forging the way
ACKNOWLEDGEMENT OF COUNTRY

We acknowledge and pay respect to the Traditional Owners and Elders – past and present – of the lands and waters of the people of the Kulin nation on which the Climateworks Centre office is located, and all of the Elders of lands across which Climateworks operates nationally. We acknowledge that sovereignty was never ceded.
2021 was a year of important progress on climate, even as the world continued to grapple with many challenges from the COVID-19 pandemic.

The COP26 climate summit in Glasgow moved worldwide focus firmly to limiting warming to 1.5 degrees, and to ratcheting up 2030 ambition to align with this long term target. Global attention on climate finance flows increased. Indonesia assumed the G20 presidency, focusing on sustainable finance, reducing deforestation and green recovery, and Australia set a national net zero target. Importantly, the global climate narrative shifted – moving from ‘if’ we reach net zero, to ‘how’ we can get there.

In 2021, Climateworks embraced and built on this positive momentum. We contributed to key shifts in our region through our collaborations with governments, businesses and investors, embedding the 1.5 degree ambition into the work of decision-makers. We worked directly with governments while they were setting net zero targets. In Indonesia, we provided input to the official statement which commits the country to reaching peak emissions by 2030, and net zero emissions by 2060 or sooner. In the Pacific, we led the development of the Kingdom of Tonga’s long-term low-emissions development strategy – its launch during COP26 demonstrated the power of leadership from a small island nation.

Meanwhile in Australia, with CSIRO, we developed the first economy-wide net zero scenarios for Australia’s energy grid manager, AEMO, including a 1.5 degree aligned ‘hydrogen superpower’ scenario, to guide the 2022 Integrated System Plan. Major banks and energy companies used our advice and scenarios to inform the development of their net zero planning, and others drew on our work for an awareness campaign in the lead-up to COP26, that Australia needed an ambitious 74 per cent reduction in emissions by 2030. Our State and Territory Climate Action report showed subnational targets translated to an estimated 37-42 per cent reduction on 2005 emissions Australia-wide by 2030, a greater figure than Australia’s 2030 commitment under the Paris Agreement of 26-28 per cent. This was widely reported in the media in Australia and internationally, because it gave one of the first clear national pictures of net zero progress and potential.

Our collaboration with the Centre for Policy Development, Australian Industry Group (Ai Group), the Australian Council of Trade Unions (ACTU) and Pollination brought together business leaders, including the Business Council of Australia, for dialogues on how climate and economic recovery could be tackled together, and introduced new policy concepts which are now moving into implementation.

We continue to convene industry and finance organisations to accelerate action towards achieving net zero emissions in industrial supply chains by 2050. In 2021, our Australian Industry Energy Transitions Initiative showed existing and emerging technology solutions can address almost all emissions across five hard-to-abate industry supply chains, and that the transition will require significant investment, coordination and leadership.

In Southeast Asia, we collaborated to make the case for decarbonisation across ASEAN member states. Our work with the Sustainable Development Solutions Network (SDSN) and the Jeffrey Sachs Center for Sustainable Development at Sunway University convened research teams from half of ASEAN to build an economic and technical case for ambitious decarbonisation.

Climateworks is about establishing self sustaining change. We are proud to report the first forward-looking green equities index which we developed with BNP Paribas – the Australian Climate Transition index – outperformed the market by more than seven percentage points in its first year (to October 2021). This index measures the top scoring companies on their current and future alignment to net zero emissions pathways, and is showing the market how to act on this and the benefits of doing so. We co-delivered executive education on climate change and business risk to over 450 bankers across half of the ‘big four’ banks.

Showing organisations what good looks like, when it comes to climate action, is increasingly important. We utilised two years
of company assessments to establish four principles of 'best practice' for corporate net zero plans, embedding internationally recognised alignment with 1.5 degree pathways into the Australia context – a first. Our four principles of best practice are already shifting the dial, including in the energy sector, off the back of assessing the commitments of Australia’s 20 highest-emitting energy companies against Paris Agreement goals. With system change at the core of our strategy, Climateworks supports and enables the people, processes and structures that will create the greatest change in both physical systems – cities, industry, energy and food, land and oceans – and enabling systems – corporates, economies and finance.

