'At ClimateWorks, we are holding focus on our mission: to accelerate action towards achieving net zero emissions in Australia, Southeast Asia and the Pacific – aligned with the aim of limiting warming to 1.5 degrees'
LETTER FROM THE CEO

In 2020 I was proud – but not surprised – to see our team adapt and ‘hold focus’ despite the extraordinary circumstance of operating amid a global pandemic. We delivered the largest, most dynamic body of work in our organisation’s history.

We entered 2020 with a newly developed strategy for the transformative decade ahead. It aims for system-level changes – in recognition of the urgency of new climate findings. Research from the United Nations shows global emissions must halve this decade and again the next to reach net zero by 2050 and limit global warming to 1.5 degrees.

January is usually a time of reflection and planning for the ClimateWorks team. Not in 2020. Bushfires at a scale not seen in our lifetimes destroyed homes, forced families and holiday makers to flee, wiped out entire species, took lives and engulfed states in smoke; shaking the nation and the world. At the same time, in Jakarta, where our Indonesia team is growing, flash floods displaced hundreds of thousands of people. Past research suggested that catastrophic events such as these would become more common due to global warming, and that summer provided a frightening reality check. The media spotlight focussed on climate change, and a stream of enquiries reached our team: how can we act now?
By March, the novel coronavirus was making its way around the world. With rising case numbers, many countries began to introduce restrictions. The ClimateWorks team, like many others, moved to remote working. We had no idea it wouldn’t be until the following year that we would plan a return to our office.

While the global pandemic was presenting enormous challenges, we also saw that it could be an opportunity for Australia, and the world. For two years prior to the outbreak of COVID-19, we had already been examining Australia’s economy – sector by sector – to determine whether reaching net zero by 2050 was still possible. We found that not only was it possible, most of the solutions we needed were already mature or emerging. Released in April, Decarbonisation futures modelled pathways to a net zero Australia including, for the first time, a 1.5 degree scenario.

The publication of these important findings allowed us to forge a discussion in Australia around a ‘double-dividend’ economic recovery: climate action means we can meet international climate goals while also rebuilding economies to be resilient in the future.
We also spent 2020 honing our new organisational strategy. Our approach to climate action aims to embolden governments and businesses to graduate from taking incremental steps, and to instead become the drivers of systemic change. This strategy will enable us to deliver our proven approach across all systems of the economy, in parallel. We redesigned our organisational structure to allow our specialist expertise to be applied across three ‘enabling’ systems:

+ Sustainable corporates,
+ Sustainable economies,
+ Sustainable finance.

And four physical systems:

+ Food, land and oceans,
+ Energy,
+ Cities,
+ Industry.

Though 2020 was one of the most challenging years faced in our lifetimes, I have never felt more hopeful about global momentum for climate action. At ClimateWorks, we are holding focus on our mission: to accelerate action towards achieving net zero emissions in Australia, Southeast Asia and the Pacific – aligned with the aim of limiting warming to 1.5 degrees. Thank you to our funders, stakeholders, partners and collaborators for making our role in a net zero future possible.

Please read on to find out more about ClimateWorks’ key impacts in 2020. While we cannot detail every briefing, report and point of influence we had, this report highlights new work released and vital insights and advice we provided. It all adds up to ClimateWorks’ significant contribution to businesses and leaders moving closer in 2020 to setting the ambition we need to see globally.
ClimateWorks' impact in 2020

Opened Indonesian office in Jakarta

- Enabled 14 students and new graduates to undertake internships
- Supported the ClimateWorks team in their shift to remote work
- Welcomed the Adam Majcher Legacy fellow for 2020, Vanessa Sporne
- Launched the first ClimateWorks digital event series, The briefing room
- Grew the ClimateWorks voice with a new website, increased media and a stronger social following
- Partnered with the British High Commission to create the Building our future event series
Analysed net zero pledges and commitments of local government, retail, transport, superannuation and resources sectors

Made all corporate commitments available publicly on our website to increase sharing and drive momentum

Published the landmark Decarbonisation futures report

Introduced new program of work for climate and economic recovery in Australia and beyond

Commenced support for Tonga’s long-term low emissions development strategy

Made a submission to the enquiry on the Climate Change Bill 2020

Set precedent by creating the first ever forward-looking climate index for the ASX300

