



Global Compact
Network Australia

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Standing Committee on the Environment and Energy
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Dear Committee,

On behalf of the Global Compact Network Australia, I have pleasure in attaching our submission to the House Standing Committee on the Environment and Energy on the Climate Change (National Framework for Adaptation and Mitigation) Bill 2020 and Climate Change (National Framework for Adaptation and Mitigation) (Consequential and Transitional Provisions) Bill 2020 ("Climate Change Bills"). We were asked to lodge a submission by Zali Steggall OAM, Federal Member for Warringah.

The Global Compact Network Australia (GCNA) is the Australian, business-led network of the United Nations (UN) Global Compact that brings together participants to the UN Global Compact, including more than 30 ASX 100 companies and other major corporates, non-profits and universities to advance the private sector's contribution to sustainable development. We encourage business to respond to local, regional and global challenges that will emerge as we transition to a net zero carbon economy. We provide a principles-based approach to accelerating innovative solutions to the transition underpinned by our ten universal guiding principles on human rights, labour rights, environment and anti-corruption.

Should you or your Committee require further information please do not hesitate to contact me at kylie.porter@unglobalcompact.org.au or my Mobile: +61 (0) 448 321 527.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Kylie Porter', with a horizontal line extending to the right.

Kylie Porter
Executive Director
Global Compact Network Australia



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Global Compact Network Australia: SUBMISSION TO THE STANDING COMMITTEE ON THE ENVIRONMENT AND ENERGY



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1. Key Points Summary

- Climate change is an increasingly urgent threat to Australia: to our people, our economy (at a federal, state and regional level), business, communities and ecosystems. We no longer have the luxury of time to address the impacts of climate change.
- In Australia, the clean energy transition is already underway, however without the appropriate planning, investment and multi-stakeholder coordination, Australia risks a costly and abrupt transition to net zero that is likely to result in stranded assets, stranded workers and stranded communities.
- Despite the economic and social strain felt by business as a result of the COVID-19 pandemic, leading Australian corporates and small-to-medium enterprises (SMEs) have continued to make net zero commitments and set targets through initiatives such as the [Science Based Targets initiative](#) (SBTi) and the [Business for 1.5°C Campaign](#). Recent notable targets and commitments include those from Australia Post, Brambles, Bunnings, Telstra, Transurban and Woolworths.
- The Climate Change Bills represent an opportunity to begin a national planning process and implement adaptation measures to avoid some of the worst impacts of climate change and meet Australia's international obligations under the Paris Agreement.
- As a trusted and leading commentator, the Global Compact Network Australia's (GCNA) strength in building partnerships and bringing together diverse stakeholders, including governments, businesses, unions, civil society organisations and academia, uniquely positions the GCNA to provide a safe and trusted forum for multi-stakeholder dialogue on the Climate Change Bills and the transition to net zero by 2050.
- The GCNA sees five key next steps as opportunities for the private sector, Federal Government and other stakeholders to work together towards the transition to net zero by 2050:
 1. **Socialise the concept:** Businesses will need to build an awareness and understanding of the transition to net zero by 2050 within their internal stakeholders, supply chains and business partners in order to properly understand the impacts of the Climate Change Bills on business strategy and operations, and determine the business's response.
 2. **Understand the risks and opportunities:** While the transition to net zero will unlock enormous opportunities, it will also include social risks that could result in unemployment, worsening inequality and poverty, and reduced social cohesion. Understanding and addressing these risks will be critical to ensuring a fair and orderly transition to net zero by 2050.
 3. **Adopt climate, renewable energy and just transition commitments:** A legislated net zero target by 2050 sends a clear policy message for all stakeholders. This would foster a stable landscape in which Australian and international businesses can plan for and support the transition to net zero by setting their own targets that are in line with a sustainable, inclusive and resilient future as articulated by the Australian Government.
 4. **Incorporate just transition principles into corporate strategy and operations:** The Climate Change Bills and the legislation of a net zero target by 2050 will provide clarity from the Government about its support for the transition to net zero, and the technological innovations and investment that will enable this transition. By enhancing the ability for businesses to plan for and invest in these technological innovations and operational changes, the Climate Change Bills will also drive market mechanisms that embed sustainability into the Australian economy. Further, this would support business to meet the expectations of stakeholders, including Government, around managing the social implications of the transition to net zero in a way that supports impacted workers, communities and business partners.
 5. **Engage in multi-stakeholder dialogue:** the Government is encouraged to engage with the private sector and other key stakeholders on the Climate Change Bills, to gain the multi-stakeholder perspectives and insights necessary to inform and deliver a coordinated, low-cost, equitable and resilient transition to net zero by 2050.
- The GCNA encourages the Committee to consider how the guiding principles outlined in the Climate Change Bills are aligned to the [UN Global Compact's Ten Principles](#) on human rights, labour rights, environment and anti-corruption. Through the Ten Principles, the UN Global Compact and the GCNA