In 2021 Climateworks grew from 55 to 75 staff as part of our strategy adopted in 2020 to scale up to resource the step-change needed in climate action to keep global warming below 1.5 degrees. Hosted by Monash University, our still-growing team now operates from Jakarta, Perth and Canberra, alongside our headquarters in Melbourne, to service our teams working across Australia, Southeast Asia and the Pacific. Our audiences grew too – with strong interest across the region. Our collaboration with the ABC to ‘untangle the climate mess’ resulted in among the most powerful climate communications of the year, and attracted hundreds of thousands of interactions.

In 2022, we are updating our name from ClimateWorks Australia to Climateworks Centre, to recognise our already established team in Indonesia and the significant expansion of our work across Southeast Asia and the Pacific. Our mission remains to scale and accelerate action to achieve net zero emissions by 2050 within Australia, Southeast Asia and the Pacific; our name is now updated to acknowledge the geography of our work. Our strategy remains to hold the bar high and be a bridge between research and action.

We act as trusted advisors, influencing decision-makers with the power to reduce emissions at scale, to achieve the system-level transitions required for net zero emissions.

We look forward to achieving this with you.

The Decade of Climate Action

Monash University, our co-founder and host organisation, adopted a new strategy in 2021: Impact 2030. The strategy prioritises climate change as one of three ‘challenges of the age’, alongside geopolitical security and thriving communities, and outlines ambition for direct action in the face of these challenges, around the globe. Climateworks works within the Monash Sustainable Development Institute and jointly supported Monash’s Net Zero Initiative and more over the past decade, and is excited about the decade ahead with climate action at the heart of the university’s strategy.

Climateworks Centre Impact report 2021
Letter from the CEO
Letter from the CEO
The corporate sector must act for the world to realise net zero ambition. In 2021 there was an encouraging uptick in consumer and shareholder expectation that companies move faster. Climateworks continues to expand engagement with this sector, driving company ambition higher. This is through demonstrating what climate leadership looks like, and how companies can embrace opportunities in decarbonising economies.
By tracking commitments we helped companies to step up

When influential organisations set better targets and undertake stronger action, it paves the way for entire sectors to follow suit. Our Net Zero Momentum Tracker has assessed companies representing over 60 per cent of ASX200 companies and two-thirds of national emissions, against the goals of the Paris Agreement.

This year the NZMT again showed its ability to lift corporate commitments into the public realm and increase transparency. Our eighth report (May, 2021) assessed commitments from Australia’s 20 highest-emitting energy companies against the Paris goals. While our analysis found no company was fully aligned – in fact, most fell short – our report led to increased engagement on what net zero alignment means for energy companies. Since the report’s release, some of Australia’s largest energy companies have made more ambitious commitments.

In 2021, we also utilised two years of NZMT assessments to establish four principles of ‘best practice’ for corporate net zero plans, embedding internationally recognised alignment with 1.5 degree pathways into the Australia context – a first. We engaged with over 30 organisations – Lendlease, Dexus, Australia Post, Coles, Fortescue, Commonwealth Bank of Australia and more – to create the Corporate action for 1.5 degrees: Best practice for Australian company net zero commitments report. It showed that only two ASX companies have met all four principles, and included practical examples of how each of the principles are being addressed. Its release was covered by major media across the country.

Many companies have already used it as a tool for creating effective net zero commitments. We know that illustrating what 1.5 degree alignment looks like – and how it is already being met – helps hold the bar high and normalise high ambition achievement. Meanwhile, we will continue our direct engagement, executive education and media outreach programs.

We upskilled business leaders to address climate change and business risk

We built skills and capabilities across the wider corporate sector, delivering executive education on climate change and business risk to over 450 bankers across half of the ‘big four’ banks. This included pilot sessions for an ESG program designed jointly with Monash Sustainable Development Institute. This program will be rolled out to 800 bankers in the first half of 2022.

We also supported several leading financial institutions in applying sector-based analysis (including 1.5 degree scenarios) to understand plausible net zero transition pathways for both them and their customers.

