

Submission to the House Standing Committee on the Environment and Energy:

The Climate Change Bill 2020

4 December 2020

The ACT Climate Change Council Submission to the House Standing Committee on the Environment and Energy regarding the Climate Change (National Framework for Adaptation and Mitigation) Bill 2020

This submission to the House Standing Committee on the Environment and Energy is provided by the ACT Climate Change Council for consideration in the review of the Climate Change (National Framework for Adaptation and Mitigation) Bill 2020 and the related Consequential and Transitional Provisions Bill 2020.

The ACT Climate Change Council (hereafter, the Council) was established by the ACT Government in 2011 under the Climate Change and Greenhouse Gas Reduction Act 2010, and advises the Minister for Climate Change and Sustainability on matters relating to reducing greenhouse gas emissions and building resilience and adapting to climate change. Council members are appointed to cover a range of experience and expertise in social, scientific, economic, transport and construction fields.

The Council welcomes this bill for its acknowledgement of the magnitude and speed of climate change and the sensible framework it provides for crafting a proportionate, evidence-based, national response to that challenge. Our detailed comments follow.

Part 1: Preliminary and Guiding Principles:

The Council generally supports the Objects of this Act (pt 1 div 1 s 3) and its Guiding Principles (pt 1 div 2). We further note, however that:

- The meaning of "eligible offsets" is not specified in the definition of **net accounting emissions** (pt 1 div 1 s 5). This may lead to unintended consequences. In order to truly represent an equivalent reduction in greenhouse gas emissions, offsests must be carefully constructed, controlled and monitored. Principles to assist this include:
 - 1. Ensuring that offsets continue to produce, year on year, the reduction that would have been achieved by direct emission reduction, noting that greenhouse gases can remain in the atmosphere for substantial periods of time, spanning years to centuries.
 - 2. This compels a requirement and responsibility to monitor, report and augment offsets to ensure the that originally intended offset is being met.
 - 3. Purchased offsets should be valued at the *social* cost of carbon (e.g., Ricke et al., 2018^{1}), which takes into account the full societal damage associated with emitting each tonne of CO_2 -e at that particular time. "Market" costs for a tonne of CO_2 -e emissions generally fall far short of the social costs.



¹ Ricke, K., Drouet, L., Caldeira, K. et al. Country-level social cost of carbon. Nature Climate Change 8, 895–900 (2018)

- The Council supports the Guiding Principles (pt 1 div 2), but suggests that there is merit in explicitly calling out an additional principle that mitigation and adaptation responses align to the greatest extent possible. This could be included as part of the integrated decision-making the bill mentions (pt 1 div 2 s12).
- We are of the strong opinion that specific reference to Indigenous peoples should be made in defining the Principle of community and self-determination (pt 1 div 2 s15).

Part 2: National climate risk assessment

• The Council notes that this part of the bill could be more specific as to the parameters in which the risk assessment is expressed (e.g., financial impact, social impact, etc). The corresponding UK law (Climate Change Act 2008²) empowers its commission to identify the risk profile with respect to the achievement of targets; we suggest that the Australian bill also include such a provision.

Part 3: National climate adaptation plan

The Council strongly supports the production and regular reassessment of a national Climate Adaptation Plan, as well as regular reporting against its goals. Adaptation to climate change is required now, and more will be required in the future.

• The magnitude, interconnectedness and complexity of an effective adaptation plan, and the need for it to rely on evidence from many sectors and disciplines, suggests that a dedicated National Adaptation Centre should be established to support the objectives of this bill. The Centre could conduct research in its own right, but its primary value would be as an interface between different sectors (research, business, community and policy), both as a repository of knowledge and learning, and to provide capacity building. Such a Centre would be an enormous resource for smaller jurisdictions and regional areas, including the ACT.

Part 4: Emissions reduction target

Setting a legislated target date for net zero national emissions is a crucial step in allowing an effective, clear transition to net zero emissions, which is a necessity for stabilising the Earth's climate. However, the Council would like to stress the following points:

We welcome the role of the Commission in explicating Australia's fossil fuel export
emissions in meeting the objectives of the Act (p4 d1 s25). We encourage that
similar attention be given to emissions embedded in international travel and
shipping to the extent that it is directly related to Australian activities.



