

2025

**THE LEGISLATIVE ASSEMBLY FOR THE
AUSTRALIAN CAPITAL TERRITORY**

ELEVENTH ASSEMBLY

2025 INDEPENDENT REVIEW OF ACT GOVERNMENT ACTION ON CLIMATE CHANGE

GOVERNMENT RESPONSE

**Presented by
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Introduction

The [*Climate Change and Greenhouse Gas Reduction Act 2010*](#) (the Act), requires the Minister to, at least once every five years, ask an independent entity to assess and report to the Minister about government policies, programs and practices to address climate change in the ACT, including actions taken to mitigate and adapt to climate change (Part 3, 15A).

In mid-2024, Rooftop Social and the Institute for Sustainable Futures (ISF) at the University of Technology Sydney were engaged to review ACT Government action on climate change (the Review) to fulfil this requirement.

The purpose of the Review was to evaluate and report on the appropriateness and effectiveness of the ACT Government's vision, strategies, policy, program and budget settings, and existing evaluation processes on climate action over the previous five years.

Project governance included ACT Government members across different directorates:

- A Steering Committee which provided Senior Executive strategic direction and oversight into the project scope, process and outcomes.
- A technical working group which provided subject matter expertise, technical advice, input and regular feedback for the project.

Methodology

The Review's methodology considered key evaluation questions approved by the Steering Committee to guide the evaluation from three perspectives:

- a. Document cataloguing of 53 ACT government documents. These represented a sample of all climate-related documents in the ACT over the previous five years.
- b. Stakeholder engagement with targeted groups of internal ACT Government stakeholders and external community groups in the ACT.
- c. Insights: The consultants used the C40 Cities Climate Transition Framework (C40 Framework) as a foundational framework for the Review. This framework was chosen after a review of evidence-based frameworks relevant to the ACT: to catalogue the supplied documentation and as a scaffold for framing discussion questions in the stakeholder interviews. The use of this framework is intended to be an indicator of best practice climate action. It is not proposed that the ACT should join the C40 membership.

Recommendations

Review Recommendations
1. Create an ACT Climate Action Plan as a regularly updated, expanded version of the current Climate Change Strategy
1.1 An ACT Climate Action Plan should be established with an updated vision, targets and goals, clearly articulating that the ACT's vision is to achieve net zero emissions and strengthen climate resilience consistent with climate science and the Paris Agreement 1.5°C ambition.
1.2 Informed by climate science, the ACT Climate Action Plan should combine all relevant targets and goals across different legislation, strategy and action plans into a single climate action document.
1.3 The ACT Climate Action Plan should place particular emphasis on medium-term targets and adaptation resilience targets, which are identified as gaps in the current Strategy.
1.4 The ACT Climate Action Plan should bring forward the ACT's net zero emissions target from 2045 to 2040 at the latest. A more aggressive emissions reduction pathway is consistent with the IPCC assessment that current Nationally Determined Contributions (NDC) commitments risk increasing temperatures beyond 2.0°C.
1.5 Review the ACT's renewable electricity practices and targets to recognise evolving opportunities for '24/7' renewable energy power including the development of associated standards.
1.6 Climate Action Plan should incorporate annual climate-related financial disclosure statements that would include scenario analysis, transition planning and an assessment of both physical and transition risks based on common metrics aligned to international best practice.
1.7 To support economically efficient investment decisions that have a climate-related component, a Climate Action Plan should establish frameworks to internalise externalities, such as a framework that values emission reductions.
1.8 The ACT Climate Action Plan should be established as a legislative requirement, through an amendment to the <i>Climate Change and Greenhouse Gas Reduction Act 2010</i> .
2. Create structures to facilitate coordination, the building of partnerships, the sharing of expertise and involvement from the broader ACT community
2.1 The ACT Government should leverage the depth of climate expertise across the ACT, including at ANU and University of Canberra, establishing an ACT Climate Ecosystem as an open network of climate experts based on monitoring, evaluation, reporting and improvement (MERI) frameworks. This would provide a mechanism to allow climate-related developments to be considered and debated across the ACT.
2.2 The ACT should establish a Climate Community Partnership Framework as a mechanism to structure collaboration between the ACT Government and community groups. Financial resourcing of community groups should be part of this framework, to support their participation in consultations, management partnerships and implementation of MERI practices.
2.3 The responsibility for embedding and strengthening MERI practices should sit with an area of ACT Government that has capacity to influence practice across all Directorates.
2.4 The design of effective MERI strategies, integrated into the Climate Action Plan, should draw on behaviour change theory.
2.5 The ACT Government should identify and prioritise opportunities for social and wellbeing strategies to align with climate actions to deliver co-benefits. This will require collaboration and cohesion between the ACT's Wellbeing Framework and the Climate Action Plan.

ACT Government Response to the Independent review of ACT Government action on climate change

The ACT Government is committed to climate action and will develop a new climate change strategy to highlight ACT's vision to achieve legislated emissions reduction goals and to adapt to the impacts of climate change. The ACT Government is also committed to fair and equitable transition with the community. Further information against each recommendation is provided below.