‘Climate change and carbon management strategies’, our Masters level unit offered through the Monash Business School, educated business leaders of the future on ways to tackle complex climate-related issues including climate risk. In 2021 it attracted 93 students – a consistent enrolment figure, despite another semester of COVID-19 disruptions. Guest lecturers from industry, finance, consulting and specialist experts in our sector provided students with insights into carbon management decision making in a range of sectors.
Ambition is on the rise for governments and investors, as rapid momentum brings net zero economies within reach. Climateworks continues to engage governments and industry leaders with analysis and modelling to offer insights into economic opportunities enabling sustainable pathways.

We translated state and territory climate action into 2030 ambition

By 2021, all state and territory governments had formal net zero targets, with additional policies adopted across all sectors of the economy. Our State and Territory Climate Action report showed these targets translate to an estimated 37–42 per cent reduction on 2005 emissions Australia-wide by 2030—a much greater figure than Australia’s 2030 commitment under the Paris Agreement of 26–28 per cent.

During the COVID-19 pandemic, we brought Australian state and territory governments together to share and learn how climate action can work in tandem with economic recovery.

Widely reported ahead of COP26 in Glasgow, our analysis gave one of the first national pictures of net zero progress and potential. We also provided sectoral analysis of policy implementation progress, and state and territory governments have agreed to continue convening on this supported by Climateworks via the creation of an ongoing forum. Climateworks is proud to have developed pathways for the first states to adopt net zero emissions targets last decade, to see all sub-national jurisdictions now with net zero commitments, and to be advising them on implementation by sector.
Our high-level dialogue connected climate action with economic recovery

Collaborating with the Centre for Policy Development, we created the Climate and Recovery Initiative. The initiative steering group includes the Australian Industry Group (Ai Group), the Australian Council of Trade Unions (ACTU) and Pollination. In 2021, the initiative continued to host stakeholder roundtables, joined by leaders from the Business Council of Australia, investors, advisers, state and federal government. We introduced new policy concepts encouraging smart investments today that can lay foundations for long-term growth and prosperity.

We showed ways to leverage private investment for precinct-scale decarbonisation

Renewable Energy Industrial Precincts (REIPs) allow industrial businesses to share renewable energy assets by coexisting in designated areas. In doing so they can deliver significant step-changes in reducing emissions. Working with partners (including investors and leaders representing Australia’s largest fund managers, banks and institutional investment community – collectively responsible for $2.7 trillion in assets under management – as well as the Clean Energy Finance Corporation), Climateworks introduced a new framework for precinct-scale action that can accelerate investment in both supply and demand sides of decarbonisation in industry and energy. The ‘co-investment partnership framework’ enables funding from state and federal sources to combine, leverage private investment, and achieve industrial precinct decarbonisation goals. We also worked with Beyond Zero Emissions to identify the investable components of REIPs. The framework is now being actively pursued by governments.

Finance is critical to the net zero transition. As financial flows begin shifting across all sectors, Climateworks is building traction by supporting financial institutions and guiding implementation of long-term investment strategies.
In 2021, we recruited Dr John Vong to lead our sustainable finance program of work, enabling emissions reductions by mobilising net zero aligned capital across Australia, Southeast Asia and the Pacific. John is an expert in this field across our region: over the past two decades, he has managed projects under the direction of DFAT, World Bank Group, UN Development Programme and Asian Development Bank.

The equity index we co-developed outperformed the market

We are proud to report the first forward-looking green equities index which we developed with BNP Paribas – the Australian Climate Transition index – outperformed the market by more than seven percentage points in its first year (to October 2021). This index measures the top scoring companies on their current and future alignment to net zero emissions pathways.

It delivered a total shareholder return of close to 30 per cent compared to 23 per cent for the ASX200 index, encouraging the alignment of investment strategies with climate-aligned transition strategies. Climateworks continues to collaborate with BNP Paribas, ISS ESG and the Centre for Quantitative Finance and Investment Strategies at Monash University, to ensure investors have enhanced visibility into the climate credentials of the companies in which they invest. The successful launch of the index provides an opening to step-up ambition to 1.5 degrees, when the index is updated in 2022.

