



Environmental
Defenders Office

Submission on the Queensland Climate Transition Bill 2023

5 May 2023

About EDO

EDO is a community legal centre specialising in public interest environmental law. We help people who want to protect the environment through law. Our reputation is built on:

Successful environmental outcomes using the law. With over 30 years' experience in environmental law, EDO has a proven track record in achieving positive environmental outcomes for the community.

Broad environmental expertise. EDO is the acknowledged expert when it comes to the law and how it applies to the environment. We help the community to solve environmental issues by providing legal and scientific advice, community legal education and proposals for better laws.

Independent and accessible services. As a non-government and not-for-profit legal centre, our services are provided without fear or favour. Anyone can contact us to get free initial legal advice about an environmental problem, with many of our services targeted at rural and regional communities.

Environmental Defenders Office is a legal centre dedicated to protecting the environment.

Submitted to:

Committee Secretary

State Development and Regional Industries Committee

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EXECUTIVE SUMMARY

The Environmental Defenders Office Ltd (**EDO**) strongly supports the passing of the *Queensland Climate Transition Bill 2023* (Qld) (**the Bill**). The Bill is necessary to respond to the systemic climate change impacts already being experienced by Queenslanders. By implementing the Bill, Queensland will show leadership in taking strong action to reduce greenhouse gas emissions (**GHG emissions**) and will establish a path for a low carbon future that is just and sustainable.

The EDO supports main purposes of the Bill which is to:

- set Queensland State targets to reduce GHG emissions and exports of fossil fuels that contribute to meeting Australia's obligations under the Paris Agreement which includes the shared responsibility of limiting global temperature increase to well below 1.5°C – 2.0°C;
- provide measure to achieve reduction targets; and
- ensure a just transition for workers and communities affected by measures implemented to achieve reduction targets.¹

Climate change is the greatest threat to the lives, rights and prosperity of Queenslanders – both today and of the generations to come. Under the Paris Agreement and the outcomes of the 2021 Climate Change Conference in Glasgow, Australia is obligated to dramatically reduce current emissions to maintain a stable and healthy climate. To meet our Nationally Determined Contributions, all Australian States and Territories must act collectively to phase out mining, usage and exports of coal, oil and gas, and legislate in a way that adequately regulates emissions reductions. With the highest carbon emission rate per capita in Australia, Queensland has a critical role to play in reducing its greenhouse gas emissions and fossil fuel exports to avoid the most dangerous levels of climate change.

The EDO urges the State Development and Regional Industries Committee to recommend the bill be passed for the following reasons:

- Queensland's current GHG emissions are inconsistent with the Paris Agreement, the Bill proactively responds to climate risk by setting binding GHG emission targets;
- no new fossil fuel projects can be approved in Queensland based on the remaining carbon budget if we are to limit global warming to 1.5°C and well below 2.0°C. The Bill has a mechanism to automatically prevent the approval of any new fossil fuel projects;
- an independent statutory authority such as the Queensland Climate Transition Authority is necessary to provide objective, evidence-based and transparent information, and advice, needed by government to meet emissions reduction targets and adaptation plans, and achieve a just transition to a low carbon economy.

However, to achieve its purpose the Bill must establish duties for government and industry decision makers to meet GHG reduction targets. Strong emissions targets must also be supported by amendments to our current environmental protection laws as they do not require the regulation of GHG emissions through consistent monitoring, reporting and capping of emissions.

The EDO has also published paper titled 'A Climate Act for Queensland' which sets out the why a Climate Act for Queensland is required and what an effective Climate Act must do. The committee can access the paper here: <https://www.edo.org.au/wp-content/uploads/2020/10/CAQ-PDF.pdf>

¹ *Queensland Climate Transition Bill 2023* (Qld) (**the Bill**) s 2(1),

The Bill legislates strong GHG emissions targets consistent with the Paris Agreement

The EDO supports the Queensland Government legislating strong emissions targets that are consistent with the goals of the Paris agreement. The EDO agrees with following proposed the GHG emissions targets set in the Bill that are to be interpreted in a way consistent with the Paris Agreement:²

- **Interim GHG emission reduction target:** 75% reduction in GHG emission by 2030 from GHG emissions produced in Queensland for 2005;³ and
- **Zero net emissions target by 2035:** meaning Queensland produces zero net emissions by 2035 and for each year after.⁴

Queensland's current reduction targets of 30% by 2030 and net zero by 2050 are inconsistent with meeting the goals of the Paris Agreement. Legislating strong emissions targets is necessary if we are to act with the urgency required to address global warming which is impacting the lives of Queenslanders now. The bill will ensure that Queensland proactively responds to climate change risk and reduces its GHG emissions across all sectors, consistent with the overarching aim of the Queensland Government's Climate Change Response.

