



New South Wales

Climate Change (Net Zero Future) Bill 2023

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are as follows—

- (a) to establish guiding principles for action to address climate change,
- (b) to set targets for the reduction in net greenhouse gas emissions in New South Wales by 2030 and 2050,
- (c) to set an objective for New South Wales to be more resilient to a changing climate (the *adaptation objective*),
- (d) to establish the Net Zero Commission to independently monitor, review and report on progress in New South Wales towards the 2030 and 2050 targets, the adaptation objective and other matters,
- (e) to provide for other minor and consequential matters.

Outline of provisions

Part 1 Preliminary

Clause 1 sets out the name, also called the short title, of the proposed Act.

Clause 2 provides for the commencement of the proposed Act.

Clause 3 provides for the purpose of the proposed Act.

Clause 4 provides for the objects of the proposed Act.

Clause 5 defines certain words and expressions used in the proposed Act.

Clause 6 provides that the proposed Act binds the Crown.

Clause 7 provides that the proposed Act prevails to the extent of an inconsistency with another Act or law.

Part 2 Guiding principles, targets and objectives

Clause 8 sets out the guiding principles of the proposed Act.

Clause 9 sets out the targets for reducing net greenhouse gas emissions in New South Wales as follows—

- (a) by 30 June 2030—to reduce net greenhouse gas emissions in New South Wales by at least 50% from the net greenhouse gas emissions in 2005,
- (b) by 30 June 2050—to reduce net greenhouse gas emissions in New South Wales to zero.

The clause also contains a power to make regulations about matters relating to the targets, including the implementation of the targets and the calculation and assessment of greenhouse gas emissions.

Clause 10 defines *adaptation objective* for the proposed Act and provides that regulations made under the proposed Act may make provision about the implementation of the objective.

Part 3 Net Zero Commission

Clause 11 establishes the Net Zero Commission (the *Commission*) as a body corporate and NSW Government agency. The Commission is generally not subject to the control and direction of the Minister administering the proposed Act (the *Minister*).

Clause 12 contains provisions relating to the membership of the Commission, which consists of—

- (a) 5–7 commissioners appointed by the Governor, on the recommendation of the Minister, and
- (b) up to 3 temporary commissioners appointed by the Minister, and
- (c) the Chief Scientist.

Clause 13 provides that persons may be employed in the Public Service to enable the Commission to exercise its functions.

Clause 14 provides for the functions of the Commission. In particular, the Commission has the functions of monitoring, reviewing and providing advice and recommendations to the Minister on progress and action taken in relation to the 2030 and 2050 targets, the adaptation objective and matters to address climate change.

Clause 15 requires the Commission to consider certain matters when exercising its functions. The matters for consideration include the guiding principles, the 2030 and 2050 targets, the adaptation objective, certain reports, advice and recommendations about climate change and certain other related matters.

Clause 16 requires the Commission to consult with, and consider submissions from, persons the Commission considers relevant or necessary for the exercise of the Commission's functions.

Clause 17 requires a government agency to comply with a reasonable request by the Commission for information relevant to the Commission's functions.

Clause 18 allows the Minister to require the Commission to report to the Minister in relation to a particular matter. The Commission may also report to the Minister on the Commission's own initiative.

Clause 19 provides for the publication of reports of the Commission and the Minister's response to reports.

Clause 20 makes provision in relation to the annual reporting requirements for the Commission under the *Government Sector Finance Act 2018*.

Clause 21 provides for the establishment of committees to give advice and assistance to the Commission in connection with the Commission's functions.

Clause 22 allows the Commission to delegate the Commission's functions under the proposed Act to a member of the Commission, a member of staff of the Commission or a person or body prescribed by the regulations.

Clause 23 prohibits the disclosure of information obtained in connection with the administration or execution of the proposed Act, except in certain circumstances.

Clause 24 provides that a member of the Commission, a member of an advisory committee of the Commission or a member of staff of the Commission is not personally subject to civil liability for exercising a function under the proposed Act in good faith.

Part 4 Miscellaneous

Clause 25 provides for a review of the proposed Act to be undertaken after the period of 5 years from the date of assent to the proposed Act, and subsequently every 5 years.

Clause 26 enables the Governor to make regulations for the purposes of the proposed Act.

Schedule 1 Members and procedure of Net Zero Commission

Schedule 1 contains provisions about the members and procedure of the Commission.

Schedule 2 Savings, transitional and other provisions

Schedule 2 contains savings, transitional and other provisions consequent on the enactment of the proposed Act.

Proposed section 1 enables savings and transitional regulations to be made.

Proposed section 2 enables the Minister to abolish the committee, known as the Net Zero Emissions and Clean Economy Board, that is established by the Minister administering the *Energy and Utilities Administration Act 1987* under that Act, section 34W.