

National Carbon Offset Standard Carbon Neutral Program Public Disclosure Summary



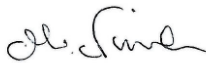
An Australian Government Initiative

COMPANY NAME: Paper Australia Pty Ltd (Australian Paper)

REPORTING PERIOD: 1st January 2016 – 31st December 2016

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

Signature 	Date 15/5/2017
Name of Signatory Meagan Nimbs	
Position of Signatory Sustainability Systems Manager	

Carbon neutral certification category	Product
Date of most recent external verification/audit	18 th May 2016
Auditor	RSM Australia
Auditor assurance statement link	



Australian Government
Department of the Environment and Energy

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1. Carbon neutral information

1A. Introduction

Paper Australia Pty Ltd (Australian Paper) is the leading producer of office, printing and packaging paper in Australia, manufacturing from its mill at Maryvale, Victoria. Australian Paper produces and markets thousands of non-CN paper products and around 400 Carbon Neutral certified paper products were sold during the reporting period. Products include office papers, envelope papers, bag papers, printing papers and recycled paper in both sheet and roll forms.

Maryvale Mill is the largest integrated pulp and paper manufacturing site in Australia, producing over 500,000 tonnes of paper from facilities including a wood yard, three pulp mills, five paper machines, converting facilities, a waste paper processing plant and an integrated chemical recovery and energy plants.

The product delivered by Australian Paper consists of a range of branded paper products with a proportion sold under the carbon neutral logo throughout Australia and New Zealand.

The LCA undertaken covers the raw materials, production, packaging, distribution and disposal of all products produced at the Maryvale mill. The LCA model for paper manufacturing includes over 250 raw material inputs flowing through approximately 600 intermediate processes across the mill. The functional unit is one tonne of certified paper product. This inventory has been prepared based on the standards of *NCOS Version 3* and *CNP Version 4* with data references from the *National Inventory Report 2014 Vol. 2* and *National Greenhouse Accounts(NGA) Factors 2016*. The emissions included in the inventory include all greenhouse gases CO₂, CH₄, N₂O, HCFs, PFCs, SF₆, HCFCs and CFCs.

The system boundary begins with raw material production in the form of roundwood production in hardwood and softwood forestry operations and in collection of recycled fibre for inclusion in paper production. It includes all raw material transport, pulping of wood fibre, imports of external pulp, production and finishing of paper products and finally packaging and distribution from the Maryvale mill. While the use of the paper is considered outside the system boundary, the landfilling of the paper products after use is included in the LCA.

1B. Emission sources within certification boundary

Quantified sources

The quantified emission sources inclusive of cradle-to-grave inputs and outflows are listed below in the system boundary (1C).

