

2035 TARGETS ADVICE

September 2025



The full report is published on the
[Climate Change Authority's website](#)



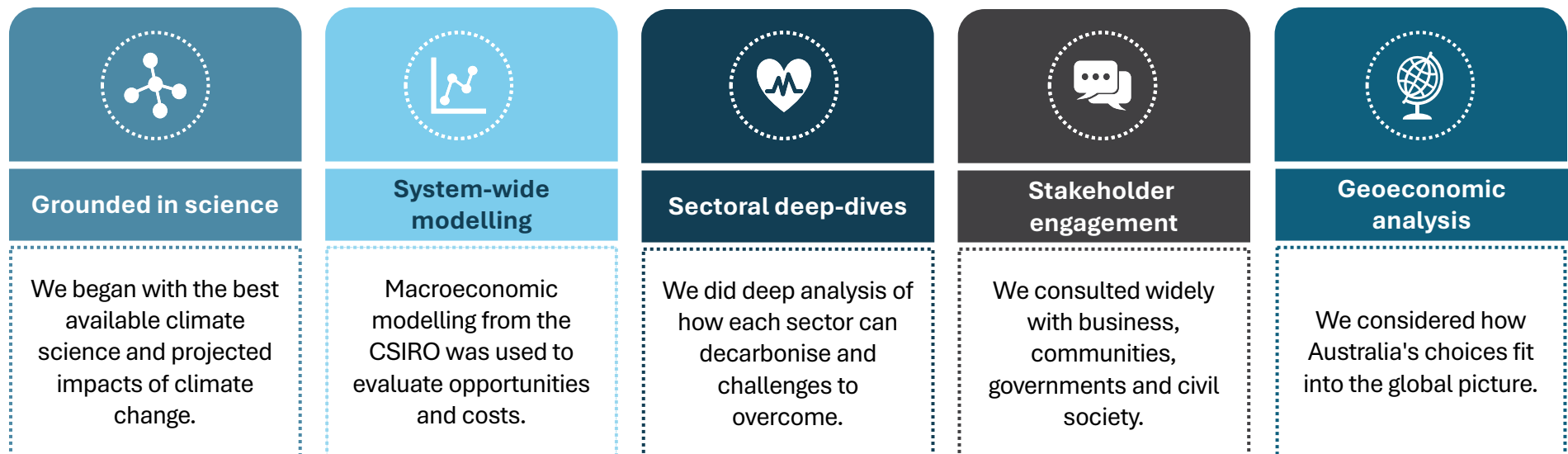
Independent, expert advice on Australia's next emissions reduction target

The Climate Change Authority's 2035 Targets Advice responds to the Minister for Climate Change and Energy's request to provide advice on Australia's national emissions reduction targets for 2035, in accordance with legislation and the Paris Climate Agreement.

The Authority's approach anchors Australia's commitment to the global goal of pursuing efforts to limit warming to 1.5 °C. It draws on input from the CSIRO for economic modelling and is informed by a wealth of scientific and other experts, including the Intergovernmental Panel on Climate Change.

The Authority's recommended emissions reduction target of **62–70%** from 2005 levels is as ambitious as possible, achievable and is in Australia's national and economic interest.

Figure 1: The Authority's 5-part mixed methods methodology and assessment



A 2035 target of 62-70% is ambitious, achievable and in Australia's national interest



AMBITIOUS

A 62-70% target meets the challenge of strong and urgent action. It involves halving Australia's current emissions. It involves a per capita decline in emissions of 76 – 81% on 2005 levels.



ACHIEVABLE

This target can be achieved with the right leadership from government, harnessing contributions from every sector of the Australian economy.



NATIONAL INTEREST

An ambitious target is in Australia's national interest, bringing economic, environmental and social opportunities for Australians. It will create good jobs in regions and economic opportunities for Australia to benefit from the global green energy transition.