asks companies to first do business responsibly, and then to pursue opportunities to solve societal challenges as outlined in the [Sustainable Development Goals \(SDGs\)](#). By ensuring that the Climate Change Bills are aligned to the shared future envisioned by the SDG agenda and the Ten Principles, the Government can ensure it sets a path to meeting its commitment to the SDGs, specifically climate change (SDG 13), inequalities (SDG 10) and affordable and clean energy (SDG 7).

2. The United Nations Global Compact

As a special initiative of the UN Secretary-General, the [UN Global Compact](#) is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption. Launched in 2000, the mandate of the UN Global Compact is to guide and support the global business community in advancing UN goals and values through responsible corporate practices. With more than 11,000 companies and 3,000 non-business signatories based in over 160 countries, and more than 60 Local Networks, it is the largest corporate sustainability initiative in the world.

Locally, the [Global Compact Network Australia](#) (GCNA) brings together signatories to the UN Global Compact, including more than 30 ASX 100 companies and other major corporates, SMEs, non-profits and universities, to advance the private sector's contribution to sustainable development through the universal framework provided by the UN-mandated Sustainable Development Goals (SDGs) and the Ten Principles. We lead, enable and connect business and stakeholders to create a sustainable future by supporting businesses to act responsibly and helping them find opportunities to drive positive business outcomes.

We encourage business to respond to local, regional and global challenges to accelerate innovative solutions for a sustainable future. Both communities and business are directly affected by the challenges that lie ahead. Fortunately, the SDGs provide a blueprint for how to attain a more sustainable future where business in collaboration with government, civil society and communities can play a critical role in ensuring that no one is left behind. The transition to net zero highlights the need for various stakeholders to take strong and decisive action on climate change (SDG 13), to reduce inequalities (SDG 10), and to ensure affordable and clean energy for all (SDG 7). The demand for increased awareness and measures that support climate change action and in turn benefit the most vulnerable is rising on the political agenda globally and is rapidly becoming a key area of concern for Australia.

3. Key Discussion Points

3.1 Transitioning to a Net Zero Economy by 2050

The world is fast moving away from fossil fuels and emissions intensive activities. The International Energy Agency (IEA) has highlighted that the COVID-19 pandemic has caused a plunge in energy demand 'seven times greater than the global financial crisis'.¹ This decline has impacted heavily on coal, oil and gas whilst renewable energy has proven to be more resilient. Globally over 130 financial institutions have announced exit dates from financing, investing in or insuring thermal coal² and over 1000 companies have set or committed to set targets aligned with the Paris Agreement under the SBTi.

Internationally, rapid policy transformations towards net zero by 2050 are occurring, with three of Australia's largest trading partners, China, Japan and South Korea, committing to carbon-neutrality by 2050, or shortly after in the case of China. The economic ramifications of these commitments are significant. The three countries purchase a combined 75 per cent of Australia's shipped thermal coal used in power generation, 50

¹ IEA (2020) 'World Energy Outlook 2019 (November)'. Available at: <https://www.iea.org/reports/world-energyoutlook-2019>.

