



# **Climate Change Act 2022**

**No. 37, 2022**

**An Act to set out Australia's greenhouse gas emissions reduction targets, to provide for annual climate change statements, to confer advisory functions on the Climate Change Authority, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation (<https://www.legislation.gov.au/>)



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**An Act to set out Australia's greenhouse gas emissions reduction targets, to provide for annual climate change statements, to confer advisory functions on the Climate Change Authority, and for related purposes**

*[Assented to 13 September 2022]*

The Parliament of Australia enacts:

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## Part 1—Preliminary

### 1 Short title

This Act is the *Climate Change Act 2022*.

### 2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this Act	The day after this Act receives the Royal Assent.	14 September 2022

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

### 3 Objects

The objects of this Act are:

- (aa) to advance an effective and progressive response to the urgent threat of climate change drawing on the best available scientific knowledge; and
- (a) to set out Australia's greenhouse gas emissions reduction targets which contribute to the global goals of:
  - (i) holding the increase in the global average temperature to well below 2°C above pre-industrial levels; and

- (ii) pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels; and
- (b) to promote accountability and ambition by requiring the Minister to:
  - (i) prepare annual climate change statements; and
  - (ii) cause copies of those statements to be tabled in each House of the Parliament; and
- (c) to ensure that independent advice from the Climate Change Authority informs:
  - (i) the preparation of annual climate change statements; and
  - (ii) the greenhouse gas emissions reduction targets to be included in a new or adjusted nationally determined contribution.

#### **4 Simplified outline of this Act**

- This Act sets out Australia’s greenhouse gas emissions reduction targets.
- The Minister must prepare an annual climate change statement.
- The Climate Change Authority is to give the Minister advice that relates to the preparation of an annual climate change statement.
- The Climate Change Authority is to advise the Minister on greenhouse gas emissions reduction targets to be included in a new or adjusted nationally determined contribution.
- There are to be periodic reviews of the operation of this Act.

#### **5 Definitions**

In this Act:

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***annual climate change statement*** means a statement under subsection 12(1).

***Australia's greenhouse gas emissions reduction targets*** has the meaning given by section 10.

***Australia's nationally determined contribution*** means:

- (a) Australia's current nationally determined contribution communicated in accordance with Article 4 of the Paris Agreement; or
- (b) if that nationally determined contribution has been adjusted in accordance with paragraph 11 of Article 4 of the Paris Agreement—that nationally determined contribution, as adjusted and in force from time to time.

***Paris Agreement*** means the Paris Agreement, done at Paris on 12 December 2015, as amended and in force for Australia from time to time.

Note: The Agreement is in Australian Treaty Series 2016 No. 24 ([2016] ATS 24) and could in 2022 be viewed in the Australian Treaties Library on the AustLII website (<http://www.austlii.edu.au>).

### **6 Act binds the Crown**

This Act binds the Crown in right of the Commonwealth. However, it does not bind the Crown in right of a State, of the Australian Capital Territory or of the Northern Territory.

### **7 Extension to external Territories**

This Act extends to every external Territory.

### **8 Extension to exclusive economic zone and continental shelf**

This Act extends to a matter relating to the exercise of Australia's sovereign rights in the exclusive economic zone or the continental shelf.



## **Part 2—Australia's greenhouse gas emissions reduction targets**

### **9 Simplified outline of this Part**

- This Part sets out Australia's greenhouse gas emissions reduction targets.

### **10 Australia's greenhouse gas emissions reduction targets**

- (1) Australia's greenhouse gas emissions reduction targets are as follows:
  - (a) reducing Australia's net greenhouse gas emissions to 43% below 2005 levels by 2030:
    - (i) implemented as a point target; and
    - (ii) implemented as an emissions budget covering the period 2021-2030;
  - (b) reducing Australia's net greenhouse gas emissions to zero by 2050.

Note: The achievement of a target involves reducing Australia's net greenhouse gas emissions to a level that is at or below the target. Accordingly, nothing in subsection (1) limits Australia's ability to reduce its net greenhouse gas emissions beyond 43% below 2005 levels by 2030.

- (2) Subsection (1) is to be interpreted in a manner consistent with:
  - (a) the Paris Agreement; and
  - (b) Australia's nationally determined contribution.

#### *Concurrent operation of State and Territory laws*

- (3) Subsection (1) is not intended to exclude or limit the operation of a law of a State or Territory that is capable of operating concurrently with this Act.

