

Capitalising on Queensland's opportunities in a zero net emissions future

Policy needs in response to the risks and opportunities of climate change

Executive summary

April 2019



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Foreword



For over ten years there has been a growing movement from investors to better understand the implications of climate change on business; and with good reason - EY's 2018 global survey of institutional investors showed that 48% of investors would rule out an investment based on climate risk alone, with a further 44% reconsidering these investments.¹

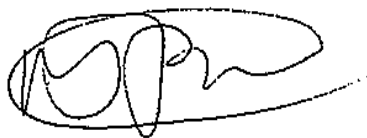
The reporting recommendations of the Financial Stability Board's Task Force on Climate-Related Disclosures (TCFD) have been widely acknowledged as a key mechanism in better informing capital markets of not only the risks from changes to the physical climate, but of the risks and opportunities presented from the transition to a zero net emissions economy. This economic decarbonisation is global, without precedent, and has already begun.

Utilising the TCFD as a framework that considers the risks and opportunities presented by the physical and transitional impacts of climate change, this report aims to provide a qualitative lens through which we can view the Queensland economy of 2050 under two discrete scenarios: one where action is taken to limit global temperatures to within two degrees Celsius of the pre-industrial era (which aligns to our global commitments under the UN Paris Accord); another where we do less, missing that goal - our so-called business as usual scenario.

Whilst climate change is one of many disruptive forces reshaping our economy, this report highlights that the climate ambition of the State remains important. Firstly, in all of the eight sectors analysed, across thirteen regions of the economy, we see that there are greater economic opportunities from having a higher climate ambition. Secondly, for most sectors, the risks of climate change are lowered as well, primarily from reduced physical impacts. The report highlights the unique opportunities and risks facing Queensland from the inevitable transition to a zero net emissions economy and, as such, underlines the importance of taking a planned approach to enabling a just transition for sectors most exposed to the risks, whilst simultaneously supporting the development of growth industries.

I would like to acknowledge the significant contributions from industry, government, not-for-profits, and member-associations who engaged in our extensive stakeholder discussions around the analysis in this report, and the resulting risks and opportunities they present - they have helped shape the findings of this report. What became clear from those discussions and subsequent analysis was that there remains a key role for government across a number of dimensions: from improving collaboration and communication between stakeholders; creating appropriate market conditions; preparing an agile and skilled workforce for the future; supporting the development and uptake of technologies that will aid the transition; embedding climate risk assessment into investment and procurement decisions; and building the resilience and resource efficiency of communities and infrastructure.

It is our hope that this report goes some way to supporting the dialogue needed on the significant economic transformation of the state over coming decades, and in enabling a policy context that considers and embeds the principles of enabling a low carbon future.



Dr Matthew Bell

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¹ EY 2018 Global Investor Survey: Does your non-financial reporting tell you value-creation story www.ey.com/en_gl/assurance/does-nonfinancial-reporting-tell-value-creation-story

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Executive
summary

1. Executive summary

1.1 Policy and market context

Climate change is driving a global economic transition to zero net greenhouse gas emissions, which presents both risks and opportunities to Queensland's economy. Queensland's policy response to the inevitable transition must build competitive advantage and safeguard the interests of the State's industries and communities.

Governments and corporations globally have committed to a low carbon future to mitigate the most serious impacts of anthropogenic climate change. Global markets are already shifting capital from emissions- and energy-intensive industries to clean technologies, facilitated by commitments such as the Paris Agreement, availability and affordability of innovative technologies, and greater awareness of the risks and opportunities of climate change. The global shift in economic policy will have a significant impact on resource-intensive economies such as Queensland's.

In this context, the Queensland Government released its Climate Transition Strategy² in 2017, setting out the approach the State will take to transition to a clean growth economy. The strategy commits Queensland to achieving zero net greenhouse gas emissions by 2050, with an interim target of a 30% reduction in net greenhouse gas emissions by 2030, against a 2005 baseline. It also includes a commitment to generate 50% of Queensland's energy from renewable sources by 2030.

EY's work contributed to an action item under the Climate Transition Strategy: to identify the sectoral and regional risks and opportunities for Queensland in transitioning to a zero net emissions economy. Identified climate-related risks and opportunities will assist the Queensland Government in the decision making, planning and policy development for post-2020 climate change policy through a subsequent green paper process.

1.2 Scope of work

The Department of Environment and Science (DES), working with Queensland Treasury Corporation (QTC), engaged EY to assess climate-related risks and opportunities for Queensland across eight key sectors and 13 regions, as shown in Figure 1. EY engaged stakeholders to communicate and test the results, and to identify focus areas for government action to position Queensland industries to manage the risks and realise the opportunities associated with climate change and the transition to a zero net emissions economy. This report sets out the summary of results from this analysis.