Recommendation 1.1

An ACT Climate Action Plan should be established with an updated vision, targets and goals, clearly articulating that the ACT's vision is to achieve net zero emissions and strengthen climate resilience consistent with climate science and the Paris Agreement 1.5°C ambition.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle to the development of a new climate change strategy. The ACT Climate Change Strategy 2019-2025 will be replaced by a new strategy that would meet the intent of the proposed ACT Climate Action Plan. It will articulate the ACT's vision, targets and goals for achieving the legislated net zero emissions by 30 June 2045 target and strengthening climate resilience and adaptation in consideration of the climate science and Paris Agreement.

Recommendation 1.2

Informed by climate science, the ACT Climate Action Plan should combine all relevant targets and goals across different legislation, strategy and action plans into a single climate action document.

Response: AGREE IN PRINCIPLE

A new climate change strategy is expected to provide the overarching framework that brings climate-related objectives, principles, targets and goals together in a single location and the ACT Government therefore agrees in principle to combine all relevant targets and goals into a single climate action framework. The strategy will aim to reference all existing climate action across Government and provide an overarching framework for future climate action. However, it will be impractical, in terms of the benefits gained versus the time and resources required, to include all government climate-related work programs in the new strategy due to the cross-cutting nature of climate change and its embedding across numerous areas. Due to the wide breadth and range of existing actions, including information on all actions may also risk diluting or compromising the core messages of the strategy and may result in poorer engagement outcomes. Additionally, noting that online resources, communication approach and technology may mean in practice that the climate action framework may not be a single document.

Recommendation 1.3

The ACT Climate Action Plan should place particular emphasis on medium-term targets and adaptation resilience targets, which are identified as gaps in the current Strategy.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle to a new climate change strategy should include consideration of additional adaptation and resilience targets and the existing emissions reduction targets for the ACT.

The ACT Government notes that there is currently no interim target, post 2025, for reducing government operational emissions on the pathway to the zero emissions 2040 target. The development of additional interim targets for government operational emissions will be considered for inclusion in a new climate change strategy to continue to demonstrate ACT Government leadership in this area.

The ACT Government notes that adaptation targets can be difficult to define and assess. This is also a global and national challenge. In recognition that the ACT has significant action required in climate adaptation, the development of a new climate change strategy would include an adaptation focus and identify new key initiatives for action and consider suitable targets or metrics.

Recommendation 1.4

The ACT Climate Action Plan should bring forward the ACT's net zero emissions target from 2045 to 2040 at the latest. A more aggressive emissions reduction pathway is consistent with the IPCC assessment that current Nationally Determined Contributions (NDC) commitments risk increasing temperatures beyond 2.0°C.

Response: NOTED

The ACT Government notes that it already has ambitious targets of net zero emissions for the Territory by 2045 and zero emissions for government operations by 2040. This is more aggressive than many other comparable jurisdictions.

Transitioning an economy to net zero emissions by 2045, in a safe and equitable manner, while maintaining social licence and community support, will take time. Climate action is a shared responsibility of Government, community, business and industry. The ACT Government is providing long-term signals to inform and empower decision making, across all stakeholders, to align with the ACT's climate ambitions. The ACT Government will maintain the existing emissions reduction targets to ensure a clear and consistent signal to ACT businesses, industry, community and households. These targets represent a floor, not a ceiling, on Government ambition.

Restoring a safe climate will realistically require planning beyond net zero and sustained international cooperation and efforts to remove greenhouse gases from the atmosphere to safer levels. Through the development of the next climate change strategy, the ACT Government will consider additional opportunities to reduce emissions beyond net zero and to maintain its leadership position on climate change. This may consider a scope 3 emissions reduction target, and strategies to assist in restoring a safe climate and removing dangerous levels of greenhouse gases from the atmosphere.

Recommendation 1.5

Review the ACT's renewable electricity practices and targets to recognise evolving opportunities for '24/7' renewable energy power including the development of associated standards.

Response: NOTED

The ACT Government notes the recommendation to review the ACT's renewable electricity practices and targets. The ACT Government has delivered on its commitment to 100% renewable electricity since 2020. This has unlocked options for greater emissions reductions across the economy through electrification. For example, electric vehicles are now charged with zero emissions electricity in the ACT. It has also sharpened the focus of the ACT on the importance of electrification and the need to transition away from fossil fuel gas.

In 2024-25 the ACT Government reviewed and updated the market-based methodology used to enable the ACT to continue to meet its 100% target considering recent updates in the energy sector. There are still many complex issues associated with meeting our 100% renewable energy target, and considering 24/7 matching into our ACT Renewable electricity accounting is only one aspect. It is necessary to understand how this fits in with the other opportunities and challenges associated with the electricity target. Further analysis is required on the case to moving towards a 24/7 accounting regime and the implications of external factors such as the Commonwealth's Guarantee of Origin Scheme. The ACT Government will be monitoring these issues for consideration into the methodology with updates to be made as relevant information is available.

The ACT Government recognises there are other ways, besides '24/7 renewables', to address grid stability and renewable generation integration. The ACT Government is supporting these objectives through the Big Canberra Battery Project and other renewable energy, battery, demand management and energy efficiency programs.