Published Investment Vision Guide for developing economies to attract investment aligned to the sustainable development and climate goals

Helped create Australia’s first sustainable finance roadmap which secured sector endorsement of net zero emissions commitments and action

Co-created a positive vision for the sector, the first step towards developing a roadmap for sustainable food and land use in Australia

Applied the global Food and Land Use Coalition ‘10 critical transitions’ to Australia’s unique context

Partnered with Dairy Australia for a natural capital ‘roundup’, where 16 natural capital resource projects were represented

Joined the National Plastic Action Partnership for a waste and pollution-free Indonesia

Built capacity on renewable policy in the Indonesian government

Held a digital event on how the energy sector can increase uptake of technology to transition to net zero

Provided recommendations to the Northern Territory government on minimum energy requirements for new commercial buildings

Our Decarbonisation futures scenarios provided a new benchmark for electrification pathways that were not being modelled by market observers.

Developed the first ever nationwide estimate of Australia’s emissions influenced by infrastructure

Created the first comprehensive guide to Australia’s transition to zero emissions across the whole transport system

Briefing room event Retrofit for purpose – net zero in the built environment attracted hundreds of attendees

Brought together 14 of Australia’s largest industry companies, focussing on emissions reduction across five supply chains worth $160 billion in exports

Public launch of Australian Industry ETI with media coverage of this unique approach to addressing industry emissions in hard to abate sectors

Letter from the CEO
Sustainable corporates
We cannot reach net zero without organisational action. Our Net Zero Momentum Tracker – which monitors Australia’s progress towards net zero emissions across key sectors of the economy – has engaged with leaders across business, government, and industry peak bodies. Our rigorous assessment of commitments uses a new common ratings framework that allows ‘apples with apples’ comparisons for the first time.

In 2020 we published reports on the local government, retail, transport, superannuation and resources sectors. Our superannuation sector publication influenced major funds in their setting of targets.

The Tracker also found a new digital home in 2020 which includes data for commitments by sector, assessments, case studies and ‘best practice’ for making a pledge. Sharing the progress of organisations means increased transparency to the public, allowing consumers to choose businesses that align with their values. It also enables sharing amongst business, both within and across sectors, as effective solutions are shared and receive recognition.

HOW ARE NET ZERO COMMITMENTS TRACKING IN AUSTRALIA?

As of December 2020, of organisations analysed:

+ Property sector – nearly a third have committed to net zero, and 90% have an emissions reduction target.
+ Local government – over a third have committed to reaching zero community emissions by or before 2050.
+ Superannuation sector – ambition has risen, with 20% of super funds having a net zero target or aspiration.
+ Retail sector – companies are undertaking activities to reduce emissions or have stated commitments to do so, but none has yet made a comprehensive commitment that lines up with net zero by 2050.
+ Transport sector – none of the companies assessed had climate commitments that fully aligned with the goals of the Paris Agreement.
+ Resources sector – no organisations have commitments that fully align with the Paris Agreement, but 50% have committed to reducing operational emissions in line with net zero by 2050.
+ Banking sector – no organisations have commitments that fully align with the Paris Agreement, but 85% are taking steps to reduce their investment and lending emissions.
Sustainable economies
Building on almost two years of previous analysis that demonstrated 2 degree pathways, we found many technologies had progressed more rapidly than expected, allowing Decarbonisation futures to show a way to zero emissions in electricity, buildings and transport, and net zero emissions in industrial and land sectors. The report’s timely release allowed us to lead the discussion nationally about the opportunity to align stimulus spending with Australia’s path to net zero emissions. Our findings gained significant media coverage including from The Guardian, The Age, Sydney Morning Herald and Australian Financial Review, and continue to be cited as the appetite for ‘green recovery’ grows across the globe.

Decarbonisation futures is central to many of our reports, presentations and consultations. In 2020, it was the basis for our response to the Australian government’s Technology Investment Roadmap and Low Emissions Technology Statement.

**WHAT IS ‘DECARBONISATION FUTURES’?**

Decarbonisation futures is part of a series of reports from ClimateWorks that uses scenarios to demonstrate net zero pathways for Australia. The first, Pathways to deep decarbonisation, published in 2014 with ANU and CSIRO, modelled 2 degree pathways for Australia to reach net zero emissions by 2050. Reports in 2016 and 2017 ‘tracked progress’ against these pathways. Decarbonisation futures extended this research. Working with CSIRO and using new modelling that could account for technological innovation for the first time, a 1.5 degrees scenario was included.