² Queensland Climate Transition Strategy, https://www.qld.gov.au/__data/assets/pdf_file/0026/67283/qld-climate-transition-strategy.pdf, accessed 8 December 2018

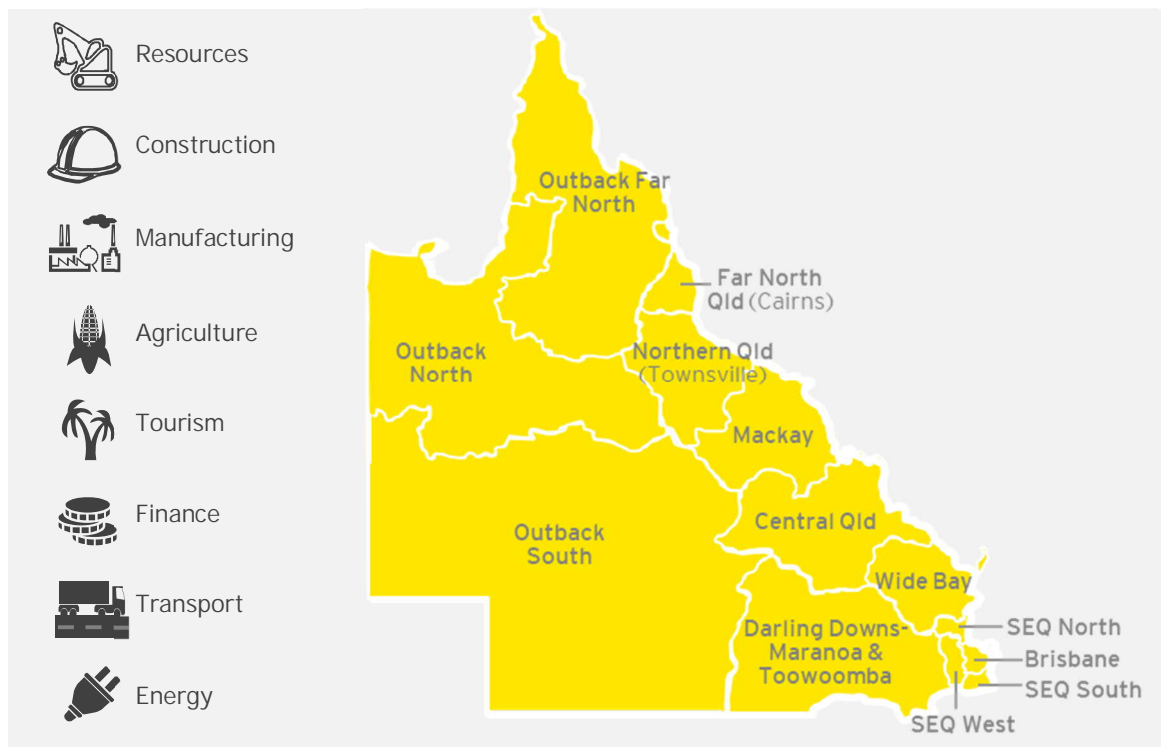


Figure 1: The eight sectors and 13 regions assessed

EY conducted the analysis in three key stages: climate change risk and opportunity assessment; stakeholder engagement; and policy gap analysis. This approach was developed through consultation with stakeholders representing DES, Queensland Treasury Corporation, the Queensland Climate Advisory Council, and other Queensland Government Departments.

The climate change risk and opportunity assessment was based on the framework set out in the Taskforce on Climate-related Financial Disclosures (TCFD).³ The Recommendations of the TCFD aim to improve organisational understanding of the impact of climate risks and reduce the risk of a systemic financial shock on the economy, due to climate change. Importantly, the TCFD provides a framework that seeks to enable climate change to be considered in financial filings as an economic risk and transition, rather than just an environmental risk impacting infrastructure or business continuity. Two scenarios were selected:

- ▶ A “business as usual” (BAU) scenario, which excludes carbon policies or measures beyond those already supported by specific implementing measures in place as of mid-2016. Under this scenario, global greenhouse gas emissions continue on a high emissions trajectory, and the physical impacts of climate change are very significant (i.e. approximately 4°C mean global temperature increase by 2100).⁴
- ▶ A “two-degree scenario” (2DS), in which policy settings are implemented globally that maintain the increase in global temperatures to within 2°C of pre-industrial levels. Under this scenario, global greenhouse gas emissions will peak and then decrease over time, reaching zero net greenhouse gas emissions in the second half of the century. Whilst the physical impacts of climate change are less significant under this scenario. It also incorporates assumptions relating to uptake of new technologies and transition to clean energy sources.

