



Australian Government

Department of the Prime Minister and Cabinet

Office of Best Practice Regulation

Reference: 16068
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Dr Steven Kennedy
Deputy Secretary
Department of the Environment

Dear Dr Kennedy

Regulation Impact Statement Requirements – Emissions Reduction Fund, Safeguard Measures and Changes to the Carbon Farming Initiative

Thank you for your letter of 26 March 2014 concerning the above proposals. I note that preliminary estimates of the regulatory costs and potential cost offsets for the proposals have been agreed with the Office of Best Practice Regulation (OBPR).

The OBPR notes that the Department prepared short-form RISs for the Emission Reduction Fund and changes to the Carbon Farming Initiative. The proposals have minor regulatory impacts, as they implement and change Government grants schemes. The OBPR therefore agrees that the preparation of short-form RISs for the proposals is consistent with best practice. The OBPR notes that it agreed to the estimate of regulatory costs of \$4.68 million for these proposals.

In regard to the Safeguard Mechanism, the OBPR notes you have certified that the development of a White Paper followed a similar process to a RIS and the analysis in the White Paper is equivalent to a RIS. The OBPR agrees this process is consistent with best practice and has also agreed to the initial estimate of regulatory costs of zero for the Safeguard Mechanism proposal. We understand this estimate could change as the policy is further developed. The estimate will need to be agreed with the OBPR before the final decision. The OBPR makes no assessment of the White Paper itself.

The agency will need to advise the OBPR and provide confirmation that the certified White Paper has been provided to the decision maker, and that the Paper can now be published. This advice should be provided to the OBPR as soon as possible after the public announcement of the regulatory decision. Generally, the OBPR considers that this should be within five days.

At the same time, please forward a final copy of the White Paper in Microsoft word .doc format in a form meeting the Australian Government's Web Content Accessibility Guidelines. We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be

consulted if the White Paper is amended. It is the agency preparing the document, not the OBPR, which is responsible for the content of the published document.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate.

Please retain this letter as a record of the OBPR's advice. Our reference number for this issue is 16068. If you have any further queries, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to be 'J. McNamara', with a long horizontal line extending to the right.

Jason McNamara
Executive Director
Office of Best Practice Regulation

28 March 2014