



**Australian Government**

**Department of the Environment and Energy**

## About the Climate Solutions Fund - Emissions Reduction Fund



In 2014 the Government allocated \$2.55 billion to provide for purchasing in the Emissions Reduction Fund. Activities supported through the Emissions Reduction Fund provide important environmental, economic, social and cultural benefits for farmers, businesses, landholders, Indigenous Australians and others.

On 25 February 2019 the Australian Government announced the Climate Solutions Fund, providing an additional \$2 billion to continue the momentum towards reaching Australia's 2030 emissions reduction target. This will bring the total investment in the Emissions Reduction Fund to \$4.55 billion and deliver around another 100 million tonnes of emissions reductions by 2030.

The Emissions Reduction Fund supports Australian businesses, farmers and land managers to take practical actions to reduce emissions and improve the environment.

The Emissions Reduction Fund is helping achieve Australia's 2020 emissions reduction target of five per cent below 2000 levels by 2020 and 26-28 per cent below 2005 emissions by 2030.

By running projects to reduce emissions, businesses, local councils, state governments, land managers and others can earn Australian carbon credit units (ACCUs). These units can be sold to the Australian Government through a carbon abatement contract, or to other businesses seeking to offset their emissions. Over 770 projects have been registered under many eligible activities, including energy efficiency, waste management, revegetation, livestock management and savanna fire management.

The additional funding from the Climate Solutions Fund ensures Australian farmers, businesses and Indigenous communities continue to have opportunities to undertake emissions reduction projects that provide local benefits. Revegetation projects can improve water quality, and reduce erosion and salinity. Replenishing the carbon content of soils can improve the health and productivity of Australian farms. Savanna fire management projects in northern Australia use traditional knowledge and provide jobs on Country.

This investment demonstrates the Government's commitment to meet Australia's 2030 target at low cost and provide a range of opportunities to reduce emissions across the economy.

In 2015 the Carbon Credits (Carbon Farming Initiative) Act 2011 was amended to establish the Emissions Reduction Fund (ERF). The Emissions Reduction Fund builds on the Carbon Farming

Initiative (CFI), expanding coverage to encourage emissions reductions across the economy. Please refer to the archived web pages for information relating to the [Carbon Farming Initiative](#).

## The agencies responsible for the ERF

The Department of the Environment and Energy and the Clean Energy Regulator are the two agencies that manage the ERF.

### The Department

The Department of the Environment and Energy is responsible for the scheme's policy development and oversight. This includes the [enabling legislation](#) as well as the [methods](#), which are the emissions reduction activities available through the scheme.

### The Clean Energy Regulator

The [Clean Energy Regulator](#) is the government agency that administers the ERF. This includes project assessment and registration, running of the auctions, issuing Australian carbon credit units (ACCUs), as well as safeguard mechanism compliance.

Both agencies engage with businesses, farmers, landholders and other parties interested in the ERF.

## The Emissions Reduction Fund - what it means for you

### How Australian businesses and the community can benefit from the Emissions Reduction Fund

If you are thinking about investing in new technology to improve the productivity or energy efficiency of your business operations, you may be interested in the Emissions Reduction Fund.

The Emissions Reduction Fund provides a positive incentive for Australian businesses to adopt smarter practices to cut the amount of greenhouse gases they create.



➔ [The Emissions Reduction Fund - what it means for you](#)

## Legislation

### Carbon Credits (Carbon Farming Initiative) Act 2011

The enabling legislation for the Emissions Reduction Fund is the [Carbon Credits \(Carbon Farming Initiative\) Act 2011](#).

### Emissions Reduction Fund White Paper

This White Paper sets out the Government's final positions on the design, implementation and ongoing development of the Emissions Reduction Fund.

➔ [ERF White Paper](#)

## Emissions Reduction Fund Green Paper

The Government released a Green Paper on 20 December 2013 outlining design options for the Emissions Reduction Fund.

➔ [ERF Green Paper](#)

## Fact sheets

- ➔ [Emissions Reduction Fund - Overview](#) - 2017
- ➔ [Emissions Reduction Fund - Opportunities for Australian business and farmers](#) - 2017
- ➔ [Working with carbon service providers in the Emissions Reduction Fund – Information for farmers and land managers](#) - 2017