The results of the climate change risk and opportunity assessment are qualitative, but based on quantitative economic data, including gross value add (GVA) and employment, disaggregated at a sector and region level.

To communicate and test these results, EY conducted one-on-one meetings, group presentations and workshops across government, industry, academia, unions and environmental non-government organisations representing each sector. Stakeholders identified barriers, enablers, and opportunities which respectively work against or support the industry to manage this transition and take advantage of opportunities presented for the State.

³ Task Force on Climate-related Financial Disclosures, Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures, <https://www.fsb-tcfd.org/publications/final-recommendations-report/>, accessed 21 February 2019

⁴ International Energy Agency World Energy Outlook 2016: <https://webstore.iea.org/world-energy-outlook-2016>, accessed 2 April 2019
Prepared for Department of Environment and Science
Policy needs in response to the risks and opportunities of climate change

EY conducted a policy gap analysis across key Queensland Government policies, programs, and initiatives to consider whether they addressed the identified climate change risks and opportunities, where relevant. EY determined a set of policy needs to address each risk and opportunity based on identified policy gaps, incorporating stakeholder feedback. We combined similar needs and themes to identify areas of focus for government policy going forward. Stakeholders participating in sectoral workshops were asked to discuss and consider the importance of each area, to better refine the policy focus areas we outline in this report.

1.3 Summary of results

Our analysis identified more opportunities than risks under a two-degree scenario, compared to a business as usual (BAU) scenario. These opportunities included reputational benefits, resource efficiency, increased resilience, and reduced physical impacts from climate change. Climate-related risks can be of a physical and transitional nature. Physical risks include the impact of extreme weather events, droughts, and increased weather variability on infrastructure, supply chains and communities. Transitional risks relate to how changes in policy, technology and markets in support of a zero emissions economy, can affect the profitability, characteristics and reputation of different sectors.

Figure 2 presents the overall results of the risk and opportunity assessment for the eight sectors included in the assessment.

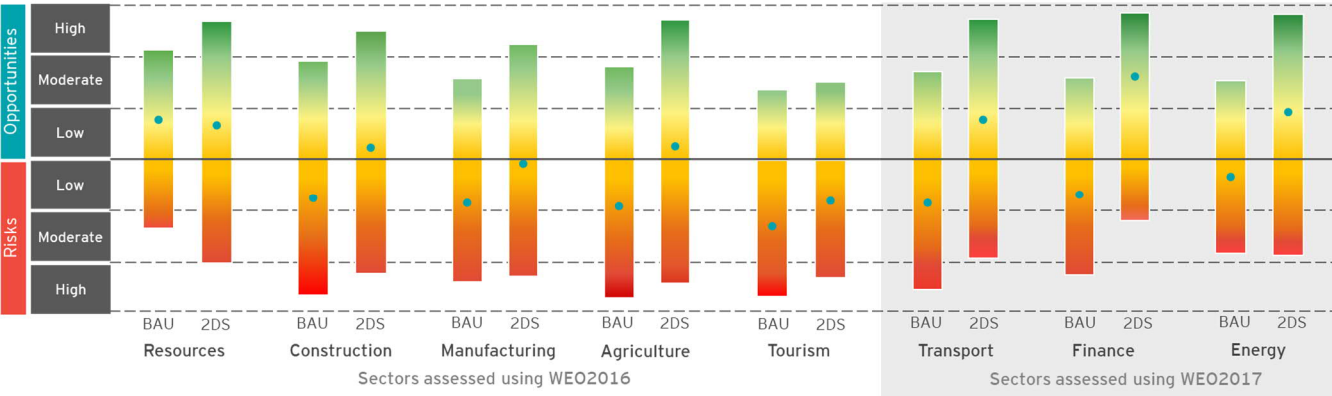


Figure 2: Overview of climate-related risks and opportunities in Queensland under a business as usual (BAU) scenario and a two-degree scenario (2DS) by sector. The blue dot represents the balance of risks and opportunities.

In general, risks are lower under a two-degree scenario than they are under a business as usual scenario, predominantly due to lower physical risks under a two-degree scenario. The two-degree scenario presents financial opportunities for all sectors of the economy to respond to emerging markets and consumer demand for low carbon, resilient products, and benefit from greater resilience and reputation in adapting early to a future low carbon economy.