² Institute for Energy Economics and Financial Analysis (2020) 'Over 100 and Counting: Financial Institutions are restricting thermal coal'. Available at: <https://ieefa.org/finance-exiting-coal/>.



per cent of the coking coal used in steel production and 87 per cent of its liquified natural gas.³ Further abroad, the European Union has proposed increasing its 2030 target from a 40 per cent to a minimum 55 per cent reduction below 1990 emission levels to meet its net zero target. Both the UK and New Zealand have announced that climate disclosures will be mandatory for large companies and financial institutions as part of their commitment to net zero. Critically, the election of Joe Biden will see the US re-enter the Paris Agreement and build on existing momentum towards greater climate ambition and action. These developments and those that occur in the future will have major near and long-term implications for Australian businesses and other stakeholders.

In Australia, the clean energy transition is already underway, with renewable energy accounting for one quarter of electricity generation in 2019.⁴ The Australian Market Energy Operator (AEMO) projects market and technology change will lead to at least 50 per cent renewable energy by 2030 under a business-as-usual scenario without additional policy measures, and up to 90 per cent by 2040.⁵ Australian coal-fired power stations are also currently scheduled for retirement from the late 2020s onwards, however technical failures in ageing plants and the growth of renewable energy could lead to earlier closures. Past experiences of abrupt and unplanned power station closures, such as the Hazelwood Power Station in the Latrobe Valley, demonstrate the devastating social and economic impacts for workers, regional communities and economies that occur in the absence of advanced planning, investment and multi-stakeholder coordination. Recent reports, including from the Grattan Institute, have highlighted the inevitable decline of natural gas as an energy source for industry and homes in Australia whilst highlighting the opportunities provided by low-emissions substitutes, such as biomethane and green hydrogen.⁶

Against this backdrop, Australian stakeholders including businesses, civil society organisations, academic institutions and all state and territory governments are planning for a transition to net zero by or before 2050. Major Australian banks and insurers including Australia and New Zealand Banking Group (ANZ), Commonwealth Bank of Australia (CBA), National Australia Bank (NAB), Westpac, IAG, QBE Insurance and Suncorp have all announced exit dates from financing thermal coal. Despite the economic and social strain felt by businesses as a result of the COVID-19 pandemic, net zero commitments and targets from leading Australian corporates have continued throughout 2020, including from Australia Post, Brambles, Bunnings, Telstra, Transurban and Woolworths.⁷ These trends are indicative of the future direction of corporate Australia. Further, they indicate that the private sector increasingly recognises the urgent need to address climate change by transitioning to net zero by 2050.

Australia must reduce emissions to net zero by 2050 to meet the climate change targets agreed to in the Paris Agreement. The importance of a resilient environment for all Australians has once again been underscored by the catastrophic summer of bushfires in 2019/2020 and the crippling impacts of the COVID-19 pandemic. Transitioning in a planned and coordinated manner can also unlock a wealth of economic and social opportunities and set us on a path to a more resilient and sustainable future. The Climate Change Bills represent an opportunity to begin a national planning process and implement adaptation measures ‘to protect livelihoods, business and the environment’.⁸

The GCNA supports the Climate Change Bills and legislating a net zero target by or before 2050. This would bring Australia in line with its commitments made under the 2015 Paris Agreement and ensure that Australia

³ Department of Industry, Science, Energy and Resources (2020) ‘Resources and Energy Quarterly’. Available at: <https://www.industry.gov.au/data-and-publications/resources-and-energy-quarterly>.

⁴ Stocks, M., Baldwin, K. & Blakers, A. (2019) ‘Powering ahead: Australia leading the world in renewable energy build rates’. Available at: https://energy.anu.edu.au/files/Renewable%20energy%20target%20report%20September%202019_1_0.pdf.

⁵ AEMO (2020) ‘2020 Integrated System Plan For the National Electricity Market’. Available at: <https://aemo.com.au/en/energy-systems/major-publications/integrated-system-plan-isp/2020-integrated-system-plan-isp>.

