



Australian Government
The Treasury



Emissions Reduction Plan

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In the spirit of reconciliation, the Treasury acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples.

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 Treasury is committed to the achievement of the Government's APS Net Zero 2030 target.

Consistent with the Net Zero in Government Operations Strategy our Emission Reduction Plan has been developed to provide a pathway for Treasury to contribute to the achievement of the APS Net Zero 2030 target through emissions reduction activities. While there is no specific target identified, the Plan encompasses existing and new priorities and actions to be undertaken within Treasury

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Forward

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 Treasury is committed to the achievement of the Government's APS Net Zero 2030 target. The Treasury 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 Treasury is taking to reduce our operational emissions and contribute to the APS Net Zero 2030 target.

A handwritten signature in black ink, appearing to read 'SK', with a long, sweeping underline that extends downwards and to the right.

Dr Steven Kennedy PSM
Secretary to the Treasury

Emissions Reduction Plan

Purpose

The Australian Government's Net Zero in Government Operations Strategy (the Strategy) developed by Department of Finance 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 Treasury 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 to be undertaken within Treasury to reduce emissions.

The plan will provide a base line level of emissions reflecting the emission reporting undertaken in 2022–23 as reported in the Treasury Annual Report.

This Emissions Reduction Plan has been completed in accordance with the **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. Scope 1 and 2 emissions are relevant to the consideration of electricity consumption and emissions associated with buildings and fleet arrangements.

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 those greenhouse gas emissions within our control.

Governance and reporting

Progress against actions identified within this Emissions Reduction Plan, and any additional measures adopted, will be managed through the Treasury Performance and Risk Committee and included in our annual reports. This, combined with annual emissions reporting, will be used as a measure of Treasury 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.

Treasury operational context

The Treasury is an agency of around 2,000 staff with offices in Sydney, Melbourne, Canberra and Perth. Its building facilities, includes 7 commercially leased office spaces with a total net lettable area (NLA) of 23,866.97m².

The leased space in Sydney, Melbourne and Perth are specific floors of a multi-tenanted high-rise building. The Treasury Building based in Parkes Canberra is a Commonwealth Government owned facility, managed by the Department of Finance.

Treasury has implemented a range of measures to reduce its impact on the environment. This Plan builds on these key achievements and provides a holistic approach to achieve sustainability and net zero carbon emissions across all areas and functions of Treasury including facilities and operations.

Highlights – delivered initiatives

- Treasury’s property portfolio is fully electrified, with no gas used to energise sites
- Implementation of LED lighting systems in all new office fit outs
- Minimisation of paper consumption with printers defaulting to two-sided black and white printing, with electronic documents supported throughout the Treasury
- Energy-saver mode utilised for most office equipment when not in use
- The utilisation of teleconferencing and videoconferencing for meetings
- Electrical appliances are minimum 5-star energy rated where possible
- Waste recycling stations present at sites, segregating different waste streams to improve diversion
- Organic waste is collected and processed by a commercial worm farm and composting company
- Fit-out infrastructure and furniture recycling strategy implemented, ensuring existing infrastructure is reused, and redundant office fit-out is sourced from other departments where possible
- Toner cartridges, fluorescent lights and batteries are all recycled
- Increase of current fleet to 50% low emissions vehicles
- Reduced water consumption through waterflow restriction controls, and use of water efficient appliances
- Participation in Earth Hour

Baseline emissions

Baseline emissions are a record of historic greenhouse gases. The baseline emissions from financial year 2022–23 (as amended) is the reference point against which emissions reduction actions will 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 Treasury presented in our 2022–23 annual report (amended for updated data).

Table 1 – Baseline emission (2022–23)

Baseline year	Financial year 2022–23
Scope 1 emissions	2.2 tCO ₂ e
Scope 2 emissions	661.8 tCO ₂ e
Total emissions	664 tCO ₂ e

Engagement

In the development of this plan Treasury has been working with:

- Property Services, CFO Branch – Treasury
- Fleet Services, CFO Branch – Treasury
- Sustainability Finance Branch, Climate and Energy Division – Treasury
- Property Service Provider – Ventia

Emissions reduction targets

Treasury is following the APS Net Zero 2030 target in full, as per the Net Zero in Government Operations 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. While the implementation plan provides some predicted emission reduction figures, these are very speculative and should be considered more as an indication of the opportunity for emission reduction in the relevant category.