The summary of results for each sector are outlined in the following sections.

1.3.1 Resources sector

Key risks and opportunities in a zero net emissions economy

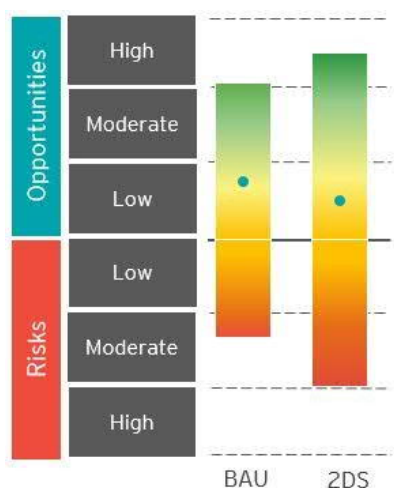


Figure 3: Overview of climate-related risks and opportunities for the Queensland resources sector under a BAU scenario and a 2DS.

- ▶ The resources sector faces higher risks under a two-degree scenario due to the impact of policies and regulatory changes, such as carbon pricing, on the global thermal coal market. Reductions in global demand for thermal coal will negatively impact this industry in Queensland over the period to 2050.
- ▶ However, there are significantly more opportunities for the sector under a two-degree scenario, which offset most additional risk. These opportunities include:
 - ▶ Increased demand for Queensland's critical minerals, which are required as raw materials for technologies such as solar panels and electronics
 - ▶ Increased demand for liquefied natural gas in Asian economies, particularly for energy generation as a transition fuel
 - ▶ Maintaining or growing market share in a declining global thermal coal market, as countries seek to reduce emissions from coal-fired power through using higher quality thermal coal, as found in Queensland
 - ▶ Demand for metallurgical coal for steel production remains steady in the medium to long term

Policy focus areas

EY's stakeholder engagement and policy gap analysis identified the following policy focus areas for government action, to manage climate-related risks and leverage opportunities in the resources sector:



Stakeholder engagement and dialogue

Improve engagement and dialogue with community stakeholders to facilitate a greater understanding of, and support for, the role of the resources sector in a zero net emissions economy.



Policy advocacy

Advocate for appropriate state and federal policy and regulatory frameworks, which enable the resources sector to smoothly transition to a zero net emissions economy.



Critical mineral industry development

Facilitate industry development through supportive infrastructure, and improvement and quantification of pre-competitive information around deposits of critical minerals, rare metals, non-ferrous metals and rare earth elements.



Exploration process efficiencies

Improve efficiencies, stability and agility of regulatory frameworks related to exploration activities, without compromising environmental protection and community benefits, to leverage these commodities which have an important role in a zero net emissions future.



Climate risk assessments

Build industry capacity and support uptake of climate risk assessments for mining and gas operations, to increase resilience to physical and transition risks.

1.3.2 Construction sector

Key risks and opportunities in a zero net emissions economy

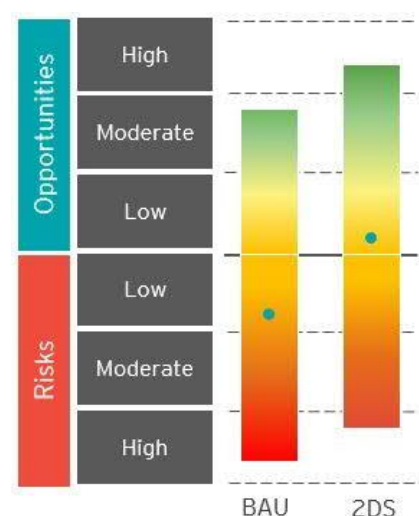


Figure 4: Overview of climate-related risks and opportunities for the Queensland construction sector under a BAU scenario and a 2DS

- ▶ The physical risks of climate change are lower, but still significant under a two-degree scenario, including:
 - ▶ Economic disruption caused by damage to and closure of key infrastructure
 - ▶ Additional public expenditure for reconstruction
 - ▶ More days of extreme heat, with health and safety implications for the construction workforce
- ▶ Transition risks are higher under a two-degree scenario due to carbon and energy policies affecting the sector. These may affect input or operating costs
- ▶ Opportunities for the construction sector under a two-degree scenario include:
 - ▶ Building climate resilient infrastructure and buildings, large scale renewable energy infrastructure and zero emissions transport infrastructure
 - ▶ Implementing energy and resource efficiency, including the use of more sustainable construction materials

Policy focus areas

EY's stakeholder engagement and policy gap analysis identified the following policy focus areas for government action, to manage climate-related risks and leverage opportunities in the construction sector:



Procurement

Update government procurement policy to foster climate change resilience in the built environment and infrastructure.



