Climate Change Authority Level 10, 90 Collins Street MELBOURNE VIC 3001

6 December 2013

Dear Sir/Madam

RE: CLIMATE CHANGE AUTHORITY TARGETS AND PROGRESS REVIEW

Thank you for the opportunity to provide comments on the Climate Change Authority's *Targets and progress review draft report*. The Green Building Council of Australia (GBCA) supports, in principle, policies and initiatives which encourage the transition to a low-carbon built environment. We believe that setting targets and measuring and reporting on progress is essential if Australia is to meet its international obligations to reduce greenhouse gas emissions.

About the GBCA

The GBCA is Australia's authority on green buildings and communities, established in 2002 to develop a sustainable property industry in Australia and drive the adoption of green building practices. The GBCA promotes green building programs, technologies, design practices and processes, and operates Australia's only national voluntary comprehensive sustainability rating system for buildings and communities - Green Star.

The GBCA has more than 750 member organisations, including government departments, which work together to support the Council and its activities. The GBCA is also a founding member of the World Green Building Council (WorldGBC), which was established to provide a federated 'union' of national green building councils with a common goal to support the sustainable transformation of the global property industry; there are now 98 such councils worldwide.

Opportunities for carbon abatement in the built environment

The building sector (commercial and residential) represents just over 20 per cent of Australia's total greenhouse gas emissions.

Progress in reducing carbon emissions in the built environment has been significant. Green Star-certified buildings represent over 31 per cent of new office space built since 2003 and on average, emit 45 per cent fewer greenhouse gas emissions than if they had been built to meet minimum industry requirements. The cumulative savings in greenhouse gas emissions from Green Star-certified buildings equates to 625,000 tonnes of CO2 per annum. Further information can be found in the GBCA's 2013 report *The value of Green Star: A decade of environmental benefits*, available on our website at www.gbca.org.au.

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In existing buildings, energy intensity per square metre has decreased by an average of 0.3 per cent per annum, largely driven by NABERS Energy ratings and the Commercial Building Disclosure program.

While these figures indicate that there has been some remarkable leadership and steady progress within the property industry, improvements have been limited to only a portion of the market.

In July 2013, ClimateWorks Australia released an update of its *Tracking progress towards a low carbon economy* report. The ClimateWorks analysis estimates that there is a further 47 MtCO2-e of emissions to be realised in the buildings sector by 2019-20. Of the 47 MtCO2-e, it is estimated that 29 MtCO2-e will be available through improvements in energy efficiency in existing buildings, an opportunity that is still largely untouched.

The ClimateWorks report projects that energy intensity per square metre will reduce by 3 per cent by 2020 if current trends continue (for commercial buildings). This would capture around 8 per cent of the abatement potential for this sector.

Both the commercial and residential building sectors have the potential to contribute significantly to Australia's emissions reduction target. ClimateWorks' *Low Carbon Growth Plan for Australia* noted that;

there is enough abatement potential to achieve a 25 per cent emissions reduction target in Australia, using technologies and practices already available. However further policy or economic incentives would be required to drive the uptake of those activities.

The GBCA believes that a range of complementary policies, initiatives and incentives – both financial and non-financial – are needed to achieve Australia's abatement potential. The GBCA engages with all levels of government to advocate for policies to remove barriers and encourage industry to continue to improve the performance of the built environment.

Please do not hesitate to contact me by phone on 02 8239 6200, or via the email address below if there is any further information that I can provide. The GBCA looks forward to working with you towards a low-carbon economy.

Kind regards

Katy Dean

Manager - Advocacy

