

## CEWT POLICY NOTE

# From Carbon Pricing to Carbon System Design

Rethinking how we address emissions at scale

## Executive Summary

Carbon pricing tools (tax, credits, penalties) create important signals but act after emissions occur. The next phase of decarbonisation requires system-level design where carbon is circulated, not emitted.

■ Carbon Tax	■ Carbon Credits	■ ■ Regulation
Price signal	Offset mechanism	Compliance control

## System Shift

Linear System	Circular System
Extract → Use → Emit	Capture → Convert → Reuse → Repeat

## Why This Matters

Industrial systems require reliability, continuity, and energy density. Pricing mechanisms alone cannot meet these engineering constraints.

## Policy Direction

**Short Term:** Pricing + regulation

**Medium Term:** Infrastructure investment

**Long Term:** Closed-loop carbon systems

## Strategic Insight

Carbon pricing treats emissions as a cost. System design treats emissions as a flaw.

## Conclusion

The transition accelerates when we move from penalising emissions to redesigning the system itself.

Clean Energy and Water Technologies Pty Ltd (CEWT)  
Advancing system-level solutions for a defossilised future.