Future asset resilience

Build resilience of new assets by incorporating climate change risk management strategies into policy, planning, regulation and legislation, including advocating for this in the National Construction Code review.



Innovation

Support innovation to develop climate resilient and zero emissions technologies, building methods and climate data tools, and communicate advances to the sector through engagement.



Building back better

Identify and implement planning and funding mechanisms to reconstruct damaged infrastructure so it is more resilient to future extreme weather events, and other climate change impacts, such as sea level rise and water scarcity.



Existing asset resilience

Lead by example to drive performance and risk disclosure, develop understanding of asset vulnerability and increase resilience of existing infrastructure and buildings to climate change.



Collaboration, jobs and skills

Improve collaboration within the sector, and with other sectors, to plan for the jobs and skills required in the transition to a zero net emissions economy.

1.3.3 Manufacturing sector

Key risks and opportunities in a zero net emissions economy

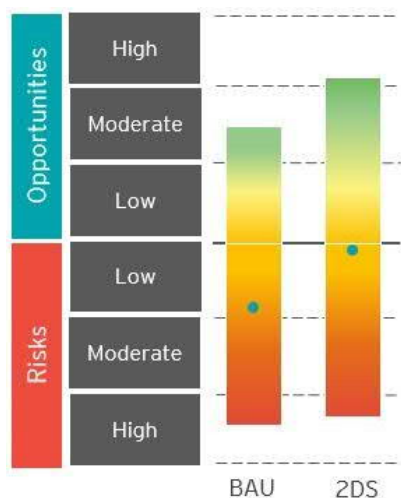


Figure 5: Overview of climate-related risks and opportunities for the Queensland manufacturing sector under a BAU scenario and a 2DS.

- Physical risks for the manufacturing sector are lower under a two-degree scenario than under a business as usual scenario. However, the risks are still significant, and include supply chain disruption and lack of availability of input materials due to drought and extreme weather events
- Transition risks to the sector include increasing costs of fuel, feedstocks, and electricity, as a potential impact of carbon and energy policies
- Opportunities for the manufacturing sector under a two-degree scenario include:
 - Manufacturing low carbon products and technologies, such as solar panels, electric vehicles and batteries
 - Developing innovative solutions for a zero-net emissions economy, including circular economy approaches
 - Implementing energy and resource efficiency, and onsite renewable electricity generation
 - Developing and transferring skilled workforces from declining sectors or regions to growing industries and areas in Queensland

Policy focus areas

EY's stakeholder engagement and policy gap analysis identified the following policy focus areas for government action, to manage climate-related risks and leverage opportunities in the manufacturing sector:

Jobs and skills



Support the transition of jobs through developing training mechanisms and job opportunities around renewables, low carbon technologies and products, and knowledge-based analytical skills, particularly digital skills.



Resource efficiency

Support the manufacturing industry to realise resource efficiency opportunities, including energy, waste and water efficiency measures, and installing and using renewable energy.



Inter-sectoral collaboration

Collaborate with participants in manufacturing supply chains, including the resources and agriculture sectors, to strategically plan for opportunities to add value to Queensland's agriculture and resources products.



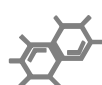
Climate risk information

Provide information and guidance for the manufacturing industry to adopt climate risk and opportunity assessments in decision making processes across supply chains.



Circular economy

Establish appropriate initiatives to promote industrial ecology and circular economy practices among heavy industry and small to medium enterprises.



Innovation hubs

Facilitate market conditions to attract investments in innovation and development of zero net emissions products and technologies in Queensland.

1.3.4 Agriculture sector

Key risks and opportunities in a zero net emissions economy

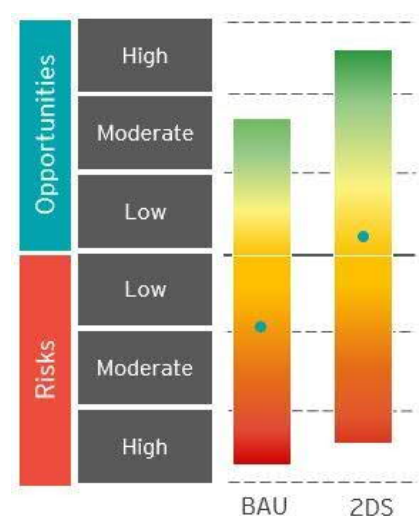








Figure 6: Overview of climate-related risks and opportunities for the Queensland agriculture sector under a BAU scenario and a 2DS.