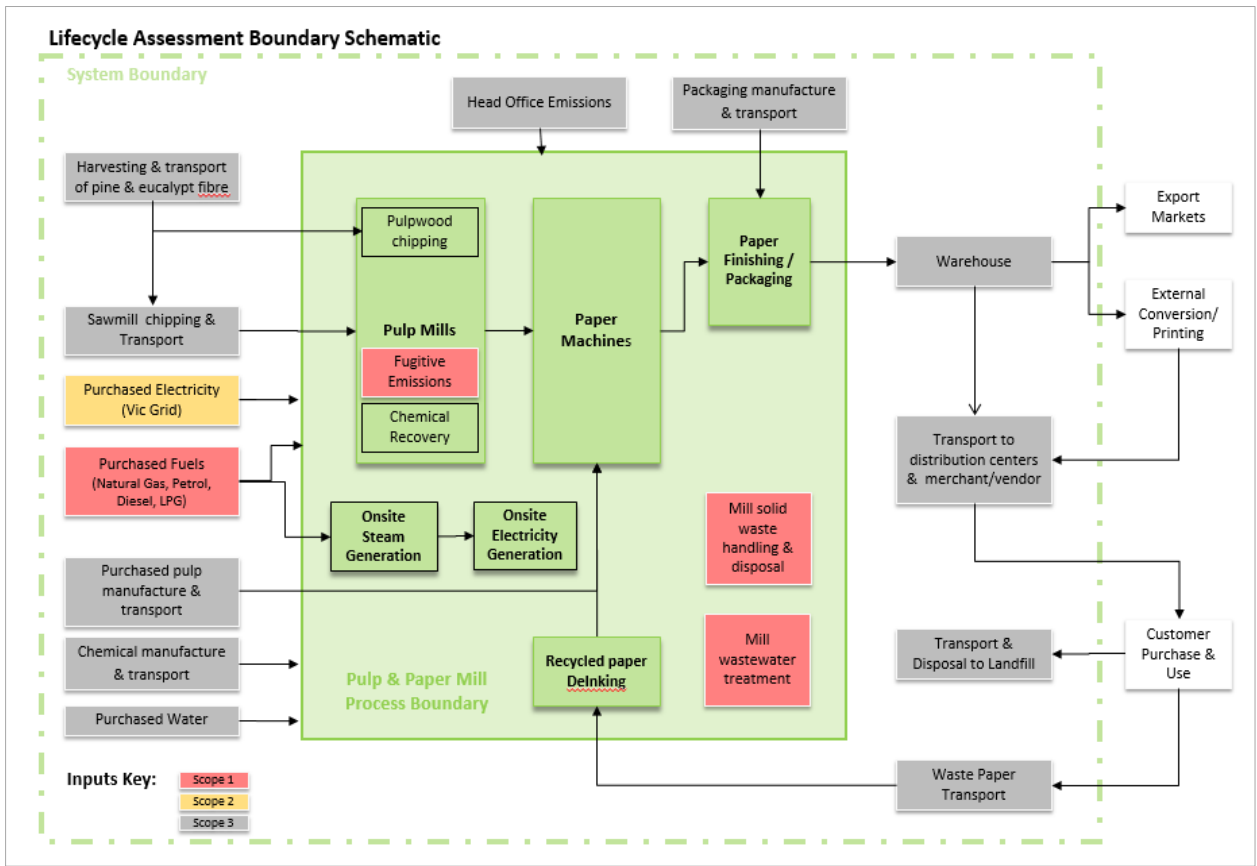
Non-quantified sources

The following emission sources have not been quantified in line with the provisions in the NCOS. The impact of excluding these sources is not expected to materially affect the overall total emissions.

1. Office equipment and consumables i.e. staplers, stationary, printers etc.
Quantifying emissions is not cost effective due to the relative size of the emissions. Office equipment and consumables are estimated at less than 0.001% of overall emissions.

2. Paper machine consumables i.e. machine fabrics
Quantifying emissions is not practicable or cost effective due to the highly complex and specialised nature of the manufacture of these consumables, and their emissions have been previously estimated at less than 1% of overall emissions.
3. Offsite finishing and processing
Small quantities of some products are directed for offsite finishing prior to sale. This is done at the request of customers and is specific to their needs for the end use of the paper. External conversion is not included in the system boundary.

1C. Diagram of the certification boundary



2. Emissions reduction measures

2A. Emissions over time

Australian Paper reports emissions on a product by product basis. Australian Paper makes no comparison of total emissions over time, other than the specific emission factor which might apply to an individual product – used as an indicator of the efficiency with which Australian Paper has produced the product.

Base year emissions and any historic data are not recalculated for organic growth or decline. Organic growth/decline refers to increases or decreases in production output, changes in product mix, changes in energy efficiency through capital upgrades, and closures and openings of operating units that are owned or controlled by the company. The rationale for this is that organic growth or decline results in a change of emissions to the atmosphere and therefore needs to be counted as an increase or decrease in the company's emissions profile over time.

Thus, Australian Paper will apply a base year recalculation, and recalculations to any subsequent year, on:

- a) changes in calculation methodology or improvements in the accuracy of emission factors or activity data that result in a significant impact on the base year emissions data
- b) or discovery of significant errors, or a number of cumulative errors, that are collectively significant.

The threshold for triggering a recalculation is when a retrospective change in the points above would be expected to result in a 5% change of a product's specific emissions intensity from that originally calculated in the baseline year.

Table 1. Emissions since base year			
Product-	Base Year: 2012	Emission Intensity [t CO2 per t paper]	Comments
All CN Products	2012	2.24	Highest proportion of biomass fuel since 2009 High proportion of sales of lower emissions intensity papers Lower proportion of sales tonnes from Shoalhaven mill (with higher emissions intensity products)
All CN Products	2013	2.57	Additional emissions factor added to chemicals footprint.
All CN Products	2014	2.60	
All CN Products	2015	2.67	Lower proportion of biomass, across lower production output Slow startup of new recycling/DiP plant Increased proportion of recycled content and higher specific footprint papers
All CN Products	2016	2.38	Improved efficiency of recycling/DiP plant Electricity impacts per tonne CN papers lower than 2015 Lower production output and increased sales of CN products

