CAUSALITY (n):
The agency or efficacy that connects one process (the cause) with another (the effect), where the first is understood to be partly responsible for the second, and the second is dependent on the first. In general, a process has many causes, which are said to be causal factors for it, and all lie in its past.
ClimateWorks Australia has made significant progress in the seven years since launching our mission to catalyse substantial reductions in greenhouse gas emissions across Australia’s economy.

We remain focused on building the case for climate action through evidence-based research to deliver a suite of reports analysing opportunities for significant greenhouse gas emissions reduction at the state and sectoral level. We have achieved targeted engagement with federal, state and local governments, business, industry and investors around Australia and more recently, internationally, to remove roadblocks and drive implementation. Our end-to-end offering is unique in our sector, strongly supporting the relationships we build and the progress to which we contribute.

Critically, the ClimateWorks team is keenly aware these accomplishments are dependent on more than our efforts alone.

None of this would be possible without the generosity and commitment of those who fund our work. Philanthropic funding is not only integral to our business model, it has been instrumental in building ClimateWorks’ unrivalled independent reputation. Our role as trusted advisors who deliver high quality and practical opportunities for emissions reductions has allowed us to collaborate with key sectors of business, all tiers of government, all major political parties, advocacy organisations and interest groups. In turn, our partners are critical to the effective implementation of our findings. We therefore share these wins with all who contribute to this ripple effect.

A note about scope: The life cycle of our project work averages three years from the release of a report to key outcomes which in turn, lead to further outcomes, building on the success and learnings of previously released work. This report highlights just some of the exciting and groundbreaking impacts we saw during the window of 2015 and the first half of 2016. Many activities and programmes reported here are continuing to deliver outcomes beyond this timeframe.
A WORD FROM ANNA

The impact of the work we do can be hard to measure using traditional social impact metrics. In acting as a catalyst, our work aims to trigger a ripple effect. Of course, the more dispersed the ripple becomes, the more challenging it is for us to directly attribute our involvement in any progress towards Australia’s low carbon future. Yet our ability to influence others who in turn, influence others, is precisely why our work is valued by our stakeholders.

Last year, with increasing evidence of our impact through our cycle of change, we felt ready to map the effectiveness of our work. This led to our most detailed qualitative and quantitative impact data analysis since we began in 2009.

And so, we are pleased to present our first comprehensive impact report, outlining our activity and measurable outcomes over the past 18 months to which ClimateWorks has directly contributed. As we share these impacts with you, we also extend our heartfelt gratitude for the essential role you have played in making these significant wins happen.

ANNA SKARBEK
CEO - CLIMATEWORKS AUSTRALIA
New meetings with decision makers and direct influencers in government and business
Presentations to state and federal government agencies and industry groups, including Business Council of Australia, ARENA, Clean Energy Council, Energy Efficiency Council, Solar Council, Sustainability Victoria and the Investor Group on Climate Change

April 2015
Department of Prime Minister and Cabinet respond to “Setting Australia’s post 2020 target for greenhouse gas emissions”

November 2015
We submit “Reducing Australia’s greenhouse gas emissions/ Achieving a low carbon future” to the Prime Minister

In May 2015 we hosted a philanthropy roundtable with guest speaker Christiana Figueres, Secretary of the UNFCCC to discuss the critical role of philanthropy in addressing climate change. It was one of a series of events we’ve hosted for foundations and potential funders - all of which resulted in $3.5 million added funding to ClimateWorks over 4 years - including a $3 million grant from The Ian Potter Foundation
85,600 Twitter Impressions

60,390 Sessions on our website (70% of which were new visitors)

281 Citations directly linked to our work

811 Video Plays

...And in the first half of 2016

- 9 published articles
- 31,642 page views (up 23.01% from previous year)
- Twitter: 178,212 impressions; 16% growth in followers
- LinkedIn: 16,172 impressions; 219 click throughs, 19% growth in followers
SEVEN NEW PROFESSIONAL SERVICES CONTRACTS SIGNED, WORKING WITH GOVERNMENT DEPARTMENTS

1. DEPARTMENT OF INDUSTRY, INNOVATION AND SCIENCE (AUS)
2. DEPARTMENT OF FOREIGN AFFAIRS AND TRADE (AUS)
3. AUSTRALIAN RENEWABLE ENERGY AGENCY (AUS)
4. DEPARTMENT OF PRIME MINISTER AND CABINET
5. DEPARTMENT OF ENVIRONMENT, WATER AND NATURAL RESOURCES (SOUTH AUS)
6. DEPARTMENT OF ENVIRONMENT, LAND, WATER AND PLANNING (VIC)
7. OFFICE OF ENVIRONMENT AND HERITAGE (NSW)
THESE ENGAGEMENTS CONTRIBUTED TO SIGNIFICANT IMPACT