⁶ See for example: Wood, T. & Dundas, G. (2020) ‘Flame out: the future of natural gas’. *The Grattan Institute*. Available at: <https://grattan.edu.au/report/flame-out-the-future-of-natural-gas/>.

⁷ The number of companies joining the SBTi since its launch in 2015 continues to accelerate. At the time of writing over 1070 companies around the world had set or committed to set a science-based target. A full list of companies with net zero commitments and targets under the SBTi can be found at: <https://sciencebasedtargets.org/companies-taking-action>.

⁸ Section 3, Climate Change (National Framework for Adaptation and Mitigation) Bill 2020.



is not lagging behind other Organisation for Economic Co-operation and Development (OECD) countries such as the UK and those within the EU, that adopt increasingly ambitious policy measures to address climate change. Additionally, through harmonising policy narratives at state and federal levels and providing policy certainty for Australian and international businesses, the adoption of the Climate Change Bills would provide a landscape in which the private sector, together with Federal Government and other stakeholders, can scale ambition, planning and investment to the necessary levels to enable the transition to a net zero economy by 2050.

3.2 Next Steps: Opportunities for the Private Sector and Government

1. Socialise the concept

Businesses will need to build awareness and understanding of the transition to net zero by 2050 within their internal stakeholders, supply chains and business partners. Important questions to consider will include:

- Is there an understanding of the transition to net zero and its implications within key decision makers in the business?
- Is there an awareness and discussion of the economic, environmental and social dimensions of this transition within the industry?
- What will the business approach be to the transition to net zero and how will future climate change policy and/or regulatory developments, such as the Climate Change Bills, affect the business's strategy and operations?

To inform the answers to these questions, businesses will need to seek diverse inputs and perspectives from their internal and external stakeholders, including those outside of climate change and sustainability teams. The Climate Change Bills will have far reaching implications on the private sector; it will be important to ensure that businesses are provided with the appropriate time and support to understand what these will be and how they will respond.

2. Understand the risks and opportunities

Understanding the social, economic and environmental risks and opportunities that stem from the transition to net zero is essential to ensuring a fast and fair transition that addresses equity and social impacts. The costs and benefits of climate change will not be evenly distributed, with less developed economies and regions, poor households, vulnerable and disadvantaged groups including Indigenous communities, and carbon intensive regions and communities likely to be severely impacted by an unplanned and uncoordinated transition to net zero. As international market demands shift, facilitated by more sophisticated technologies and policy mechanisms, the global transition to net zero will continue to accelerate. The Government and the private sector have a shared interest in ensuring that environmental, economic and social risks, including how they intersect and compound, are appropriately managed. Additionally, it is through a coordinated and multi-stakeholder approach to the transition to net zero that Australia will be able to most effectively capitalise on the enormous opportunities that a transition represents. Recognising the growing renewable energy boom and Australia's high-quality renewable energy resources, Australia is well positioned to prosper from an economic recovery from the COVID-19 pandemic that accelerates the transition to net zero and builds a more resilient, sustainable and inclusive future for all. With the right planning and investment, new market opportunities, products, services and industries can emerge from the transition to net zero and benefit public and private sectors by providing the potential to create tens of thousands of jobs, diversify regional economies and address numerous social and equity issues.⁹

3. Adopt climate, renewable energy and just transition commitments

In order to avoid some of the worst impacts of climate change and safeguard the future sustainability of our economies, ecosystems and communities, climate science indicates that global warming must be limited to 2 degrees Celsius and as close to 1.5 degrees Celsius as possible. To meet the goals set out in the Paris

⁹ Briggs, C. & Mey, F. (2020) 'Just Transition: Implications for the Corporate Sector and Financial Institutions in Australia'. Prepared by ISF for the Global Compact Network Australia and National Australia Bank. Sydney. Available at: https://unglobalcompact.org.au/wp-content/uploads/2020/11/2020.11.18_Just-Transition-Report_Final-2.0.pdf.