² https://www.legislation.gov.uk/ukpga/2008/27/contents

- The date at which net zero emissions is achieved is not the only determinant in stabilising the climate at a given average global temperature above pre-industrial times. The *pathway* by which emissions are reduced is also crucial. The faster the reductions, the more effective the *pathway* at holding global warming in check. For this reason, a robust scientifically-derived emission budget (p5) spread over the time from now until net zero emissions is reached, should be the fundamental driver of policy. In particular, an evidenced-based emissions budget should inform any future changes in the legislated net zero target date (p4).
- In terms of meeting the objectives of the Act, it is important to note that it is unlikely that global warming can be held to 1.5°C (with very little to no overshoot) if all nations adopt a net zero target date as late as 2050, particularly if all greenhouse gases are not substantially reduced in the next decade.
- Given known feedbacks in the climate system, and the continuing increase in atmospheric concentrations of all major anthropogenic greenhouse gas at present, the best chance of limiting warming to 1.5°C will require sCO₂ emissions dropping by about 45% from 2010 levels by 2030, declining methane and nitrous oxide emissions from 2030, and net zero reached by 2040. This goal will also require substantial drawdown of existing greenhouse gases via new technologies (IPCC 2018³).
- In order to stabilise the climate, emissions must be sustained at or below net zero levels beyond the target date. This should be explicitly stated in the Bill.

Part 5: Setting emissions budgets, etc.

The Council strongly supports the Bill's intent to manage Australia's transition to net zero emissions based on emission budgets set in advance for successive five-year periods. The ACT has taken a similar approach, which is now codified in law (Climate Change and Greenhouse Reduction Act 2010⁴).

- However, the connection between these emission budgets, and the Objects of the
 Act, are not as sharply drawn as they might be, which could result in decisions that
 do not support the overall aims.
- In particular, the five-yearly emissions budgets should make specific reference to their ability to assist in "limiting the increase in global warming to well below 2°C and pursuing efforts to limit it to 1.5°C above pre-industrial levels" (p1 d1 s3). This is not legally synonymous with "Australia's relevant obligations under international



³ IPCC, 2018: Summary for Policymakers. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., et al. (eds.)]. World Meteorological Organisation, Geneva.

⁴ https://www.legislation.act.gov.au/a/2010-41/

agreements (p5 d1 s28(xiv))" since the Nationally Determined Contributions to the Paris Agreement are voluntary.

Part 6: Climate Change Commission

The Council strongly supports the establishment of an independent, statutory Climate Change Commission, with prescribed duties and the ability to provide unsolicited, unconstrained advice to the relevant Minister.

The ACT Climate Change Council is such a body at the ACT jurisdictional level. Since its establishment in 2011, the Council has enjoyed an effective relationship with the Minister to which it directly reports, and the ability to publicly publish its reports and findings. The now legislated interim and net zero emissions targets for the ACT were adopted by the government based upon original science-grounded advice from the Council⁵, as well as extensive subsequent internal modelling and public consultation. The effectiveness of this approach relies upon frequent interaction with the ACT public service, the information and reports they hold internally, and, on occasion, ACT Ministers of other portfolios.

- We suggest, therefore, that provisions be made in the Act to allow the national Climate Change Commission to have access to relevant, internal government information, and direct, regular access to the Parliamentary Joint Committee on Climate Adaptation and Mitigation.
- On the specific issue of Commission membership (p6 div2 s37), we suggest consideration of amending the list of expertise and knowledge to include land management, which goes beyond agriculture to include forests, grasslands, national parks, and the like.
- Finally, we suggest that the Bill explicitly contain a provision that the Climate Change Commission be adequately resourced to carry out its duties with full effect.

The Council thanks you for considering our submission in detail, and would welcome the opportunity to present directly to the Committee during public hearings.

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Chair, ACT Climate Change Council

This document is submitted on behalf of the full Council



⁵ https://www.environment.act.gov.au/ data/assets/pdf file/0004/1135876/20171019-Letter-from-ACT-Climate-Change-Council-to-Minister-Rattenbury-interim-targets.pdf