COAG Energy Council launched the National Energy Productivity Plan, a 15 year policy plan that included ClimateWorks’ policy recommendations for energy market reform, vehicle emissions standards and building code upgrades

The South Australian Government announced a net zero emissions by 2050 target, using ClimateWorks modelling

The Australian Government’s post 2020 Emissions Target - Australia’s INDC of 26-28% for COP21 in Paris, referenced ClimateWorks’ modelling

Federal ALP Leader, Bill Shorten, publicly committed to net zero emissions by 2050, citing ClimateWorks research

Shadow Environment Minister Mark Butler announced 50% renewable energy by 2030 policy, citing ClimateWorks research

Australian Government announced incentives to purchase low emissions vehicles as part of a $50 million program, citing ClimateWorks research
“ClimateWorks Australia is having real influence and impact on governments, business and the wider community. Though climate change policy has been extremely fraught and politically difficult in recent years, ClimateWorks has become a key adviser to both sides of politics.”

JOHN THWAITES
CHAIR, MONASH SUSTAINABILITY INSTITUTE AND CLIMATEWORKS AUSTRALIA, FORMER VICTORIAN DEPUTY PREMIER AND MINISTER FOR THE ENVIRONMENT
“ClimateWorks Australia’s research and analysis delivers solutions. Solutions that show leaders in public and private sectors how Australia’s low carbon economy can remain strong. And how this transition starts right now.”

JEFFREY D. SACHS
DIRECTOR - UN SUSTAINABLE DEVELOPMENT SOLUTIONS NETWORK
KEY FINDINGS FROM OUR PATHWAYS TO DEEP DECARBONISATION PROJECT WHICH UNDERPINNED OUR 2015 WORK:

**Australia** can achieve net-zero emissions by 2050, staying within our recommended carbon budget, using technologies that are already commercially feasible.

**Australia** could achieve over 50% domestic emissions reductions on a 2005 baseline between now and 2030.

**Australia** can decarbonise while real GDP grows at 2.6% per annum to 2030.

**Australia** can decarbonise without significant lifestyle changes: We will notice changes to the source of our electricity but not the availability of supply. We will still heat and cool our buildings, but it will be done more efficiently. We will still drive and fly but, heading towards 2050, we will do it using lower carbon fuels.

**We also reported...**

The next 15 years are critical to laying the groundwork for a decarbonised Australian economy. We cannot afford to wait.

The evidence presented in this report strongly informs our program strategy. In other words, we use research to identify and focus on the sectors and activities most important to achieving our overall goal.
In the months since December 2015 and the UN Paris Climate Conference, ClimateWorks Australia has been contracted by corporates and governments to identify risks and opportunities arising from the Paris climate goals and provide analysis around setting science based targets. These partners include: A big four bank, Origin Energy, City of Melbourne, Vicinity Centres (Gandel property group), Sustainability Victoria, and the Federal Government Department of Industry Innovation and Science seeking advice on energy efficiency improvements which could be applied to their own operations.

These impacts highlight the value of our role as a trusted adviser - by engaging with corporate first movers, we are able to support improved standards in the market and help establish new best practice benchmarks for others to follow.
A SNAPSHOT LOOK AT KEY MILESTONES
Monash University and The Myer Foundation partner to create ClimateWorks

**Low Carbon Growth Plan for Australia** report - the first whole of economy plan that considered how to reduce emissions alongside continued economic growth. Also won 2010 Eureka Prize for Innovative Solutions to Climate Change

2011

**Unlocking barriers to Cogeneration** report. Addressed barriers to deploying cogeneration - which offers significant low-cost carbon reduction opportunities

Provided the modelling that underpinned the City of Melbourne’s Zero Net Emissions strategy. Also Developed **Low Carbon Lifestyles** analyses and factsheets for households for Origin Energy. Also commissioned by the Federal Government to develop the emPower public engagement program based on the **Low Carbon Growth Plan for Australia**

2012

**Tracking Progress** - Summary reports released covering Land Use and Waste, Buildings, Industry as well as a Special Report on factors influencing large industrial energy efficiency

2013

Released **Pathways to Deep Decarbonisation in 2050: How Australia can prosper in a low carbon world** report. Also **Improving Australia’s Light Vehicle Fuel Efficiency** briefing paper

2014

Released **Australia’s Energy Productivity Potential** report. Also **Implementing the Connecting Embedded Generation Rule** report, which, along with the 2011 Unlocking Barriers to Cogeneration report, leads to successful change of electricity market rules for grid connection

2015

As part of the Energy Productivity Index for Companies project, launched the **Guide for Investors**. Also **Low Carbon, High Performance** report prepared for the Australian Sustainable Built Environment Council (ASBEC). Also **The Path Forward for Electric Vehicles in Australia** report from a collaboration of small businesses, not-for-profits and some of Australia’s largest companies
In December 2015, Australia’s newly appointed Chief Scientist commented on the four pillars approach central to ClimateWorks’ signature *Pathways to Deep Decarbonisation in 2050* report.
“This report is the clearest roadmap to achieving a low carbon future that I've seen.”

