

# TRACKING AUSTRALIA'S PROGRESS TO A LOW CARBON ECONOMY

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Tracking Progress is the first national index of Australia's progress towards a low carbon economy.

With increasing business and community focus on how best to transition to a low carbon future, it is critical to have a robust measurement and evaluation framework for low carbon activity.

ClimateWorks Australia has undertaken a detailed analysis of activity occurring across the Australian economy that reduces or avoids greenhouse gas emissions, pulling together the available information and data across key sectors: power, industry, buildings and land-use, and waste. In addition ClimateWorks has produced a special report on factors influencing large industrial energy efficiency.

This research provides a national aggregation of data on the underlying investments and activity that lead to future abatement. Existing national measurements currently focus on actual emissions and energy use each year. This only reveals 'the tip of the iceberg' of abatement activity.

This report reveals the hidden part of the story including:

**LEVEL OF CURRENT ACTIVITY** across key sectors of the economy. This includes activities that will deliver emissions savings in the future, some of which do not yet appear in national energy and emissions metrics but which are sufficiently advanced to make a known contribution to reducing future emissions.

**FUTURE ABATEMENT** that can be achieved if recent trends in abatement activity are sustained to 2019–20.

**FACTORS INFLUENCING EMISSIONS REDUCTION ACTIVITY** for large industrial energy efficiency – from broad economic influences to company specific factors – including an understanding of the common qualities of companies that achieve the most emissions reductions.

The research finds that over the past decade there has been no growth in Australia's greenhouse gas emissions despite economic growth of 31% from 2002–03 and 2011–12. This has been achieved as a result of significantly reduced deforestation and increased plantation forestry, together with some improvement in other sectors. Since 2008–09, emission reductions from industry and power have accelerated, led by significant increases in renewable energy, a drop in demand for grid-supplied electricity and a tripling in the rate of energy efficiency improvement in large industrial companies.

If recent levels of emissions reduction activity are sustained, emissions would be reduced by 80 million tonnes co<sub>2</sub>-e to be 645 million tonnes co<sub>2</sub> e in 2019–20. This would get Australia over 40% of the way towards the minimum 5% emissions reduction target by 2019–20 through domestic action alone.