

Terms of Reference

1. Introduction

The Victorian Government recognises that climate change is one of the most critical issues facing Victoria. The Government is committed to positioning Victoria as a leader in responding to climate change; by mitigating risks and adapting to its impacts.

The Minister for Environment, Climate Change and Water is driving action to achieve this by reviewing climate change legislation, policies and programs. The independent review of the *Climate Change Act 2010* ('Act') is one of the first steps in this process. Legislation can provide a strong framework for climate change action.

It is important that the Act is robust and effective, and contains the right powers and tools to tackle climate change now and into the future. Climate change policy continues to evolve globally and nationally. By the end of 2015 there will be progress in international agreements under the United Nations Framework Convention on Climate Change. The Australian Government's climate change policies will also continue to be refined in the lead up to the Paris Climate Change Conference in November 2015. Developments in technology; climate science; and the changing structure of the Victorian economy and its energy systems are also factors that will continue to influence Victoria's response to climate change.

The Minister for Environment, Climate Change and Water is required under Section 18 of the Act to ensure that an independent review of the Act is completed before 31 December 2015.

2. Scope of Review

2.1 Pursuant to Section 18 of the Act, the Independent Review Committee will review and produce a written report containing recommendations and options to the Government before 31 December 2015 that:

- a) Examines the effectiveness of the current operation of the Act in achieving its stated purposes.
- b) Examines whether the Act provides a sound foundation for action (by Government, business and community) on both climate change mitigation and adaptation.
- c) Examines whether the Act is sufficiently robust to deal with changes over time in the range of factors that impact on Victorian Government climate change policy.
- d) Identifies options to improve the Act to achieve the Government's commitment to action on climate change mitigation and adaptation.
- e) Examines whether legislation is the most appropriate mechanism for an emissions reduction target.
- f) Identifies the most appropriate mechanism to monitor and report on progress in accordance with the Act.

2.2 Pursuant to Section 18(3) of the Act, in developing the options for improving the Act and its operation, the Independent Review Committee may have regard to:

- a) Other Victorian law relating to climate change and any other law or policy relating to climate change.
- b) Developments in climate change technologies and best practice in response to climate change.
- c) Any plan prepared under Section 16 (the Victorian Climate Change Adaptation Plan).
- d) Whether the Act needs to be amended to include new purposes, policy objectives or programs.

2.3 In undertaking the Review, the Independent Review Committee should:

- a) Consider climate change legislation and policies in sub-national jurisdictions in Australia and overseas.
- b) Consider any relevant state or national inquiries that review the efficacy and efficiency of climate change legislation.
- c) Consider the known costs and benefits to businesses, households and government where relevant.

The Independent Review Committee may directly seek the views of the community, business, and non-government sector representatives in conducting the review. The Review will also include a public submissions process.

The Independent Review Committee must provide the Minister a written report in accordance with these Terms of Reference and Section 18(4) of the Act before Thursday 31 December 2015.

In accordance with Section 18(5) of the Act, a copy of the report must be tabled in both Houses of Parliament within 10 sitting days after the completion of the Review.