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*Executive power of the Commonwealth*

- (4) Subsection (1) does not prevent or limit the exercise of the executive power of the Commonwealth to:
  - (a) prepare and communicate a new nationally determined contribution in accordance with Article 4 of the Paris Agreement; or
  - (b) adjust Australia's nationally determined contribution in accordance with paragraph 11 of Article 4 of the Paris Agreement.
- (5) If the Commonwealth prepares and communicates a new nationally determined contribution in accordance with Article 4 of the Paris Agreement, the new nationally determined contribution must represent a progression beyond:
  - (a) Australia's then current nationally determined contribution communicated in accordance with Article 4 of the Paris Agreement; or
  - (b) if that nationally determined contribution has been adjusted in accordance with paragraph 11 of Article 4 of the Paris Agreement—that nationally determined contribution, as adjusted and in force from time to time.
- (6) If the Commonwealth adjusts Australia's nationally determined contribution in accordance with paragraph 11 of Article 4 of the Paris Agreement, the adjusted nationally determined contribution must represent an enhancement of Australia's level of ambition.

## **Part 3—Annual climate change statement**

### **11 Simplified outline of this Part**

- The Minister must prepare an annual climate change statement.
- A copy of an annual climate change statement is to be tabled in each House of the Parliament.

### **12 Annual climate change statement**

- (1) Within 6 months after the end of each financial year, the Minister must prepare a statement that relates to:
  - (a) the progress made during the year towards achieving Australia's greenhouse gas emissions reduction targets; and
  - (b) international developments during the year that are relevant to addressing climate change; and
  - (c) climate change policy; and
  - (d) the effectiveness of the Commonwealth's policies in contributing to the achievement of Australia's greenhouse gas emissions reduction targets and reducing emissions in the sectors covered by those policies; and
  - (e) the impact of the Commonwealth's climate change policies to achieve Australia's greenhouse gas emissions reduction targets on rural and regional Australia, including the social, employment and economic benefits being delivered by those policies in rural and regional Australia; and
  - (f) risks to Australia from climate change impacts, such as those relating to Australia's environment, biodiversity, health, infrastructure, agriculture, investment, economy or national security.
- (2) A statement under subsection (1) is to be known as an ***annual climate change statement***.

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- (3) The Minister must cause a copy of an annual climate change statement to be tabled in each House of the Parliament within 5 sitting days of that House after the completion of the preparation of the statement.

## **Part 4—Advisory functions of the Climate Change Authority**

### **13 Simplified outline of this Part**

- The Climate Change Authority is to give the Minister advice that relates to the preparation of an annual climate change statement.
- The Climate Change Authority is to advise the Minister on greenhouse gas emissions reduction targets to be included in a new or adjusted nationally determined contribution.

### **14 Climate Change Authority to give the Minister advice that relates to the preparation of an annual climate change statement**

- (1) The Climate Change Authority must give the Minister advice that relates to the preparation of an annual climate change statement.
- (2) If a period is:
  - (a) specified in an agreement between the Minister and the Climate Change Authority; and
  - (b) designated by the agreement as the advice period for a particular annual climate change statement;advice under subsection (1) that relates to the preparation of the annual climate change statement must be given within the advice period designated by the agreement.
- (3) In considering advice to be given to the Minister under subsection (1) in relation to the first annual climate change statement, the Climate Change Authority may make provision for public consultation.
- (3A) In considering advice to be given to the Minister under subsection (1) in relation to:
  - (a) the second annual climate change statement; or

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- (b) a subsequent annual climate change statement;  
the Climate Change Authority must make provision for public consultation.
- (4) If the Climate Change Authority gives the Minister advice under subsection (1) that relates to the preparation of a particular annual climate change statement, the Minister must have regard to that advice in preparing that statement.
- (5) Subsection (4) does not prevent the Minister from having regard to other advice.
- (6) If the Climate Change Authority gives the Minister written advice under subsection (1), the Climate Change Authority must:
  - (a) publish a copy of that advice on its website no later than the day the annual climate change statement to which the advice relates is tabled in a House of the Parliament in accordance with subsection 12(3); and
  - (b) cause a copy of that advice to be tabled in each House of the Parliament:
    - (i) within 15 sitting days of that House after giving the advice to the Minister; and
    - (ii) no later than the day the annual climate change statement to which the advice relates is tabled in that House in accordance with subsection 12(3).
- (7) If:
  - (a) the Climate Change Authority gives the Minister written advice under subsection (1) that relates to the preparation of a particular annual climate change statement; and
  - (b) the Minister decides not to accept one or more material aspects of that advice;then:
  - (c) the Minister must prepare a written statement of reasons for the decision not to accept those aspects of that advice; and
  - (d) the Minister must cause a copy of the statement of reasons to be tabled in each House of the Parliament within 5 sitting days of that House after the completion of the preparation of the annual climate change statement.