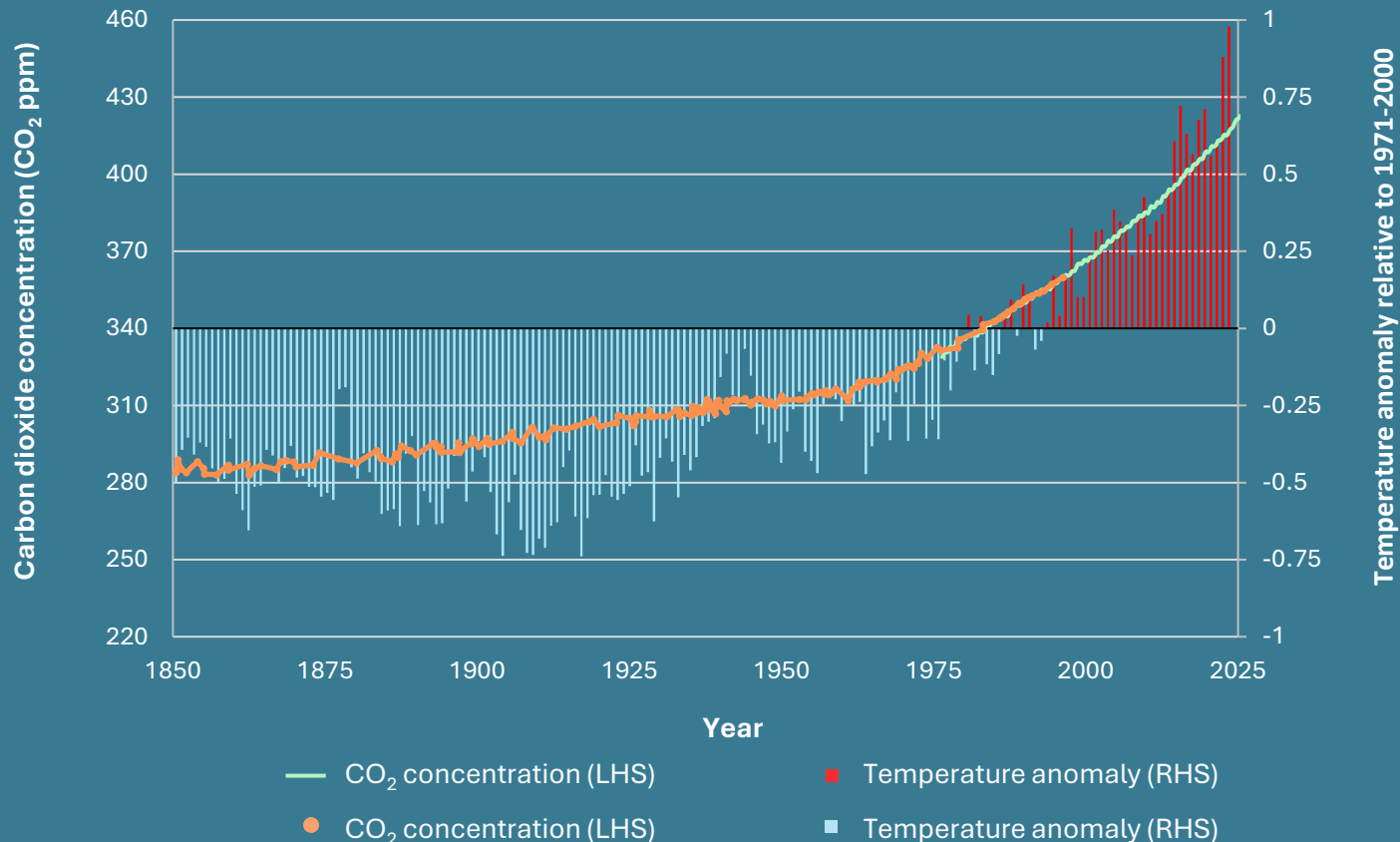


The science demands strong, urgent action

Temperatures are rising and impacts are worsening. New national targets for 2035 can be the catalyst for shared global action to address the escalating threats.

Australia is currently an emissions-intensive, advanced economy that is extremely vulnerable to climate change. We have a clear national interest and responsibility to signal that Australia is willing and able to support the most ambitious and achievable emissions reductions.

Figure 2: Carbon dioxide concentrations and temperature variations from 1850-2025





A target of 62-70% meets the need for strong and urgent action

Australia needs to increase its emissions reduction rate to achieve its 2030 and 2035 emissions reduction targets