Recommendation 1.6

The Climate Action Plan should incorporate annual climate-related financial disclosure statements that would include scenario analysis, transition planning and an assessment of both physical and transition risks based on common metrics aligned to international best practice.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle to develop a plan for the phased introduction of annual climate-related financial disclosure statements as part of preparing a new climate change strategy having regard to Australian Sustainability Reporting Standards and related climate reporting disclosures which are expected to take effect in the future. This aligns with the ACT's endorsement of the Council on Federal Financial Relations (CFFR) recommendation made in June 2023 that jurisdictions will begin disclosure of climate risks and determine the form and timing of such disclosures.

Recommendation 1.7

To support economically efficient investment decisions that have a climate-related component, a Climate Action Plan should establish frameworks to internalise externalities, such as a framework that values emission reductions.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle to consider establishing a framework to value emissions impacts in investment decisions. This would also include developing a consistent method for measuring emissions impacts, including both emissions reductions and potential emission increases, associated with investment decisions. The development of a new climate change strategy would consider how to embed this work on valuing emissions reductions into government decisions.

Recommendation 1.8

The ACT Climate Action Plan should be established as a legislative requirement, through an amendment to the Climate Change and Greenhouse Gas Reduction Act 2010.

Response: NOTED

The ACT Government notes the recommendation to enshrine climate action planning in the Act. The ACT Government has long been a leader in action on climate change and has maintained consecutive

climate change strategies or action plans for many years. The ACT has a strong history of climate action and will be expected to continue this as long as necessary. As such, it is not considered necessary to establish a legislative requirement for regular climate action plans.

Defining the requirements and timeframes for Climate Action Plans in legislation raises some issues. Some sectoral emission reduction plans already run on different timelines. Responding to different adaptation and mitigation needs and priorities provides greater flexibility to adjust plans as needed rather than on a single legislated timeline.

Recommendation 2.1

The ACT Government should leverage the depth of climate expertise across the ACT, including at ANU and University of Canberra, establishing an ACT Climate Ecosystem as an open network of climate experts based on MERI frameworks. This would provide a mechanism to allow climate-related developments to be considered and debated across the ACT.

Response: NOTED

The ACT Government notes the recommendation and will consider the establishment of an ACT Climate Ecosystem in the development of a new climate change strategy. While we recognise the value of leveraging the depth of climate expertise across the ACT, including at the Australian National University and the University of Canberra, we will consider how best to facilitate the sharing of expertise and involvement from the broader ACT community. The ACT Government has a history of engaging with climate experts and will continue to do so through various mechanisms, including the ACT Climate Change Council, which includes various members affiliated with the ANU and University of Canberra.

Recommendation 2.2

The ACT should establish a Climate Community Partnership Framework as a mechanism to structure collaboration between the ACT Government and community groups. Financial resourcing of community groups should be part of this framework, to support their participation in consultations, management partnerships and implementation of MERI practices.

Response: NOTED

The ACT Government notes the recommendation to establish a Climate Community Partnership Framework to facilitate collaboration between the ACT Government and community groups. The ACT Government values the contributions that community organisations bring to the region. The ACT Government has financially supported climate-related community groups for many years through grants or other funding agreements. While we differ to the establishment of such a framework at this time, the ongoing support provided to community groups, including funding mechanisms, will be reviewed before 2026. The existing ACT Social Recovery Sub-Committee, which includes 10 key community partners, supports the coordination of a wide range of support services before, during, and after extreme weather event.

Recommendation 2.3

The responsibility for embedding and strengthening MERI practices should sit with an area of ACT Government that has capacity to influence practice across all Directorates.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle to embed and strengthen MERI (Monitoring, Evaluation, Reporting and Improvement) practices as it relates to climate change. The Wellbeing Team in the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) currently has responsibility for embedding and strengthening monitoring and evaluation practices across the ACT Public Service. The Wellbeing Team also has research partnerships with the Australian National University and the University of Canberra. CMTEDD will work closely with City and Environment Directorate to develop an appropriate MERI framework for the new climate change strategy.

Recommendation 2.4

The design of effective MERI strategies, integrated into the Climate Action Plan, should draw on behaviour change theory.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle that the design of MERI strategies should draw on behaviour change theory. We recognise the importance of behaviour change in achieving climate action goals and will consider this approach in the development and implementation of MERI strategies and in the development of a new climate change strategy.

Recommendation 2.5

The ACT Government should identify and prioritise opportunities for social and wellbeing strategies to align with climate actions to deliver co-benefits. This will require collaboration and cohesion between the ACT's Wellbeing Framework and the Climate Action Plan.

Response: AGREE IN PRINCIPLE

The ACT Government agrees in principle to align climate actions to prioritise opportunities to deliver social and wellbeing co-benefits. The ACT Wellbeing Framework rests on the principle of seeking a balance across the meta-domains of people, and their interests, the environment, and its interests, and the institutions, both public and private, that operate in and across the ACT. The ACT Social Recovery Framework and the ACT Disaster Resilience Strategy can also provide guidance and supports community resilience following extreme climate events.