

8 December 2025

Climate Change Authority

Submitted online



2026 ACCU Scheme Review- Issues Paper

The Australian Financial Markets Association (AFMA) is responding to the Climate Change Authority's (the Authority) 2026 ACCU Scheme Review Issues Paper.

AFMA is the leading industry association representing Australia's financial markets - including the capital, credit, derivatives, foreign exchange, and other specialist markets such as gas, carbon, electricity and environmental products. We have more than 130 members, from Australian and international banks, leading brokers, securities companies, and state government treasury corporations to fund managers, energy firms, and industry service providers. AFMA members include many of the major participants in the ACCU market.

Key Points

- **The ACCU scheme is functioning well and helping to reduce Australia's emissions**
- **The new registry must be interoperable and fit for purpose into the future**
- **Ensuring scalable and high integrity methodologies should be prioritised**

1. Implementation of the ACCU scheme

AFMA remains very supportive of the ACCU scheme and safeguard mechanism. We believe that broadly speaking, implementation of both schemes took place smoothly and that both have been successful to date in helping meet Australia's emissions reduction targets. We likewise believe they will continue to serve in this important role for many years to come.

AFMA has been working to help boost professionalism in the market and AFMA is supportive of the ACCU scheme and is pleased to see increased integrity and maturity in the market since the 2023 review. To aid market integrity and promote standards in trading AFMA launched Australia's first master agreement governing spots, forwards, and options over ACCUs. These documents essentially allow non-financials and those who prefer not to use an ISDA, to trade ACCUs, thus opening up the market to a broader range of participants. We likewise see tools such as ASIC's RG 236 as another positive development. We support continued efforts to uplift professionalism and standards in the market.

While AFMA has no view on the appropriate role of government in the market, we would encourage government to ensure any purchasing is clear and transparent as to not disrupt the market. Actions from government in the market should be predictable. In this regard, it is imperative that the Clean Energy Regulator (CER) be forthcoming, clear, and transparent about government purchasing in the market, to safeguard market integrity.

The next key implementation challenge AFMA sees is the implementation of Article 6. Whilst supportive of this transition, there will be significant market impact, and it is important that adequate preparation is undertaken and communicated to the market, within an appropriate timeframe. It is important that government work with industry on this to drive the best outcome.

2. ACCU registry

A high functioning registry with optimal interoperability and usability are essential for a successful certificate scheme. AFMA has closely engaged on the replacement of ANREU, having repeatedly called out its inefficiencies, and welcomed the design and launch of a new register. Most importantly, the new registry must be interoperable and remain fit for purpose into the future.

A key inefficiency AFMA identified, and which continues to cause delays for market participants is that user access is managed by the CER rather than the account holding firm. While AFMA supports rigorous, efficient, processes for establishing new registry accounts, the firms holding these accounts should be able to manage user access. Under this approach, the CER retains its role of determining which organisations are entitled to hold an account but gives account holders freedom to administer their accounts. Not only does this remove delays for account holder employees but transactions will come through a single shared corporate account rather than individual named users. Given that the bulk of market participants are compliance buyers, we believe this to be the most logical and efficient approach. AFMA understands from the CER, who appreciate the issue, that legislation would be required to implement this change.

The registry must also maintain interoperability with financial systems, compliance platforms, and potential future carbon market infrastructure including exchange platforms and clearing houses. To support the evolution of the market without requiring costly system rebuilds, forward compatibility should be built into the registry architecture.

3. Methodologies

AFMA considers that demand for ACCUs is likely to grow and it is therefore important that scalable and high integrity methodologies are developed to ensure an adequate supply of ACCUs. As the paper notes, a number of methodologies will expire in 2025 and 2026, as such, ensuring that new methodologies are in place to replace these, should be prioritised.

The ACCU Scheme regime has significant potential to support Australia's net zero transition while delivering environmental and economic co-benefits. Realising this potential requires adequate resourcing for methodology development, international engagement, clear statutory timeframes creating accountability, and an appropriate regulatory framework.

4. Impact of financial services law

As the Australian Law Reform Commission (ALRC) found¹ Australian financial services law is often complex and challenging to navigate. AFMA therefore encourages the Authority to consider the impact of financial services law on the function and success of the ACCU scheme. Specifically, we see benefit in considering:

¹ [The Australian Law Reform Commission Final Report, Confronting Complexity: Reforming Corporations and Financial Services Legislation](#)

- Current regulatory settings in relation to custodian services
- The impact of Australian Financial Services Licensing requirements and related intermediary registration barriers
- The application of Managed Investment Scheme classification to ACCU projects
- We also note that at the time of this consultation, Treasury is concurrently consulting on foreign investment framework reforms, which impacts ACCUs. We therefore encourage the Authority to monitor and consider the outcomes.

Separately, as part of its review, the Authority may also wish to consider taxation settings and tax treatment of ACCUs and any impact this may have on the scheme's uptake and success.

AFMA Recommendations

- i. Provide adequate timeframes and preparedness for Article 6 implementation
- ii. Prioritise enduring interoperability in the new register
- iii. Amend the ANREU act to allow account holding firms to manage user access to the register
- iv. Focus on new scalable methodologies
- v. Review the impact of financial services law on the participation and growth of the ACCU scheme

AFMA would welcome the opportunity to discuss this submission further and would be pleased to provide further information or clarity as required. Please contact Monica Young via myoung@afma.com.au or 02 9776 7917.

Yours sincerely,

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