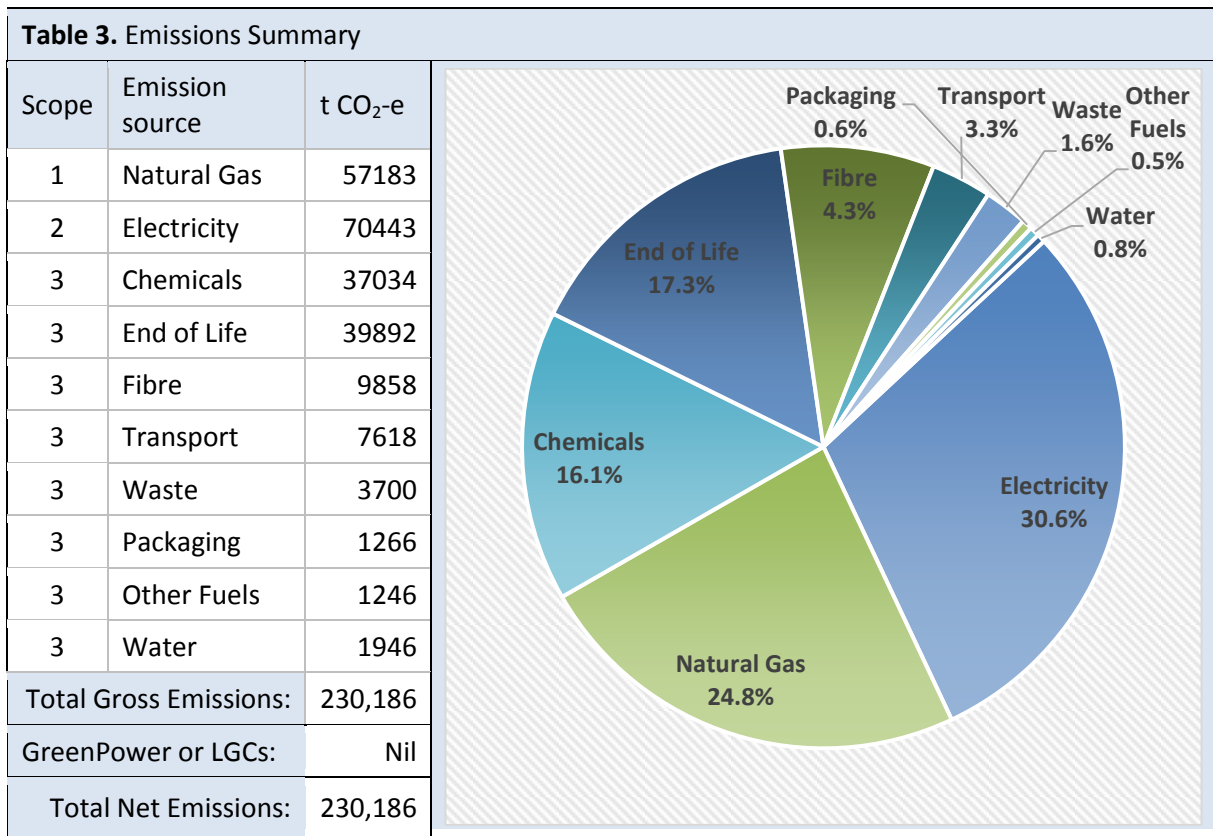
2B. Emissions reduction strategy

Australian Paper supports an energy reduction team comprising experienced mill-based engineering personnel who analyse, assess and implement new projects across the site which will deliver reductions in usage of steam, gas and electricity. Table 2 contains internally verified reduction measures implemented during 2016, intended to deliver permanent ongoing savings. In addition, there are a number of other minor improvement projects being conducted as part of everyday operations, all of which are contributing to Australian Paper's long term objective of permanent compounding energy efficiency improvements and reductions of 1% per annum.

2C. Emissions reduction actions

Table 2. Emissions reduction measures implemented in the current reporting period					
Year completed	Emission source	Reduction measure and calculation method	Scope	Status	Reduction t CO ₂ -e
2016	Gas	Improved heat recovery - reduced steam requirement	1	Completed	10872.3
2016	Gas	Reduced steam leaks and additional electricity generation Power plant	1	Completed	4077.1
2016	Electrical	Reduced steam leaks and additional electricity generation Power plant	2	Completed	3003.5
2016	Gas	Improved sootblower control- reduced steam requirement	1	Completed	2718.1
2016	Electrical	Improved pump efficiency on paper making machine - reduced power requirement	2	Completed	1501.8
2016	Gas	Reduced losses of condensate in condensate tank - reduced steam requirement	1	Completed	543.6
2016	Gas	Prevent steam bypassing steam traps in sootblower- reduced steam requirement	1	Completed	679.5
2016	Gas	Reduced spill added to weak black liquor- reduced steam required to heat weak black liquor	1	Completed	5436.2
Total emission reductions implemented in this reporting period					28,832