Our reports consider ‘four pillars’ as key to decarbonising Australia: improving energy efficiency, moving to renewable electricity, utilising electrification and zero or near-zero emissions fuels, reducing non-energy emissions and offsetting residual emissions. Combinations of these pillars are utilised to demonstrate net zero ‘futures’ for Australia.
2020 will be defined by the global COVID-19 pandemic: and as the virus spread, economies dived. The Climate and Recovery Initiative is a collaboration which aims to give businesses and unions a platform for green recovery.

Since May, the initiative has hosted four private stakeholder roundtables. ClimateWorks proposed a new model which seeks to secure public and private investment for goal-oriented decarbonisation programs across all sectors of the Australian economy. This Australian Clean Technology Market-Creation Co-Investment Partnership model has received substantial interest from initiative participants: two jurisdictions are interested in applying it to recently announced programs.

The Climate and Recovery Initiative is coordinated by the Centre for Policy Development and ClimateWorks Australia, with a steering group that includes the Australian Industry Group, the Australian Council of Trade Unions and Pollination.
State and territory governments are grappling with COVID-19 ramifications. While immediate actions by governments are focussed on minimising the severity of short term shocks – ClimateWorks analysed how states and territories could implement tailored economic recovery packages which will help achieve net zero emissions by 2050 and create jobs.

Opportunities for investment include vehicle charging infrastructure, land restoration funds, retrofits across residential, commercial and industrial spaces and renewable energy training. Industries primed for development include lithium battery manufacturing, cobalt production, low-carbon steel, circular economy industries, renewable hydrogen and ammonia, biofuels, and anti-methane livestock solutions. These industries have an estimated value of over $500 billion, and a potential to generate over 400,000 jobs by 2050.

We gave private briefings to ministers, a treasurer, and senior departmental officials in all states. Our program of work continues into 2021 as we gather feedback from state and territory governments, continue to identify opportunities for collaboration, and assess policy benchmarks.
Long-term low emissions development strategies (LT-LEDS) are Paris Agreement-aligned processes which aim to improve social, economic and environmental resilience while supporting low-emission, climate-resilient planning. The Kingdom of Tonga already has a net zero target, and is the first nation to combine an LT-LEDS process with an update to their Nationally Determined Contribution. Tonga has commissioned ClimateWorks – along with the Global Green Growth Institute and Relative Creative, an indigenous-led organisation based in Queensland – to develop the LT-LEDS, supporting them to meet their obligations to the Paris Agreement.

The LT-LEDS process will build capability within Tonga’s leadership for long-term thinking across different sectors of the economy. ClimateWorks and our partners are taking multi-sectoral stakeholders through a divergent, convergent strategy process to understand the drivers of change, consider trade-offs and benefits, and make informed decisions about Tonga’s future. It draws upon local, traditional metaphors such as the Alamea garland that represents Tonga’s past, present and future and is made up of clusters (milestones) of Tonga’s traditional flower, the Heilala.

In 2020, our team has adapted innovatively to travel bans resulting from COVID-19, leveraging virtual tools to maintain strong stakeholder relationships. We hope to demonstrate that long-term low emissions strategies can be developed robustly in a participatory manner, in low-resource settings with limited quantitative data.
ClimateWorks has joined the World Economic Forum-convened workstream to support a green recovery for ASEAN countries (Association of Southeast Asian Nations).

Green recovery strategies and actions on energy decarbonisation, climate change mitigation and sustainable finance proposed by ClimateWorks were submitted to the ASEAN secretariat – and Vietnam as 2020 ASEAN Chair. These inputs were considered as ASEAN prepared and adopted its ASEAN Comprehensive Recovery Framework from COVID-19.


ClimateWorks welcomed the proposed Act, viewing four major benefits if enacted: ensuring Australia reduces emissions in a fair and effective manner, assisting with the transition away from emissions intensive activities, preparing for unavoidable negative impacts of climate change and setting Australia up to take advantage of its clean energy resources.
Sustainable finance
BETTER CLIMATE STRATEGIES FROM BUSINESS CAN GUIDE INVESTORS

ClimateWorks has helped set a precedent by guiding investors and encouraging companies to create better strategies and climate-related disclosures. Our dynamic scenarios modelling has underpinned the first forward-looking climate index for the ASX300.