Agreement, we must adopt ambitious emissions reduction targets that halve greenhouse gas emissions by 2030 and enable a transition to net zero by 2050. Although stakeholders around the world continue to make climate and renewable energy commitments, a far greater level of uptake and action will be necessary from all actors if we are to successfully transition to net zero by 2050. Legislating a net zero emissions target to be met by 31 December 2050 or earlier would be an important step in demonstrating Australia's bipartisan commitment to ambitious climate action and to the Paris Agreement. The guiding principles outlined in the Climate Change Bills, such as the 'principle of effective, efficient and equitable action'; the 'principle of fair employment transition'; and the 'principle of community engagement and self-determination', would support Australia in ensuring that the transition to net zero is socially just and fair, as outlined in the Paris Agreement and in line with Australia's other international commitments through the [International Labour Organization \(ILO\)](#).¹⁰ A legislated net zero target by 2050 sends a clear policy message and would foster a more stable landscape in which Australian and international businesses can appropriately plan for and support the transition to net zero by setting their own targets in line with a sustainable, inclusive and resilient future as articulated by the Australian Government.

4. Incorporate just transition principles into corporate strategy and operations

The shift to net zero by 2050 will require the mobilisation of large volumes of capital, a mobilisation which cannot successfully occur without the engagement of the private sector. As noted, the Climate Change Bills and the legislation of a net zero target by 2050 will set the path for the private sector to effectively plan for and invest in the necessary technological innovations and operational changes to drive the transition to net zero by 2050. Additionally, the Climate Change Bills will enable the Government to clearly articulate its expectations of the private sector in regard to managing the social implications of such a transition, including supporting affected workers, communities, business partners and other stakeholders to effectively manage the risks and ensure no one is left behind.

5. Engage in multi-stakeholder dialogue

Government engagement with a diverse set of stakeholders, including the private sector, on the Climate Change Bills will be critical for the success of the Climate Change Bills and the policy objectives they seek to achieve. The GCNA's recent publication '[Transition to Net Zero: Implications for the Corporate Sector and Financial Institutions in Australia](#)' highlighted the importance of building a social compact through engagement, participation, dialogue and framework agreements across a range of stakeholders, including businesses, in order to deliver an effective, low cost, fair and equitable transition to net zero. Through multi-stakeholder dialogue, the Government can ensure it builds support for the Climate Change Bills and set the foundations for a coordinated and multi-stakeholder approach to the transition to net zero by 2050. Additionally, in Australia, parts of the private sector are leading on climate action and have historically acted ahead of national policymakers to manage their interests and those of their customers and shareholders. These businesses can provide valuable insights into the future direction of Australia's transition to net zero by 2050 and the necessary actions and partnerships to ensure this is achieved in a way that supports sustainable economic, social and environmental outcomes. Finally, the private sector would benefit from Government engagement and assistance to build awareness, understanding and capacity to meet any regulatory requirements that emerge from the Climate Change Bills.

3.3 Guiding Principles

The UN Global Compact's Ten Principles (on human rights, labour rights, the environment and anti-corruption) are of paramount importance to business, sustainable growth and tackling climate change. The GCNA urges the Committee to consider how best to ensure that the guiding principles outlined in the Climate Change Bills are aligned to the UN Global Compact's Ten Principles.

In the recommendations handed down by the Committee, the GCNA proposes that the following considerations are given high priority:

¹⁰ These include for example respecting the principles outlined in the [Declaration of Philadelphia and the ILO's Constitution](#), and adhering to the [Declaration on Fundamental Principles and Rights at Work](#).