We began collaborating with major infrastructure in Indonesia to support SDGs

John supported our Indonesia team, led by Guntur Sutiyono, to launch a collaboration in November 2021 between Monash University Indonesia and PT Sarana Multi Infrastruktur, the Indonesian Ministry of Finance’s infrastructure financing company. The ‘memorandum of understanding’ between the two organisations will promote programs, research, and joint activities to support the Sustainable Development Goals, and the prevention of climate change impacts in Indonesia. Climateworks will provide technical support to the collaboration including on climate related financial disclosures and strategic assessments of risk and opportunity.

We’re helping build ESG capacity in Indonesia’s state regulator

Our Indonesia team’s relationships and focus on finance enabled engagement with the Indonesian state regulator of development finance. The aim is to build their capacity in ESG and sustainability reporting, encouraging their net zero ambitions and those of the state-owned enterprises they supervise and evaluate. These projects offer great potential to initiate system-wide change in Indonesia and strengthen our relationships in the region.
Limiting the temperature rise to 1.5 degrees means major changes in the food and land system—from how we grow our food and fibre through to how we manage our forests and natural carbon sinks. Climateworks, through the multi-faceted Land Use Futures program, is enabling action towards nature-based solutions that can safeguard our environment.

We’re breaking new ground by showing how critical land is to climate goals

Renewable, sustainable solutions for food systems and land management go beyond emissions. This year we advanced Australia’s research and modelling capabilities to deepen knowledge around achieving a sustainable future for land use. Our collaboration with CSIRO and Deakin University informs decision-makers how food production and consumption can change, to cut emissions and reverse environmental degradation and biodiversity loss across Australia’s agriculture and land use system. Our collaboration is updating the Land Use Trade-offs, or LUTO, model. The model now has groundbreaking capabilities to simultaneously consider the potential impact of land use practices across Australia, alongside potential changes in domestic and overseas demand for agricultural products.

We’re paving the way to climate action through nature-based investing

We released a proof-of-concept Natural Capital Measurement Catalogue in 2021 to help farmers and land managers measure natural capital on their property. The tool will also allow governments and businesses to more effectively define, measure and monitor their natural capital objectives and impacts, supporting targeted investment and transparent decision-making. The Catalogue reflects an increase in global focus on natural capital and was designed to tap into a significant opportunity for Australia to provide nature-based investment solutions. We co-developed the Catalogue with support from NAB and built engagement by convening an advisory group made up of diverse stakeholders across government, food supply chains, financial institutions, industry groups, research and ag-tech. We are delighted to have secured new support from the Macdoch Foundation for the next phase of the initiative to make the value of nature more visible to decision-makers in business and government, and modern financial systems.
Climateworks’ past focus on energy was embedded in our wider decarbonisation futures benchmarks. We explored energy through a range of actions such as our work with industry, scenarios provided to AEMO, Transgrid and others, and through addressing energy use in buildings, land and transport sectors. Now, as we further develop our system-based approaches, Climateworks is combining and deepening these energy interventions with a dedicated energy system team.

Our scenarios showed 1.5 degrees is plausible

Climateworks, with CSIRO, provided new net zero scenarios that supported the development of the most ambitious of AEMO’s integrated system plans for Australia’s National Electricity Market (NEM). It made headlines as the first time a 1.5 degree trajectory had been incorporated into an integrated roadmap for the efficient development of the NEM over the next 20 years.

We are charting climate action for the ASEAN Ministerial Forum

Our experts have already supported policymakers in ASEAN countries to broaden their vision for climate action by strengthening technical, financing and institutional capabilities. In 2021, Climateworks provided an energy-climate needs assessment report to the ASEAN Ministerial Forum, partnering with the ASEAN Centre for Energy (ACE) through the ASEAN Climate Change and Energy Project (ACCEPT). Our analysis of interviews and surveys helped policy-makers to understand challenges and opportunities for climate action in the region.
We’re building capacity in the region for implementing NDCs

Our energy experts also led energy-climate capacity building workshops for government bodies, on nationally determined contributions (NDCs) and how they can be implemented. This work has built strategic partnerships in Australia and Southeast Asia, enabling longer term impact—and future collaborations—to transition energy systems towards net zero.

