Whole of Victorian Government emissions reduction pledge 2026–30

VICTORIA
Australia

Minister's foreword

Reaching net zero emissions by 2045 means we all need to do our part – governments, businesses, communities and households.

That's why the Victorian Government is cutting emissions from our own operations, demonstrating to businesses and the community how to reduce emissions in more complex areas, and embedding climate action in our policy and investment decisions. Together, these actions will drive innovation, create jobs, save money and build a healthier future for our state.

In our 2021–25 Whole of Victorian Government Pledge we committed to power government operations with renewable electricity, improve the energy performance of government buildings, and pilot zero emission vehicles in the government fleet.

We've delivered all these actions and more, cutting government's total operational emissions by 67% compared to 2018/19 levels.

The 2026–30 Whole of Victorian Government pledge builds on these foundations. To support the energy transition, we're demonstrating how to phase-out fossil gas in government buildings such as offices, health facilities and schools. We're creating cleaner and safer social housing for those who need it most. Beyond cutting emissions from our operations, we're supporting the development of Victoria's zero emission bus industry and prioritising low-emissions products and services. Our actions will reduce emissions from government operations and help build a cleaner, stronger and more resilient future.

Hon. Lily D'Ambrosio

Minister for Climate Action
Minister for Energy and Resources
Minister for the State Electricity Commission

Overview of emissions from Victorian Government operations

The Whole of Victorian Government sector includes emissions from all government departments and public sector entities defined under the *Public Administration Act 2004*, such as public health services, government schools, TAFEs, police and emergency services.

We've made significant progress since our commitments in the first Whole of Victorian Government pledge by reducing our total operational emissions by around 2.5 Mt (67%) compared to 2018/19 levels. All large sites for government operations and water corporations are sourcing 100% renewable electricity, cutting government electricity emissions by around 94%.

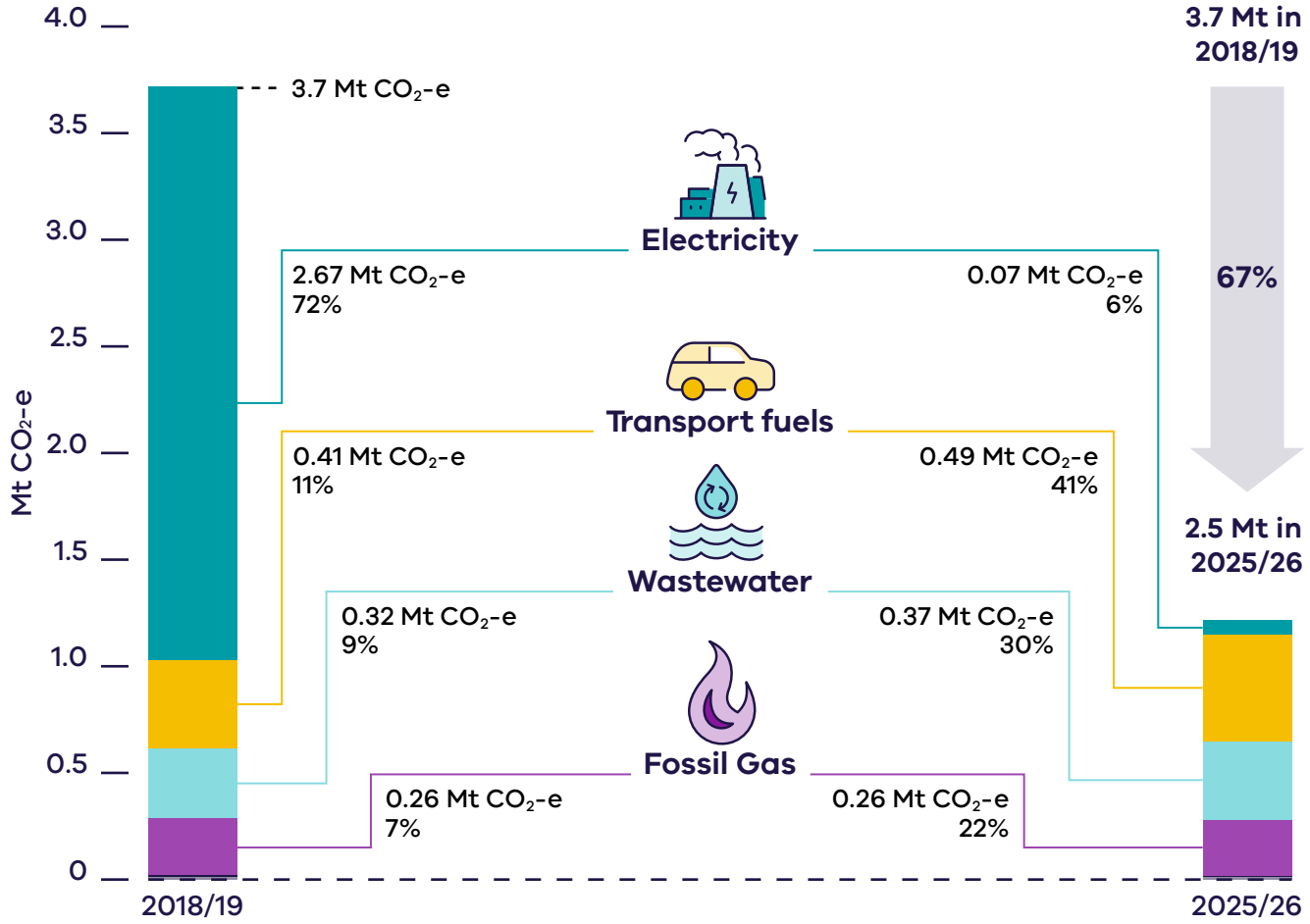
Major sources of the sector's remaining operational emissions are:

- 41% from public transport and government vehicles
- 30% from wastewater
- 22% from fossil gas used in government buildings.

Government investment and policy are also helping to cut emissions economy-wide by supporting low-carbon industries, like sustainable construction, and showcasing solutions for areas such as commercial buildings, heavy vehicles and corporate fleets.

In 2025/26 Victorian Government operational emissions are expected to be around 67% lower than they were in 2018/19.

Estimated reduction in government emissions from 2018/19 to 2025/26



Emission estimates for 2025/26 are projected from data in 2022/23 annual reports.

Achievements

Switching to renewable energy

100% renewable electricity

now supplies all large government sites through the State Electricity Commission.

Water

42.4% reduction in emissions

by Victoria's 18 water corporations.

Cutting transport emissions

100% renewable electricity

powering metropolitan trains and trams.

80+ zero emission buses

are operating across the state's metropolitan and regional bus networks.

Zero emission buses

are being purchased for Victoria's public bus fleet.

400+ zero emission vehicles

and charging infrastructure have been introduced into the government fleet.

Reducing emissions from government buildings

100% electric

new government buildings.

6-star energy performance ratings

for new office buildings and tenancy fit-outs from 2025.

415 schools

taking part in the Greener Government School Buildings Program to install solar, reduce emissions and save money on their power bills.

1,200 kw solar power

installed under Victoria's Solar in Prisons program, reducing emissions and saving money.

$40 million invested

in the Energy Efficiency and Solar program delivering new solar installations and energy upgrades at public health facilities across regional and rural Victoria.

$310 million invested

through the Greener Government Buildings Program in energy efficiency and renewable energy across 52 projects with combined annual savings of $47 million and 200,000 tonnes CO_2 annual emissions reductions.

Whole of Victorian Government emissions reduction pledge 2026–30

We're leading the way through bold, practical steps to reduce our operational emissions across the public sector while demonstrating new opportunities and building for the future.

The 2026–30 Whole of Victorian Government emissions reduction pledge sets out actions for the next five years that will reduce our net operational emissions by around 78% by 2030 compared to 2018/19 levels.

As one of Victoria's largest employers and service providers, the public sector can lead by example. Actions in this pledge will cut emissions from government buildings, public transport, government vehicles and Victoria's water sector. We are committed to further considering climate change in government decisions to support cost-effective investments, manage climate risks and increase transparency. By using our purchasing power, we'll boost low-carbon industries across our economy. With targeted studies, we'll demonstrate how to cut emissions for complex assets and operations like commercial buildings and heavy vehicles.

Overview of the Whole of Victorian Government sector

The Victorian public sector oversees over $280 billion of public assets. The workforce is around 10% of Victoria's total labor force, with almost a third of all public sector employees working in regional Victoria.

The Victorian Government is also the largest purchaser of goods and services in the state. Government departments, agencies and authorities manage and operate a significant number of diverse assets across Victoria.