- ▶ Physical risks are lower for the agriculture sector under a two-degree scenario compared to business as usual, due to lower physical risks of climate change. However, these risks remain a significant risk to agricultural productivity and sustainability. These risks include:
 - ▶ Change in rainfall patterns and drought
 - ▶ Increasing severity, duration and frequency of extreme weather events
 - ▶ Water contamination and soil degradation
- ▶ However, there are many opportunities for the agriculture sector in a low carbon economy, including:
 - ▶ Use of technology and climatic data to inform decision making and increase sustainability and productivity
 - ▶ Biofuel production from organic waste and by-products
 - ▶ Carbon sequestration and abatement opportunities

Policy focus areas

- 
Dialogue and collaboration
 Improve continuous and consistent dialogue and collaboration with the agriculture industry to build understanding and address ongoing climate-related needs and challenges.
- 
On-ground action
 Facilitate on-ground action to assist farmers to implement climate adaptation and carbon mitigation projects, which may include facilitation of technology, equipment and training to farmers.
- 
Weather and climate information
 Improve access and application of weather and climate-related knowledge and data, particularly for small farms, to increase preparedness for climate change and extreme weather events.
- 
Research, development and capacity building
 Support research and development and build capacity for farming operations (especially small businesses) to understand, adopt and respond to new agricultural products and crop varieties, drought cycles, water management, and best practice climate management.
- 
Carbon farming support
 Build knowledge of carbon abatement and sequestration opportunities, methodologies and requirements, to boost participation particularly for small and remote farms.
- 
Natural capital recognition
 Facilitate the integration of natural capital value in insurance and financing offerings, to encourage more sustainable farming practices which build long term value and improve insurance uptake in the sector.

1.3.5 Tourism sector

Key risks and opportunities in a zero net emissions economy

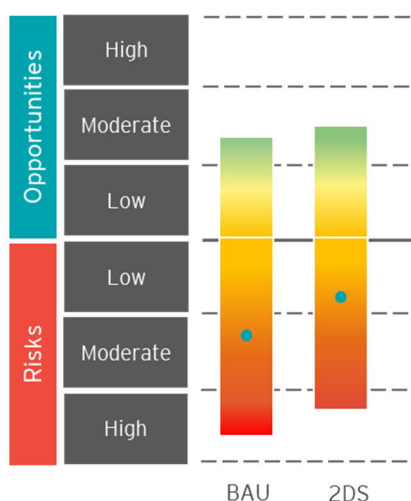


Figure 7: Overview of climate-related risks and opportunities for the Queensland tourism sector under a BAU scenario and a 2DS.

- ▶ The tourism sector is vulnerable to the physical risks of climate change and is reliant on Queensland's natural assets. The sector faces more muted opportunity levels under both two-degree and business as usual scenarios, due to the impact of climate change on the Great Barrier Reef. Even if global temperature rises are kept to 2°C above pre-industrial levels, the reef will be catastrophically impacted⁵
- ▶ Other significant risks include exposure to extreme weather events, and the impacts of carbon and energy policies on operators, including increased transport costs for flights and road transport
- ▶ Opportunities for tourism under a two-degree scenario include:
 - ▶ Developing a clean and green destination brand through robust and verifiable accreditation standards and supporting more environmentally friendly industry practice
 - ▶ Building resilience of the industry to physical and transition risks
 - ▶ Developing zero emissions flight and road transport options for tourism

Policy focus areas



Embed climate considerations in tourism policy

Embed resilience to climate change into tourism strategies, policies, plans and programs to drive the transition to zero net emissions throughout the sector and lead by example.



Clean and green brand

Support environmentally friendly industry practice and appropriate accreditation frameworks and indicators, to develop a 'clean and green' destination brand.



Diversification

Support tourism businesses to diversify operations based on location, capacity and visitor profile, to reduce exposure to climate-related risks and realise new opportunities.



Understand changing tourism profiles

Improve understanding of changing demographics and tourism profile to underpin sustainable industry investment and policy decision making.



Reef protection

Support and implement reef protection measures to build resilience, including scientific and engineering approaches, and programs targeted at tourism operators.



Transport implications

Improve understanding of the potential impacts on the tourism industry of increasing transport costs and taxes on fossil fuels, to support preparedness across government and industry.