In October 2022, the United Nations strongly advised that more ambitious climate action would be required to achieve the goals of the Paris Agreement by 2030.⁵ The Bill contains strong reduction targets for Queensland that are consistent with the goals of the Paris Agreement. According to the Executive Secretary of UN Climate Change, governments need to strengthen and implement their climate action plans by 2030, in order to meet the pace of reductions required to maintain a world warming of 1.5 degrees Celsius.⁶ Considering the current trajectory of climate action by the State, the 2030 emissions target proposed by the Bill is a call for strong, necessary climate action.

While EDO strongly supports the interim and zero net emissions targets a key priority of the Queensland Climate Transition Authority (**QCTA**) should be to consider what sub-targets are required between now and 2030, for the 2030 and 2035 targets envisaged by the Bill to be met. For example, New Zealand has created incremental emission budgets that require the Minister to ensure net emissions during a relevant period do not exceed the budgeted amounts. Setting sub-targets will encourage effective management and evaluation of whether implemented strategies and policies are having their intended effects and allow for a better assessment of whether emissions are increasing or decreasing in sectors as anticipated and required, to meet necessary targets.

Our only concern is ensuring that strong emissions targets are supported by amendments to the *Environmental Protection Act 1994* (Qld) as our laws do not currently require regulation of GHG emissions through consistent monitoring, reporting and capping of emissions. The Bill as drafted

² The Bill s 6(2).

³ The Bill ss 6(1)(a), 7.

⁴ The Bill ss 6(1)(b), 8.

⁵ Climate Plans Remain Insufficient: More Ambitious Action Needed Now. (2022, October 26). Retrieved May 4, 2023, from <https://unfccc.int/news/climate-plans-remain-insufficient-more-ambitious-action-needed-now>

⁶ Climate Plans Remain Insufficient: More Ambitious Action Needed Now. (2022, October 26). Climate Plans Remain Insufficient: More Ambitious Action Needed Now. Retrieved May 4, 2023, from <https://unfccc.int/news/climate-plans-remain-insufficient-more-ambitious-action-needed-now> <https://unfccc.int/news/climate-plans-remain-insufficient-more-ambitious-action-needed-now>

does not adequately address monitoring reporting and compliance with the legislated targets. The Bill should ensure that progress is monitored, regularly reviewed and reported on publicly.

The bill ensures that no new fossil fuel projects are approved in Queensland which is consistent with the remaining carbon budget

The EDO strongly supports the Queensland Government in refusing fossil fuel authority applications after the commencement of the Bill,⁷ which is consistent with the world's remaining carbon budget. The Queensland Government has already pledged to securing a zero net emissions economy with the goal of a 30% reduction of emissions by 2030 and net zero emissions by 2050.⁸ It has further committed to delivering more effective and consistent climate policy to achieve its targets.⁹

From 2019 to 2020, coal, oil and gas made up 76% of Australia's primary energy consumption.¹⁰ The EDO supports the immediate but just transition away from fossil fuels to ensure Queensland achieves its net zero targets; prohibiting fossil fuel usage directly reduces GHG emissions that catalyse the effects of climate change.

To achieve its net-zero emissions targets, Queensland must implement long-term policy frameworks that end fossil fuel consumption. According to the International Energy Agency (IEA) and the United Nations, failure to rapidly phase out fossil fuel activities could result in the 1.5°C goal falling quickly out of reach.¹¹ The IPCC stated in its 2023 Synthesis Report that projected CO₂ emissions from existing fossil fuel infrastructure without further abatement would still exceed the carbon budget.¹² This highlights the need for immediate and meaningful action that targets the phase out of coal, oil and gas exports, and the total banning of new coal, oil and gas approvals.

