



## **INFRASTRUCTURE PARTNERSHIPS AUSTRALIA CALLS FOR ‘CARBON BASE CASE’**

**FOR IMMEDIATE RELEASE – 29 AUGUST 2022**

Infrastructure Partnerships Australia has called on all governments to adopt world’s best carbon abatement practice by introducing a ‘carbon base case’ for major infrastructure projects to reduce emissions and potentially save billions of dollars in costs.

In its latest major report, *Putting Carbon in the Business Case*, Chief Executive Adrian Dwyer says a ‘carbon base case’ should form one of the key metrics in deciding what infrastructure to build, how the project will be delivered and potentially to whom the tender should be awarded. A ‘carbon base case’ could be used alongside traditional infrastructure procurement metrics, meaning projects would need to deliver on Time, Quality, Cost plus a new Carbon setting.

This policy proposal has the capacity to limit emissions over the life cycle of a project and save infrastructure providers and government potentially billions of dollars in capital costs – particularly by creating the right incentives to use less of the highest emitting materials like concrete and steel.

The mandatory ‘carbon base case’ would give governments the option of allowing a lower carbon outcome through detailed design and procurement, thus improving competitiveness, lowering carbon emissions and saving costs.

Infrastructure Partnerships Australia CEO Adrian Dwyer said the plan was necessary for both state governments and the major infrastructure supply chain to meet the challenge of Net Zero by 2050.

“Right now, when governments around the country decide where to allocate hundreds of billions of dollars taxpayers’ money to massive infrastructure programmes, they are flying blind on carbon. That’s not an exaggeration – they literally have no visibility of the carbon implications of the decisions they make.

“For Australia to reach net zero, we must transform how we build. With more than \$759 billion of projects listed on Infrastructure Partnerships Australia’s ANZIP, there is no shortage of opportunities to drive this transformation. This includes the \$248 billion in taxpayer funded infrastructure over the next four years, allocated by governments this Budget season.

“It’s estimated that Australia’s construction industry generates 30 to 50 million tonnes of carbon every year. However, to date, much of the policy and regulatory focus for reducing construction emissions has targeted improving the energy efficiency of buildings and other built assets.”

Mr Dwyer said the ‘carbon base case’ proposal would target the emissions from the vast amount of materials necessary in large-scale infrastructure projects at the earlier stages of a project, rather than just during construction.





“By moving the carbon discussion to the very start of the planning process, crucial decisions can be made early before a sod has been turned or a pale of concrete poured.”

Mr Dwyer said similar policies have been introduced in European jurisdictions in a bid to better account for carbon emissions and allow competitive tenders that would bring down costs for taxpayers.

Once established, a carbon base case approach could be continually refined over time with each new benchmark project resetting what best practice looks like.

“While high level carbon targets are crucial, decarbonisation is in the details. We won’t solve the dual challenges of emissions reduction and quality infrastructure investment without a blueprint of what that future looks like. Fortunately, a carbon base case provides a simple way to address both those important challenges,” Mr Dwyer said.

Mr Dwyer, who is attending the Federal Government’s Jobs Summit on September 1-2, will take the plan to Canberra on behalf of Infrastructure Partnerships Australia in a bid to bring a cost-effective solution to emissions reduction for governments and infrastructure providers.

#### **INFRASTRUCTURE PARTNERSHIPS AUSTRALIA**

**Link to report: <https://infrastructure.org.au/decarbonising-construction-base-case>**

**Attached report**

#### **MEDIA CONTACT:**

**Leo Shanahan (Freshwater Strategy) [lshanahan@freshwaterstrategy.com](mailto:lshanahan@freshwaterstrategy.com)**

**0422029730**