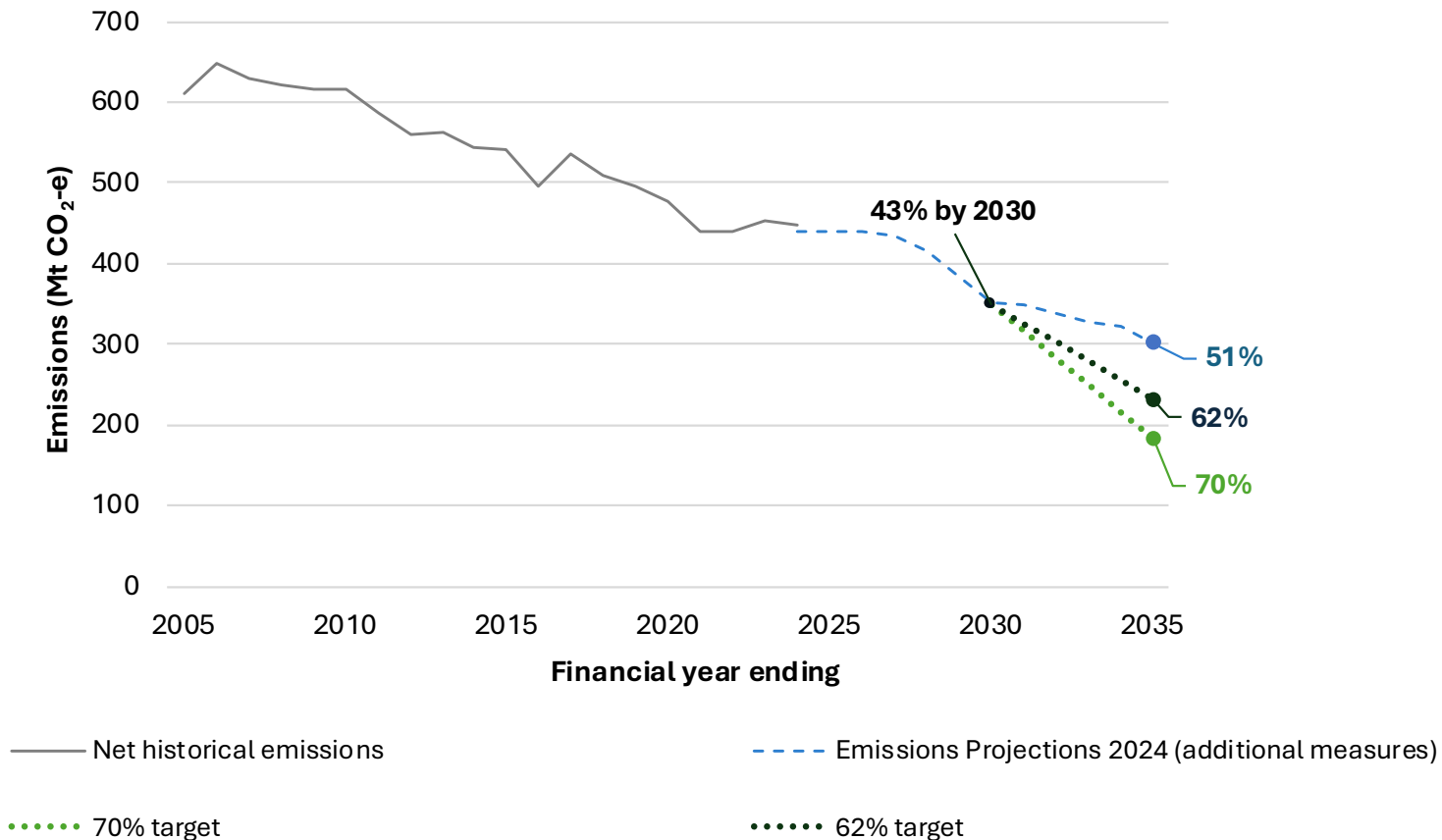
The recommended 62-70% target means accelerating emissions reductions and roughly halving Australia's current emissions in the next decade. This national target represents a per capita decline of 76 – 81% on 2005 levels, bringing annual emissions down from the current level of 16.5 t CO₂-e per person to 7.5 – 5.9 t CO₂-e by 2035.

The Authority recommends the Australian Government should aim for the top of the 62-70% range, prepare for breakthroughs and setbacks, and not rule out 'overachievement,' should greater emissions reductions prove possible. This will keep us moving towards net zero emissions by 2050 at the latest.

Our advice recognises geopolitical uncertainties, implementation barriers and the potential for technological advances. That's why we recommend a target range.



Emissions should continue to decline



The Authority's recommended target represents a significant acceleration in Australia's progress. Australia's current target is 43% below 2005 levels by 2030. On current policies, Australia is projected to reduce emissions by 51% by 2035.

The acceleration required to achieve a target of 62–70%, together with action to boost emissions reduction beyond Australia's borders, represents an ambitious and achievable contribution towards meeting the shared goals of the Paris Agreement.



Technologies exist now to achieve the recommended 2035 target

Continuing Australia's transition to a secure, reliable renewables-based electricity system can deliver around half of the reductions needed to achieve the recommended 2035 target.

Land-sector carbon removals—stopping old-growth clearing and reducing native forest harvesting and planting new forests could provide around 6% of the required emissions reductions

Electrification and improved efficiency of transport and buildings can account for a further 11–14% of required emissions reductions, which will mean more energy cost savings.

Efficiency improvements across the industry, mining, and agriculture sectors will provide the remaining reductions. This includes new production methods for steel and alumina, more efficient mining methods, and adoption of hydrogen and other alternative fuels.





