

**Submission
No 15**

**INQUIRY INTO ENVIRONMENTAL PLANNING AND
ASSESSMENT AMENDMENT (TERRITORIAL LIMITS)
BILL 2019**

Name: Ms Sonya Mckay
Date Received: 17 December 2019

RE: Environmental Planning and Assessment Amendment (Territorial Limits) Bill 2019

Parliamentary Committee

This committee is overseeing an inquiry to a bill regarding carbon emissions at a time of fatal bushfires and major water scarcity issues to the point of looking into the possible relocation of towns that have run out of water in NSW. The tourism industry has already been threatened through coral bleaching at the Great Barrier Reef. The Australian government is likely to fall short of achieving its 2030 Paris Agreement commitments and is lobbying for the use of Kyoto carry-over credits while world carbon emissions continue to rise.

What it finally comes down to is believing the science and caring enough for the community and their well-being to continue to allow the legal sector to start to bridge the gap where the NSW government is faltering despite their suggested commitment to zero emissions by 2050.

ESSENTIALLY:

The Environmental Planning and Assessment Amendment (Territorial Limits) Bill 2019 suggests that it is prohibiting conditions of development consent relating to any impact development of the development occurring outside Australia or any impact of the development carried out outside Australia. The word 'any' appears to be broad compared to the suggestion of specifically relating to 'scope 3' emissions. Despite this, the issue of carbon emissions should be seen as a 'public interest' that should not be permitted to be weakened in its consideration in any way shape or form.

The following information is currently being worked on for broader use, particularly by the legal sector. Although it may at first appear unrelated it focuses on Agenda 2030 which entails goal 13 (climate action). The ultimate suggestion is that 'no one is left behind' (<https://www.unece.org/info/media/news/statistics/2019/no-one-left-behind-how-do-we-know/doc.html>). Currently, however, our youth are at risk of health issues regarding respiratory and other impacts from current bushfires.

BACKGROUND - UNDERSTANDING SDG'S TOWARDS THE STRATEGIC PLAN

Sustainable Development Goals (SDG's) came into existence 'through a UN General Assembly resolution in 2015 during a United Nations summit for the adoption of the post-2015 development agenda[i]. The adopted resultant document, 'Transforming our world: the 2030 Agenda for Sustainable Development' (Agenda 2030), identifies 17 SDG's and 169 targets, with 200 indicators being adopted in 2017[ii].'

'Agenda 2030 is founded in five headings that include people, planet, prosperity, peace and partnership[iii]. From this Agenda 2030 outlines 17 goals and 169 targets stated to be 'integrated and indivisible' to each other, 'global in nature' and 'universally applicable', with a commitment to achieve SD in its three elements being economic, social, and environmental[iv]. Each government decides how to incorporate the 'aspirational' and 'global' targets' into 'national processes, policies, and strategies'[v]. Pages fifteen to twenty-five of Agenda 2030 identifies the goals and targets.'

Agenda 2030 summarised goals are:

1. No poverty

2. No hunger
3. Good Health and well-being
4. Quality education
5. Gender equality
6. Clean water and sanitation
7. Affordable and clean energy
8. Decent work and economic growth
9. Industry, innovation and infrastructure
10. Reduced inequalities
11. Sustainable cities and communities
12. Responsible consumption and production
13. Climate Action
14. Life below water
15. Life on Land
16. Peace, Justice and Strong Institutions
17. Partnerships for the goals

The number of indicators for Agenda 2030 has grown from 200 to 244, but is suggested to be 232 due to several repeating over different targets[vi]. These indicators are utilised towards a Sustainability Development Goals Index (SDG Index) between countries which has led to Australia being ranked 38 in the world.[vii] The data for this has been collated from government sources that include census information. The latest report indicates that SDG's will not be met by 2030 including significant areas such as 'climate action' and 'biodiversity loss' with one million species threatened by extinction and the youth taking to the street protesting against inadequate climate action[viii].

A similar index is undertaken for the financial sector known as the Dow Jones Sustainability Index collated through participation in a questionnaire[ix]. Both systems are reliant on communication and reporting with countries and companies.

BUSINESS CASE FOR INTEGRATING SDG'S INTO DECISION MAKING PROCESS AND BUSINESS STRATEGY

There are practical reasons why governments and law firms should integrate SDG's into their decision making process and business strategy and communicate and report on the progress of its actions, particularly in relation to SDG 13 'Climate Action'.

One cannot be apologetic for focusing on 'climate action' since it is noted by the UN Secretary General that...

