



## Climate Change Authority Caps and Targets Review Issues paper

Thank you for the opportunity to make a submission to the Climate Change Authority's consultation on the ***Caps and Targets Review: Issues Paper***.

We support the Climate Change Authority's proposed approach to undertaking the review of Australia's Caps and Targets, and believe that the Issues Paper has effectively identified the range of issues to be considered as part of the process. The Northern Alliance for Greenhouse Action (NAGA) supports strong and effective emissions reduction targets that are informed by the climate science and that underpin the necessary, and urgent transition to a low-carbon economy.

### ***About Northern Alliance for Greenhouse Action***

The **Northern Alliance for Greenhouse Action (NAGA)** is an alliance of Moreland Energy Foundation and the nine councils spanning the northern metropolitan region of Melbourne from the CBD to the rural/urban fringe (see footer). The Alliance covers a quarter of Melbourne's population; the region spans major industrial, commercial, and residential areas, activities and types, as well as forests, agriculture, and water catchments on the urban fringe.

NAGA shares information, coordinates emission reduction and adaptation activities, and cooperates on the research and development of innovative projects. NAGA and its members have demonstrated significant climate change action innovation at the local government and regional level. NAGA is actively involved in implementing regional scale climate change projects and developing approaches to governance, project management and business cases to support this work. **NAGA is working to ensure urgent, regional action in our transition to a climate-changed, low-carbon future.**

### ***Local government climate action and leadership***

Local government has been at the forefront of climate change action; NAGA's members have demonstrated serious and sustained commitment to climate change action, through implementation of projects, and policies and supporting their communities, businesses and households to take action. Local governments' partnership approaches are underpinned by their communities' concerns about climate change and, complement actions at state and federal government levels; climate change mitigation requires urgent, wide-ranging responses from all levels of government and the community, as it will be impossible to adapt to climate change if 'business-as-usual' emissions continue unabated.

Many councils have set their own emission reduction goals; three of the NAGA member councils have recently achieved carbon neutral certification (Cities of Yarra, Moreland and Melbourne) for their own operations. All NAGA member councils are dedicating staff, resources and funding to achieving their emission reduction targets and are actively working to support their communities to reduce their businesses' and households' emissions.

### ***Setting Australia's emission reduction targets for 2020 and beyond***

Scientific evidence is increasingly supporting the need to **keep warming below 2°C** to avoid the more extreme effects of dangerous climate change. The urgency of the action required means that **short term targets based on the science** are of increased importance, to achieve deep cuts relatively quickly and move toward a low carbon economy. There is a growing body of reports and research demonstrating that

#### **MEMBER ORGANISATIONS**

short term action is cost effective, and will better prepare Australia and its economy for a carbon constrained future.

As the Caps and Targets Issues Paper states, “climate science is increasingly highlighting the need for urgent, decisive and coordinated global action to reduce emissions if there is to be any real prospect of limiting global temperature increases to 2 degrees” (p9).

There is continuing community support for effective action on climate change, notwithstanding the politicisation of the issues, responses and actions. There is also growing global ambition for stronger emission reduction goals. The Issues Paper documents substantial climate change action including formal national and state-based emission reduction programs in other key economies around the world including major emitting countries and major economies. Professor Garnaut recently stated that the level of global action supports strengthening Australia’s target, as well as advocating for increased global ambition in negotiations at UNFCCC<sup>1</sup>.

At the same time, climate scientists are increasingly reinforcing the urgent need for substantial action to have a chance of limiting warming to 2 degrees or less, to avoid the effects and impacts of dangerous climate change. It is within this context that Australia should significantly increase its emission reduction target for 2020 from 5% to its stronger conditional targets (conditional on increased global action and ambition, which is now being demonstrated) of at least 15-25%.

It is in Australia’s national interests to support effective global action on climate change, because Australia is exposed and vulnerable to climate change impacts. In addition, Australia’s economy, and high per capita emissions mean that Australia’s economy will be particularly exposed in a carbon-constrained context; early action to support the transition to a low-carbon economy is therefore in Australia’s best interests.