- a) **Environment.** We are facing an increasingly complex and challenging environmental landscape across Australia, with the system-wide impacts of climate change increasingly apparent. According to the recent State of the Climate Report 2020, Australia's climate has already warmed by 1.44 degrees Celsius since national records began in 1910.¹¹ For over a decade the climate science has been clear that Australia can expect to face more frequent and intense natural hazards, made particularly poignant by the prediction in the 2008 Garnaut Review, that the impacts of climate change including the increase in the intensity of fire seasons would be directly observable by 2020.¹² The bushfires of Black Summer (2019/2020) and the financial impact that they left are a further reminder of the devastation that unchecked climate change and increasing frequency and severity of natural hazards will have on our ecosystems, communities, businesses and economies. Additional challenges that are already emerging as a result of climate change include constrained water resources; saline intrusion; loss of biodiversity; damaged aquatic ecosystems; sea level rise and coastal erosion. Many businesses across Australia are acutely aware of these challenges, particularly the impacts posed by an increasingly erratic set of weather patterns on their operations.

In the regulatory environment, the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investment Commission (ASIC) and the Reserve Bank of Australia (RBA) have recognised the material risks presented by climate change and have comprehensively outlined their approaches and expectations around climate risk, including requiring companies to assess and disclose the financial risks of climate change in their business. The Committee is encouraged to ensure a comprehensive consideration of the risks posed to Australian ecosystems, communities, businesses and economies by climate change when making recommendations regarding the Climate Change Bills.

- b) **Human rights.** There is a growing interest and recognition of the intersection between climate change and human rights. It is important that as governments and businesses respond to climate change, they do so in a way that addresses the human rights impacts produced or exacerbated by climate change. The GCNA's Discussion Paper '[Why climate change a human rights are a business issue](#)' and the '[Strengthening Resilience: Acting on Climate Change and Health](#)' report highlight that climate related human rights impacts are already being experienced in Australia. A study from the University of Tasmania's Menzies Institute for Medical Research has found that the 2019/2020 bushfire season saw smoke related health costs climb to \$1.95 billion.¹³ We can also expect to see climate change impacts such as heatwaves, food insecurity and infectious and non-infectious diseases cause further health impacts, including on already vulnerable members of society. Historical trends also indicate that as the frequency and intensity of natural disasters such as bushfires and droughts increase, the rates of domestic and family violence are likely to surge. Globally, the rise in climate related displacement will also result in an increased risk of vulnerable people, thus increasing the risk of modern slavery and human trafficking occurring in business operations and supply chains.

Businesses face growing expectations from key stakeholders including governments and regulators, civil society, business partners, investors and consumers to demonstrate their responsibility to respect human rights; as outlined in the [UN Guiding Principles of Business and Human Rights](#). They also face increasing risks of climate change and human rights-related litigation should they fail to do so. This means that businesses need to understand what involvement they may have in adverse human rights impacts, including those caused or exacerbated by climate change, and what steps they will take to prevent and remedy any involvement they might have. As a result, all recommendations made by the Committee should consider these factors and ensure they are given priority in their implementation.

¹¹ Bureau of Meteorology & the Commonwealth Scientific and Industrial Research Organisation (2020) 'State of the Climate 2020'. Available at: <https://www.csiro.au/en/Showcase/state-of-the-climate>.

¹² Garnaut, R. (2008) 'The Garnaut Climate Change Review'. Available at: https://www.researchgate.net/publication/227389894_The_Garnaut_Climate_Change_Review.

¹³ Johnston, F.H., Borchers-Arriagada, N., Morgan, G.G. *et al.* (2020) 'Unprecedented health costs of smoke-related PM_{2.5} from the 2019–20 Australian megafires'. *Nature Sustainability*. Available at: <https://www.nature.com/articles/s41893-020-00610-5>.

- c) **Labour Rights.** One of the objectives of the Paris Agreement is a 'just transition of the workforce and the creation of decent work and quality jobs'. This requirement is echoed in other international standards such as the SDGs (SDG 8 – Decent work and economic growth and SDG 10 – Reduced inequalities) and set out by the ILO. Decent work involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and equal treatment in respect to employment and occupation. Sections of the Australian workforce will be vulnerable to disruptive change as the world transitions to net zero emissions and away from fossil fuels. The most immediately at risk are coal-fired power station and thermal coal mine workers, however as other sectors such as transport and agriculture inevitably transition to net zero emissions, concerted efforts will need to be made to support workforces adapt to changed work conditions. The sustainability and inclusiveness of Australia's long-term future will depend on making sure that the transition to net zero is managed in a way that embeds resilience and ensures the future of work continues to provide workers with an adequate right to labour.