'Climate change is the defining issue of our time – and we are at a defining moment. We face a direct existential threat.'[x].

The military and intelligence agencies have also noted climate change as a significant threat which will stretch Australian Defence Force capabilities[xi].

It is noted that EXXON's policy accepts climate change[xii]. It is further noted that EXXON researched and knew about the future impacts of their product on the climate decades ago[xiii]. SHELL also undertook a documentary about the impacts of their product decades ago[xiv]. EXXON even predicted the levels of carbon and associated temperature rise that we are currently enduring. It also noted concern that once the impacts were observable it may be too late to adapt.

NEGLIGENCE

Legal advise suggests that the likelihood of negligence cases over failure to adequately consider climate change risks, for instance, will increase over time. Senior Council advised the following: *'We indicated that, in our view, company directors who fail to consider climate change risks now could be found liable for breaching their duty of care and diligence in the future. Indeed, we considered then (as now) that a negligence allegation against a director who had ignored climate risks was likely to be only a matter of time.'*[xvi]

Clayton Utz has provided public advise that Directors of Companies are probably already liable if they do not take climate risks into account in the decision making process[xvi].

The chair of the New South Wales government appointed Climate Change Council, Martijn Wilder, also suggested it was just a matter of time when people could sue over the impacts of climate change with a strong chance of success as governments 'have a duty of care to protect the community'[xvii]. It was no accident that the New South Wales government was to entrench policies through the Climate Change Council that would see climate change risk embedded into its decision making process[xviii]. A policy that it later scrapped under new leadership. The NSW Environment Minister has already linked bushfires to climate change[xix]. The result should not be to hush the science but to take hold of government responsibility[xx].

It is noted that there is already a case regarding the climate crisis and trustees duties for superannuation[xxi]. It is further noted that solicitors are held to a higher standard when it comes to law, which makes the issue of a negligence claim even more stark for a law firm, creating even more reason for law firms to embed climate change risk into their decision making process[xxii]. It is no accident that major law firms are now reporting their sustainability efforts to the Australian Legal Sector Alliance, which includes looking at greenhouse gas emissions and choosing carbon-off sets. There, however, appear to be remnants of moral hypocrisy with the continued representation of the fossil fuel industry. One could argue that the legal industry is encouraging continued existential damage through encouraging fossil fuel use if they continue with such representation. The same could be said of governments that change policy or legislation that favour the fossil fuel industry, particularly at their request. Many businesses are already divesting from fossil fuel. The question also needs to be asked as to whether negligence is already in question with the Prime Minister rejecting a meeting with the Emergency Leaders for Climate Action[xxiii].

NATURAL EXTENSION ON CURRENT SERVICE PORTFOLIO

Some law firms deal with 'rescue workers compensation' for injuries received from work that includes fighting bushfires. Bushfires which are being impacted on by the climate crisis. They also deal with insurance. The climate crisis is already impacting on insurance overseas after Carlifornia's bushfires are now making companies reconsider renewing insurance contracts[xxiv]. Rising sea levels, coastal erosion, bushfires, drought, and water scarcity will increasingly impact on the community creating a need for the legal sector to be more involved in compensation matters and the planning process.

Many law firms deal with commercial law. Regulators APRA, ASIC and RBA already advise businesses to consider climate crisis impacts in decision-making[xxv]. As already suggested Legal opinion suggests directors could also become personally liable otherwise[xxvi]. The financial sector is also increasingly embracing the climate crisis.

This makes SDG 13 ‘Climate Action’ important, along with SDG’s regarding ‘Life on Land’, ‘Life under Water’, ‘Clean Water and Sanitation’, ‘Industry, innovation and infrastructure’, ‘sustainable cities and communities’, and so much more.

SIGNIFICANT BUSINESSES BECOME CLIMATE CONSCIOUS

Insurance, Superannuation, and Banks are becoming climate conscious and divesting from fossil fuel and committing to the Paris Agreement and 100% renewable energy. The world's largest sovereign fund (Norway's \$1T fund) is divesting from coal[xxvii]. Macquarie Bank, for instance, has committed to 100% renewable energy and is planning to provide 20GW of renewable energy[xxviii]. Westpac has also committed to 100% renewables[xxix]. Major businesses such as Apple, Tesla, Google, Microsoft have signed in support for the Paris Agreement under the title of United for the Paris Agreement which appears to represent a ‘group that either directly employs more than 2 million people in the U.S., or represents a larger group of 12.5 million through labor organisations’.[xxx].