ALAN FINKEL AO
AUSTRALIA’S CHIEF SCIENTIST
Back in September 2014, ClimateWorks Australia and the ANU launched Australia’s Pathways to Deep Decarbonisation in 2050: How Australia can prosper in a low carbon world report at the UNFCCC assembly in New York. Developed with CSIRO, this work is part of the Deep Decarbonisation Pathways Project, a collaborative initiative to understand how 15 countries, representing 70% of global CO2 emissions, can transition to low carbon economies. In 2015-2016, this work continues to attract extensive engagement from governments, business and industry, including Prime Minister and Cabinet, The Climate Change Authority, AGL, the Victorian Government, South Australian Government and the Queensland Department of Environment.
Our involvement with the global Deep Decarbonisation Pathways Project actually goes back to mid 2013, when we first identified that incremental decarbonisation of Australia’s economy was just not going to achieve what is needed to address climate change. We realised a net zero carbon economy had to be the end goal and the global DDPP framework explored pathways to achieving this compatible with economic growth.

AMANDINE DENIS
HEAD OF RESEARCH - CLIMATEWORKS
In 2010, ClimateWorks research identified passenger and light commercial vehicles as the most financially attractive opportunity across the economy for reducing emissions. Fast forward to February 2014, when ClimateWorks launched the *Improving Australia’s Light Vehicle Emissions Standards* Briefing Paper. It found that within 10 years, Australia could save up to $7.9 billion per year across the economy through reduced fuel use, delivering emissions reductions equivalent to taking 2.2 million cars off the road in 2024 and boosting Australia’s fuel security. This research has underpinned extensive stakeholder consultation, including briefing Environment Minister Greg Hunt, Industry Minister Ian McFarlane, and senior advisors in September 2015, to discuss emissions standards policy options.

“Our research revealed that switching to electric vehicles could reduce emissions from Australia’s cars by up to 40% in 2050.”

**SCOTT FERRARO**
**HEAD OF IMPLEMENTATION - CLIMATEWORKS**
The Australian Government announces a Ministerial Forum to examine Australia’s vehicle emissions standards and vehicle testing arrangements.

NOVEMBER 2015

- The Australian Government provides incentives for Australians to purchase low emissions vehicles, as part of a $50 million programme funded through the Clean Energy Finance Corporation. The programme targets corporate and government fleet buyers, as well as not-for-profit organisations.

FEBRUARY 2016


APRIL 2016

ClimateWorks authors ‘The Path Forward for Electric Vehicles in Australia’ report, released by a broad coalition of representatives from small businesses, not-for-profits and some of Australia’s largest companies including TransGrid and AGL who supported this work through national media commentary and multiple government briefings.
Program: Energy Productivity

ClimateWorks’ research in 2013 identified that improving energy productivity could increase the overall productivity of Australia’s economy while at the same time, it could also substantially reduce carbon emissions. During 2014, ClimateWorks contributed to the G20 Energy Sustainability Working Group, launched the *Energy Management and Company Competitiveness* report, was invited to join the Department of Industry’s expert panel for the Energy White Paper and tendered a submission to the Government’s Energy Green Paper, recommending energy productivity be considered as part of Australia’s transition to a low carbon economy.

ClimateWorks launches *Australia’s Energy Productivity Potential* report, finding Australia could nearly double its energy productivity by 2030, delivering significant economic benefits and a substantial reduction in greenhouse gas emissions.

The Australian Government release their Energy White Paper, committing to a first ever national target for energy productivity, following recommendations from ClimateWorks’ *Australia’s Energy Productivity Potential* report.
“While improving energy performance may be great for the bottom line, there’s another big reason energy use is so important: According to the International Energy Agency, energy efficiency gains could achieve about 40% of the emissions reductions required by 2050 to limit global warming to less than 2°C.”

WEI SUE RESEARCH PROJECTS MANAGER CLIMATEWORKS
New National Electricity Rules (NER) came into effect to improve the process for connecting larger solar installations, co and trigeneration, wind and other technologies to the distribution network. ClimateWorks releases the *Implementing the Connecting Embedded Generation Rule Project Outcomes* Report. Assessment of distributors’ performance in meeting the new rule requirements found a significant overall improvement since the rule change in October 2014, with 83% of the distributors meeting at least 35 of the 43 requirements (81% compliance).

“ClimateWorks’ report successfully delivered the first ever customer-led rule change in the national electricity market.”