**15 Climate Change Authority to advise the Minister on greenhouse gas emissions reduction targets to be included in a new or adjusted nationally determined contribution**

- (1) The Climate Change Authority must, if requested to do so by the Minister, advise the Minister on either or both of the following matters:
    - (a) the greenhouse gas emissions reduction targets that the Climate Change Authority considers should be included in a new nationally determined contribution to be communicated by Australia in accordance with Article 4 of the Paris Agreement;
    - (b) the greenhouse gas emissions reduction targets that the Climate Change Authority considers should be included in Australia's nationally determined contribution as the result of an adjustment to be made in accordance with paragraph 11 of Article 4 of the Paris Agreement.
  - (1A) The advice given under subsection (1) must include advice on:
    - (a) the social, employment and economic benefits of any new or adjusted greenhouse gas emissions reduction targets and associated policies, including for rural and regional Australia; and
    - (b) the physical impacts of climate change on Australia, including on rural and regional Australia.
  - (2) The Minister must request advice under subsection (1) on the matter mentioned in paragraph (1)(a) at least once every 5 years.
  - (2A) The Commonwealth must only communicate a new nationally determined contribution in accordance with Article 4 of the Paris Agreement that first includes a greenhouse gas emissions reduction target for 2035, 2040 or 2045 if:
    - (a) the Climate Change Authority has given advice under subsection (1) on the target; or
    - (b) the Minister, after consultation with the Climate Change Authority, is satisfied that the new nationally determined contribution needs to be communicated urgently to further the matters set out in Article 2 of the Paris Agreement.
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Note: This requirement does not apply to adjustments of nationally determined contributions. Such adjustments must represent an enhancement of Australia's level of ambition under subsection 10(6) and advice on such adjustments may be requested under paragraph 15(1)(b).

- (3) In considering advice to be given to the Minister under subsection (1), the Climate Change Authority must make provision for public consultation.
- (3A) The advice given under subsection (1) must include an explanation of how the greenhouse gas emissions reductions targets have taken into account the matters set out in Article 2 of the Paris Agreement, including the global goals of:
  - (a) holding the increase in the global average temperature to well below 2°C above pre-industrial levels; and
  - (b) pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.
- (4) In considering:
  - (a) the greenhouse gas emissions reduction targets that should be included in a new nationally determined contribution to be communicated by Australia in accordance with Article 4 of the Paris Agreement; or
  - (b) the greenhouse gas emissions reduction targets that should be included in Australia's nationally determined contribution as the result of an adjustment to be made in accordance with paragraph 11 of Article 4 of the Paris Agreement;the Minister must have regard to any relevant advice given by the Climate Change Authority under subsection (1).
- (5) Subsection (4) does not prevent the Minister from having regard to other advice.
- (6) If the Climate Change Authority gives the Minister written advice under subsection (1), the Climate Change Authority must publish a copy of that advice on its website.
- (7) If the Climate Change Authority gives the Minister written advice under subsection (1):



- (a) the Minister must, within 6 months after that advice was given, prepare a written statement setting out:
  - (i) the Minister's response to that advice; and
  - (ii) if the Minister has decided not to accept that advice—the reasons for the decision not to accept that advice; and
- (b) the Minister must cause a copy of the statement to be tabled in each House of the Parliament within 15 sitting days of that House after the preparation of the statement.

## **Part 5—Periodic reviews of the operation of this Act**

### **16 Simplified outline of this Part**

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| <ul style="list-style-type: none"><li>• There are to be periodic reviews of the operation of this Act.</li></ul> |
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### **17 Periodic reviews of the operation of this Act**

- (1) The Minister must cause independent reviews to be conducted of the operation of this Act.

#### *Public consultation*

- (2) A review under subsection (1) must make provision for public consultation.

#### *Report*

- (3) The person or persons who conduct the review must give the Minister a written report of the review.
- (4) The Minister must cause copies of a report under subsection (3) to be tabled in each House of the Parliament within 15 sitting days of that House after the review is completed.

#### *First review*

- (5) The first review under subsection (1) must be completed within 5 years after the commencement of this section.

#### *Subsequent reviews*

- (6) Each subsequent review under subsection (1) must be completed within 10 years after the completion of the previous review.

*When review is completed*

- (7) For the purposes of subsections (4), (5) and (6), a review is completed when the report of the review is given to the Minister under subsection (3).

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*[Minister's second reading speech made in—  
House of Representatives on 27 July 2022  
Senate on 5 September 2022]*

(63/22)

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