CLIMATE CHANGE IS ALREADY ENTRENCHED IN LAW

The climate crisis has also entrenched itself in law. This includes NSW decisions in the Land and Environment Court concerning the Rocky Hill coal mine, and Independent Planning Commission Panels concerning the Wambo and Bylong coal mines[xxxi]. The NSW government, however, is now considering amendments to law (Environmental Planning and Assessment Amendment (Territorial Limits) Bill 2019) to favour coal mining[xxxii]. It is also seeking an inquiry as to whether or not an Independent Planning Commission is even necessary[xxxiii].

COMMUNITY FOCUS ON CLIMATE CRISIS

The Climate of the Nation survey/report shows the community are worried about the climate crisis, particularly younger generations[xxxiv]. From a functional level providing advice on climate crisis issues will market the business to a growing number of potential clients as a good corporate citizen with good governance credentials. This is particularly the case with the Federal government signalling the outlawing of secondary climate boycotts with businesses which will infringe on the communities implied constitutional rights[xxxv].

LAW ITSELF ALREADY ENTRENCHES SUSTAINABILITY ELEMENTS

The law itself already resembles SD elements noted in the Preamble of Agenda 2030. Objects to the NSW environmental legislation facilitates ecological sustainable development (ESD) by ‘integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment’[xxxvi]. The definition of ESD also includes the implementation of ‘intergenerational equity’ which though not exact still resembles the UN’s reference of ‘future generations’ with its definition of SD. [xxxvii]

DISASTERS

According to Oxfam 20M people are displaced annually from the homes[xxxviii]. The Bahamas recently saw \$3.4b worth of damage from hurricane Dorian[xxxix]. Queensland in Australia had unprecedented floods and fires with damages worth over \$1.5b last summer[xl]. Some estimates are up to \$2M along with 664,000 cattle losses in the floods, while fish kills occurred in the Murray Darling, and bat kills occurred along the east coast and now koala kills[xli]. This summer

has seen \$40M (\$75M possibly increasing to \$100M for the year) worth of damage with over 600 homes lost and bushfires destroying over 2M hectares of forest and smoke haze creating health issues [xlii]. The suggestion that short term exposure to fine particles of pollution are linked to hospital admissions to wider range of conditions than previously thought is a concern. Connections to lung cancer, heart attacks, septicaemia, UTI's and infection is a further concern. The starkest issue with bushfires is that rain forest that has never burnt before is now burning[xliii]. World Heritage areas are being burnt are being seen as a major conservation issue[xliv]. The Great Barrier Reef is already suffering from coral bleaching and an Australian Report is indicating that its World Heritage Values are being impacted by climate change[xlv]. Oysters farmers are finding it difficult[xlvi].

The World Meteorological Organisation have stated that:

'Sea level rise has accelerated since the start of satellite measurements in 1993 because of the melting of ice sheets in Greenland and Antarctica, according to the report.

The ocean, which acts as a buffer by absorbing heat and carbon dioxide, is paying a heavy price. Ocean heat is at record levels and there have been widespread marine heatwaves. Sea water is 26 percent more acidic than at the start of the industrial era. Vital marine ecosystems are being degraded.

The daily Arctic sea-ice extent minimum in September 2019 was the second lowest in the satellite record and October has seen further record low extents. In Antarctica, 2019 saw record low ice extents in some months.

"If we do not take urgent climate action now, then we are heading for a temperature increase of more than 3°C by the end of the century, with ever more harmful impacts on human wellbeing," said WMO Secretary-General Petteri Taalas. "We are nowhere near on track to meet the Paris Agreement target." [xlvii]

A recent IPCC report indicated that:

'One of the key messages that comes out very strongly from this report is that we are already seeing the consequences of 1°C of global warming through more extreme weather, rising sea levels and diminishing Arctic sea ice among other changes'

'The report finds that limiting global warming to 1.5°C would require "rapid and far-reaching" transitions in land, energy, industry, buildings, transport, and cities. Global net human-caused emissions of carbon dioxide (CO2) would need to fall by about 45 percent from 2010 levels by 2030, reaching 'net zero' around 2050. This means that any remaining emissions would need to be balanced by removing CO2 from the air.' [xlviii]

CONCLUSION:

The issue of carbon emissions is a serious one that needs to be met with serious action. The NSW government should embed carbon risk into its decision making to avoid negligence with its duty of care.