We partnered with BNP Paribas, ISS ESG and Monash Centre for Quantitative Finance and Investment Strategies to create the ACT index. The first green bonds linked to the index have already been issued, reaching AU$140m, with investors including First State Super, QBE insurance and the Clean Energy Finance Corporation. The ACT index is significant because previously, low-emissions sharemarket products focussed on companies' historical data but not their future strategies, yet it is the actions in the coming decade that will determine whether Paris climate goals are met. BNP Paribas is receiving interest from other investors for a second issuance in 2021. In parallel, discussions are already happening for the development of a similar index in other countries.
For developing economies to achieve outcomes in line with the 2030 Agenda for Sustainable Development and the Paris Agreement, they will require an estimated investment of US$2.6 trillion each year over the next decade.

At ClimateWorks, our mission is for the world to reach net zero, in line with global targets. Developing economies are crucial, as they set up infrastructure, social structures and systems that can support sustainable growth into the future. But how can countries secure such funding?

Our International program team has been hard at work turning mid-century targets into reality, developing a guide to creating ‘investment visions’ – *Growth through transformation: An investment vision guide for climate and development*. The guide supports governments to unlock this investment. It takes climate policy and attracts much needed investment, key to strengthening and diversifying economies. Briefings have already commenced with the Indonesian government, and other nations are soon to follow. Building a platform in Southeast Asia means we can encourage ongoing support amongst nations in our region.

**WHAT IS ‘GROWTH THROUGH TRANSFORMATION: AN INVESTMENT VISION GUIDE FOR CLIMATE AND DEVELOPMENT’?**

The ‘investment vision guide’ presents a practical framework to help countries implement their long-term strategies developed under the Paris Agreement. As countries recover from the COVID-19 pandemic, the need to unlock investment is even more acute. For developing countries, attracting international and private finance will be critical to their economic recovery. Ensuring this investment is aligned to climate and development goals can fast track the transition towards green growth. This guide encourages governments to think about investment in the context of the structural and social adjustments necessitated by decarbonisation, assisting them to minimise the inevitable risks and capitalise on the emerging opportunities. It is particularly suited for central ministries with investment and budgeting responsibilities, such as ministries of finance, economic affairs and planning.
ClimateWorks has helped create Australia’s first sustainable finance roadmap. The financial services sector has come together to promote a transformation of the country’s financial system.

In an unprecedented coalition approach, it embeds net zero emissions into goals for the sector and actions for financial institutions, and commits to track progress.

The roadmap, developed by the Australian Sustainable Finance Initiative (ASFI), represents the collective output of over 140 participants and 80 organisations. Our CEO, Anna Skarbek, is a steering committee member for ASFI, and Rob Kelly, System Lead – Industry, has joined a working group. ClimateWorks shared the roadmap with our stakeholders as part of our briefing room event chaired by Sam Mostyn, Sustainable finance: developments and trends.

‘The Australian finance sector has come together in the creation of this roadmap. I’m proud to be part of the steering committee and to see this process come to life with contributions coming from hundreds of finance sector executives. Together we have identified best practice improvements that will bring our finance system in line with international trends and help ensure finance becomes more sustainable into the future – in every sense of the word, which is needed for our people, places and planet.’

- Anna Skarbek, ClimateWorks Australia CEO
Indonesia frequently faces disasters, including climate-related floods and forest fires as well as volcano eruptions and earthquakes. Flooding in January was estimated to create US$10 billion in losses, but only US$1 billion in insurance claims. At the moment there is no scheme or mechanism governing natural disaster insurance. The Indonesian Financial Services Authority (Otoritas Jasa Keuangan) wants to change that.

ClimateWorks have been providing research support on the development of a private sector catastrophe insurance scheme. We are working closely with Indonesian government partners to create a guide for insurance companies and organisations on disaster insurance for micro, small and medium businesses. Our findings will be peer-reviewed and published publicly, helping insurance companies develop natural disaster insurance.
ClimateWorks is supporting the Vulnerable Twenty Group to engage with international financial institutions and donors to accelerate South-South connectivity and cooperation for climate resilience. In the face of increasing climate and transition risks, this research will help to guide international assistance in technology and finances to its partner countries – in green and sustainable projects – that can help to facilitate sustainable development and positive climate mitigation and adaptation outcomes.

