



**Climate Change Authority
2024 Issues Paper:
Targets, Pathways and Progress**

Submission

May 2024

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This document has been prepared by the MAV executive as a working draft for discussion on the options available on 2035 emissions reduction targets. MAV members have not been consulted on its contents.

The MAV is the statutory peak body for local government in Victoria. The MAV would also like to acknowledge the contribution of those who provided their comments and advice during this project.

While this paper aims to broadly reflect the views of local government in Victoria, it does not purport to reflect the exact views of individual councils. Submission to the Climate Change Authority 2024 Issues Paper: Targets, Pathways and Progress

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1 Introduction

The Municipal Association of Victoria (MAV) welcomes the opportunity to provide a submission in response to the Climate Change Authority's (CCA) 2024 Issues Paper: Targets, Pathways and Progress.

The Municipal Association of Victoria is the peak representative and advocacy body for Victoria's 79 councils. The MAV was formed in 1879 and the *Municipal Association Act 1907* appointed the MAV the official voice of local government in Victoria.

Today, the MAV advocates for local government interests, initiates projects and services across a broad range of areas, and supports the development, adoption and implementation of evidence-based research and policy.

Our purpose is to mobilise action that supports Victorian councils to create cities, regions, and towns that are thriving, resilient and inclusive communities. Our vision is to be a nation-leading thought leader, partner and resource hub for the Victorian local government sector in strategic foresight, policy and research, leadership and governance, service design and advocacy impact.

Tackling climate change requires coordination and collaboration between and across all levels of government. To better prepare for the impacts of climate change, it is critical that all levels of government work together to meet ambitious emissions reduction targets in line with limiting warming to 1.5 degrees. Many Victorian councils are already leading the way when it comes to reducing corporate and community emissions.

This submission responds to the specific questions in the issues paper most relevant to Victoria's local councils.

2 Answers to consultation questions

Question 1: How should the authority take account of climate science and Australia's international obligations in considering possible emissions reductions targets for 2035?

Councils and their communities are on the frontline of responding to climate change. As heat records continue to be broken globally, it is clear we need more urgent and rapid action from all levels of government to achieve a safe climate globally.

The MAV recognises the importance of setting ambitious emissions reductions targets in the context of a rapidly warming planet. The Intergovernmental Panel on Climate Change's Sixth Assessment report noted that limiting warming to 1.5 degrees above pre-industrial levels will

involve ‘rapid and deep, and in most cases, immediate greenhouse gas emissions reductions in all sectors this decade’¹.

In the issues papers, the CCA ‘considers that an ambitious, science-aligned target for Australia should focus on the 1.5 degree goal’. With this in mind, it is important the CCA sets a 2035 target aligned the latest available research that will limit warming to 1.5 degrees. For example, research from the Climate Council shows Australia needs to achieve net zero by 2035 to hold warming at 1.5 degrees². Following the Climate Council’s roadmap, this would require setting a more ambitious target than the one currently suggested in the issues paper of 65 to 75 per cent.

Question 2: How should the authority weight the goals of ambition and achievability in considering possible emissions reductions targets for 2035?

The MAV acknowledges the CCA is considering both ambition and achievability in developing Australia’s 2035 target. As the level of government responsible for setting Australia’s emissions reduction targets, the Commonwealth plays a critical role in encouraging states, territories, local government and the private sector to increase their climate ambition.

The targets included in Australia’s next Nationally Determined Contribution (NDC) under the Paris Agreement will undoubtedly influence other levels of government both in Australia and more broadly. For example, councils that have committed to the Global Covenant of Mayors Common Reporting Framework are required to set emissions reduction targets that are, at a minimum, as ambitious as the NDC³.

Councils across Australia are already undertaking substantial action to reduce both corporate and community emissions. In Victoria, councils are responsible for managing \$140 billion of community assets and infrastructure⁴ which brings significant opportunities for emissions reduction activities. We know of at least 40 Victorian councils that have set corporate carbon neutral or net zero targets⁵. An updated picture of local government targets and climate action will become available later this year through the third Australian Local Government Climate Review, currently being collated by Ironbark Sustainability, in collaboration with Better Futures Australia and ICLEI Oceania.

