

HSBC on track with carbon credits in Australia and New Zealand

In a strong endorsement of international carbon credit markets, HSBC Group, one of the world's financial services giants, is finalising its investment into carbon sink projects in Victoria and the North Island of New Zealand to meet new emissions targets in 2007.

In line with its commitment in 2004 to become the world's first major bank to achieve carbon neutrality, by 2006, and to offset the total group-wide emissions for the last quarter of 2005 (170 000 tonnes of carbon dioxide + or - 5%), HSBC is finalising the purchase of 170 000 tonnes of carbon offset credits, at an average price of US\$4.43 each, from four offset projects around the world, including Meridian energy's Te Apiti wind farm north of Manawatu Gorge, New Zealand (125 000 tonnes), and an anaerobic waste composting facility in Victoria (15 000 tonnes), credited by the Australian Greenhouse Friendly scheme.

Other credits are being bought from agricultural methane capture in

Sandbeindorf, Germany, and biomass co-generation in Andhra Pradesh, India.

HSBC says its emissions commitment to 2006 was in fact achieved three months early. Revised group-wide emission reduction targets, announced in July 2005, now commit HSBC to reducing its carbon dioxide emissions by a further five per cent by 2007.

'Our Carbon Management Plan consists of three phases. Firstly, to manage and reduce our direct emissions, secondly to reduce the carbon intensity of the electricity we use by buying "green electricity", and finally, to offset the remaining emissions in order to achieve carbon neutrality,' the company's Annual Report says.

A Carbon Management Task Force comprising HSBC's Corporate, Investment Banking and Markets' Project Finance, and Energy and Utility Sector teams, Credit and Risk, Corporate Real Estate, and Group Corporate Affairs, is overseeing the Management Plan. The Climate Group, a not-profit organisation, and ICF



HSBC's global reach extends from headquarters in Hong Kong. Norman Chan

Consulting, an international firm, advise the Task Force.

Sir John Bond, HSBC Group chairman, UK, said the bank had realised that companies which committed early to the new carbon trading schemes would find themselves at a competitive advantage as the practice became standard.

He said that HSBC was now constantly looking at ways to both increase energy efficiency and reduce its output of environmentally damaging waste.

Government shows a lead on depleted and illegal fishing

After the Federal Government's applauded \$200 million initiative last November to buy out about half of the country's 1200 commercial fisherman, it has followed up by brokering solid cooperation from Indonesia on illegal fishing.

With government research reporting that stocks in 17 Australian fisheries have declined due to overfishing, the seafood industry welcomed both the package drawn up for its operators and the reduction in total allowable catch in the fisheries. Proponents say that the commitment signals warnings about unsustainable takes have started to elicit progress.

Meanwhile the Federal Minister for Fisheries, Forestry and Conservation, Senator Ian Macdonald, and the Indonesian Minister for Marine Affairs and



The fishing fleet at Yamba, NSW. Many operators are pleased to have government relief. David Freund

Fisheries, Freddy Numberi, agreed in December to progress new initiatives to end illegal fishing in Australia's northern waters.

Indonesia offered to work on the idea of regular coordinated patrols on its territorial sea borders to turn back Indonesian fishermen before they fish illegally in Australia,

helping to reduce the number of Indonesians being arrested.

Dr Hassan Wirajuda, Indonesia's Foreign Minister, has also agreed to greater Indonesian police involvement in investigating illegal fishing. Senator Macdonald said it appears that international crime syndicates are increasingly driving illegal fishing and

that the penalties involved were perhaps insufficient deterrents to these organisations.

He also said the ministers had discussed ways to implement a \$300 000 campaign to raise awareness in Indonesia's coastal communities of the impacts and consequences of fishing illegally in Australia.

'We have agreed to share information with Indonesia about the village origins of illegal fisherman, which will allow the joint investigation of the organisation of the illegal trade in shark fin,' he said.

'Australia remains committed to helping Indonesian fisherman develop alternative livelihoods and look at other ways to secure their fishing future. However we need to make it abundantly clear that Australian waters are off limits.'