We’ve joined the team leading the clean energy RACE

Climateworks is part of the expert team delivering the RACE 2030 (Reliable, Affordable, Clean Energy) E2 ‘opportunity assessment’, foresighting a net zero energy system for the Australian national energy market. We are providing system analysis, stakeholder mobilisation and options for development components.

This study will help to form the scope of the ‘decentralised statement of opportunity’, and biennial foresighting report, as well as a detailed research roadmap for Australia to achieve a net zero energy system by 2050.

Our energy experts also supported engagement with the Energy Security Board, advising the post-2025 market design for the effective integration of distributed energy resources (DER) and flexible demand, taking a customer-centric approach.

CITIES

We are reimagining our cities through sustainable buildings, transport and infrastructure. If we can transform how we live and work for the better, we can realise sustainability in our urban environments.
Climateworks approached the urban challenge on a number of fronts in 2021. We focused on improving policies and decision-making tools that can enable a safer and healthier life for Australians, as well as developing critical analysis and policy guidance to inform state transport and infrastructure planning. This included working with stakeholders across state government and the industry sector to advance an enabling environment in Australia for electric vehicles, and improving the energy performance requirements for buildings.

We’re looking beyond electric vehicles to drive decarbonisation of transport

Climateworks Chair, Professor John Thwaites AM, was appointed to the expert advisory panel for the Victorian Government on electric vehicle uptake. Our transport experts provided policy guidance to the panel, identifying priority interventions for encouraging uptake of electric vehicles. Our specialists also added nuance to the wider transport story, with a series of articles that highlighted the significance of approaching the sector as a whole, as well as the specific role of electric vehicles, infrastructure and hydrogen.

We’ve built momentum for higher energy performance in millions of new homes

We also provided important research and strategic advice to a coordinated effort from industry and community groups to support higher energy performance standards for Australian homes, through proposed changes to the National Construction Code.

Now we’re unlocking infrastructure’s potential for emissions reductions at scale

Support for a stronger code has grown significantly since our Built to Perform report was released in 2018 with the Australian Sustainable Built Environment Council (ASBEC). This work clearly demonstrated the socio-economic benefits of higher energy performance standards. Our efforts with built environment groups to achieve energy efficiency improvements in the National Construction Code continues in 2022.

Climateworks has been laying the groundwork for a collaborative initiative to embed climate targets in how we plan and develop infrastructure for Australia. Modelling to understand what infrastructure and investments are needed to achieve net zero is in progress, and we are working with state infrastructure bodies, government, finance and industry representatives to lay the way forward. In 2022 we will work with key stakeholders on practical tools to unlock the potential of infrastructure to enable a net zero future.
In 2021, our co-convened Australian Industry Energy Transition Initiative (Australian Industry ETI) supported companies, representing approximately 27 per cent of the ASX100 market value and more than a fifth of Australia’s industrial emissions, to publish their first reports showing how all five supply chains of the ‘hard to abate’ industry sectors can achieve net zero emissions by 2050.

We’re showing the way to net zero emissions supply chains, with Australian industry

Getting to net zero within ‘hard-to-abate’ industry sectors, working across complex supply chains, calls for a multi-faceted approach by multiple players, covering industry, finance, investment and service providers. The Australian Industry ETI continues to lead the way in developing pathways to net zero and initiating projects that can build momentum towards this goal across a sector that is critical to our economy.

In 2021, we worked collaboratively with our industry and finance partners to better understand the potential for early action on decarbonisation in heavy industry. Together, we agreed to model a 1.5 degree pathway as part of our scenario analysis to develop supply chain pathways to industry decarbonisation (set for release in 2022) – a substantial development in the national conversation around industry decarbonisation.
We took an important first step in aligning industry to net zero

Through 2021, Australian Industry ETI collaborated to release its Phase 1 report Setting Industry Up for Net Zero, which presented priorities for decarbonising heavy industry. The accompanying technical report demonstrated the potential for decarbonising five key supply chains – iron and steel, aluminium, other metals, chemicals and liquified natural gas. The report examined the current status of the supply chains, the potential for low- and zero-emissions technologies, combined with energy system analysis relevant to a net zero emissions transition. This work showed that supply and uptake of zero-emissions energy is the most critical aspect of a net zero transition. Five broad categories of abatement opportunities were identified:

+ material, energy and service efficiency
+ zero emissions energy and feedstocks supply
+ electrification and other fuel switching
+ non-energy emissions abatement
+ capturing or offsetting residual emissions.

