

# Climate Change Act 2017: Emissions Reduction Targets

## Fact Sheet

Embedding emissions reduction targets in legislation provides a clear and compelling signal to community, investors and the economy regarding the need for sustained and significant climate change action.

On 23 February 2017, the Climate Change Bill 2016 was passed by the Victorian Parliament to create a new Climate Change Act.

The *Climate Change Act 2017* contains a long-term emissions reduction target of net zero greenhouse gas emissions by 2050. The Premier and the Minister for Energy, Environment and Climate Change will be responsible for ensuring this target is met.

A target of net zero emissions will require Victoria to reduce its emissions as close to zero as possible and at the same time increase sequestration activities in Victoria to remove greenhouse gases from the atmosphere. If the amount of sequestration does not balance Victoria's remaining emissions, eligible offsets from outside Victoria will be secured to make up the difference.

### Interim emissions reduction targets

The Act requires the Premier and the Minister for Energy, Environment and Climate Change to set five-yearly interim targets to keep Victoria on track to meeting the long-term target.

#### Independent expert advice

Before determining a target, the Minister will be required to obtain advice from one or more independent experts. The advice will assess:

- options for the interim target;
- the implications of these options for meeting the long-term target; and
- efficient and cost-effective emissions reduction opportunities for Victoria that could be implemented within that interim target period.

In preparing their advice, the independent experts will be required to consider a number of factors including climate science, economic implications, social and environmental circumstances, and global action.

#### Timing

Interim target	Target period	Target is set (on or before)
First	1 Jan 2021 – 31 Dec 2025	31 March 2020*
Second	1 Jan 2026 – 31 Dec 2030	31 March 2020*
Third	1 Jan 2031 – 31 Dec 2035	31 March 2023
Fourth	1 Jan 2036 – 31 Dec 2040	31 March 2028
Fifth	1 Jan 2041 – 31 Dec 2045	31 March 2033
Sixth	1 Jan 2046 – 31 Dec 2050	31 March 2038

\*Government has committed to setting the first two targets in 2018.

#### Setting the target

After receiving and publishing the advice, the Minister and Premier set the interim target. In doing so, they will be required to consider this advice, the long-term target and the guiding principles and policy objectives contained in the Act.

The Act requires each interim target to be more ambitious than the last, to sustain a downward trend towards the long-term target. Once set, the interim target will be tabled in Parliament and published online.

#### Amending interim targets

The Act allows interim targets to be amended if, in the opinion of the Premier and the Minister, exceptional circumstances apply. The Premier and Minister will need to follow the same process as for setting the original target, and publish a statement outlining why the amendment was necessary.

#### Reporting requirements

Annual greenhouse gas reporting will monitor the state's progress in reducing greenhouse gas emissions. At the end of each interim target period the Minister will be required to produce a report stating whether the target for the period in question was achieved and, if not, explain why.

#### More information

The *Climate Change Act 2017* is available on the Victorian Legislation website:

<http://www.legislation.vic.gov.au/>