ClimateWorks is providing research support for the development of investment principle frameworks, as well as identifying exemplary climate adaptation and renewable energy projects, for engagement with the international financial institutions and donors. We believe that working with receiving nations at this stage is an opportunity to embed green criteria in tackling climate change risks.
Food, land, and oceans
Reducing emissions in the land sector is interwoven with protecting biodiversity and managing demand for healthy food. Our Land Use Futures program works across multiple Sustainable Development Goals, as carbon benefits required from the sector can’t be generated without a holistic approach. When we started the program, we brought together stakeholders from everywhere: land management, farming, carbon offsetting, as well as government bodies. Instead of talking, we listened. We identified that the sector already had so many good ideas, and despite different needs, overlapping goals. What was missing was a common pathway to make them reality.

In 2020, ClimateWorks has achieved the first step towards a roadmap for sustainable food and land use in Australia. We co-created a positive vision for the future: resilient and diverse regional communities, efficient land management, healthy food and healthy communities, diverse and functional natural systems. We brought together 30 key decision-makers and stakeholders from across the sector – representing conservation, agriculture, research, nutrition, finance, forestry, carbon markets and more – to develop this collective vision for food and land in 2050.

Six participant-focused workshops utilised evidence-based modelling to develop findings crucial to developing a collaborative and integrated roadmap for the sector. Co-creating the roadmap means all areas of the sector are represented, and have input into the future of their sector.

ClimateWorks also adapted the global Food and Land Use Coalition’s 10 ‘critical transitions’ to the unique Australian context. The transitions will enable the sector to transform to a sustainable and profitable system, and our analysis showed how these might be applied in Australia. We received positive comments from stakeholders that the papers were informative, concise, compelling and provided an accessible view of the biggest issues that need to be considered in relation to food and land use system sustainability.
A key finding from our Land Use Futures program in 2019 was that natural capital wasn’t being valued in Australia the way other assets are. We brought together stakeholders for the workshops around the country, culminating in the Natural Capital Summit, which resulted in the Natural Capital Roadmap.

The roadmap identified that the concept of ‘natural capital’ would position our environment alongside other forms of economic management, such as finance. It envisioned the creation of systems to assign a value to our natural resources, informing decisions for industry, investors and government.

The Natural Capital Investment Initiative, a partnership with the Monash Sustainable Development Institute and NAB, is developing an open-source system for measuring and valuing natural capital, for use at the farm level. It will give existing systems a ‘common language’, meaning the approach can scale up for all users, including investors. We are also developing a core set of metrics, linking natural capital measurement between farmers, land owners and investors.

This year, ClimateWorks hosted a natural capital ‘roundup’ forum with Dairy Australia. Representatives from 16 natural capital projects shared insights on common objectives such as attracting new investors, and a shared desire for greater collaboration in the space.
ClimateWorks is now a member of the National Plastic Action Partnership (NPAP) – a platform working to free Indonesia from plastic waste and pollution.

CLIMATEWORKS JOINS THE NATIONAL PLASTIC ACTION PARTNERSHIP

Supported by global partners under the Global Plastic Action Partnership (GPAP) and the convening power of the World Economic Forum, the national platform brings together governments, businesses and civil society to translate commitments into meaningful action. ClimateWorks is providing expert input on NPAP-led initiatives, exchanging best practices and practical knowledge, and providing resources to drive impact in Indonesia. In particular, we are bringing the carbon emissions link to the plastics discussion.
The Indonesian Ministry’s Directorate of Renewable Energy is key in shaping renewable policies. A knowledge gap for the directorate were the concepts and policies behind electricity pricing, as well as the impacts of these policies, especially for renewable technology.

ClimateWorks, the Green Global Growth Institute, and the University of Indonesia collaborated to deliver the training. Oversubscribed for both sessions, they attracted interest from three directorates: renewables, bioenergy, geothermal, as well as the state utility company.
In January 2020, Climateworks was invited to provide input on the Northern Territory Government consultation into the adoption of minimum energy requirements for new commercial buildings. Our submission outlined the benefits of improved energy performance: reducing stress on the electricity network and consumer costs, supporting a low-cost pathway to a zero emissions built environment and improving health and resilience outcomes for households and businesses. We recommended that the state adopt Section J requirements from the National Construction Code, which requires minimum levels of efficiency. The Northern Territory is currently undertaking cost benefit analysis on adopting this regulation.