ANNA SKARBEK
CEO - CLIMATEWORKS

PROGRAM: COGENERATION

Cogeneration (producing electricity and useful heat at the same time) offers significant environmental and economic benefits, but back in 2011, ClimateWorks identified there were many barriers making it hard for small and larger urban cogeneration projects to connect to the grid. A project that year convened a broad cross-section of key stakeholders to design solutions to these roadblocks which included recommended changes to the National Energy Market (NEM). By July 2013, the Australian Energy Market Commission (AEMC) indicated it would accept many of ClimateWorks’ recommendations and in April 2014, it did just that.
PROGRAM: MAINSTREAMING

One lesson from the tumultuous politics of climate action in recent years is that informed public support is vital to ongoing progress.

Within communities, organisations and businesses, the sharing of credible, evidence-based solutions is best facilitated by known and trusted sources. ClimateWorks is partnering with thought leaders from a range of sectors to build awareness and drive national discussion about the achievability and benefits of Australia’s net zero emissions future, as outlined in ClimateWorks’ Pathways to Deep Decarbonisation in 2050 report.

PROGRAM IMPACTS

Launched in October 2015, the project draws on cross disciplinary and social research to help build capacity in our partners. Results from this work were highly informative and findings are now being embedded in the public facing phase of the project.

“To date, we’ve been approached by more than twenty organisations keen to partner with us on our mainstreaming work, creating a community of practice focused on building broad understanding and support for a net zero emissions future. They welcome our positive, solutions-focused story for Australia on climate change, calling it a ‘refreshing’ and ‘unifying’ vision.”

MEG ARGYRIOU
HEAD OF ENGAGEMENT - CLIMATEWORKS
In 2010, ClimateWorks was commissioned by the Australian Carbon Trust (which became Low Carbon Australia, and was later merged with the Clean Energy Finance Corporation) to undertake a ‘deep dive’ analysis of opportunities for reducing emissions in the built environment. The findings of this analysis were supported by ClimateWorks’ 2013 Tracking Progress research which revealed improving building code standards could strongly contribute to reducing emissions. Subsequent consultation with Sustainable Melbourne Fund and the Department of Industry led to the launch of a tool to support better financing of building upgrades.

“Knowing that Australia’s commercial buildings represent an enormous yet unrealised opportunity to reduce greenhouse gas emissions (in the way they are designed, constructed and the way they operate once built), we’ve been working to address barriers preventing uptake of these opportunities - and ClimateWorks is proving instrumental in changing this.”

ELI COURT
PROJECT MANAGER - CLIMATEWORKS
Led a collaborative project involving several Indonesian stakeholders and the UN Sustainable Development Solutions Network and funded by the Australian Department of Foreign Affairs and Trade, to improve energy efficiency in commercial buildings across Australia and Indonesia.

Launch of the report *Low Carbon, High Performance - How buildings can make a major contribution to Australia’s emissions and productivity goals*, prepared for the Australian Sustainable Built Environment Council (ASBEC). It highlights that even without technological breakthroughs, cost-effective energy efficiency can reduce projected 2050 emissions from buildings by more than half and adding renewables can take emissions to net zero. This report has quickly become an industry benchmark, extensively referenced in industry publications and contributing to these impacts:

- Property Council of Australia and Green Building Council of Australia have based their policies on our recommendations, ahead of 2016 Federal Election
- Multiple government stakeholders have requested briefings, as have a range of key corporate and industry stakeholders, including the Investor Group on Climate Change and Australian Alliance to Save Energy.

ClimateWorks’ end-to-end offering is unique in our sector. Our mix of capabilities - research, engagement and implementation - goes beyond technical analysis to ensure findings are tailored and accessible, and proactively shared with intended audiences, and that barriers to implementation are addressed through extensive stakeholder consultation to identify ‘win-win’ solutions and inform capacity building. Feedback suggests our end-to-end offering is among our most distinctive and valued assets.
“ClimateWorks was an important adviser in helping advance the South Australian Government’s state climate objectives. Using a collaborative and pragmatic approach, they deployed their significant modelling expertise to provide an evidence base that helped inform the state’s decision to commit to a net zero emissions by 2050 policy. It is a commitment of which I am immensely proud.”

IAN HUNTER
SOUTH AUSTRALIAN MINISTER FOR SUSTAINABILITY, ENVIRONMENT AND CONSERVATION

“There is enormous importance for an independent centre for policy discussion and the independent perspective that ClimateWorks provides, and I highly value that.”

PROFESSOR ROSS GARNAUT
MELBOURNE UNIVERSITY

“Yes (ClimateWorks) are trusted...they actually understand commercial decision making processes and the barriers of companies and communities in this space.”

CORPORATE MANAGER
ALCOA AUSTRALIA

“We’ve really valued the work (ClimateWorks) has done... it’s high quality work and it was well received in our organisation... I wouldn’t hesitate to work with them again or recommend to others that they find ways to work with them.”

EXECUTIVE
NATIONAL AUSTRALIA BANK
CONTACT US

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