4,500+ buses

200+ fire trucks

1,500+ schools

140+ hospital and health service facilities

330+ police stations

Emissions reduction actions 2026–30

Reduce the government's operational emissions

Cut emissions from government buildings

We're committed to reducing emissions from the thousands of buildings we operate across the state. Together these actions will cut costs, improve safety and demonstrate the benefits of zero emissions buildings.

All new Victorian Government buildings will continue to be built all-electric and include environmentally sustainable design. **From 1 July 2025, all government sites supplied by the State Electricity Commission (SEC) use 100% renewable electricity.**

All new government office buildings and tenancy fit-outs must meet at least a 6-star energy performance rating from 2025 onwards. For leased buildings, the Government will continue to give preference to those with higher energy ratings and Green Lease Schedules.

Our **$50 million TAFE Clean Energy Fund** is delivering all-electric training facilities for the net zero transition workforce including TAFE Gippsland's Clean Energy Centre, South West TAFE's Innovation and Design Centre, and Stage 2 of Federation University's Asia-Pacific Renewable Energy Training Centre in Ballarat (Stage 1 was established in 2021).

The **Energy Efficiency in Social Housing Program** will deliver over 50,000 upgrades across 23,600 properties, with investments to improve the running costs, health and comfort of social housing.

The **Greener Government Buildings Program** will continue delivering energy efficiency upgrades in hospitals, schools and office buildings through a revolving fund of $60 million, with an average of $15 million available to invest each year.

We're taking steps to phase out fossil gas in existing government buildings, by considering options to replace fossil gas-fired assets with efficient, electric, cheaper-to-run assets at end-of-life in existing government buildings.

Electrify public transport and government vehicles

We're reducing emissions from public transport and government vehicles while supporting more Victorian businesses and households to adopt low and zero emissions transport.

From 1 July 2025 the Victorian Government will purchase new buses as Zero Emission Buses. The **Zero Emission Bus Transition Plan** provides the pathway for new public transport buses to be zero emission vehicles, and for the broader shift to a cleaner, smarter bus fleet.

We're transitioning all passenger vehicles and vans in the government fleet to zero emission vehicles by 2035, consistent with our commitments as a signatory to the Zero Emission Vehicles Declaration launched at the 2021 United Nations Climate Conference in Glasgow.

Ensure a net zero water sector by 2035

Victoria's water sector is a climate action leader in reducing emissions and adapting to climate impacts with **targets to reduce net emissions by over 93% by 2030 and reach net zero emissions by 2035** – by using renewable electricity, reducing emissions from vehicles, addressing wastewater treatment emissions and investing in high quality revegetation projects.

By the end of 2025, our 18 water corporations will be powered by 100% renewable electricity. The water sector has made record investments in biogas, wind, hydroelectricity, waste to energy and solar projects – pushing emissions to their lowest levels since reporting began in 2012.

We're working in partnership with Victoria's water corporations to deliver a Water Sector Emissions Transition Plan. It will support our water corporations to plan adaptively, capture new opportunities and find innovative solutions for wastewater treatment, fuel use and supply chain emissions.

We'll partner with the water sector and Intelligent Water Networks to investigate and trial low-carbon and circular technology for wastewater biosolids (organic matter in sewage). This includes next generation thermal treatment technologies which can cut emissions, destroy harmful forever chemicals like PFAS and transform biosolids into high-value products like biochar.

Melbourne Water is the largest contributor to wastewater emissions, with its Eastern and Western Treatment Plants representing almost 74% of wastewater emissions. That's why we'll work with Melbourne Water to identify opportunities and develop plans for both sites by 2027 to reduce emissions cost-effectively.

Wodonga wastewater treatment plant upgrade

North East Water is upgrading the Wodonga wastewater treatment plant to capture biogas for on-site renewable electricity generation, reduce methane emissions and provide wastewater security for Wodonga and surrounds. Due for completion in 2026, the $79.3 million project will reduce plant emissions by 50%. The upgrade, paired with North East Water's recently-completed 3 MW solar farm and neighbouring renewable hydrogen production facility, lays the foundations for a 'Resource Recovery Hub.' The Hub will provide circular economy outcomes like waste oxygen injection and biochar production and support the region's economic and environmental prosperity.

Below: Aerial view of Wodonga wastewater treatment plant with solar farm and hydrogen production facility.