[i] The resolution was adopted 25 September 2015, <https://www.unfpa.org/resources/transforming-our-world-2030-agenda-sustainable-development>

[ii] <http://sdg.iisd.org/commentary/policy-briefs/getting-to-2030-tracking-sdg-indicators-for-evidence-of-implementation-progress/>

[iii] UNITAR Module 2, Pg. 3 of 12

[iv] Agenda 2030, preamble, point 18 and 55, and point 2

[v] Agenda 2030, point 18

[vi]

https://s3.amazonaws.com/sustainabledevelopment.report/2019/2019_sustainable_development_report.pdf

[vii] Ibid

[viii] Ibid. pg.8 states ‘Intergovernmental Panel on Climate Change (MassonDelmotte et al. 2018) and the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES 2019). One million species are threatened with extinction, and IPBES notes that “we are eroding the very foundations of our economies, livelihoods, food security, health and quality of life worldwide”. Our report concurs: high-income countries obtain their worst ratings on SDG 14 (Life Below water) and SDG 15 (Life on Land). Young people around the world are taking to the street to protest the lack of environmental action by governments and businesses’

[ix] <https://www.prnewswire.com/news-releases/dow-jones-sustainability-indices-review-results-2019-300917917.html>

[x] <https://www.un.org/sg/en/content/sg/statement/2018-09-10/secretary-generals-remarks-climate-change-delivered>

[xi] <https://insideclimatenews.org/news/13022018/climate-change-conflict-disasters-worldwide-threat-assessment-intelligence-agencies-refugees>,

<https://www.abc.net.au/news/2019-09-25/australian-defence-force-angus-campbell-climate-change-speech/11543464>,

[xii] ‘The risk of climate change is clear and the risk warrants action. Increasing carbon emissions in the atmosphere are having a warming effect. There is a broad scientific and policy consensus that action must be taken to further quantify and assess the risks.’ See:

<http://corporate.exxonmobil.com/en/current-issues/climate-policy/climate-perspectives/our-position>

[xiii] ‘As early as 1977 Exxon scientists began to warn top executives that the buildup of carbon dioxide from burning fossil fuels was warming the planet, posing catastrophic risks to people around the world and threatening the company’s core business.’

‘Management’s first reaction was to authorize a deep dive into climate research, but this forthright response did not last a decade. Instead, Exxon and its industry peers funded and developed a sprawling network to disseminate scientific misinformation.’

‘The result of an eight-month effort supported by our entire staff, Exxon: The Road Not Taken is a nine-part, 21,000-word examination of Exxon’s four-decade engagement with climate change. It is based on company memos dating from the 1970s and 1980s that we obtained exclusively and published for the first time with the permission of our sources. We also conducted dozens of interviews with former employees, scientists and officials and searched through archives and the existing scientific, academic and journalistic literature.’

21 January 2016 cover letter for entry for Pulitzer at

<http://www.pulitzer.org/finalists/insideclimate-news> and video at

<https://www.youtube.com/watch?v=ppfpFZ92JAY>

See information on study of ExxonMobil documents at

<https://www.pbs.org/newshour/show/scientific-study-concludes-exxon-mobil-misled-climate-change> and study and embedded video at <http://iopscience.iop.org/article/10.1088/1748-9326/aa815f>. Related article at <https://insideclimatenews.org/news/22082017/study-confirms-exxon-misled-public-about-climate-change-authors-say> further video

<https://www.youtube.com/watch?v=w5g1nPFxOIA>

<https://www.youtube.com/watch?v=w5g1nPFxOIA>

[xiv] Video called ‘Climate of Concern’ See: <https://thecorrespondent.com/6285>,

<https://www.theguardian.com/environment/2017/feb/28/shell-knew-oil-giants-1991-film-warned-climate-change-danger>,

<https://www.theguardian.com/environment/2017/feb/28/shell-knew-oil-giants-1991-film-warned-climate-change-danger>.

Movie appears to be @

<https://www.youtube.com/watch?v=fkp9VVbyVQI>

[xv] https://cpd.org.au/wp-content/uploads/2019/03/Noel-Hutley-SC-and-Sebastian-Hartford-Davis-Opinion-2019-and-2016_pdf.pdf

[xvi] Their website states:

‘directors might already be exposed to personal liability for failure to adequately consider and address climate change risks. It may only be a matter of time before we see litigation against directors on this issue.’ <https://www.claytonutz.com/knowledge/2019/april/its-not-just-the-climate-thats-warming-up-new-heat-on-directors>

‘company directors who fail to consider climate change risks now could be found liable for breaching their duty of care and diligence in the future. Indeed, we considered then (as now) that a negligence allegation against a director who had ignored climate risks was likely to be only a matter of time.’