Deployment of mature and demonstrated technologies from these categories, across all supply chains, can achieve more than 85 per cent of the emissions reductions required for a net zero aligned industry sector.

We identified how whole industrial regions in New South Wales can transition to net zero

Climateworks also identified industrial regions vital to the transition. Our industry decarbonisation experts developed recommendations for the Government of New South Wales on net zero emissions transitions in Port Kembla and the Hunter Valley, informing a $750 million program which will begin transitioning heavy industry to net zero emissions. In 2022, we are focusing on informing the transition of crucial regions to net zero as part of the Australian Industry ETI program, including the Pilbara, Kwinana, Illawarra, the Hunter and Gladstone, continuing work with our partners.
INTRODUCTION AND COUNTRY CONTEXT

Climateworks partners strategically in the region to shift the dial on climate ambition. We collaborate with ministries, development and finance institutions, international NGOs and local research and implementation partners. In 2021 our focus was on developing ambitious long term strategies, building an economic rationale for stronger climate action and unlocking sustainable finance.

2021 was a year of significant activity on many fronts across the region for Climateworks. This applied particularly in Indonesia when our team (operating locally since 2018) were welcomed into Monash’s newest campus, which opened in Jakarta in 2021.

Our work contributed to Indonesia’s net zero emissions ambition for 2060

We provided input to the Indonesian Ministry of Environment and Forestry as they developed Indonesia’s Long-Term Strategy for Low Carbon and Climate Resilience. This is an official statement which commits Indonesia to reaching peak emissions by 2030 and net zero emission by 2060 or sooner. We also supported the Indonesian Ministry of Finance with a green economic recovery study which continues to explore opportunities for Indonesia to improve its current fiscal stimulus and future fiscal policies.

Our contribution includes providing recommendations on which sectors can bring the best green recovery benefits and which policy instruments can be used to deliver that benefit. Climateworks assisted in the development of a natural disaster insurance scheme for the Indonesian Financial Services Authority (Otoritas Jasa Keuangan). We also facilitated talks between Italy and Indonesia, as part of the G20 presidency handover to Indonesia. Focused on the sustainable finance agenda that Indonesia will carry into its term as G20 President, the discussion included representatives from the Financial Services Authority, Indonesia’s COP26 delegation and bilateral donors.
We collaborated to make the case for decarbonisation across ASEAN member states

The combined GDP of member countries of the Association of Southeast Asian Nations (ASEAN) make it the fifth largest economy globally. Our work with the Sustainable Development Solutions Network (SDSN) and the Jeffrey Sachs Center for Sustainable Development at Sunway University convened research teams from half of these member nations to build an economic and technical case for ambitious decarbonisation across Cambodia, Indonesia, Lao PDR, Malaysia and Thailand. The ASEAN Green Future project released a series of reports from local country teams to synthesise existing evidence to demonstrate that greater climate ambition is both achievable and desirable. The project also released a regional report that describes how, through increased regional collaboration, ASEAN member countries can go further, faster, together on climate action, while reaping economic rewards.

Despite COVID constraints, Climateworks participated in-person and remotely at COP26

Our Australia Country Lead, Anna Malos, travelled to Glasgow in November to represent Climateworks, and Monash, in person at COP26, providing on-the-ground insights to Australian media and to researchers across the university. Climateworks experts also participated in a range of online forums, remotely from their homes in Australia and Indonesia.

And we supported the Kingdom of Tonga to submit their long term strategy to the UNFCCC

The Kingdom of Tonga launched their long-term low-emissions development strategy, the development of which Climateworks led, facilitating collaboration between government, civil society, state-owned enterprises and the private sector. The strategy’s successful launch during COP26 demonstrated a new participatory delivery model — as well as powerful leadership from a small island nation showing that effective strategies can be created in low-resource environments.

