

The Greenhouse and Energy Reporting Taskforce
Australian Greenhouse Office
Department of Environment and Water Resources
GPO Box 787
Canberra ACT 2601

By email: reporting@environment.gov.au

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Grant Thornton Association Inc (Grant Thornton Australia) appreciates the opportunity to provide comments to The Greenhouse and Energy Reporting Taskforce on the 'National Greenhouse and Energy Reporting System, Regulations Discussion Paper'.

Grant Thornton Australia's response which is specifically directed to entities reporting via the Corporations Act reflects our position as auditors and business advisers both to listed companies and privately held businesses, which support ensuring the fostering of an environment that facilitates sustainable economic growth.

We note that the existing Corporations Act requires directors to report annually on the entity's performance in relation to environmental regulation where the entity is subject to any 'particular and significant regulation' under Commonwealth, State or Territory law. The Australian Securities and Investments Commission (ASIC) has provided further guidance on how this requirement should be applied in its Practice Note 68. That Practice Note states that the requirements relate to performance in environmental matters, and should not be solely directed to financial reporting issues. In particular, the information disclosed would generally be less technical than any mandatory reporting under environmental requirements.

On that basis we recommend that the Taskforce consider using the expertise of those organisations that have experience in this area of reporting including ASIC, the Australian Accounting Standards Board and the ASX Corporate Governance Council whose Corporate Governance Principles and Recommendations refer to 'environmental protection policies' (Principle 3.1.4).

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We also believe that the Auditing and Assurance Standards Board (AUASB) should be requested to work with the Taskforce on assurance that can be independently provided on environmental reporting. For instance, Section 73 of the National Greenhouse and Energy Reporting Act already contains certain audit and assurance requirements, and the AUASB has an emissions reporting and assurance project on its forward work program.

If you require any further information or comment, please contact me.

Yours sincerely
GRANT THORNTON ASSOCIATION INC

A handwritten signature in black ink, appearing to read "Keith Reilly". The signature is stylized with a large, looping flourish at the end.

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