



Australian Dairy Industry Council Inc.

Media Release

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ADIC calls for more flexible and targeted Emissions Reduction Fund

For immediate release

The Australian Dairy Industry Council (ADIC) has lodged its submission in response to the Federal Government's Emissions Reduction Fund (ERF) Green Paper.

In its submission, the ADIC calls for a more flexible and targeted ERF that would assist the dairy industry to achieve its ambitious emissions reduction target of 30% by 2020*.

ADIC Chair, Noel Campbell, said compared to other primary producers, Australian dairy is disproportionately exposed to electricity costs due to its high power requirements for milking machinery, cool milk storage and milk processing.

"The ADIC recognises that the ERF, if appropriately designed, will support Australian dairy continuing to reduce its greenhouse gas emissions, as well as reducing production costs linked to emissions," Mr Campbell said.

"Energy efficiency in particular, is a significant opportunity for the industry and the ERF needs to be designed to support investment in energy saving technologies by farmers and processors."

Key features called for in the ADIC submission include:

- Sector or activity funding bands, to enable energy-intensive agriculture sectors (farming and processing) to access the ERF; and
- Funding for a National Energy Efficiency Scheme along the lines of the Victorian Energy Efficiency Target, to reduce transaction costs for carbon abatement for industries such as dairy with many small to medium enterprises; and
- Calculating emissions per unit of production (emissions intensity) to provide for industry growth while also reducing emissions.

Mr Campbell said the industry recognised that growth to meet rising international demand for dairy products, particularly in Asia, may impact on future emission levels.

"However, the industry's desire to grow does not alter our determination to play a constructive role in reducing our emissions intensity, now and in future," he said.

**Australian Dairy Industry Sustainability Framework*

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