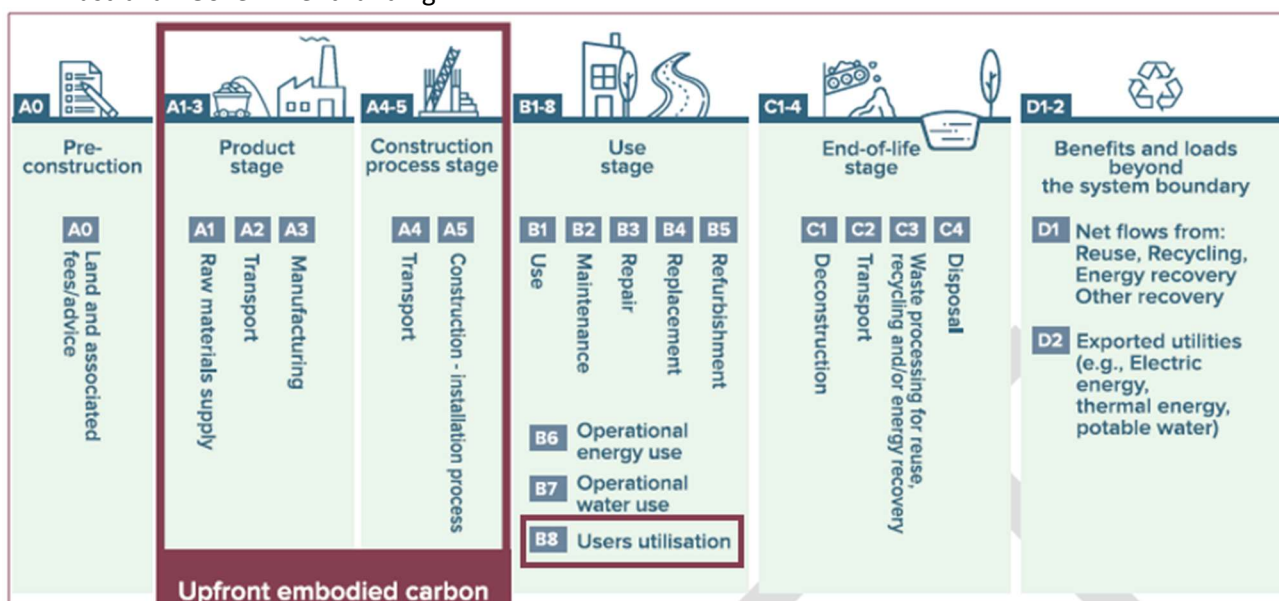


## Policy on the application of National Carbon Values

1. All enabled and upfront embodied greenhouse gas emissions should be considered in option selection and cost benefit analyses (CBAs) using National Carbon Values (NCVs) (or higher) for all transport infrastructure projects, and where appropriate programs, over \$100 million of funding (from state, territory and/or Commonwealth funding).
  - 1.1. As a minimum, CBAs should quantify and value (using NCVs or higher) upfront embodied emissions (modules A1-A5, as shown below) and users utilisation emissions (B8). In addition, all jurisdictions should encourage their agencies to quantify and value additional sources of use stage emissions (modules B1-7) where feasible, however this is considered optional until appropriate measurement guidelines have been developed. This approach aligns with Infrastructure Australia's Guide to Assessing GHG Emissions, which sets requirements to quantify and value emissions for proposals seeking \$250 million or more in Australian Government funding.



- 1.2. All jurisdictions may choose to apply NCVs (or higher) to projects, and where appropriate programs, below the \$100 million threshold, and are encouraged to do so, where practical for that jurisdiction to do so, especially for projects and programs where carbon valuation will significantly increase the opportunity for emissions reduction (for example, where it is likely to have a material impact on the Net Present Value (NPV) and Benefit Cost Ratio (BCR)).
2. All jurisdictions are encouraged to use NCVs for new project proposals (i.e. business cases) developed by jurisdictions from 1 July 2024, or as soon as practicable (with the aim of all jurisdictions using NCVs by 1 January 2025).
3. An initial review will commence in July 2025, with following reviews every two years after that. The application of NCVs should also be reviewed when NCVs are updated, or there are changes to the *Embodied Carbon Measurement for Infrastructure Technical Guidance*, to facilitate continued national agreement and consistency.
  - 3.1. As part of each review, the funding threshold for application of NCVs should be considered.
  - 3.2. Initial reviews will focus on the process of applying the NCVs, moving over time to impact evaluations that assess the amount of carbon reduced through the application of NCVs.
  - 3.3. Initial reviews will be conducted in consultation with IA, while later reviews should be formal impact evaluations conducted by a third party with the oversight of the Infrastructure Decarbonisation Working Group (IDWG).
  - 3.4. All reviews should be provided to the IDWG and reported to ITSOC and ITMM.
4. Further, supplementary guidance on the methodology for the application of NCVs by jurisdictions in business cases can be sourced from the ATAP guidelines.