In May, ClimateWorks held a digital event on the pathway to net zero energy. This was one of several ‘deep dives’ into sectors after the release of the Decarbonisation futures report. The report’s scenarios provided a new benchmark for electrification pathways that were not being modelled by market observers. Working with CSIRO, we made these publicly available and they are now being used by energy market scenario observers, reinforced by others including Ross Garnaut’s Superpower treatise.

The panel included our CEO Anna Skarbek, CSIRO’s Chief Energy Economist Paul Graham and Morgan Stanley’s Rob Koh. The technology needed for this sector to transition to net zero is already in use and our research showed that increasing deployment is key. The panel discussed how to increase uptake, the role of stimulus spending on low-carbon technologies, enabling mechanisms that support the transition and much more. Over 250 audience members joined us live and were highly engaged, submitting questions and adding to the discussion. Hundreds more watched the recorded session later.
For the first time, Australia has a nationwide estimate of the emissions influenced by infrastructure. ClimateWorks, in partnership with the Infrastructure Sustainability Council of Australia and the Australian Sustainable Built Environment Council, has found that 70 per cent of Australia’s emissions are influenced by infrastructure.

*Reshaping infrastructure for a net zero emissions future*, released in March 2020, was designed to start a new conversation: to better understand the challenges and opportunities in the infrastructure sector (transport, energy, water, communications and waste) in reaching net zero emissions. This work has already led to state-based reviews of infrastructure decision-making processes, and findings are reflected in *Infrastructure Victoria’s* draft ‘30-year infrastructure strategy’. This is the first time a government body has recommended a holistic review and alignment of current infrastructure decisions with future net zero emissions targets.
The transport sector is ready for change. The fastest growing sector for emissions, all forms of transport has been disrupted by COVID-19. As international focus on climate action grows, Australia has an opportunity to invest wisely now and shape a sustainable transport system for decades to come.

In 2020, ClimateWorks created the first comprehensive guide to Australia’s transition to zero emissions across the whole transport system—the cumulation of a nine-month analysis of over 300 reports, research papers, news articles and policy documents in the transport sector. Our transport issues paper, Moving to Zero: accelerating the transition to zero-emissions transport, presents 12 recommendations for the sector across three themes: embedding a common vision, shifting transport networks, and improving vehicles. Industry groups, government agencies and politicians are starting to cite this report as justification that more can be done to shift towards zero-emissions transport systems.
After initiating changes to the building code in 2018, our Buildings program continued with targeted engagement in 2020.

CHAMPIONING NET ZERO EMISSIONS FOR BUILDINGS

The Victorian government sought consultation for their Recovery Taskforce for Buildings. Many of our recommendations to the taskforce, which combined our research with findings from the wider Monash group, were passed on to the Victorian government, and reflected in the State Budget – such as energy efficiency retrofits for social housing.

At the local level, we worked with leading Victorian councils to develop net zero emissions planning frameworks. Our briefing room event, Retrofit for purpose – net zero in the built environment, attracted hundreds of attendees from across Australia.
ACCELERATING ACTION FROM HARD-TO-ABATE SECTORS

The Australian Industry Energy Transitions Initiative (ETI) aims to accelerate informed action by Australian industry in hard-to-abate sectors towards the achievement of net zero emissions supply chains by 2050, while managing the transition to thrive in a decarbonised global economy.

The Australian Industry ETI has so far brought together leaders from 14 of Australia’s largest companies. They will focus on net zero emissions pathways across five industry supply chains, worth $160 billion in exports. Participants – including Orica, BP Australia, NAB, Woodside, BlueScope Steel, Schneider Electric, APA Group, BHP, AustralianSuper, Australian Gas Infrastructure Group, Wesfarmers Chemicals Energy & Fertilisers, Fortescue Metals Group, Cbus and Aurecon – have committed and contributed funding to explore opportunities and challenges facing the sector. The initiative is also working with partner companies to identify early action projects: small scale projects with potential to set the foundation for larger ‘on-the-ground’ demonstration projects later.