⁵ IPCC Global Warming of 1.5°C Special Report, <https://report.ipcc.ch/sr15/index.html>, accessed 1 December 2018

1.3.6 Finance sector

Key risks and opportunities in a zero net emissions economy

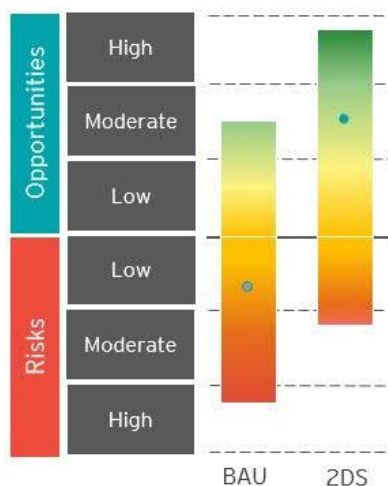


Figure 8: Overview of climate-related risks and opportunities for the Queensland finance sector under a BAU scenario and a 2DS.

- ▶ The finance sector is influenced by climate-related factors such as climate and energy policy, public health and consumer preferences
- ▶ Although physical risks to the finance sector are significantly lower under a two-degree scenario, the increasing severity, duration and frequency of extreme weather events will still impact the sector and ability to provide products such as insurance
- ▶ Transition risks are significant for the sector, such as reputational risks and disruptive forces in domestic and international markets, impacting insurability and investments in emissions intensive products
- ▶ Nonetheless, the finance sector is instrumental in a zero net emissions economy through investment and insurance policies. A two-degree scenario offers significant opportunities to the sector, including:
 - ▶ Investing in resilient and sustainable infrastructure, and zero emissions technologies, such as renewable energy and hydrogen
 - ▶ Use of green bonds, social finance, impact investment and conservation finance

Policy focus areas



Collaboration

Increase collaboration between the finance sector, local and state governments and developers to develop and share climate change risk information and insurance data that is fit for purpose.



De-risking

Financial and regulatory support to de-risk investments in research and development, green innovation and new technologies (e.g. co-investments and public-private partnerships).



Disclosure

Encourage disclosure of climate-related risks and opportunities to private investors and the public, for example through provision of information and parameters to undertake these assessments.



Insurance models

Promote and support insurance models which encourage resilience, such as discounts for climate-resilient buildings.



Financial models

Promote and support lending models which incorporate environmental and social considerations, such as conservation finance and natural capital.



Climate risk assessments

Incorporate climate risk assessments into government decision making, including planning, procurement and investment, to reduce exposure to current and future climate-related risks.

1.3.7 Transport sector

Key risks and opportunities in a zero net emissions economy

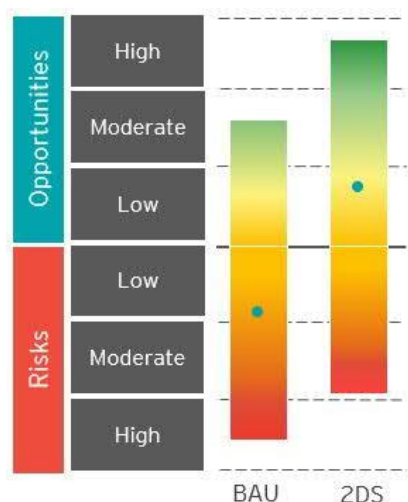


Figure 9: Overview of climate-related risks and opportunities for the Queensland transport sector under a BAU scenario and a 2DS.

- ▶ The transport sector is exposed to both physical and transition risks of climate change. Although physical risks are lower under a two-degree scenario due to climate change mitigation, transport infrastructure is still at significant risk of flooding, storms and cyclones.
- ▶ Transition risks will affect the sector particularly due to carbon and energy policies and technology risks. Implications include costs to adopt new practices and change infrastructure, or risk of stranded assets.
- ▶ Opportunities for the transport under a two-degree scenario support increased preparedness and resilience of the sector to climate change. These include:
 - ▶ Use of alternative fuels, such as biofuels and hydrogen
 - ▶ Uptake of electric transport for passenger and freight vehicles and aviation
 - ▶ Improving efficiency of modes and routes using technology

Policy focus areas



Infrastructure planning

Undertake risk assessment and appropriate planning for existing and new transport infrastructure, to build climate resilience, zero net emissions transport and technologies, and reduce risk of stranded assets.



Low emissions transport

Facilitate the transition to zero net emissions transport, including encouraging uptake of electric vehicles and alternative fuels, and a low carbon electricity supply.



Collaboration

Improve collaboration and communication between government agencies and across the transport sector to resolve ongoing challenges and drive further coordinated action towards a zero emissions transport sector.



Technology

Improve agility and responsiveness to new technologies, such as the internet of things, automation and big data, to support mobility services, reduce emissions and improve commuting time.



