

Department of Climate Change, Energy, the Environment and Water (DCCEEW)
<https://consult.dcceew.gov.au/go-exp-draft-methodology-determination-amendment>

6 February 2026

Dear Minister Wilson

Exposure Draft of the Guarantee of Origin Methodology Determination Amendment

The Australian Aluminium Council (the Council) represents Australia's bauxite mining, alumina refining, aluminium smelting and downstream processing industries. The aluminium industry has been operating in Australia since 1955, and over the decades has been a significant contributor to the nation's economy. The Department of Industry, Science and Resources (DISR) has recently forecast¹ that earnings for Australian exports of aluminium, alumina and bauxite are expected to rise from \$18 billion in 2025–26 to \$19 billion in 2026–27. More than \$14B of this comes from the alumina and aluminium industries, as value adding mineral processing sectors. The industry includes six bauxite mines which collectively produce over 100 Mt per annum making Australia one of the world's largest producers of bauxite. Australia is the world's largest exporter of alumina with five operating alumina refineries producing around 18 Mt per annum of alumina. Australia is the seventh largest producer of aluminium, with four aluminium smelters and additional downstream processing industries including more than 20 extrusion presses. Aluminium is Australia's top manufacturing export. The industry directly employs more than 21,000 people, including 6,600 full time equivalent contractors. It also indirectly supports a further 55,000 families predominantly in regional Australia. The integrated industry contributes around \$18 B to Australia's GDP.

The Council welcomes the opportunity to provide input into the public consultation on the Exposure Draft of the Guarantee of Origin [GO] Methodology Determination Amendment [the Amendment] and appreciates the consideration and consultation already undertaken by the Department on this matter. Some of the Council's Members may have also made submissions, and these should be read alongside this submission.

The Council has identified a number of areas where the methodology deviates from that in the National Greenhouse and Energy Reporting (NGER) scheme or that optionality for methods is missing. To reduce complexity and potential reporting misalignment, the Council recommend that for Scope 1 and 2 emissions, the NGERS methodologies are referenced and for additional scope 3 emissions that need to be included for this framework, the methods are limited and concise. For example, for fuel burning, the selected NGER method is used with the addition of the scope 3 emission factor set out in the GO Methodology Determination.

Anode production

Subsection 42(2) provides that the *aluminium production module* is the process of producing aluminium through a smelting process that uses alumina and baked carbon anodes. Subsection 42(2) specifically refers to carbon anodes produced by the production profile holder because the emissions accounting does not provide for third-party supply of baked carbon anodes. This reflects that Australian aluminium smelters currently produce their own baked anodes.

¹ <https://www.industry.gov.au/sites/default/files/2025-06/resources-and-energy-quarterly-june-2025.pdf>

While Australian smelters currently produce their own anodes, as articulated in correspondence with the DCCEEW in August 2025, the Council believes that the GO must provide for third party supply of both carbon and alternate anodes. Inert anodes, a key decarbonisation technology option for aluminium smelting, will likely warrant the need for a methodology for a third party supply of anodes. Additionally, onsite processes such as maintenance on the anode baking furnaces or rodding equipment, may require the use of third party anodes. The current legislation does not provide for these circumstances, and while they may not currently occur should be included to allow for future flexibility. It is the preference of the Council that this flexibility is included now, rather than deferring this until later. This will incentivise smelters to deploy the lowest emissions source as soon as possible, knowing that the methodology already accounts for it.

Pitch and Coke

Section 45 – the Council is unable to reconcile the default factors for coke and pitch (of 1,967.3 and 1,297.4 kilograms of CO₂-e per tonne respectively) against publicly available data and requests additional source information from the Department.

Transport

The Council notes that paragraph 42(5)(c) limits its application to alumina and pre-consumer scrap. If this continues to apply, will a transport default also be able to be applied while default factors are also being used for alumina and pre-consumer scrap

Scrap

Item 3, Section 4 provides a definition of pre consumer scrap, but no definition of any other type of scrap. There should be a definition also included of post-consumer scrap and all references to scrap should be clear. Currently some references include use melting of any solid aluminium as scrap (eg Section 43).

As per the Council's correspondence with DCCEEW in August 2025, the Council would like to see transparency on any inclusion of scrap content, consistent with the development of international guidelines² which are continuing to evolve. This could include percentages of recycled and primary content, classification of recycled material sources (pre and post-consumer) and geographic country of origin of recycled inputs. Adopting a similar philosophy to that in other aspects of GO, the Council believes it is important to provide the necessary information to enable transparency of scrap content; rather than being prescriptive. This is partially addressed in Item 6 at the end of Schedule 2, but does not define post-consumer scrap etc. Again, it is the preference of the Council that this flexibility is included now, rather than deferring this until late to providing incentives for the future.

Alumina

Section 44 – Alumina Supply and Use provides a default emissions factor for alumina which is 1,260 kilograms of CO₂-e per tonne of alumina. The method should have a provision for using a calculated value once a methodology has been developed for alumina.

Anode use

The formula for anode use should allow for the use of higher order methods, as for NGERs. This allows supports emission reduction projects to reduce anode consumption.

Perfluorocarbon emissions

The formula should allow for the use of higher order methods, as for NGERs. For example, Portland reintroduced tier 3 for 2024/25 NGERs. The other Australian smelters use the 2019 refinement factors not 2006.

² <https://international-aluminium.org/resources/guidelines-on-transparency-aluminium-scrap/>

Section 19 of the methodology defines which GWP to use (same as for NGERS), this has not been done for section 47.

Small sources based on existing sections

Section 19 – SF6, the method is not consistent with the NGERS methods and does not make sense for use in transformers which are operating 24/7.

Section 16D - Carbonate (soda ash) – there is no scope 3 included in the proposed method. It is unclear why it does not just refer to the NGERS measurement determination method.

Section 1/Schedule 1 - Gaseous fuels, transmission and distribution pipelines are not defined (this is less clear than in the National Greenhouse Account Factors documents, which value to use).

NGERS allows for emissions from incidental sources to be estimated according to the principles in section 1.13, this should be duplicated for Product GO.

As suggested earlier, the Council believes it would be simpler if this was more aligned NGERS for scope 1 and 2 and the new methodology was limited to scope 3 sources (in many cases this would simply be an additional emissions factor to use in the NGERS calculation):

- Electricity;
- Gas;
- Diesel;
- Gasoline;
- Any other solid, liquid or gaseous fuels eg acetylene;
- Alumina;
- Coke;
- Pitch; and
- Downstream transport.

The Council welcomes the opportunity to continue to engage with the Department on the development of the Product GO for aluminium. The Council is happy to provide further information on any of the issues raised in this submission.

Kind regards,



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