Partnering for greater impact: we have developed many important new relationships

We joined the Asian Development Bank’s Southeast Asia Development Symposium (SEADS) as a knowledge partner, focusing on building back a more inclusive, resilient and sustainable region post-pandemic. Climateworks also joined the Green Economy Coalition and the Green Growth Knowledge Platform this year, enabling our work to have more impact as we support Southeast Asian nations to raise their ambition.

Our work in the region has seen us positioned as a valuable contributor to decision-making forums, leading to relationships and opportunities — such as being invited to write the Australia chapter for the IDDRI Climate Ambition Beyond Emissions Numbers report, which took stock of progress by looking inside countries and sectors.
Our work on the crucial role of oceans for climate is shifting mindsets

Climate change is commonly discussed as though it’s a uniquely atmospheric phenomena. But the crisis is deeply entwined with the ocean – and they are a vital part of the solution. Climateworks continues to develop its expertise in this field, which was on show at COP26. Oceans provide more than 20 per cent of the emissions reductions needed to keep warming below 1.5 degrees and our international policy and multilateral governance experts shared their expertise in the leadup to the summit, hosting an event at the Zero Emissions Solutions Conference run by UNSDSN alongside COP26 in Glasgow. They followed up with appearances in Australian media – online and on radio – where they explained the substantial role that ocean-based mitigation plays in climate change, and urged governments to do more to include oceans as a central consideration in climate talks. They have also been active in work on fossil fuel related harmful fisheries subsidies.

SYSTEM CHANGE AND CAPABILITIES

Rising to the climate challenge requires action at scale. Climateworks has embedded system change into our organisational DNA with support from our dedicated group of system change thinkers, enabling our proven approaches to reach wider audiences and effect greater shifts.
In 2021, Climateworks implemented system change approaches across the entire organisation—embedding these concepts into planning through the development of new organisational frameworks and processes which leverage systems change, behaviour change and change management literature.

Our specialist systems change and capabilities group supported the creation of system plans, mapping and building understanding in priority areas for decarbonisation—for example in land and agriculture, cities, industry and energy systems. We are identifying intervention points which could deliver system-level change. Synthesis of system-level planning was fed back into our organisational strategy, sharpening our focus and identifying shared outcomes across our programs-of-work to ensure that our organisational impact is more than the sum of its parts.

We also invested in upskilling our people. To date over 60 per cent of staff have completed facilitation training, building on previous work to define collaboration principles. We developed an organisation-wide system for monitoring, evaluation and learning and facilitated practice groups to help share our knowledge and expertise across the organisation. And we centralised our modelling capabilities, to ensure our agenda-setting research seamlessly informs the work of all teams.
CARING FOR OUR PEOPLE: CONNECTING OUR TEAM, PARTNERS AND AUDIENCES

Dialling up support, our operations specialists continued to enable our multi-country organisation to run seamlessly. The team spans a number of disciplines, from organisational and knowledge management and business support, to philanthropy and communications.

We focused on our people and provided dedicated business support

Under circumstances that have been challenging for everyone, our operations specialists held our organisation together to ensure all of our climate workers were supported to perform their roles and functions seamlessly, pivoting with our collaborators and supporters to ensure continuity in the pursuit of our mission.

In addition to maintaining our operations, systems and processes; assisting all staff through another year of remote working, this year we added two new Climateworks locations, in Jakarta and Perth. Our operations team also managed recruitment and onboarding for more than 30 new starters as we created new dedicated teams in energy, finance, transport and systems change, and expanded others. For many, this meant being welcomed into the organisation before even setting foot in our offices.
We welcomed new supporters – who are all vital to realising our mission

As the urgency for net zero solutions grows, so too does the need for our work. Philanthropic funding is essential to enabling this action. And so this year our philanthropy team grew, in a move which is already strengthening existing and new relationships with our valued funders and donors across Australia, Southeast Asia and the Pacific.

We are proud to be working with trusts, foundations, philanthropic associations and wealth advisors to co-design, champion and invest in our strategic work. Each brings valuable insights and expertise to our organisation and programs.

Thank you to our supporters – we could not create change without you.

