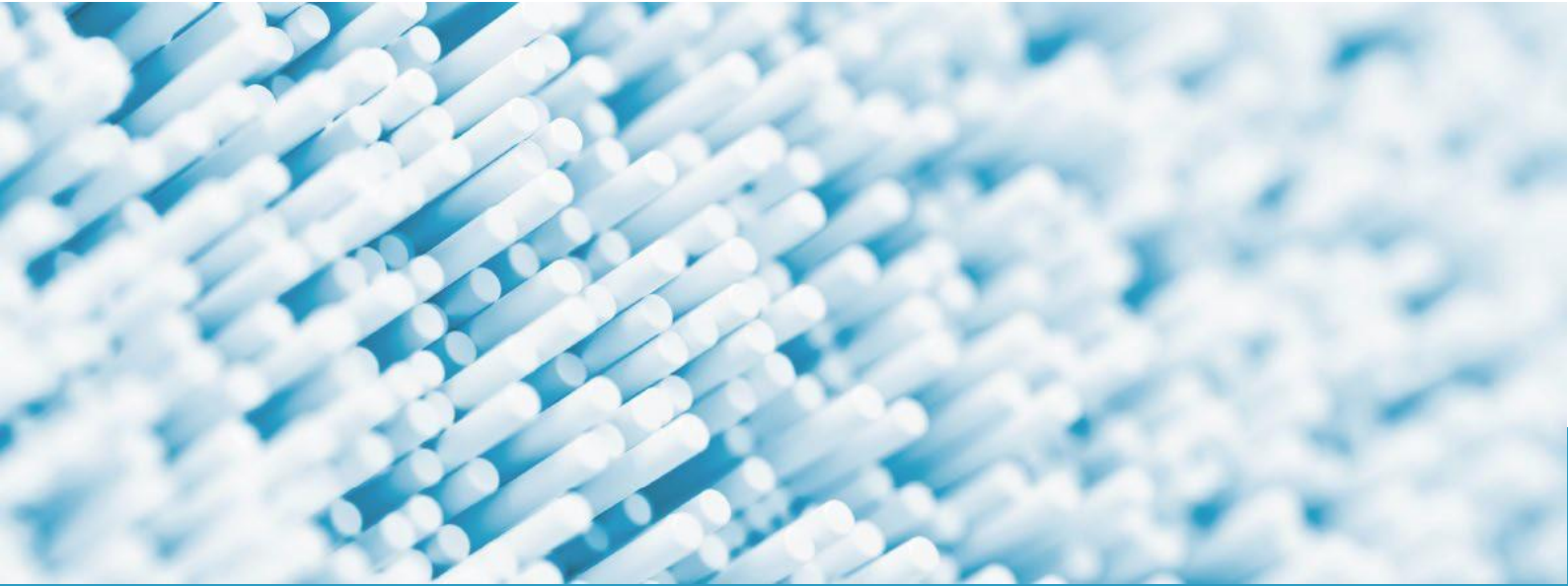




Australian Government
Productivity Commission

August 2024



Productivity Commission Emissions reduction plan 2024

Acknowledgement of Country

The Productivity Commission acknowledges the Traditional Owners and custodians of the of the lands on which we work, and we pay our respects to their Elders past, present and emerging.

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Accountable Authority sign off

The Australian Government released the Net Zero in Government Operations Strategy in November 2023, setting out the overall approach and action required by Commonwealth entities to achieve the APS Net Zero 2030 target.

The Net Zero in Government Operations Strategy represents a strong commitment by the Australian Government to lead by example on emissions reduction and contribute to the decarbonisation of Australia's economy.

The Productivity Commission (the Commission) is committed to the achievement of the Government's APS Net Zero 2030 target. The Commission is following the APS Net Zero 2030 target in full, as per the Net Zero in Government Operations Strategy.

This Emissions Reduction Plan describes the priorities and actions the Commission is taking to reduce our operational emissions and contribute to the APS Net Zero 2030 target.



Danielle Wood
Chair

Emissions reduction plan

Purpose

The Commission is responsible for managing and implementing emissions reduction initiatives set by the Australian Government's Net Zero in Government Operations Strategy (the Net Zero Strategy) developed by Department of Finance. The Strategy sets out the Australian Government's approach to achieving net zero greenhouse gas emissions from its operations by 2030 and the reinstatement of public emissions reporting.

The goal of this Emissions Reduction Plan is to provide a pathway for the Commission to contribute to the achievement of the APS Net Zero 2030 target through emissions reduction activities. This plan encompasses existing and new priorities and actions within the Commission to reduce emissions.

This Emissions Reduction Plan has been completed in accordance with the Net Zero Strategy, associated guidance and reporting standards for annual emissions reporting.

Net zero greenhouse gas emissions

APS Net Zero 2030 is the target set by the Australian Government to achieve net zero greenhouse gas emissions from government operations by the year 2030. It includes scope 1 and scope 2 emissions from activities in Australia and its territories, as described in the Strategy. The APS Net Zero 2030 target applies at the aggregate level to non-corporate Commonwealth entities and generally covers the entirety of the entity's organisation. From an organisational perspective, this means minimising the greenhouse gas emissions that are within our control.

Governance and reporting

Progress against actions identified within this Emissions Reduction Plan, and any additional measures adopted, will be included in our annual reports. This, combined with annual emissions reporting, will be used as a measure of the Commission's progress towards reducing its emissions.

As part of the Net Zero in Government Operations Annual Progress Report, the Department of Finance will aggregate these measures to provide whole-of-Australian Government emissions reporting.

Productivity Commission operational context

The Productivity Commission is the Australian Government's independent research and advisory body on a range of economic, social and environmental issues affecting the welfare of Australians. Its role, expressed most simply, is to help governments make better policies, in the long-term interest of the Australian community.

