



25 February 2010

Senator Sue Boyce  
Senator for Queensland  
PO Box 143  
ALBION QLD 4010

**VIA EMAIL:** [senator.sue.boyce@aph.gov.au](mailto:senator.sue.boyce@aph.gov.au)

Dear Senator Boyce

**Re: Voluntary Carbon Offset Program Letter dated 29 January 2010**

Thank you for your feedback on the Qantas voluntary carbon offset program and query about our carbon abatement supplier Fieldforce.

Alan Joyce has asked that I respond on his behalf given that the Environment is part of my role mandate.

Qantas has a broad strategy in place to reduce environmental impacts across our business. We continue to implement strategies that reduce:

- fuel consumption and therefore carbon emissions
- energy and water consumption
- waste generation, and
- noise footprints and community impacts.

We are proud of our successful 'Fly Carbon Neutral' carbon offset program launched in September 2007. It allows our customers to offset their own share of carbon emissions. We also acknowledge that we should play our part so the Group continues to maintain its commitment to offset its travel and ground vehicles as part of the program. The program is industry leading with take-up of around 10% of customers booking through the Qantas and Jetstar websites. In the last financial year, the Group offset more than 315,000 tonnes of carbon emissions, the equivalent of removing 70,000 cars from the road. In addition, our fuel conservation program by the end of this financial year will have saved close to 1,000,000 tonnes of carbon emissions, that's 220,000 cars.

In terms of selecting where to invest the offset funds, we completed a rigorous supplier assessment activity which included substantive due diligence activities. To ensure that we had complete confidence in our scheme, we sought accreditation under the Commonwealth Government's 'Greenhouse Friendly' program. A key requirement of 'Greenhouse Friendly' is that our carbon abatement suppliers also be accredited under the same program. The Fieldforce 'Envirosaver' program was selected after this extensive tender and due diligence process.



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To date, all carbon abatement purchased has been sourced through Fieldforce, with the exception of 40,000 tonnes (90,000 Mallee Eucalypt trees) purchased on the day we launched the program from CO2 Australia, both these suppliers are accredited under 'Greenhouse Friendly'. To our knowledge there are no 'not for profit' suppliers of carbon credits through that program, which was a question you raised in your letter.

You may be aware that the Commonwealth Government has taken a decision to wind back and discontinue the 'Greenhouse Friendly' program and replace it with the new 'National Carbon Offset Standard'. As a result, Fieldforce ceased creating new carbon credits for the Greenhouse Friendly program. Although Fieldforce will continue to provide Qantas with offsets created before the phase out date, the free home energy assessment service is no longer available.

Fieldforce has separate arrangements with State Governments. For example, free home energy assessments are available in Victoria, under the Victorian Energy Efficiency scheme. In Queensland, Fieldforce charges a fee for home energy assessment as part of the Queensland Government's 'Climate Smart' scheme. No credits are provided to Qantas as part of this program.

As part of the transition to the new National Carbon Offset Standard, the Group is reviewing a range of options for the supply of carbon credits. We maintain our commitment to invest every dollar received from customers into abatement activities that meet the highest standards.

The 'Frequently Asked Question' on the Qantas website you referred to has been removed.

Given your interest in environmental issues, our Head of Environment and I would be pleased to brief you about the Qantas Group's environmental strategy. There is an opportunity for Queensland to play an important role in the emerging 'clean jet fuel' industry and I would be pleased to take you through the subject in more detail.

Yours sincerely

**Rob Kella**  
Chief Risk Officer