https://cpd.org.au/wp-content/uploads/2019/03/Noel-Hutley-SC-and-Sebastian-Hartford-Davis-Opinion-2019-and-2016_pdf.pdf

[xvii] <https://www.gerardmaloufpartners.com.au/will-people-be-able-to-sue-for-climate-change-in-the-future/>, <https://climatechange.environment.nsw.gov.au/About-climate-change-in-NSW/NSW-Government-action-on-climate-change/Climate-Change-Council>

[xviii] <https://www.smh.com.au/environment/climate-change/government-climate-plan-stalled-after-berejiklian-took-over-documents-show-20190314-p5145l.html>

[xix] <https://www.sbs.com.au/news/nsw-environment-minister-breaks-ranks-links-climate-change-to-bushfires>, <https://www.theguardian.com/australia-news/2019/dec/11/doing-nothing-is-not-a-solution-nsw-environment-minister-blames-climate-crisis-for-bushfires>, <https://www.abc.net.au/news/2019-12-11/matt-kean-blames-bushfires-on-climate-change/11787498>

[xx] <https://www.dailymail.co.uk/news/article-7788157/Minister-SLAMMS-Liberal-MP-colleague-linking-bushfire-smoke-Sydney-climate-change.html>,

[xxi] <https://www.envirojustice.org.au/our-work/climate/rest-super-case/>

[xxii] <https://www.claytonutz.com/knowledge/2014/december/professional-conduct-and-responsibilities-an-overview-for-inhouse-counsel>

[xxiii] <https://emergencyleadersforclimateaction.org.au/statement/>,

<https://www.abc.net.au/news/2019-11-14/former-fire-chief-calls-out-pm-over-refusal-of-meeting/11705330>

[xxiv] <https://twitter.com/RossHammondSF/status/1192882230076403714>,

<https://www.insureourfuture.us/updates/2019/10/25/elected-officials-community-groups-tell-fire-insurers-to-ditch-fossil-fuels-in-wake-of-rate-hikes-and-non-renewals>,

<https://www.abc.net.au/radio/programs/am/disasters-could-scare-off-the-australian-home-insurance-industry/11630186>, <https://www.abc.net.au/news/2019-10-23/the-suburbs-facing-rising-insurance-costs-from-climate-risk/11624108>

[xxv] <https://www.claytonutz.com/knowledge/2019/april/its-not-just-the-climate-thats-warming-up-new-heat-on-directors>

[xxvi] <https://www.claytonutz.com/knowledge/2019/april/its-not-just-the-climate-thats-warming-up-new-heat-on-directors>

[xxvii] <https://www.abc.net.au/news/2019-06-13/norway-sovereign-wealth-fund-to-ditch-billions-in-coal-stakes/11205134>

[xxviii] <https://reneweconomy.com.au/macquarie-group-commits-to-100-renewable-electricity-by-2025/>, <https://reneweconomy.com.au/macquarie-reveals-five-year-plan-for-massive-investment-in-20gw-renewables-97913/>,

<https://www.macquarie.com/dafiles/Internet/mgl/global/shared/corporate/expertise/powering-the-future/index.html>

[xxix] <https://www.westpac.com.au/about-westpac/media/media-releases/2019/17-april/>

[xxx] <https://www.theaustralian.com.au/business/leadership/apple-tesla-google-microsoft-and-other-tech-execs-implore-trump-to-review-paris-agreement-position/news->

story/804e6bded66d5710a5e9968557fc99a8, <https://techcrunch.com/2019/12/02/tim-cook-satya-nadella-clon-musk-sundar-pichai-and-more-sign-renewed-commitment-to-paris-agreement/>

[xxxix] <https://www.smh.com.au/environment/climate-change/we-won-landmark-climate-ruling-as-nsw-court-rejects-coal-mine-20190207-p50wer.html>,

<https://www.abc.net.au/news/2019-09-18/bylong-coal-mine-proposal-knocked-back/11523856>, <https://www.abc.net.au/news/2019-08-29/united-wambo-approved-with-paris-climate-agreement-conditions/11460970>,

[xl] <https://www.claytonutz.com/knowledge/2019/october/nsw-government-excludes-scope-3-emissions-from-mining-assessment>, <https://www.smh.com.au/politics/nsw/nsw-should-be-alarmed-former-judge-slams-planning-laws-20191105-p537j4.html>,