The Commission has approximately 200 employees and has offices (leased) in Canberra and Melbourne. It also sub leases a small area of office space in both Brisbane and Adelaide.

The majority of Commission employees are based in the Commission's Melbourne office.

The office space leased in Canberra is situated in a building with a NABERS (National Australian Built Environment Rating System) rating of five stars. The Commission leases 37 car spaces under the building. The lease commenced in 2016 and is due to expire in 2027.

The office space leased in Melbourne is situated in a building with a NABERS rating of six stars. The Commission does not lease any car spaces under the building. The lease commenced in 2020 and is due to expire in 2030.

Our office layouts include office spaces and open plan workstations, meeting and conference rooms, staff amenities areas and end of trip facilities to support and accommodate staff who choose to ride or walk to and from work.

The Commission leases a rack within a data centre facility. Our provider is certified under the Hosting Certificate Framework, which ensures hosting arrangements comply with data sovereignty, ownership structure, liability, supply chain and transparency arrangements, as well as requirements set by the Australian Government. The provider is 100% carbon neutral, certified under the Australian Government's Climate Active program.

The Commission does not operate a vehicle fleet.

Baseline emissions

Baseline emissions are a record of greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. The baseline emissions from financial year 2022-23 are the reference point against which emissions reduction actions can be measured.

The baseline emissions for this plan focus on scope 1 and scope 2 emissions, consistent with the APS Net Zero 2030 target. Electricity-related emissions were calculated using the location-based method. The complete 2022-23 greenhouse gas emissions inventory tables for the Commission are presented in our 2022-23 annual report.

Table 1 – Emissions baseline year, 2022-23

	Table heading
Scope 1 emissions	0 tCO ₂ e
Scope 2 emissions	109,207 tCO ₂ e
Total emissions	109,207 tCO ₂ e

Engagement

In the development of this plan the Commission has had regard to the Net Zero Strategy and worked with various teams in the Commission to gather information and identify options and considerations for lowering emissions.

Emissions reduction targets

The Commission is following the APS Net Zero 2030 target in full, as per the Net Zero Strategy. The target covers the entirety of our entity's operations within Australia and its territories for scope 1 and scope 2 emissions, as described in the Strategy.

Priorities and actions

Context

During 2022-2023, the Commission was accountable for total carbon emissions quantified at 282,495 kilograms of CO2 equivalent. An assessment of the emissions' provenance revealed that Scope 3 emissions represented approximately 61% of the comprehensive emissions across the Commission. In comparison, Scope 2 emissions had a relatively smaller contribution, representing 39% of the total emissions.

Investigations into Scope 2 emissions revealed that the primary source was the procurement of electricity for leased sites. Similarly, the analysis of Scope 3 emissions attributes the bulk of these to air travel.

For the Commission to contribute to the achievement of the APS Net Zero 2030 target, targeted action on existing emissions reduction measures and the introduction of further or new measures is required. These actions include:

- procuring renewable energy
- continuing to develop and implement sustainable procurement practices
- considering climate impact when planning travel
- incorporating circular economy principles into ICT purchasing
- enhancing capability and awareness across the Commission.

Buildings

The Commission will benchmark energy efficiency performance by comparing the Commission's base building and tenancy energy consumption and efficiency of office space against established NABERS ratings. This will assist the Commission understand its performance as well as identifying areas of improvement.

It is important to note that the Commission has limited control over the base buildings as all of its office spaces are leased, rather than owned. This restricts the direct actions the Commission can take. However, the Commission remains committed to influencing landlords to adopt energy-efficient practices and enhance building performance.

The Commission will ensure net zero building standards are a key consideration in discussions with landlords during any future lease negotiations.

Energy

The Commission will consult with the Department of Finance to facilitate participation in WoAG electricity procurement as per the Net Zero Strategy and replace all electricity contracts with renewable electricity.

Procurement

The Commission will continue to develop and implement sustainable procurement practices and will align its procurement policy and activities with the Environmentally Sustainable Procurement Policy and Sustainable

Procurement Guide published by the Department of Climate Change, Energy, the Environment and Water. The Commission will proactively build the capabilities of staff in this area.

Travel

The Commission is committed to aligning to WoAG travel policies, ¹ which require that travel must only be undertaken where other communication tools such as teleconferencing and videoconferencing are not suitable.

The Commission will update its travel policy to include climate impact including:

- considering available emissions information when procuring flights through whole-of-Australian-Government travel arrangements.
- wherever possible direct flights will be purchased where value for money can still be demonstrated (in consideration of the fact that take-off and landing are the most fuel-intensive parts of a flight - the more connections, the higher the emissions impact).
- noting and encouraging the use of low-emission modes of official transport such as trains or other land-based transport wherever this is practicable and cost effective, including consideration of matters such as any additional staff travel time required.
- encouraging selection of hotels with NABERS ratings where available and suitable.

ICT

The Commission will continue to incorporate circular economy principles into ICT purchasing to reduce embodied emission of the regularly upgraded ICT equipment. The Commission will consider products that are environmentally friendly, more durable over time and easy to repair and upgrade. This initiative will reduce the creation of e-waste and extend the product life, ultimately reducing emissions.

Capability and awareness

The Commission is committed to enhancing knowledge and skills regarding climate risks and opportunities, and sustainable procurement (including travel), across the Commission and to embedding consideration of these matters in day-to-day operations and decision-making processes.

The Commission will ensure completion of sustainable procurement training for Commission staff responsible for purchasing and will conduct at least one annual training awareness session on climate related topics for all Commissioners and staff.

¹ Resource Management Guide No. 404: Official Domestic Travel – Use of the lowest practical fare and Resource Management Guide No. 405: Official International Travel – Use of the best fare of the day