Despite this, work being undertaken to reduce greenhouse gas emissions by local government is not properly recognised when setting our national targets. We refer you to the submission made by the Victorian Greenhouse Alliances on this issues paper which calls for the development of an appropriate, transparent and timely process to support voluntary action

¹ https://report.ipcc.ch/ar6syr/pdf/IPCC_AR6_SYR_SPM.pdf

² https://www.climatecouncil.org.au/wp-content/uploads/2023/09/Mission-Zero_Updated-190923_IL_2.pdf

³ <https://www.globalcovenantofmayors.org/wp-content/uploads/2023/11/CRF7-0-2023-09-14-final.pdf>

⁴ <https://www.audit.vic.gov.au/report/results-2022-23-audits-local-government>

⁵ <https://eaga.com.au/wp-content/uploads/2023/12/Climate-Active-Consultation-2023-Victorian-Greenhouse-Alliances-Submission.pdf>

undertaken by councils being recognised as over and above national emissions reduction commitments.

This is a missed opportunity for the Federal Government to achieve even greater emissions reductions. Recognising local government emissions reduction actions in addition to Australia's NDC would bring many benefits including enhancing local climate action, addressing implementation gaps and improving accountability and transparency across national policies⁶.

In December 2023, following the COP28 World Climate Action Summit, Australia committed to joining the Coalition for High Ambition Multilevel Partnerships (CHAMP). CHAMP signatories have committed to:

1. Working collaboratively with subnational governments to involve them in the review, design, enhancement, consolidation and implementation of national commitments;
2. Creating processes to enable subnational governments to contribute to NDCs and integrate local targets and actions for emissions mitigation and adaptation; and
3. Including relevant subnational government projects in climate-related investment priorities and support them to secure resources to scale up implementation⁷.

CHAMP provides the Federal Government with a roadmap to address the inconsistencies around recognising subnational voluntary emissions reductions. The recent establishment of a Net Zero Working Group with local government representatives is a welcome step forward. While we expect the six sectoral decarbonisation plans will recognise some council emissions reduction activities, there has been limited recognition of local government's full potential.

It is clear that more work needs to be done to provide the mechanisms to ensure local government efforts are counted, and to provide councils with support for consistent measuring and reporting. This will ultimately empower the local government sector to engage with other levels of government and undertake the activities outlined under CHAMP.

To make the most of this important opportunity, local government must be provided with the resourcing to uplift and capability and capacity of the sector to engage in updating and implementing Australia's next NDC.

- **Recommendation: The Federal Government should provide a pathway for recognising voluntary local government emissions reduction activities, alongside appropriate resourcing to enable local government to participate in this process.**

⁶ https://www.unimelb.edu.au/_data/assets/pdf_file/0008/4730489/Many-Hands-Make-Light-Work_Screen-Singles.pdf

⁷ <https://www.cop28.com/en/cop28-uae-coalition-for-high-ambition-multilevel-partnerships-for-climate-action>

Question 5: How can governments use mandates, rules, and standards to accelerate Australia's decarbonisation?

Climate-related financial disclosure regulations remain an important tool in accelerating Australia's decarbonisation efforts. We understand that climate-related financial disclosure requirements will be phased in from 2024 subject to the passage of legislation.

Councils expect clear guidance and support from state and federal governments when it comes to managing climate risks. If councils are expected to meet these requirements, they must be provided with adequate information and resources to understand and implement their responsibilities well in advance of the need for compliance.

- **Recommendation: The Federal Government should clarify climate-related financial disclosure requirements for Victorian councils.**

3 Conclusion

With the risks and opportunities of climate change becoming increasingly clear, it is imperative that we work together across all levels of government to deliver ambitious emissions reduction actions. We would welcome the chance to discuss this submission further. Please contact Cana Kuyucak, Senior Policy Adviser Climate Futures & Resilience ckuyucak@mav.asn.au