‘The world is going through a very important transition and this transition requires the capacity to understand complex systems and set up processes to better govern the systems. Helping forge this capacity is essential’

– Dr Guillermo Castilleja, Senior Advisor, Global Alliance for the Future of Food

Panel member for Climateworks at the Philanthropy Australia Summit 2021

We’re reaching larger audiences – and shifting perspectives on what’s possible

Climateworks has grown its audience and is connecting with more people than ever before. Our writers, content, digital, design and knowledge professionals translated our analysis into products relevant to new, influential audiences, including via media. In 2021, we embarked on an innovative collaboration with ABC News Storylab – which pushed the boundaries of what climate communications can be, published after Australia’s net zero commitment. Our strong media relationships saw our decarbonisation experts advise news.com.au articles on net zero futures, and they were cited in agricultural publications, corporate director magazines, specialist building and policy publications and across the spectrum of mainstream media, including AFR, Bloomberg, the Australian, Age/SMH, ABC television and CNN in Indonesia, among many others. Our media engagement has helped shape new narratives, reinforced through specialist events, authored articles and op-eds, and through reliable data and analysis supplied to top-tier publications. New editorial initiatives also attracted record engagement with Climateworks and Monash University channels, including digital events which brought together Australian and international partners ‘in conversation’, with 3000+ registrations in our series of five events in the leadup to COP26.
In 2021 we ran seven digital events, including our Briefing Room series, averaging over 500 registrations per webinar.

We published over 80 articles on our blog, attracting average views of 5,000 per month. In 2021 our blog was selected as one of the top Australian climate change blogs or websites by Feedspot.

We raised Climatoworks’ public profile with over 1,500 organisational mentions across media and social channels.

Our 1.5 degree benchmark for Australia work alone notched up 7,500 citations this year.

Our collaboration with ABC Storylab Untangling the Climate Mess took hundreds of thousands on a journey to solve the climate challenge, providing climate solutions to audiences, young and old, across the country and around the world.

Climatoworks joined Monash University’s international COP26 campaign with opinion pieces, publication releases and social media, with an on-ground representative at the Glasgow event and other staff presenting remotely.
MEDIA HIGHLIGHTS

International and Country Context

Scott Morrison has embraced net-zero emissions – now it’s time to walk the talk
ABC ONLINE
COP26: Momentum shifts to help curtail the emissions curve, but not enough to crush it
MONASH LENS
Indonesia confident it will produce electric vehicles within three years
THE WORLD

Can Southeast Asia maintain its high growth without the carbon baggage?
SDG ACTION
The ocean is essential to tackling climate change. So why has it been neglected in global climate talks?
DEV DISCOURSE
Net zero emissions explained: What it means and how long it will take Australia to reach global goal
NEWS.COM

Sustainable Corporates

Wondering if your energy company takes climate change seriously? A new report reveals the answer
THE CONVERSATION
Industry banking on academic learning
AUSTRALIAN FINANCIAL REVIEW

Sustainable Finance

Lower carbon bond portfolios do better
AUSTRALIAN FINANCIAL REVIEW

Industry

‘Leading by example’: Heavy industry moves ahead on climate targets as Morrison waits
SYDNEY MORNING HERALD

Energy

Unstoppable transition: Australia can hit 91% renewables by 2030
RENEW ECONOMY
Australia’s energy market operator plans for net zero by 2050 as Morrison stalls
THE GUARDIAN

Sustainable Economies

States put Australia on track to beat 2030 emissions pledge but Morrison may not make it official
SDG ACTION
State action alone could lead to nation meeting emissions targets
SYDNEY MORNING HERALD
Australia needs up to 74% emissions cut by 2030 to stay on track for 1.5°C
RENEW ECONOMY
Tasmania’s reached net-zero emissions and 100% renewables – but climate action doesn’t stop there
THE CONVERSATION
Where each Australian state and territory stands on net zero
SBS NEWS

Cities

National Construction Code – we need to go strong on housing, ministers
THE FIFTH ESTATE
Building a net zero future: What next after COP26?
THE FIFTH ESTATE
On the road again: here’s how the states can accelerate Australia’s sputtering electric vehicle transition
THE CONVERSATION
Moving towards zero-emissions transport in a post-COVID-19 Australian economy
MONASH LENS

Unstoppable transition: Australia can hit 91% renewables by 2030
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ABOUT US

Climateworks Centre 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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