

Outcomes

Climate Change Authority Meeting

1 August 2023



Preamble

The Climate Change Authority met in Canberra on Tuesday 1 August for a full day meeting to discuss the authority's major projects, including the 2023 Annual Progress report, advice for the 2035 emissions reduction target and reviews of the *Carbon Credits (Carbon Farming Initiative) Act 2011* (CFI Review) and the *National Greenhouse Energy Reporting Act 2007* (NGER Review). Members also discussed the themes and ideas emerging from recent consultation.

The meeting commenced with an Acknowledgement of Country, followed by standard deliberations relating to administrative matters of the authority, including declarations and management of personal interests, and the CEO's report.

Members discussed a preparatory meeting, held on 24 July, where they affirmed the need to retain public trust in the authority's work by taking a precise and thorough approach to management of member interests. Members observed that a group of people brought together for the purpose of providing advice on climate change will necessarily have a range of backgrounds and expertise that have brought them to that place. They noted their interests are fully disclosed and there is an ongoing conversation among members to hold each other to account.

Summary

2023 Annual Progress Report

Authority members discussed an early draft of the 2023 Annual Progress Report. The report will contain the authority's advice, required by the *Climate Change Act 2022*, for the annual statement by the Minister for Climate Change and Energy. The minister has written to the authority requesting its advice be provided in October 2023.

Advice on the 2035 emissions reduction target

Members noted a written request received from the Minister for Climate Change and Energy, made under the *Climate Change Act 2022*, for the authority to provide advice on "potential national greenhouse gas emissions reduction targets for 2035" in late 2024. Members discussed the legislative requirements for developing the authority's targets advice, including that the advice takes account of Article 2, and is in accordance with Article 4, of the Paris Agreement.

The authority's advice on Australia's 2035 target will focus on domestic abatement as a priority and explore other ways Australia can make global contributions to the goals of the Paris Agreement. Members discussed an approach that embeds the principle of 'highest possible ambition', the 1.5 and 2 degree goals, adaptation and sustainable development within the four pillars of the authority's target setting framework: economic analysis, sectoral pathways, wellbeing and international considerations.

Members also discussed the minister's recent [speech](#) in which he confirmed the government will develop a long-term climate change strategy, the Net Zero 2050 Plan, as recommended by the authority in its 2022 Annual Progress Report. The minister stated the authority will receive a reference from Parliament to develop sector pathways which will help inform the Plan.

Modelling scenarios

Members discussed the initial scenarios and assumptions for the modelling being undertaken to support the authority's 2035 emissions reduction target advice. The six initial modelling scenarios include a reference scenario aligned with Australia's current 2030 NDC and scenarios in the context of global action to mitigate climate change that aligns with <2°C and 1.5°C consistent global carbon budgets. Members agreed to the release this month of a public consultation paper seeking input to the modelling exercise from modelling and economic specialists.

CFI Review

Authority Chair Grant King and member Mark Lewis were absent from discussions on this topic due to having declared material personal interests.

Members discussed progress on the CFI Review including the draft overarching narrative and potential recommendations. As recommended by the [Independent Review of Australian Carbon Credit Units](#), this included initial consideration of the merits of a mechanism at the scheme level to provide further assurance of additionality and conservativeness in a transparent manner.

Members agreed that the first draft of the review report will be considered at the September meeting. The final review is due to the minister in late 2023.

NGER Review

Member Susie Smith was absent from discussions on this topic due to having declared a material personal interest.

Members discussed the current structure, scope, narrative and potential recommendations of the review. Progress on the development of the review is ongoing and will incorporate stakeholder feedback from the authority's Issues Paper and other targeted consultation activities currently underway.

Members noted correspondence received from the Minister for Climate Change and Energy suggesting the authority may wish to whether updates are required to the rules for methane emissions measurement, verification and reporting (MRV). In doing so, the minister noted the importance of the NGER Act for the operation of the recently reformed Safeguard Mechanism. The authority's review process, including consultation, includes consideration of methane MRV rules under the NGER scheme.

The first draft of the review is due to be considered at the authority's next meeting and the full review is due to the minister in late 2023.

Consultation analysis and publication of outcomes

Members were updated on the process currently underway to analyse stakeholder feedback to the authority's *Issues Paper: Setting, tracking and achieving Australia's emissions reduction targets*. Discussions centred on the emerging themes of phase one of consultation across the authority's work program and how the analysis is being implemented in project reports. At their next meeting, Members will decide when to publish non-confidential submissions on the authority's website.

Attendees

Members

Mr Grant King*	Chair
Professor Lesley Hughes	Member
Dr Russell Reichelt AO	Member
Mr Mark Lewis*	Member
Ms Susie Smith*	Member
Dr Virginia Marshall	Member
Ms Sam Mostyn AO	Member
Mr John McGee	Member
Dr Cathy Foley AO PSM FAA FTSE	Member (Ex-officio)

* Excused for a portion of the meeting as described in the summary above.

Apologies - nil

Secretariat

Mr Brad Archer	Chief Executive Officer
Ms Eliza Murray	General Manager, Strategy Branch
Dr Matt Searson	Acting General Manager, Analysis Branch
Mr Tim Banks*	General Counsel
Ms Claudia Papandrea*	Manager, Outreach and Engagement team (minute taker)
Ms Alex Rose*	Assistant Manager, Outreach and Engagement (minute taker)
Mathias Hammer*	Assistant Manager, Power and Transport (minute taker)

* Partial attendance.