The initiative was launched publicly in July 2020, attracting mainstream and trade media interest due to its unique approach in addressing industry emissions in some of the hardest sectors of the economy to abate. In October, a virtual workshop series was attended by industry and business from over 22 organisations. Government bodies were also represented. Three steering group meetings have attracted near full attendance, with senior executives representing the breadth of the sector, chaired by Simon McKeon AO. ClimateWorks also launched a website for the initiative to keep stakeholders and the public up to date on progress, and to gather interest from the sector.

Findings from the initiative so far illustrate that the transition to a net zero emissions global economy is accelerating and will have demand implications for Australian industry. Electricity is vital to decarbonising the sector, with renewables expected to be the cheapest source of new generation by 2050. ClimateWorks, together with Climate-KIC, are co-convening the initiative in collaboration with the London-based Energy Transitions Commission and research partners CSIRO and the Rocky Mountain Institute.
Operations
In the lead up to the 2021 United Nations Climate Change Conference (COP26), pressure is on to bring new ambition to emission reduction targets.

ClimateWorks partnered with the British High Commission to create a series of three digital events, looking at how we can realise our decarbonisation potential and drive cleaner economic growth. The series attracted up to 500 registrations per session, with attendees from government, business, industry and sustainability. For ClimateWorks, the events were an opportunity to share our expertise with targeted audience groups, and to help bring new ambition to emissions reduction targets.

Like many people across the globe, ClimateWorks spent the majority of our working lives in 2020 online. In entering an exciting new decade for the organisation, we planned to bring together our community face to face to look ahead to the future. But as physical events were cancelled, digital options opened the door to bring together great minds from across the globe.

Our first webinar series, The briefing room, kicked off with a general discussion of our April release Decarbonisation futures. Sector-specific sessions followed, for energy, transport and land. The final installment was a breakdown of the investment vision guide from our international team. The sessions aimed to be a direct link between our project teams and the wider community. The sessions attracted between 400 and 500 registrations per event, with around 250 attendees joining each live session. Our live audience members shared questions with our panel members and contributed to discussion. This new platform for connecting with our audience also seeded many private discussions and briefings.
The Adam Majcher Legacy Fellowship was set up in honour of former ClimateWorks staff member, Common Cause Australia co-founder and Climate Reality Project organiser, Adam Majcher, who sadly passed away in 2017. In honour of Adam, the fellowship provides the opportunity for a young person to participate in the three-day Climate Reality Project training program with Al Gore, as well as receive communications training and mentorship by Common Cause Australia. It also includes a five-week paid placement working with ClimateWorks and these climate organisations based in Melbourne. Our operations team was determined to continue the fellowship despite COVID-19 restrictions.

In 2020, the fellowship was awarded to Vanessa Sporne, a student from the south coast of New South Wales who is studying Law and Arts at the Australian National University. Vanessa described the program as pivotal to her understanding of how she fits in climate action:

‘I was on the brink of rushing into a job that didn’t really suit me or my skill set. This internship has enabled me to get to know myself, helped me identify my strengths and what I enjoy. I don’t know exactly what role I’m going to play in the climate solutions space, but now I know the kinds of things I want to look for. I’ve realised that I’m just one player, and finding a role that plays to my strengths is the best thing I can do for the climate.’

- Vanessa Sporne, Adam Majcher Legacy Fellow 2020
As part of Monash University, ClimateWorks is able to offer students and new graduates internship positions with our program teams.

Interns are placed for one semester and are provided with a stipend to encourage a wider group of applicants. In 2020, 14 students joined us, supporting the Net Zero Momentum Tracker, the Australian Industry Energy Transitions Initiative, and our transport and education teams.

ClimateWorks delivered a masters level unit offered through the Monash Business School, ‘Climate change and carbon management strategies’.

The 2020 cohort was 104 students, matching previous enrolments despite COVID-19 delivery challenges. A number of guest lecturers presented this year – from Ernst & Young, AGL, the Carbon Market Institute, Cbus and Australian Industry Group – providing students with insights into carbon management decision-making in a range of sectors. Assessments indicate a higher level of understanding of key concepts than previous years and the annual end-of-semester survey provided further insight into student impact.
ClimateWorks’s new website launched in January, just in time for the global shift to online communication. The new site has more flexibility for content, which has enabled us to expand our content production as part of our digital strategy. This new functionality has increased digital engagement with the site and associated channels month-on-month, and has also helped in the growth of our social media channels and extended our reach. In 2020, we strategically focussed on our Twitter and LinkedIn offerings, and allowed Facebook to grow organically – resulting in our LinkedIn and Facebook followings almost doubling in size, and gaining 1000 followers on Twitter. Our e-news shifted from quarterly to monthly to grow subscriber engagement, for which we were rewarded with a steep rise in the click-through rate.