The EDO supports the Bill as the targets are consistent with the temperature goals of the Paris Agreement and immediately phasing out new fossil fuel projects will put us on a trajectory towards reducing the bulk of our emissions by 2030.¹³ The IEA provides that it is necessary for long-term objectives such as the Paris Agreement targets to be linked to measurable short-term targets and policies. IEA modelling has shown that in the journey towards net zero by 2050, the least efficient coal plants should be phased out by 2030.¹⁴

The recommended pathway also includes an interim goal of the reduction of methane emissions from fossil fuel supply by 75% by 2030. Methane accounts for approximately 30% of the global

⁷ The Bill s15.

⁸ National and international engagement (2022, July 8). Environment, Land and Water Queensland Government. <https://www.qld.gov.au/environment/climate/climate-change/response/international-engagement>

⁹ National and international engagement (2022, July 8). Environment, Land and Water Queensland Government. <https://www.qld.gov.au/environment/climate/climate-change/response/international-engagement>

¹⁰ Australian Government Department of Industry, Science, Energy and Resources. (2022). Australian Energy Statistics 2022 Energy Update Report. Retrieved May 4, 2023, from <https://www.energy.gov.au/sites/default/files/Australian%20Energy%20Statistics%202022%20Energy%20Update%20Report.pdf>

¹¹ United Nations. (2021, November 10). Global Roadmap for Accelerated SDG7 Action in Support of the 2030 Agenda for Sustainable Development and the Paris Agreement on Climate Change. Retrieved May 4, 2023, from https://www.un.org/sites/un2.un.org/files/2021/11/hlde_outcome_-_sdg7_global_roadmap.pdf

¹² Intergovernmental Panel on Climate Change. (2021). Climate Change 2021: Synthesis Report. Summary for Policymakers. Retrieved May 4, 2023, from https://report.ipcc.ch/ar6syr/pdf/IPCC_AR6_SYR_SPM.pdf p 21.

¹³ Environmental Defenders Office (EDO). (2020). A Climate Act for Queensland. Retrieved May 4, 2023, from <https://www.edo.org.au/wp-content/uploads/2020/10/CAQ-PDF.pdf>

¹⁴ IEA Report p 19.

temperature increase since the industrial revolution.¹⁵ The fossil fuel industry causes approximately 40% of total methane emissions caused by human activity.¹⁶ As such, reducing methane emissions is an effective method of limiting global warming.¹⁷ By allowing no approvals of fossil fuel applications, methane emissions would be effectively reduced by the implementation of the Bill.¹⁸

The IEA's report *Net Zero by 2050 A Roadmap for the Global Energy*¹⁹ (**IEA Report**) provides modelling on solutions for state and non-state actors to reach net zero by 2050. The IEA has conclusively stated that in order to meet obligations under the Paris Agreement, there is no room in a feasible carbon budget for the approval of new coal mines, oil extraction projects or gas fields.²⁰ It has further concluded that there is no need for investment in new fossil fuel supply beyond those applications that have already been approved. This is in light of the rapid decline in oil and gas demand, and the increasing reliance on clean energy resources.²¹

The IEA calls for governments to work together with industries and citizens to provide net zero roadmaps that will accelerate the energy transition. Relevantly, it promotes the development of policy frameworks that will:

- Facilitate and incentivise private investment in clean energy infrastructure as fossil fuel industries decline;
- Create new markets for low-emission and sustainable energy resources;
- Create new opportunities for oil and gas industry to innovate low-emission technologies;
- Expedite the shift away from fossil fuel use to renewable energy sources through accelerated innovation; and
- Require regulatory authorities to refuse any future applications involving fossil fuel exploration or development.²²

The Bill facilitates the just transition from fossil fuels by prohibiting the approval of new coal, oil and gas projects²³ while ensuring employment stability and income security for impacted workers and communities.²⁴

While the fossil fuel industry is the largest contributor to GHG emissions, it is not alone in emission production. Land use, agriculture, industrial processes and transport all contribute significantly to the emission of GHGs in Queensland. Transport alone contributed 13.86% to Queensland's total

¹⁵ International Monetary Fund. (2022, November 2). Methane emissions must fall for world to hit temperature targets. Retrieved May 4, 2023, from <https://www.imf.org/en/Blogs/Articles/2022/11/02/methane-emissions-must-fall-for-world-to-hit-temperature-targets#:~:text=This%20is%20because%20methane%20stays,in%20a%20row%20last%20year>.