3. Emissions summary



4. Carbon offsets

4A. Offsets summary

Table 4. Offsets Summary				
Offset type	Registry	Serial numbers	Quantity	Year retired
CER	UNFCCC CDM	IN-5-191420831-1-1-0-347 to: IN-5-191435168-1-1-0-347	14,338	2016
CER	UNFCCC CDM	IN-5-143177236-1-1-0-1549 to: IN-5-143194621-1-1-0-1549	17,386	2016
VCU	APX	4238-179296882-179365482-VCU-010-APX-NI-1-1507-01072010-29052011-0	68,601	2016
VCU	APX	4239-179365483-179401394-VCU-010-APX-NI-1-1507-30052011-22082013-0	35,912	2016
VCU	APX	4237-179252212-179258698-VCU-047-APX-NI-1-1507-01032009-30062010-0	6,487	2016
VCU	APX	569-26431164-26460270-VCU-001-CDC-IN-1-173-01042009-30092009-0	29,107	2017
CER	UNFCCC CDM	IN-5-177183514-1-1-0-4846 to: IN-5-177191973-1-1-0-4846	8,460	2017
CER	UNFCCC CDM	IN-5-182419293-1-1-0-6160 to: IN-5-182427385-1-1-0-6160	8,093	2017
CER	UNFCCC CDM	IN-5-171088710-1-1-0-4956 to: IN-5-171104392-1-1-0-4956	15,683	2017
CER	UNFCCC CDM	IN-5-175297706-1-1-0-1268 to: IN-5-175303320-1-1-0-1268	5,615	2017
CER	UNFCCC CDM	IN-5-178008216-1-1-0-5821 to: IN-5-178019784-1-1-0-5821	11,569	2017
CER	UNFCCC CDM	IN-5-182480586-1-1-0-3854 to: IN-5-182492058-1-1-0-3854	8,935	2017
Total retired offsets:			230,186	

4B. Offsets purchasing and retirement strategy

Australian Paper makes quarterly forward estimates of offset requirements based on combining the preceding reporting period's emissions intensity values and the sales forecast for paper products. During the quarter, Australian Paper then procures offsets that comply with a standard recognised by the NCOS, and retires them.




Upon completion of the annual report; and in the case of a reporting period requiring verification by audit – prior to the final verification, Australian Paper will finalise procurement of offsets and cancel/retire at least the final total required volume of offsets as identified in the annual report.

If Australian Paper retires more offsets during a reporting period in excess of those reported in Table 4, these are to be applied to future offset requirements covering carbon neutral product sales in subsequent reporting periods.

4C. Offset projects (Co-benefits)

Acknowledging the high proportion of renewable energy that Australian Paper already produces from biomass as a byproduct from the pulping process, offsets are invested in alternative energy generation developments, such as solar, wind or biomass.

5. Use of trade mark

Table 4. Trade mark register		
Where used	Logo type	Logo
Product Specification sheets	Carbon neutral certified logo	
Fact sheets	"An Australian Government Initiative" with Australian coat of arms alongside trademark	 An Australian Government Initiative
Banners	"An Australian Government Initiative" with Australian coat of arms alongside trademark	 An Australian Government Initiative

<p>Australian Paper website</p>	<p>“An Australian Government Initiative” with Australian coat of arms alongside trademark</p>	 <p>An Australian Government Initiative</p>
<p>Reflex Website</p>	<p>“An Australian Government Initiative” with Australian coat of arms alongside trademark</p>	 <p>An Australian Government Initiative</p>
<p>Promotional & Product Flyers</p>	<p>Carbon neutral certified logo</p>	
<p>Presentations</p>	<p>“An Australian Government Initiative” with Australian coat of arms alongside trademark</p>	 <p>An Australian Government Initiative</p>
<p>Customer Price List</p>	<p>Carbon neutral certified logo & Carbon neutral paper logo</p>	
<p>Australian Paper branded copy paper: includes Australian, Australian 100% recycled, Brilliant, Reflex Ultra White, Reflex Ultra White 20% recycled, Reflex 50% recycled, Reflex 100% recycled</p>	<p>“An Australian Government Initiative” with Australian coat of arms alongside trademark</p>	 <p>An Australian Government Initiative</p>
<p>Australian Paper branded printing papers: includes Envi, Lock&Key, Revive and Tablex</p>	<p>Carbon neutral certified logo</p>	
<p>Customer branded copy papers: includes Aspire, Bibbulmun, Office Choice, Office National, OPD, Planet Ark 100% recycled, Staples Red, Staples 20% recycled, Xerox Green Wrap 100% recycled</p> <p>*The above brands are manufactured by Australian Paper but are not owned by Australian Paper*</p>	<p>Carbon neutral certified logo or “An Australian Government Initiative” with Australian coat of arms alongside trademark</p>	 <p>An Australian Government Initiative</p>
<p>Custom Printed envelopes using Australian Paper CN envelope paper</p>	<p>Carbon neutral paper logo</p>	

In addition to the carbon neutral products listed above where the trademark is used on the product, Australian Paper also sells the following carbon neutral product brands in reel format where the trademark is not used on the product:

APMIL MG Bleached Bag Kraft, Data Right Plus, High Performance Kraft Liner, Inkjet Smooth, Jet Mail, Jet Ready, Postspeed, Postspeed recycled, Publishers Offset , Reflex Laser White, Sensi-Scanright.