Priorities and actions

For Treasury 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.

To support a pathway to net zero the Plan has divided emissions related activities into the following three categories:

- Net Zero Buildings
- Net Zero Energy
- Net Zero Fleet

These actions are summarised in the following points, with further detail provided in the implementation plan:

- Improving building standards in line with the relevant National Australian Built Environment Rating Scheme (NABERS) rates as required by the Net Zero in Government Operations Strategy
- Procuring renewable electricity through the whole of Australian Government electricity arrangement
- Consolidate offices where applicable to the Treasury’s operations
- Transitioning the fleet vehicles to low emission vehicles

Implementation

The following section identifies 24 actions and delivery timeframe for the Emissions Reduction Plan to 2030. The implementation of the Emissions Reduction Plan will be subject to future annual budget and service priorities.

This is the inaugural Emissions Reduction Plan for Treasury and will focus on actions with the highest emissions reduction impact to assist in meeting the 2030 target date.

In the implementation plan, each action has been categorised as to whether it directly reduces Treasury's carbon emissions, influences other action, or innovates by enabling the integration of new or emerging technologies.



Emission reduction projects will be prioritised in terms of emission reduction impact and return on investment.




It should be noted once action 2.1 is completed for relevant locations, none of the items related to 'Buildings', apart from the backup generator replacement, will have any ongoing impact on emissions outcomes. If energy consumed is renewable, reductions in energy consumed will have no impact on emissions.

Some of the actions may have residual benefits for 'scope 3' emissions outcomes (for example if improved end of trip facilities can result in more people cycling or walking to work rather than driving internal combustion vehicles).









Implementation Plan





Priority Area one: Buildings

Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029
1.1	<p>Undertake annual NABERS Energy ratings for leased properties with an NLA of >1000m², achieving a minimum 5.5-star rating for metropolitan sites and 4.5-star rating for regional sites.</p> <p>These sites include:</p> <ul style="list-style-type: none"> • Canberra, 15 Moore St • Parkes, Treasury Building • Sydney, 201 Kent Street, Level 23 • Sydney, 201 Kent Street, Level 29 <p>Note:</p> <ul style="list-style-type: none"> • Melbourne tenancy is not included in the list above as the NLA is below the 1000m². • The Treasury Building holds a current NABERS 5.5-Star Energy rating. • When using the NABERS reverse calculator, Moore St meets a 5.5-Star Energy rating, however, is required to undertake a NABERS Energy rating to meet the requirements of the Strategy. <p>Commencement year and ongoing annually: 2024</p> <p>Predicted emissions reduction: 63.14t CO₂-e p.a.</p> <p>Predicted energy reduction: 79,921 kWh p.a. by meeting a 5.5-star NABERS Energy rating</p> <p>Ventia Sustainability will continue to manage Treasury's NABERS ratings on an ongoing annual basis.</p>	Impact 	Treasury Property Ventia Sustainability	→	→		→	→	→
1.2	<p>Ensure all office refurbishments with an office space of >1000m² and leased for a minimum of four years will achieve 5.5-star NABERS Energy rating.</p> <p>or</p> <p>Office space for purchase or construction, with a contract value of over \$15m will achieve a 4-star Green Star certification and maintain a 6-star NABERS Energy rating</p>	Impact 	Treasury Property Ventia Sustainability Ventia Projects						→



Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029	
	As of 2024 there are no planned office refurbishment/purchase programs of works scheduled with Treasury’s service provider, Ventia. Ventia Projects will ensure all future programs of works meet this requirement. Commencement year and ongoing: 1 July 2026									
1.3	Establish a Net Zero Working Group with Treasury key stakeholders, leased property managers and leased property owners to establish strategies and boundaries for initiatives that can be undertaken by Treasury and garner support from landlords to support and implement net zero initiatives that improve a sites emissions performance. Commencement year and ongoing: 2024 Working group schedule: Biannually at a minimum	Influence 	Treasury Colliers Landlord(s)	→						
1.4	Implement Green Lease Schedules (GLS) for all leased properties with an NLA of >1000m ² and minimum 4-year lease term. Sites that require a GLS include: <ul style="list-style-type: none"> • Canberra, 15 Moore St¹ • Sydney, 201 Kent Street, Level 29 • Sydney, 201 Kent Street, Level 23 Parkes, Treasury Building has a GLS in place which will be reviewed to ensure it aligns to the requirements of the Strategy. The GLS will create a legal and management framework under which both parties, lessor, and lessee, are required to achieve and maintain the building environmental performance throughout the term of the lease. A mutually agreed GLS will assist Treasury overcome barriers more effectively by allocating incentives and responsibilities for improved emissions reduction management across its leased portfolio. Commencement year and ongoing: 1 July 2025	Influence 	Treasury Property Colliers		→					
1.5	Maintain an all-electric building portfolio, with all new leases needing to be fully electric.	Impact 	Treasury Property Colliers		→					

1 A GLS for the Moore St site will only apply if the lease will be extended beyond 30 April 2025.

Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029
	The Treasury Building has a back-up diesel generator, which is now only connected to a small server room and remains primarily redundant onsite. At end-of-life Treasury with its PSP will investigate alternative options including, but not limited to, uninterrupted power supply or non-diesel-powered generators. Commencement year and ongoing: 1 July 2024								
1.6	Investigate and ensure all new office spaces >1000m ² purchased, leased, constructed, or refurbished have separate electricity metering (where practical) or implement separate digital revenue metering where Treasury occupies 50% or more of the total building. All sites are currently billed via separate metering, with this requirement only applying to future leases. Commencement year and ongoing: 1 July 2024 As of June 2024, all Treasury sites are compliant with this requirement.	Influence 	Treasury Property Colliers Landlord(s)						
1.7	Develop an EV Charging Plan that aligns to Treasury's operational requirements. Commencement year: 1 July 2024 – COMPLETED	Influence 	Treasury Property Ventia Sustainability						
1.8	Implement EV charging in accordance with Treasury's EV Plan 2024 and where allocated parking is provided. Sites with allocated parking and allocated fleet include: • Parkes, Treasury Building Currently Treasury are in negotiations to install EV charging at this site. Commencement year: 2025	Impact 	Treasury Property Ventia Projects Colliers Landlord(s)						
1.9	Undertake Type-2 Energy Audits at sites identified as having high energy intensity or do not meet the required NABERS Energy rating, with the audits used to identify energy efficiency solutions for implementation. Sites with high energy intensity or do not meet the NABERS Energy rating include: • Sydney, 201 Kent St • Canberra, Treasury Building	Influence 	Treasury Property Ventia Sustainability						

Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029
	<p>Estimated investment: ~\$6,000 per site, plus project implementation costs</p> <p>Predicted ongoing emissions reduction (at 20% total reduction, excluding the Treasury Building and Moore St): 44t CO2-e p.a.</p> <p>Predicted energy reduction: 55,215kWh p.a.</p>								
1.10	<p>Upgrade lighting to high efficiency LED, coupled with lighting control sensors such as daylight sensors and occupancy sensors (where applicable).</p> <p>Suitable sites will be identified through the delivery of Type-2 Energy Audits as noted in Action 1.9</p>	Innovate 	Treasury Property Ventia Projects			→			
1.11	<p>Optimise Building Management Systems (BMS) in line with recommendations from Type-2 Energy Audit findings.</p> <p>These are an ongoing program of work to ensure the building is operating at its highest level of efficiency, with a recommendation to review optimisation programs annually.</p> <p>Treasury will only proceed with this option upon completion of a Type-2 Energy Audit to ensure the feasibility of this investment is sound.</p> <p>Estimated investment: \$50,000–\$100,000 per site, pending size and complexity</p> <p>Estimated ongoing emissions reduction: up to 25% per site total energy consumption</p>	Innovate 	Treasury Property Ventia Sustainability				→		
1.12	<p>Use asset data and information to identify opportunities to improve energy efficiency and extend the useful life of assets through regular maintenance programs and strategic asset management planning.</p> <p>Where replacement programs are identified, ensure that all new assets are:</p> <ul style="list-style-type: none"> • Resource efficient • Modular in design for ease of repair and end of life recycling • Have a product stewardship program in place (where applicable) 	Innovate 	Treasury Property Ventia WoAG FM Ventia Projects	→					
1.13	<p>Investigate new and emerging technologies that support Treasury’s transition to net zero buildings, as they become available and viable.</p>	Innovate 	Treasury Property Ventia Projects	→					



Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029
1.14	Maintain existing end of journey facilities for cyclists and investigate opportunities to improve end of journey facilities in new builds to support low/no emissions staff commute.	Influence 	Treasury Property Ventia WoAG FM	→					
1.15	Seek funding to support net zero programs of works across Treasury's property portfolio when made available through the Department of Finance.	Influence 	Treasury Property Department of Finance	→					
1.16	Implement office consolidation and optimisation planning to reduce redundant, unused office facilities and equipment across the Treasury property portfolio.	Influence 	Treasury Property			→			









Priority Area Two: Net Zero Energy

Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029
2.1	<p>Participate on the Whole-of-Australian-Government electricity agreement when it becomes available in relevant jurisdictions. All Treasury properties will participate in this Green Power purchase scheme to ensure all electricity consumed is from renewable sources.</p> <p>Emissions reduction: 710 t CO₂-e p.a. by 2030</p>	<p>Impact</p> 	Treasury Property Ventia Sustainability						
2.2	<p>Investigate behind the meter energy generation and storage solutions for site²:</p> <ul style="list-style-type: none"> • Parkes, Treasury Building <p>In 2023, Ventia Sustainability completed a solar feasibility assessment for the Treasury Building on behalf of the Department of Finance.</p> <p>Based on the current energy market rate, the return on investment (ROI) was approximately 18 years. Pending the cost to procure energy under the proposed Whole-of-Australian-Government Energy Agreement detailed in action 2.1, the ROI may alter, making this an opportunity worth consideration after a full year of energy charges under the new Agreement. Treasury and the Department of Finance may consider a cost share model as both parties mutually benefit from the outcome of onsite energy generation.</p>	<p>Influence</p> 	Treasury Property Ventia Sustainability	—————▶					

2 A desktop review of all Treasury’s properties was conducted in 2024. Due to building design, shadowing, or site orientation all other sites were deemed unsuitable for solar PV installation.

Priority Area Three: Net Zero Fleet

Action #	Action detail	Action type	Involved participants	2024	2025	2026	2027	2028	2029
3.1	Set a target of 75% of all new passenger fleet vehicles procured by 1 Jul 2025 to be low emissions vehicles. Treasury have elected to purchase an EV in 2025 upon expiration of the current fleet vehicle lease.	Influence 	Treasury Fleet		→				
3.2	Promote the benefits of public transport, walking, and cycling to new staff during induction programs and familiarise them with end of journey facilities at their workplace. Use internal communications to program active and public transport for business related travel.	Influence 	Treasury Property Treasury Training	→					
3.3	Ensure a continued transition of all Treasury fleet to low/zero emissions fleet as they are retired. Monitor emerging technologies such as hydrogen powered vehicles.	Impact 	Treasury Fleet	→					
3.4	Prepare sites to include required EV charging infrastructure to enable the transition to an electric fleet. EV charging infrastructure installations will be in accordance with the Electric Vehicle Charging Plan 2024.	Impact 	Treasury Property Treasury Fleet Colliers /Landlord(s)		→				
3.5	Apply fuel efficiency criteria to the purchase and lease of new vehicles where electric or hybrid options are not commercially or operationally viable.	Influence 	Treasury Fleet		→				
3.6	Review annual fleet and fuel data reporting in line with the Net Zero Reporting requirement, monitoring fleet performance, vehicle utilisation, fuel consumption and emissions to identify opportunities for fleet optimisation.	Influence 	Treasury Fleet		→				