3.4 The role of the Global Compact Network Australia

The Global Compact Network Australia is a trusted voice for business in Australia. As a leading commentator on responsible business practices and issues spanning the environment, human rights, labour rights and bribery and corruption, the GCNA is well-equipped to support Australia to develop policies that enable a low cost and planned transition to net zero by 2050, and that appropriately balance the diverse needs of our communities, the environment, businesses and the economy.

Our work supports business to understand and respond to both the risks and opportunities posed by climate change using the universal framework provided by the Paris Agreement, the SDGs and the UN Global Compact to do so. Our awareness raising and capacity building publications including the Discussion Papers ['Leaving no one behind: Planning for a Just Transition'](#) and ['Why climate change a human rights are a business issue'](#); the ['Strengthening Resilience: Acting on Climate Change and Health'](#) report; and the ['Transition to Net Zero: Implications for the Corporate Sector and Financial Institutions in Australia'](#) report (in partnership with NAB and the Institute for Sustainable Futures [ISF]) support business and other stakeholders to understand and address climate change and human rights issues holistically. We continue to support corporate Australia to operationalise the transition to net zero through the SBTi and a workstream run in partnership with WWF-Australia. In 2020 alone 11 Australian companies set or committed to set science-based targets for their operations and value chain in line with the climate science of limiting global warming to 2 degrees Celsius and as close to 1.5 degrees Celsius as possible.¹⁴

The GCNA's experience in convening multi-stakeholder forums for business and community leaders to discuss priorities and concerns that come with coordinated efforts to address global challenges such as climate change is extensive. In October the GCNA brought together representatives from government, business, civil society and academia to hear from David Gall (Group Executive, Corporate and Institutional Banking, NAB) and other speakers as they discussed the GCNA, NAB and ISF's Transition to Net Zero report. Additionally, in December 2020 the GCNA will bring to together a smaller group of sustainability and C-suite leaders corporate Australia for an 'in conversation' event with Shayne Elliott (CEO, ANZ) and Karen Cain (CEO, Latrobe Valley Authority) to explore the transition to net zero. In partnership with WWF-Australia, the GCNA has also continued to bring together large numbers of businesses and other stakeholders to build awareness and capacity around science-based target setting through the SBTi.¹⁵ Our strength in building partnerships and bringing together diverse stakeholders from across society in a safe and trusted forum means that we are uniquely well positioned to work with government at all levels, as well as business, investor

¹⁴ These companies were: Diamond Energy, Brambles, Intrepid Travel, Woolworths Group, Timberlink Australia | New Zealand, Nando's Australia, Transurban Group, Geelong Port, Australia Post, Energetics and Telstra.

¹⁵ The most recent online SBTi event convened by the GCNA and WWF-Australia received over 320 registrations.



groups, unions, community groups, civil society organisations and academic institutions to support the development of sustainable economic, social and environmental outcomes for all stakeholders across Australia.

4. Conclusion

The Climate Change Bills represent an opportunity to begin a national planning process and implement adaptation measures to ambitiously address climate change and align our economies, businesses and way of life with a future that is no longer at odds with environmental sustainability. In doing so, Australia will also reassert itself as a leading OECD country committed to international cooperation and action to tackle the largest challenge of our time.

The GCNA is supportive of the Climate Change Bills and in this submission, has outlined the opportunities for the private sector and the Government to work together to ensure that with these Bills, Australia sets the foundations for a coordinated and multi-stakeholder approach to the transition to net zero by 2050 – one that effectively balances the diverse needs of communities, economies, businesses and the environment.

The GCNA is uniquely placed to work collaboratively with Government, businesses, unions, civil society organisations and academia to facilitate a safe and trusted forum for dialogue, and support a coordinated and multi-stakeholder approach to tackling climate change and transitioning to net zero by 2050.

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