In 2020 we ramped up our media activities, speaking to a wider range of media than we traditionally have. This was due to the rapid transformation of the economy, and the relevance of our extensive body of work to the global stimulus discussion. Our work in sustainable finance, economic transitions and benchmarking of business and government ambition had particular resonance.

We spoke locally, and in the region, to prompt important discussions about how prudent investments in our economies amidst the pandemic crisis, could also address climate. And how decision-makers in business and government could be confident in acting boldly on emissions, because our work outlined the very real benefits in doing so. Our research cut through, reaching the front pages of newspapers, featuring in business and property sections and at media summits, and was discussed on television, in radio features and special-interest publications.
Media engagement in 2020

It was a significant year for ClimateWorks and our partners in the media. Throughout 2020 we were influential in public discussions, with our expertise most sought out in the areas of: economic recovery and transition, corporate climate commitment tracking, sustainable finance, infrastructure and hard-to-abate industries.

Super funds are feeling the financial heat from climate change

THE CONVERSATION

Australia’s path to net-zero emissions lies in rapid, stimulus-friendly steps

THE GUARDIAN

Ambitious climate action a ‘double win’ for economy in coronavirus recovery

SYDNEY MORNING HERALD

Zali Steggall’s new climate change bill comes just as economic sectors step up

THE CONVERSATION
BNP Paribas Issues Australia’s First Climate-Linked Bond

NEW YORK TIMES

We can become a net exporter of clean energy, say experts

AUSTRALIAN FINANCIAL REVIEW

Transport operators out of step with emissions targets

SYDNEY MORNING HERALD/ THE AGE

Hiding in plain sight: infrastructure is a key solution to climate risk

INFRASTRUCTURE MAGAZINE

Heavy industry co-operates to take on climate change challenge

THE AUSTRALIAN
In March, the Business Support Services team swiftly adapted our operational processes and rapidly implemented working from home arrangements in response to COVID-19. The team of six quickly transitioned the organisation to new platforms for remote collaboration. Use of Slack for messaging and conversations was accelerated. Mural and Miro were introduced as virtual tools for whiteboarding, brainstorming and facilitation, and became essential for internal and external collaboration. Zoom was extended to the wider ClimateWorks team, including Zoom Webinars - with positive feedback from external attendees. The support services teams delivered training and support in all systems and documented their use for induction and reference. We also tried new things to maintain our cultures and connections: digital cooking classes, virtual catchups, ‘coffee roulette’ and more. We recognised that this was a challenging time for many, and facilitated our team to step away and recharge.
Operations
A new approach

for a new decade
In 2019, the United Nations released a report that found climate action needed to increase fivefold in order to meet the Paris Agreement goal of limiting temperature rise to 1.5 degrees. At ClimateWorks, we are scaling up our impact by focussing on system-level change. We now organise our program delivery across seven systems, and have embedded new thinking and best practice through the establishment of focussed centres of excellence.

**INTERNATIONAL AND COUNTRY CONTEXT**

International and Country Context will identify opportunities to influence system-level change nationally and internationally; with a focus on relationships, partnerships, policy and research collaborations.

The team is led by Meg Argyriou, formerly Head of International Programs. Research collaborations can take the form of partnering with other organisations to provide technical assistance; or the delivery of small scale projects that test, create basic evidence and build appetite for a larger body of work.

**SYSTEM CHANGE AND CAPABILITY**

The System Change and Capability team will identify and share methods for system-level change, and maintain best practice across our core capabilities.

The team is led by Amandine Denis-Ryan, formerly was our Head of National Programs. The role of this team is to lead our capabilities in systems thinking and system change acceleration, as well as maintain best practice and continuous improvement across our work.
ABOUT US

ClimateWorks Australia bridges research and action to achieve the system-level transitions required for net zero emissions, across Australia, Southeast Asia and the Pacific. We act as trusted advisers, influencing decision-makers with the power to reduce emissions at scale. Co-founded by The Myer Foundation and Monash University in 2009, ClimateWorks is a non-profit working within the Monash Sustainable Development Institute.

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