AUSTRALIA'S 2035 CLIMATE TARGET - STABILISING GLOBAL WARMING TO 1.5°C

Key messages:

1. All Parties to the Paris Agreement are required to update their Nationally Determined Contributions (NDCs) by the **10 February 2025.**[i]
2. Australia has agreed to pursue efforts to limit the global warming to 1.5 °C above pre-industrial levels. To do so **Australia must commit to a new NDC of at least 90% below 2005 levels by 2035 and net zero before 2040.**
3. Scientific and economic evidence shows that a Paris aligned 2035 NDC will build safer communities and a stronger economy.

The Australian Government's decision on the ambition of the NDC is a non-statutory decision made applying the executive power of the Commonwealth of Australia. The decision cannot be made until the Climate Change Authority provide written advice on the 2035 target, which will not occur before 1 October 2024.[ii]

The Paris Agreement 1.5°C temperature limit is a critical threshold for the safety and wellbeing of all Australians and for our natural wonders, such as the Great Barrier Reef. Australia's obligations under the Paris Agreement require that in setting our climate targets we take account of the best available science and ensure our climate targets represent Australia's highest possible ambition.[iii] The best available climate science shows that for Australia's new 2035 NDC to be aligned with pursuing efforts to limit temperatures to 1.5°C it must be at least 90% below 2005 levels by 2035 and net zero by 2038.[iv]

Setting an ambitious 2035 greenhouse gas emissions reduction target is crucial to maintaining the possibility of stabilising warming to 1.5°C. Australia and the world have only six years left to 2030, to turn the tide on global emissions. The 2023 United Nations Environment Programme Emissions Gap Report found that "*Failure to bring global GHG emissions in 2030 below the levels implied by current NDCs will make it impossible to limit warming to 1.5°C with no or limited overshoot and strongly increase the challenge of limiting warming to 2°C.*"[v]
It is crucial to note that even if we do not avoid limited overshoot of the1.5°C temperature limit, the 1.5°C target remains relevant. Every fraction of a degree counts and governments must then turn their focus to limiting any exceedance of the temperature target and returning to safer levels as quickly as possible.[vi]

A STRONG 2035 NDC SUPPORTS AUSTRALIAN ECONOMIC OPPORTUNITIES

WWF-Australia acknowledges that increasing Australia's decarbonisation action to align with 1.5°C requires a big lift in ambition, however, there are multiple opportunities to improve the speed and scale of emissions reductions across Australia this decade. Climateworks Centre released detailed decarbonisation scenario modelling in 2023 showing Australia can reduce emissions by 85% below 2005 levels by 2035 and reach net zero by 2039.[vii]

Australia has the renewable resources for a rapid transition to a zero-carbon economy before 2040. We also have a once in a generation opportunity to replace the export of fossil fuels with renewable energy exports, making Australia a renewable energy superpower.[viii] Doing so will drive down Australia's in-country emissions and lead to further opportunities for increasing the 2030 and 2035 emissions reduction targets by avoiding the significant Scope 1 and Scope 2 emissions of new fossil fuel projects. The best available science shows that continued and expanded fossil fuel development is inconsistent with Australia's obligations under the Paris Agreement. [ix] The economic and policy priorities of the Australian government should be focused squarely on supporting rapid domestic decarbonisation and supporting new clean exports. Research from consulting group Accenture developed in a partnership with business and union leaders alongside environmental NGOs notes that with the right investment Australia can reach a globally leading position in clean exports.[x] Five priority clean exports in Australia could provide AU$314 billion p.a. in revenue by 2040.

Strong climate targets catalyse new investment and expand new low emission industries. For example, Deloitte Access Economics estimates that Queensland has a $430 billion economic opportunity from a transition to meet its new bipartisan 75% emissions reduction target by 2035.[xi] Further to those findings, recent research from WWF-Australia with leading experts sets out the significant opportunity for Australia in developing a green iron and steel industry. That research finds that Australia's emissions reduction targets must align with and step up to global leadership, if we are to be the low-emission investment destination of choice. Doing so provides investors with clarity, certainty and confidence. [xii]

Please contact Nat Burke, Head of Regenerative Climate for further information on

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[i] United Nations Climate Change Secretariat, Report on the 11th meeting of the Paris Agreement Implementation and Compliance Committee, Document PAICC/2024/M11/4, 17-19th April, Paragraph 19. https://unfccc.int/sites/default/files/resource/PAICC_11_meeting_report.pdf

[ii] See letter from the Minister of Climate Change and Energy to the Chair of the Climate Change Authority https://www.climatechangeauthority.gov.au/sites/default/files/documents/2024-02/2035%20Targets%20Tasking%20Letter.pdf

[iii] See the Paris Agreement, Article 4(1) and Article 4(3).

[iv] Meinshausen, M. and Nicholls, Z. (2023). Updated assessment of Australia's emission reduction targets and 1.5°C pathways. Independent expert report commissioned by WWF-Australia, https://www.climate-resource.com/reports/wwf/20230612_WWF-Aus-Targets.pdf

[v] United Nations Environment Programme (2023) *Emissions Gap Report 2023: Broken Record – Temperatures hit new highs, yet world fails to cut emissions (again).* Nairobi. https://doi.org/10.59117/20.500.11822/43922, page XVI.

[vi] Rogelj,J (2024) "The 1.5°C Target for Global Warming Must Prevail" https://www.project-syndicate.org/commentary/ambitious-global-warming-target-still-feasible-and-necessary-by-joeri-rogelj-2024-06

[vii] Climateworks Centre (2023) *Climateworks Centre decarbonisation scenarios 2023*, https://www.climateworkscentre.org/scenarios2023

[viii] Joint statement from WWF-Australia, ACF, BCA and ACTU, 7 September 2022, "Act now to create a renewable export industry" and Mazengarb, Michal, 13 October 2021, "Renewable exports worth more than coal and gas, will create more jobs".

[ix] IPCC, 2023: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, 184 pp., doi: 10.59327/IPCC/AR6-9789291691647. Paragraph B.5, Page 19: *"Projected CO2 emissions from existing fossil fuel infrastructure without additional abatement would exceed the remaining carbon budget for 1.5°C (50%) (high confidence)."* https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_FullVolume.pdf;

[x] Accenture, September 2023, Report: "Sunshot - Achieving Global Leadership in Clean Exports: and WWF-Australia policy proposals to accelerate Australia to become a renewable superpower available online here: WWF-Australia_Climate_Renewables Australia

[xi] Deloitte (2023), Towards a Net Zero Queensland, https://www.deloitte.com/au/en/services/economics/analysis/toward-net-zero-queensland.html

[xii] Bowen, J, Wyche, N (2024) Australia's Green Iron Key https://assets.wwf.org.au/image/upload/file_WWF_Green_Iron_Report?_a=ATO2Ba20, page 8.