

FACT SHEET

ACHIEVING NET-ZERO EMISSIONS BY 2050



Sea Cliff Bridge (credit: Olga Kashubin/Shutterstock.com)

The NSW Government has committed to an aspirational objective of achieving net-zero emissions by 2050.

This aspirational objective is intended to provide a clear statement of the government's intent, commitment, and level of ambition and to set expectations about future emissions pathways that will help the private sector and government agencies to plan and act. It is consistent with the Paris Agreement which the Commonwealth Government has committed to ratifying, and is intended to complement, rather than replicate or duplicate the Commonwealth Government's shorter term national emissions reduction targets.

WHAT DOES NET-ZERO EMISSIONS MEAN?

Net-zero emissions means NSW emissions will be balanced by carbon storage. The more emissions are reduced, the less sequestration is needed to achieve net-zero.

WHY NET-ZERO EMISSIONS BY 2050?

The world is heading towards net-zero emissions.

In December 2015, 195 countries, including Australia, agreed on the United Nations Paris Agreement on climate change. For the first time in history, both developed and developing countries have committed to reducing the amount of carbon dioxide they emit

into the atmosphere. The aim of the Paris Agreement is to limit emissions to net-zero, globally, in the second half of the century, with the expectation that developed countries will take the lead.

Leading businesses and investors are also committing to action to reduce their emissions and diverting investment to clean technology. Net-zero emissions by 2050 is consistent with the approach of leading Australian corporations such as AGL, Amcor, Wesfarmers and Telstra. Aligning with leading corporations will improve collaboration and improve investment certainty.

Emissions savings policies at the national and global level will influence the NSW economy. By preparing for the transition to net-zero, New South Wales can take advantage of new economic opportunities. This means we can plan for ongoing affordability, security and reliability in energy.

Our objective to achieve net-zero emissions by 2050 is intended to give confidence and certainty to the private sector, drive low carbon investment and innovation across the NSW economy and lower the cost of the transition to a net-zero emissions economy.

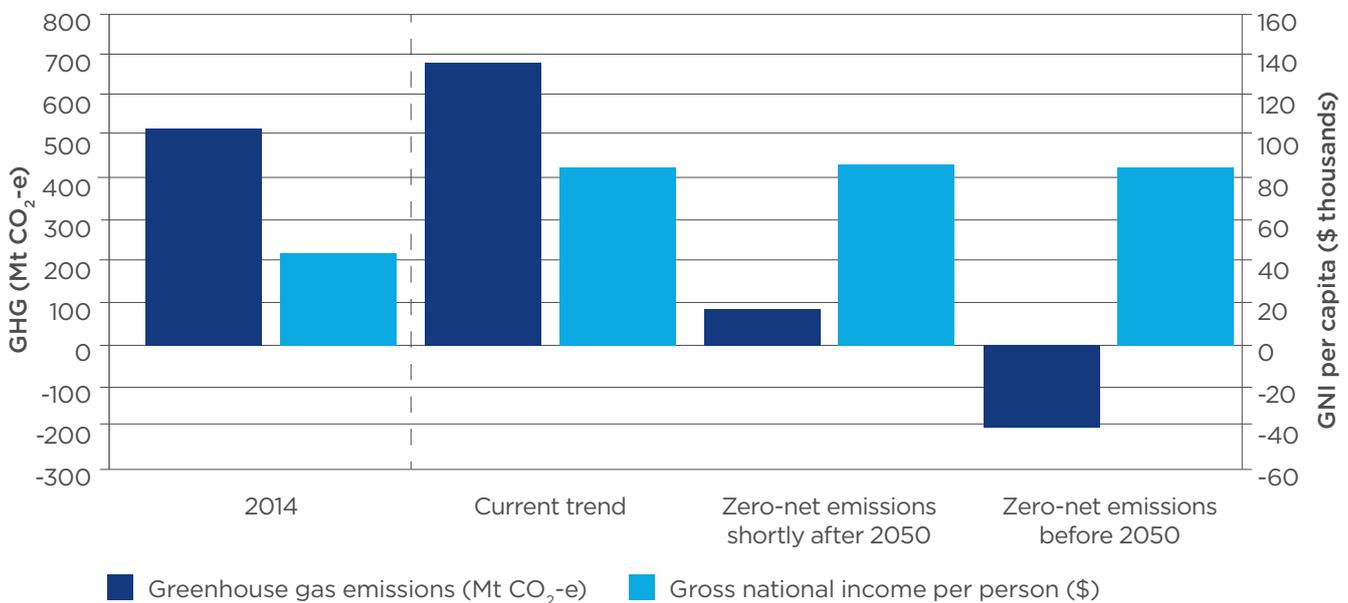


Figure 1: CSIRO analysis of changes to gross national income under different emissions reduction scenarios

NET-ZERO EMISSIONS IS CONSISTENT WITH STRONG ECONOMIC GROWTH AND THE NSW EMISSIONS RECORD TO DATE

CSIRO has estimated that achieving net-zero emissions before or soon after 2050 will deliver 'higher economic growth' than more moderate trends (Figure 1). NSW is committed to delivering strong economic growth, and supporting net-zero emissions is consistent with that commitment.

If emissions in New South Wales continue to fall at the same rate they have for the past five years, they will almost reach net-zero by 2050.

FINDING THE MOST COST-EFFECTIVE PATHWAYS TO NET-ZERO EMISSIONS

Although NSW's recent emissions trends put us on the pathway to coming close to net-zero emissions by 2050, action will be needed to keep this momentum.

There are a number of different pathways to reducing greenhouse gas emissions, involving different combinations of action on renewable energy, energy efficiency, carbon sequestration and emissions savings

from other sectors such as agriculture and land use. For New South Wales to achieve net-zero emissions by 2050 while continuing to grow our economy, we need to understand which pathways have the greatest benefit. This will help attract new jobs and businesses, and help existing businesses adapt and improve their productivity.

The *Draft Climate Change Fund Strategic Plan* includes potential actions to identify cost-effective pathways to reduce greenhouse gas emissions to achieve net-zero. This analysis will inform future NSW Government policies and programs.

Tree plantings (courtesy of Western Sydney Parklands Trust)



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