¹⁶ International Energy Agency. (2022, May 2). Methane emissions remained stubbornly high in 2022 even as soaring energy prices made actions to reduce them cheaper than ever. Retrieved May 4, 2023, from <https://www.iea.org/news/methane-emissions-remained-stubbornly-high-in-2022-even-as-soaring-energy-prices-made-actions-to-reduce-them-cheaper-than-ever>.

¹⁷ International Energy Agency. (2022, May 2). Methane emissions remained stubbornly high in 2022 even as soaring energy prices made actions to reduce them cheaper than ever. Retrieved May 4, 2023, from <https://www.iea.org/news/methane-emissions-remained-stubbornly-high-in-2022-even-as-soaring-energy-prices-made-actions-to-reduce-them-cheaper-than-ever>.

¹⁸ IEA Report p 14.

¹⁹ International Energy Agency. (2021). Net Zero by 2050: A Roadmap for the Global Energy Sector. Retrieved May 4, 2023, from <https://www.iea.org/reports/net-zero-by-2050>.

²⁰ IEA Report p 21.

²¹ IEA Report p 21.

²² IEA Report p 95.

²³ The Bill s 15.

²⁴ The Bill ss 2(1)(c),

GHG emissions between 2019 and 2020. The Bill must go further and tackle emission reductions across a range of other sectors to ensure targets are met.

The Bill establishes a statutory body to develop and implement a strategic climate transition plan

The EDO supports the establishment of the QCTA to oversee a just transition and implement the Queensland Climate Transition Strategic Plan (**QCTSP**) which is critical to meeting the reduction targets proposed by the Bill.²⁵ The QCTA will assist the government in delivering its obligations under the Bill.

The EDO believes the QCTA is an effective authority to entrust with the proposed functions through the requirement that board members be from a diverse range of backgrounds. Section 35 of the Bill requires that the board consists of a diverse range of members, including First Nations Peoples, and provides that each person on the board has significant experience in a relevant field such as mining, energy, climate transition planning or other scientific and engineering-based fields. Representation and collaboration are essential to reach carbon emission targets, and this will be facilitated through an authoritative body led by a panel of experts across several industries. Although there should be a requirement for the QCTA to engage with affected communities to ensure the transition is just for all.

The QCTA is required to develop a plan to ensure employment and income stability for those displaced by the movement towards zero carbon emissions, including workers in the fossil fuel industry and citizens who have limited access to electricity. This plan must ensure ‘consultation, compensation, training and job opportunities’ for those affected by the transition.²⁶ This is important for the protection of Queenslanders and for ensuring that no one is left behind. The impacts of both a changing climate and a transitioning economy will be felt hardest in rural, regional and remote communities which can be reliant on coal mining in their communities, requiring tailored solutions. The IEA provides that although the net zero pathway will create an abundance of jobs across a wide range of sectors, locations and skill sets, careful policy attention will be required to address employment losses as fossil fuels decline.²⁷

The EDO strongly supports the establishment of the QCTA; however, the Bill must impose duties on all decision-makers including to QCTA to ensure the targets legislated in the Bill are met.

The Bill must establish duties for government and industry decision makers to meet GHG reduction targets

To ensure emission reduction occurs across a range of sectors, the EDO strongly recommends that decision-makers across all sectors of government and industry, when making decisions that directly

²⁵ The Bill ss 7, 8.

²⁶ Explanatory Notes p 1.

²⁷ IEA Report p 17.

influence the amount of GHG emissions produced, are required to consider whether their decisions are consistent with the targets.²⁸

This legislative requirement will hold decision-makers accountable by enabling their decisions to be reviewed where they have failed to consider whether the decision is consistent with emissions reduction targets. As it stands, the Bill has no enforcement mechanisms relating to emissions targets, or to any related plans developed by the QCTA. Binding obligations are necessary to ensure that decision-makers do not compromise on the emission reduction targets and decisions are compatible with the interim and 2035 targets.

²⁸ Environmental Defenders Office (EDO). (2020). A Climate Act for Queensland. Retrieved May 4, 2023, from <https://www.edo.org.au/wp-content/uploads/2020/10/CAQ-PDF.pdf>