Alternative fuels

Support innovation and create market conditions for the uptake of alternative fuels, such as biofuels and hydrogen, to realise opportunities in new industries and technologies for zero net emissions transport.



New revenue streams

Prepare for the reduction of traditional transport revenue, such as fuel and registration, through exploring new revenue streams.

1.3.8 Energy sector

Key risks and opportunities in a zero net emissions economy

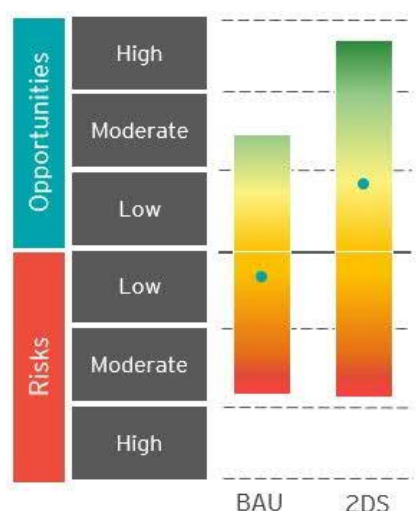


Figure 10: Overview of climate-related risks and opportunities for the Queensland energy sector under a BAU scenario and a 2DS.

- ▶ The energy sector faces both physical and transition risks from climate change in a zero net emissions economy. More severe and frequent extreme weather events, and increased temperatures, impact both energy transmission and distribution, and generation capacity particularly for coal-fired power stations.
- ▶ Transition risks to the energy sector include disruption from increasingly competitive and affordable renewable energy technologies, and the potential impact of carbon policies on emissions intensive energy.
- ▶ Although the energy sector faces slightly more risk under a two-degree scenario, the opportunities are much higher under this scenario, and outweigh the risks. Opportunities include:
 - ▶ Deployment of large-scale renewables such as solar, wind biomass and hydro
 - ▶ Producing hydrogen fuel using energy from renewables
 - ▶ Uptake of distributed energy resources through rooftop solar and battery storage systems, and technologies to manage intermittency of supply

Policy focus areas



Jobs and skills

Support education and training to prepare Queenslanders for jobs related to large-scale renewables, alternative fuels and clean energy, and closure of coal-fired power stations.



Renewables investment

Develop network infrastructure and facilitate supportive market conditions through policies to encourage investment in renewables.



Network stability

Consult with network stakeholders and invest where necessary to prepare Queensland's electricity transmission and distribution network for increasingly distributed generation and greater physical climate risk.



Role of thermal coal

Provide clarity around the role of thermal coal in Queensland's energy mix to 2050, to support industry in planning for the transition to zero net emissions.



Climate risk assessments

Support and facilitate climate risk assessments for existing and new energy infrastructure to increase resilience of public and private energy assets.



Alternative fuels

Support development and market readiness of alternative fuel options, such as hydrogen and biofuels, to realise opportunities in new industries and strengthen energy exports.

1.3.9 Policy focus areas summary

The policy focus areas for each sector, outlined above, were collated and categorised to identify broad themes at a whole of economy level. Table 1 describes the key themes identified.

Table 1 Whole of economy thematic policy focus areas

Category	Policy focus area
Collaboration	Collaboration and communication between stakeholders, including public and private sector at multiple levels, to strengthen policy making and implementation
Market conditions	Creating appropriate market conditions and attracting investments through policy, regulations, programs or funds
Jobs and skills	Identifying the skills and jobs needed to facilitate the transition, and supporting the availability and implementation of training to key industries facing disruption from technology (robotics and automation) and market conditions (shifting preferences and increasing demand for low-emission products)
Technology and R&D	Supporting R&D projects and adoption of new technologies to assist with the transition to a zero net emissions economy
Climate risk	Considering climate change risk in investment decisions through assessing, disclosing and establishing strategies to reduce or manage exposure to climate-related risks, including physical and transition
Resilience and resource efficiency	Long-term planning and investment to build resilience of communities and infrastructure to climate-related risks (e.g. extreme weather events, carbon and energy policy risks), and promoting efficient use of resources

The correlation between policy focus areas among the different sectors reflects the interconnectedness of the Queensland economy. The finance, energy, transport and construction (including infrastructure) sectors underpin activity in all economic sectors and supply chains. As such, in responding to each policy focus area, policy makers will need to consider the interdependencies and potential impacts across sectors.

To support the transition, climate change must be integrated into decision making frameworks and processes at the highest level of Government. Although the policy gap analysis revealed opportunities to update policies across Queensland Government, integrating climate change considerations into cabinet processes and risk assessments across the economy will enable a just transition across the economy.

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