NAGA supports a broad-based approach, including a carbon market and complementary measures, to reduce greenhouse gas emissions in the short term, and to contribute to delivering science-based greenhouse pollution cuts in the medium and long-term.

### ***Budgets and trajectories***

The concept of a carbon budget is gaining prominence as an effective methodology for planning climate change action beyond annual milestones, and tackling the key issues of equity and scale in a global context. It is a concept that is gaining traction as a key communication and planning tool amongst businesses and communities.

### ***Australia’s influence globally***

Australia is an important middle power<sup>2</sup>, and its climate change targets, and carbon laws package have been recognised globally. Climate change, by definition an issue that spans national boundaries, requires effective action from all nations, and Australia has a responsibility to be part of global efforts. Australia’s efforts can contribute to and constructively support increasing global action and ambition.

Local governments’ climate change actions are also recognised globally, inform development of similar programs in other cities and regions globally, and contribute to increasing ambition at local, city and regional scale<sup>3</sup>. NAGA member, City of Melbourne, is a member of the C40 Cities Global Leadership Network<sup>4</sup>, which supports more than 40 of the world’s megacities to “collaborate, share knowledge and drive meaningful, measurable and sustainable action on climate change”, demonstrating the significant value generated through taking action and communicating and encouraging global neighbours to do likewise.

Australia’s influence, as well as the influence of individual cities and regions, should not be underestimated in our globalised world.

### ***Impacts of emission reduction goals***

Emissions reductions will require substantial transformation to our existing fossil fuel based economy, with Australia’s high per capita emissions. With the application of an equitable global carbon budget, Australia has substantial work to do to stay within a fair and equitable carbon budget allocation. Such transitions

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<sup>1</sup> <http://grattan.edu.au/events/event/melbourne-what-should-be-australia-s-emissions-reduction-target/>

<sup>2</sup> Australia’s role in global and plurilateral processes is also highlighted through its seat on the UN Security Council and its upcoming chair of the G20 in 2014.

<sup>3</sup> For example, see Bulkeley and Schroeder, 2009, *Governing Climate Change Post-2012: The Role of Global Cities – Melbourne*, Tyndall Working paper 138. <http://www.tyndall.ac.uk/tyndall-publications/working-paper/2009/climate-change-post-2012-role-global-cities-melbourne>

<sup>4</sup> <http://www.c40cities.org/>

may create significant economic and social impacts. The value of taking early action, and positioning Australia to be a leader in our transition to a low carbon economy, has been highlighted by a number of key studies and reports, including the Garnaut Climate Change Reviews<sup>5</sup>. Early action can be more cost-effective, and establish competitive advantages, as well as contributing to reducing the risk of stranded assets.

Nonetheless, studies such as NAGA's ***Towards Zero Net Emission for the NAGA Region***<sup>6</sup> and Climate Works Australia's ***Low Carbon Growth Plans***<sup>7</sup> demonstrate significant low or no cost opportunities for emissions reductions, as well as the suite of more expensive actions needed for substantial transformation. Emissions reductions require a broad mitigation program that incorporates a wide range of actions and complementary measures to promote energy efficiency and uptake of renewable and low carbon energy production, in a just and equitable transition to a low carbon future. The need for structural adjustment measures for specific regions and industries is a high priority; local governments have played a key role in supporting communities affected by previous economic and industry adjustments.

In conclusion, the Climate Change Authority's Issues paper outlines an effective approach to undertaking the review of Australia's caps and targets; and has identified the main issues that need to be considered in this work. NAGA supports effective emission reduction targets, informed by the climate science that indicates urgent and substantial action is required, and underpinned by community support for climate change action at all levels.

Please contact me if you would like to discuss any of the issues raised in this submission in more detail.

Yours sincerely



Judy Bush  
Executive Officer

***The views represented in this submission do not necessarily represent the views of all NAGA members individually.***

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<sup>5</sup> <http://www.garnautreview.org.au/>

<sup>6</sup> <http://www.naga.org.au/>

<sup>7</sup> <http://climateworksaustralia.org/project/national-plan/low-carbon-growth-plan-australia>