<https://www.parliament.nsw.gov.au/bills/Pages/bill-details.aspx?pk=3717>

[xli] <https://www.theguardian.com/australia-news/2019/oct/22/is-nsw-government-caving-in-to-news-corp-and-mining-lobby-w>

[xlii] Undertaken by Australia Institute at <https://www.tai.org.au/content/climate-nation-2019>

[xliii] <https://www.theguardian.com/world/2019/nov/05/coalition-warned-outlawing-climate-boycotts-could-breach-constitution>

[xliv] S. 1.3(b) Environmental Planning and Assessment Act 1979

[xlv] S. 1.3(b) Environmental Planning and Assessment Act 1979, through 1.4 of the same Act ecological development has the same meaning as s.6(2) of the Protection of the Environment Administration Act 1991.

[xlvi] <https://www.abc.net.au/news/2019-12-03/climate-change-displacing-one-person-every-two-seconds-oxfam-say/11756070>

[xlvii] <https://thenassaeguardian.com/2019/11/18/idb-dorian-damage-and-losses-at-3-4b/>

[xlviii] <https://www.abc.net.au/news/2019-02-19/climate-change-and-the-cost-of-qlds-summer-of-disasters/10826122>

[xlix] <https://www.abc.net.au/news/rural/2019-04-16/cattle-deaths-tallied-in-north-west-queensland/11002938>

[l] <https://www.canberratimes.com.au/story/6503521/nsw-homes-lost-to-bushfires-hits-600/>, Fires are burning in forests that have been 'permanently wet for tens of millions of years',

<https://www.news.com.au/technology/environment/bushfires-estimated-to-cost-more-than-40-million-insurance-council-says/news-story/26f4901cc436b84fa451e987733a34f7>,

<https://www.abc.net.au/news/2019-12-03/sydney-air-quality-smoke-haze-worse-this-bushfire-season/11755546>

Fires are burning in forests that have been 'permanently wet for tens of...

Burnt, and still burning, forests in northern NSW have treasures that most of us are unaware of.

[li] <https://www.abc.net.au/news/2019-11-27/bushfires-devastate-ancient-forests-and-rare-wildlife/11733956>

[lii] <https://www.theguardian.com/environment/2019/dec/03/revealed-monumental-nsw-bushfires-have-burnt-20-of-blue-mountains-world-heritage-area>

[liii] <https://www.theguardian.com/environment/2019/dec/02/great-barrier-reef-world-heritage-values-damaged-climate-change-government-admits>

[liiii] <https://www.abc.net.au/news/2019-11-25/marine-heatwaves-threaten-oyster-industry-great-barrier-reef/11726630>

[liv] <https://public.wmo.int/en/media/press-release/2019-concludes-decade-of-exceptional-global-heat-and-high-impact-weather>

[lv] <https://www.ipcc.ch/2018/10/08/summary-for-policymakers-of-ipcc-special-report-on-global-warming-of-1-5c-approved-by-governments/>

Scope 1 emissions

Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level. Scope 1 emissions are sometimes referred to as direct emissions. Examples are:

- emissions produced from manufacturing processes, such as from the manufacture of cement
- emissions from the burning of diesel fuel in trucks
- fugitive emissions, such as methane emissions from coal mines, or
- production of electricity by burning coal.

Scope 1 emissions are specified under the NGER legislation and must be reported.

Scope 2 emissions

Scope 2 greenhouse gas emissions are the emissions released to the atmosphere from the indirect consumption of an energy commodity. For example, 'indirect emissions' come from the use of electricity produced by the burning of coal in another facility.

Scope 2 emissions from one facility are part of the scope 1 emissions from another facility.

For example, a power station burns coal to power its generators and in turn creates electricity. Burning the coal causes greenhouse emissions to be emitted. These gases are attributed to the power station as scope 1 emissions. If the electricity is then transmitted to a car factory and used there to power its machinery and lighting, the gases emitted as a result of generating the electricity are then attributed to the factory as scope 2 emissions.

Scope 2 emissions are specified under the NGER legislation and must be reported.

Scope 3 emissions

Scope 3 greenhouse gas emissions are not reported under the NGER Scheme, but can be used under Australia's National Greenhouse Accounts.

Scope 3 emissions are indirect greenhouse gas emissions other than scope 2 emissions that are generated in the wider economy. They occur as a consequence of the activities of a facility, but from sources not owned or controlled by that facility's business. Some examples are extraction and production of purchased materials, transportation of purchased fuels, use of sold products and services, and flying on a commercial airline by a person from another business.

Greenhouse gases and energy.