sophie-vorrath/)

Sophie is editor of One Step Off The Grid (https://onestepoffthegrid.com.au/) and deputy editor of its sister site, Renew Economy (https://reneweconomy.wpengine.com/).

 (https://twitter.com/sophyvorrath) for more than a decade.

in (https://www.linkedin.com/in/sophie-vorrath-55018099/)

← Previous

Fresh blow for Queensland coal, as
shareholder dispute topples Callide C co-
owner
(https://reneweconomy.com.au/fresh-blow-
for-queensland-coal-as-shareholder-
dispute-topple-callide-c-co-owner/)

[\(https://onestepoffthegrid.com.au/want-an-easy-400-a-year-ditch-your-gas-heater-for-an-electric-split-system/\)](https://onestepoffthegrid.com.au/want-an-easy-400-a-year-ditch-your-gas-heater-for-an-electric-split-system/)

Want an easy \$400 a year? Ditch your gas heater for an electric split system
(<https://onestepoffthegrid.com.au/want-an-easy-400-a-year-ditch-your-gas-heater-for-an-electric-split-system/>)

by [Rachel Goldlust \(//onestepoffthegrid.com.au\)](https://onestepoffthegrid.com.au) on 23 March 2023

[\(https://onestepoffthegrid.com.au/self-reliant-and-in-control-smarts-plus-battery-puts-more-power-in-consumer-hands/\)](https://onestepoffthegrid.com.au/self-reliant-and-in-control-smarts-plus-battery-puts-more-power-in-consumer-hands/)

“Self-reliant and in control:” Smarts plus battery deal puts power in consumer hands
(<https://onestepoffthegrid.com.au/self-reliant-and-in-control-smarts-plus-battery-puts-more-power-in-consumer-hands/>)

by [Amalya Hart & Sophie Vorrath \(//onestepoffthegrid.com.au\)](https://onestepoffthegrid.com.au) on 23 March 2023

[\(https://onestepoffthegrid.com.au/new-home-old-appliances-our-data-driven-journey-to-solar-electrification/\)](https://onestepoffthegrid.com.au/new-home-old-appliances-our-data-driven-journey-to-solar-electrification/)

New home, old appliances: Our data-driven journey to solar electrification
(<https://onestepoffthegrid.com.au/new-home-old-appliances-our-data-driven-journey-to-solar-electrification/>)

by [Murray Hogarth \(//onestepoffthegrid.com.au\)](https://onestepoffthegrid.com.au) on 21 March 2023

[\(https://thedriven.io/2023/03/27/new-zealanders-happy-with-strong-fuel-efficiency-standards-as-ev-uptake-booms/\)](https://thedriven.io/2023/03/27/new-zealanders-happy-with-strong-fuel-efficiency-standards-as-ev-uptake-booms/)

New Zealanders happy with strong fuel efficiency standards as EV uptake booms
(<https://thedriven.io/2023/03/27/new-zealanders-happy-with-strong-fuel-efficiency-standards-as-ev-uptake-booms/>)

by [Daniel Bleakley](https://thedriven.io) on 26 March 2023

[\(https://thedriven.io/2023/03/26/ev-ute-roadshow-heads-to-canberra-to-ruin-the-weekend-for-mps-and-senators/\)](https://thedriven.io/2023/03/26/ev-ute-roadshow-heads-to-canberra-to-ruin-the-weekend-for-mps-and-senators/)

EV ute roadshow heads to Canberra to ruin the weekend for MPs and Senators
(<https://thedriven.io/2023/03/26/ev-ute-roadshow-heads-to-canberra-to-ruin-the-weekend-for-mps-and-senators/>)

by [Bryce Gaton](https://thedriven.io) on 26 March 2023

[\(https://thedriven.io/2023/03/24/who-wouldve-guessed-range-anxiety-drops-after-an-ev-purchase/\)](https://thedriven.io/2023/03/24/who-wouldve-guessed-range-anxiety-drops-after-an-ev-purchase/)

Who would've guessed? Range anxiety drops after an EV purchase!