Stronger policy settings are needed

Achieving the recommended target needs the committed and coordinated efforts of governments, companies and households to overcome challenges that stand in the way.

The Australian Government has put foundational policies in place that can be strengthened and supported to remove barriers, lower costs, and ease implementation. These include the Capacity Investment Scheme, the New Vehicle Efficiency Standard, the improved Safeguard Mechanism, and the Australian Carbon Credit Units scheme.

Meeting the target requires:



Increasing the pace of electricity sector decarbonisation

Scaling up capacity in the National Electricity Market (NEM), including six-fold growth in utility storage, quadrupling wind capacity, tripling utility solar capacity and doubling rooftop and distributed solar capacity by 2035, consistent with the Australian Energy Market Operator's (AEMO's) Step Change scenario



Improving efficiency and emissions intensity of industry and mining

Extending the Safeguard Mechanism's decline rate out to 2035 to reduce emissions from industry and resources by almost a third.



Electrifying our buildings and vehicles

Around half of the light vehicles sold between now and 2035 need to be electric.



Australia can maintain strong economic growth and achieve the 2035 target

CSIRO modelling shows the Australian economy can keep growing by an average of 2.7% each year while achieving the recommended target. These projections show the amount we produce rises across all major sectors. This result includes mining and resources, although the value of fossil-fuel extraction within mining is projected to decline as a result of the global energy transition.

The costs of replacing ageing fossil fuel-based electricity infrastructure are unavoidable. About 90% of the coal-fired generation capacity in the National Electricity Market is expected to close by 2035 under AEMO's Step Change scenario.

Expert analysis by the Australian Energy Market Commission projects households will save around \$1,000 each year in energy costs over the next decade under a coordinated renewables rollout.





Good climate policy will benefit households and businesses beyond 2035

An ambitious target can deliver long-term benefits to households, including lower energy costs, cleaner air, more attractive jobs, and better resilience to extreme events.

A fair and inclusive transition, that brings communities on the journey, is essential for Australia to reach its fullest decarbonisation potential.

Investing in training, infrastructure, and community co-design of transition pathways – particularly in regions – can boost workforce participation, build trust, and align clean industry growth to local needs and priorities.

Governments and business should prioritise emissions reduction while also preparing communities for a more volatile climate.





An ambitious target is in Australia's national interest

Global decarbonisation is well underway. An ambitious target gives momentum and confidence around policy commitment. An ambitious target will:

- position Australia as a major exporter of low-emissions products
- attract international capital, talent and innovation partners needed for competitive advantage in the global energy transition
- drive partnerships with trading partners that are vital for decarbonising international supply chains, in particular with iron and steel production.

Decarbonisation deals between nations and businesses could be a key achievement at COP31 in 2026. Under a potential Australian presidency and hosted in partnership with the Pacific, COP 31 could focus on implementing targets and reducing emissions in international supply chains.

Australia's offshore contributions

1. Greater green export industries
2. Fewer fossil fuel exports, e.g. through trade partnerships
3. Greater finance flows (public and private)
4. Stronger capacity building
5. Enhanced technology transfer

**Australia's
Domestic
2035 Target**





An ambitious target is important for creating jobs in regions

A fair and inclusive transition that brings businesses and the community on the journey is essential for Australia to reach its potential.

Australia's regions face opportunities and disruption from decarbonisation. A clear 2035 target, coordinated investment, and tailored regional transition plans can support economic diversification, unlock green industrial growth, and ensure communities are partners in a just transition.

Investing in training, infrastructure, and community co-design of transition pathways – particularly in regions – can boost workforce participation, build trust, and align clean industry growth to local needs and priorities.

An ambitious target is essential for creating jobs in regions that have underpinned Australia's economy for generations. It will create opportunities for Australian farmers and First Nations communities.



Regional workforce training in action: Hunter Net Zero Manufacturing Centre of Excellence

The Australian and New South Wales governments are jointly investing \$56.2 million to establish the Hunter Net Zero Manufacturing Centre of Excellence at TAFE NSW's Tighes Hill campus. The Centre support the region's transition from traditional mining, energy and manufacturing industries to cleaner, renewable energy industries.



First Nations clean energy joint ventures

Joint ventures between Traditional Owners and renewable energy companies can support economic development in First Nations communities and accelerate Australia's clean energy build-out together. For example, the Ngarluma Aboriginal Corporation is currently developing a 90MW solar farm in partnership with Rio Tinto to power the company's iron ore operations, creating opportunities for Ngarluma people.



For more information on our 2035 Targets
Advice, including the full report, visit
[Climate Change Authority's website](#)