Embed climate action in our decisions

By considering climate change and emissions reduction in government decision-making, we're supporting investment and delivery of public assets and services aligned with our legislated target for statewide net zero emissions by 2045.

We've established a budget screening process that considers the emissions and climate resilience impacts of budget proposals from across government. To further support decision-making, we're introducing emissions values into budget proposals – starting with asset infrastructure bids over $100 million. These actions will support lower-cost emissions reduction opportunities, reduce risks associated with stranded assets, and encourage innovation and productivity improvements.

Our departments are working with portfolio agencies to plan for climate change and the transition to net zero emissions. All departments are preparing emissions reduction plans and undertaking climate risk assessments to manage climate-related risks and realise opportunities arising from the transition to net zero emissions. We're also committed to updating our approach to climate-related risk disclosure at the whole of government and entity level to reflect new international and Australian accounting standards.

State Electricity Commission (SEC) Victoria

The Victorian Government established the SEC as a government-owned, renewable energy company to invest in renewable energy and storage projects, retail to commercial and industrial customers, and support households to go all-electric.

From July 2025, the SEC is powering 5% of Victoria's electricity market, with contracts to retail 100% renewable electricity for Victorian Government sites.

This includes everything from metropolitan and regional hospitals to some of Victoria's most iconic and loved places like Flinders Street Station, the Melbourne Museum, the National Gallery of Victoria, Phillip Island's Penguin Parade, Werribee Open Range Zoo, the Royal Botanic Gardens and the Melbourne Park Precinct.

Below: Flinders Street Station powered by 100% renewable electricity.

Drive climate action across the economy

The Victorian Government is the largest procurer of goods and services in the state. This purchasing power can be used to reduce emissions and strengthen market demand for low emissions products and services. It can also lower capital costs, grow local green industry jobs and develop climate-resilient supply chains. That's why we're investigating options to embed climate considerations into government procurement processes, tenders and contracts to reduce emissions.

The Victorian Infrastructure Delivery Authority is working to decarbonise all major transport projects in line with the state's emissions reduction targets, aiming to achieve a 45% reduction in up-front carbon emissions from newly-procured infrastructure projects by 2030 compared to a 2005 project equivalent.

Applying circular economy principles to government investment can also drive emissions reduction across the economy. The Recycled First Policy will be expanded into non-transport sectors and a new circular procurement toolkit will support departments and agencies with decision making.

We'll establish new state purchasing contracts to support zero emission vehicle charging, easy payment options for public chargers, and charger installations in government buildings. We'll require state purchase contract suppliers to report on environmental commitments and provide environmental-related reporting where relevant and appropriate.

Demonstration studies

We'll establish a Government Buildings Efficient Electric Energy Study to demonstrate the benefits and options for upgrading different types of buildings to efficient electric energy. The study will draw together insights from new all-electric government buildings and feasibility studies for upgrading existing government buildings, and by replacing fossil gas assets with efficient electric upgrades. The study will also inform future policies for upgrading commercial buildings in Victoria to efficient electric energy.

We're also establishing a Government Operational and Heavy Vehicle Decarbonisation Study to investigate options to reduce emissions from a range of specialist, operational and heavy vehicles. The study will build on pilots of electric operational and heavy vehicles such as Victoria's first electric fire truck, and trials of alternative low-carbon fuels such as those used in the Webb Street Level Crossing Removal Project and in V/line's regional trains. Findings will help to inform work to develop the renewable fuels industry in Victoria and contribute to the Victorian Freight Plan.

Victoria's first electric fire truck

Fire Rescue Victoria (FRV) is piloting Victoria's first (and Australia's second) electric fire truck.

FRV has identified Victoria's emissions reduction targets as a key driver for the pilot and has ambitious plans to introduce more appliances to the fleet. The current pilot will test the operational capabilities of the electric pumper in local conditions and will socialise the new technology with firefighters and communities, generating telematics data and sharing knowledge with other jurisdictions and agencies.

Below: FRV's Electric Vehicle for Incident and Emergency (EVIE).

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Acknowledgement of Country

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it.

We honour Elders past and present whose knowledge and wisdom have ensured the continuation of culture and traditional practices.

We are committed to genuinely partner, and meaningfully engage, with Victoria's Traditional Owners and Aboriginal communities to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.

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