(<https://thedriven.io/2023/03/24/who-wouldve-guessed-range-anxiety-drops-after-an-ev-purchase/>)

by [Bryce Gatton \(//thedriven.io\)](https://thedriven.io) on 24 March 2023

Multimedia

Energy Insiders Podcast: Moving wind and solar through time and space

(<https://reneweconomy.com.au/energy-insiders-podcast-moving-wind-and-solar-through-time-and-space/>)

23 Mar 2023 **0** 

Hot and humid autumn sets record demand levels in Queensland grid
(<https://reneweconomy.com.au/hot-and-humid-autumn-sets-record-demand-levels-in-queensland-grid/>)

20 Mar 2023 7
▼

Preloved wind turbines from Netherlands help power remote outback microgrid
(<https://reneweconomy.com.au/preloved-wind-turbines-from-netherlands-put-to-work-powering-outback-wa-garnet-mine/>)

17 Mar 2023 9
▼

Energy Insiders Podcast: What price solar and storage?

(<https://reneweconomy.com.au/energy-insiders-podcast-what-price-solar-and-storage/>)

17 Mar 2023 0



Renewables set new record output as NSW swelters in Autumn heatwave

(<https://reneweconomy.com.au/renewables-set-new-record-output-as-nsw-swelters-in-autumn-heatwave/>)

17 Mar 2023 7



Western Australia or Windy Australia? Latest data cements the west as best

(<https://reneweconomy.com.au/western-australia-or-windy-australia-february-data-cements-the-west-as-best/>)

8 Mar 2023 9



RenewEconomy Comment Policy

We welcome relevant and respectful discussion, but rudeness and personal attacks will not be tolerated.

Please read our [Comment Policy](#) before commenting.

Got it

4 Comments

1 Login ▾

G

Join the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS ?

Name



Share

Best Newest Oldest

S

Shilo

9 minutes ago

will new pumped hydro projects also be put through the system?

0 0 Reply • Share ›



Joe

11 minutes ago edited

Thank dog for the Greens holding their line against the radical ALP.

The ALP has to be dragged kicking and screaming to start doing what is right. There is no justification to open new coal and gas, emissions must reduce and not merely be bought away.

Perhaps PM Albanese and Minister Bowen read Ross Gittins piece in today's SMH Newspaper to reach today's agreement on Safegaurds Mechanism. I've brought it across for all to read -

'Albanese is just pretending to be tough on emissions'

Comment

Ross Gittins



"Labor talks the talk, but doesn't walk the walk. Last week's "final warning" from the Intergovernmental Panel on Climate Change – and the Albanese government's refusal to be moved by it – should be a gamechanger in our assessment of Labor's willingness to do what must be done



gamechanger in our assessment of Labor's willingness to do what must be done.

The IPCC's message – driven home by UN Secretary-General Antonio Guterres – was that we're almost out of time to avoid much of the worst climate change. Whatever plans we had to reduce greenhouse gas emissions, we must step them up, and speed them up.

Contact Us (<https://reneweconomy.com.au/contact/>)

see more

Merchandise (<https://reneweconomy.wpengine.com/solar-future-t-shirts/>)

0 0 Reply • Share ›

Jobs Board (<https://reneweconomy.com.au/jobs-board/>)

 [ReverseConcaveSpoon](#)

— 

15 mins (<https://reneweconomy.com.au/category/multimedia/webinars/>)

Biggest climate policy news since emissions trading over a decade ago?

0 0 Reply • Share ›

Donate (<https://reneweconomy.com.au/donate/>)

B [Ben](#) (<https://reneweconomy.com.au/98687-2/>)

18 minutes ago

— 

Perth on Basin explorers has already committed to net zero. Bandt got stiff armed

Advertise (<https://reneweconomy.com.au/advertise/>)

0 0 Reply • Share ›

Press Releases (<https://reneweconomy.com.au/category/press-releases/>)

[Subscribe](#) [Privacy](#) [Do Not Sell My Data](#) (<https://reneweconomy.com.au/governments-compa...>),

[Terms of Use \(https://reneweconomy.com.au/terms/\)](https://reneweconomy.com.au/terms/)

(<https://reneweconomy.com.au/>)

@ Copyright RenewEconomy 2020. All rights reserved.