

1 What does this policy do?

Transport is committed to contributing to the economic, social and environmental wellbeing of NSW in the context of a changing climate and current and emerging international and national policy settings and actions to address climate change.

This policy prescribes the principles and requirements to:

1. achieve Transport's Net Zero emissions and climate change targets
2. support the transport sector's transition to Net Zero
3. continue creating a transport network that is resilient, responsive and optimally adapted to a changing climate

1.1 Policy targets

Transport is committed to Net Zero emissions consistent with Australia's commitments under the 2016 Paris Agreement, which the NSW Government endorses, and the NSW Climate Change Policy Framework by achieving:

- 100% renewable energy for all operational electricity for the rail, light rail and metro train network by 2025
- 50% of Transport's light passenger vehicle fleet transitioning to all-electric by 2026
- 100% of Transport's light passenger vehicle fleet transitioning to all-electric by 2030
- 65% reduction in Transport's operational emissions by 2030 (compared to 2018-19)
- Net Zero in Transport's operational and fleet emissions by 2035
- Fossil fuel-free Transport construction and maintenance by 2040
- Net Zero in Transport's annual embodied emissions by 2045
- Net Zero in transport sector emissions by 2050
- Net negative transport sector emissions by 2060.

Transport is committed to urgent, transformative and leading action on climate change consistent with the NSW Climate Change Adaptation Strategy by:

- Considering climate change risk in all our key, relevant decisions.

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2 Who does it apply to?

This policy applies to permanent, temporary and casual staff, staff seconded from another organisation, and contingent workers including labour hire, professional services contractors and consultants performing work for any of the following:

Transport for NSW	YES
Department of Transport	YES
NSW Trains	YES
Sydney Trains	YES
Sydney Metro	YES
State Transit	YES
Sydney Ferries	YES
Point to Point Transport Commissioner	YES
Transport Asset Manager of NSW	YES

3 Principles and requirements

3.1 Planning and decision-making

We will embed emissions reduction and climate change risk management and adaptation in our planning, business processes and decision-making by:

- enhancing governance, risk and asset management frameworks to enable effective, integrated decision-making, organisational control and responses to climate change
- including emissions and climate change risks in economic appraisals, investment and procurement decisions
- embedding emission reduction, energy efficiency and climate resilience targets and measures into the planning, design, construction, operation and maintenance of Transport assets and services
- prioritising zero and low emission transport solutions, including more efficient use of the existing transport network, and identifying non-build solutions, where appropriate
- incorporating greenhouse gas reduction targets and supporting actions as mandatory criteria in procurement activities and contracts
- identifying and regularly updating the modelled trajectories and systematic actions required to achieve emission reduction targets

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- assessing and mapping climate change risk to transport networks, assets and services, including potential impacts on communities
- prioritising responses to the key climate change risks identified, highlighting areas that require further investigation
- contributing to the development of consistent emissions and climate change-related regulations and reporting requirements
- consulting, engaging, empowering and collaborating with Aboriginal people to ensure climate change actions are aligned with Aboriginal traditions and community needs.

3.2 Resourcing and uplifting

We will align organisational practices and resources to meet our Net Zero and climate change goals by:

- limiting the use of accredited carbon offsets only for emissions that cannot feasibly be eliminated
- prioritising effective emission reduction, energy efficiency and climate resilience investments and actions
- procuring 100% renewable energy for all Transport operational electricity
- accelerating the electrification of the transport sector by:
 - transitioning the entire public transport bus fleet to zero emission buses
 - electrifying Transport operated and contracted corporate vehicles, ferries, non-passenger vehicle fleets, construction and maintenance vehicles, and equipment
 - implementing strategic rail electrification, where appropriate
 - supporting the rollout of electric vehicle charging infrastructure and supporting technologies
- ensuring that Transport is actively managing risks from the transition to renewable electricity
- investing in Transport site-based green energy technologies, including those that demonstrate commercial potential and provide energy security and continuity
- collaborating with the freight sector to support the uptake of zero emission technologies
- promoting a shift to zero or low emissions transport modes, including public and active transport, and multimodal mobility
- stabilising vehicle kilometres travelled (VKT) in Greater Sydney through effective travel demand management and improving public and active transport provisions
- supporting the creation of a sustainable aviation industry in NSW

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- identifying and managing sustainable supply chain and procurement risks, particularly in regional and remote areas
- partnering with other agencies to help communities prepare for, manage, and recover from, climate-change related impacts
- collaborating with academia, regulatory authorities, government and industry to consistently uplift collective action and capabilities, share best practice outcomes and stimulate progress
- building climate change capability and capacity across Transport, including delivering targeted net zero and climate change advocacy, training, guidance and communications
- supporting policies and interventions that enable broader transport and infrastructure decarbonisation but may not fall within organisational control.

3.3 Reporting and Assuring

- We will report annually on Transport's greenhouse gas emissions footprint and monitor progress towards the targets
- We will report annually on climate-related financial information including:
 - the agency's governance around climate-related risks and opportunities
 - the actual and potential impacts of climate-related risks and opportunities on the agency's businesses, strategy and financial planning
 - the processes used to identify, assess and manage climate-related risks and opportunities
 - the metrics and targets used to assess and manage relevant climate-related risks and opportunities
- We will benchmark our performance against transport sector best practice and harness the most up-to-date climate science to inform our continuous evolution of net zero and climate change goals and actions.

3.4 Improving

We will improve Transport's climate change response and capability by:

- regularly updating contract requirements to progressively introduce more stringent net zero and climate change requirements
- regularly reviewing the ability of Transport projects, networks and infrastructure to avoid, withstand, recover from and adapt to climate change impacts
- identifying emerging issues, trends, risks and opportunities related to climate change, including cascading and compounding impacts, interdependencies, and unintended consequences
- improving emergency prevention, preparedness, response and recovery

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- leading the research, trial and early adoption of innovations that reduce emissions, reduce climate change risk, improve energy efficiency, and increase the uptake of renewable and recycled products and services
- harnessing the potential of our Transport corridors and natural estate to support climate change solutions
- communicating how responses to climate change can achieve broad benefits for the environment, human health and social outcomes.

4 Compliance

Compliance with this policy and related procedures or standards is mandatory.

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Appendix A:

5 Accountabilities and responsibilities

Who	
Deputy Secretary, Safety Environment and Regulation	Accountable for ensuring program areas in the Division align and comply with this policy and for setting the strategic direction of Transport's Net Zero and climate change mitigation programs in line with our organisational objectives and compliance obligations
All Deputy Secretaries, Group Chief Financial Officer, Chief People Officer	Accountable for ensuring program areas in their Divisions align and comply with this policy
Chief Executives of the Transport agencies to which the policy applies	Accountable for ensuring program areas in their agencies align and comply with this policy
ED, Environment and Sustainability, SER	Accountable for ensuring this policy continues to align with Transport's strategic direction, and that guidance and controls are in place to help business areas measure and monitor compliance with this policy and any related documents.

6 Related/supporting material

1. [2016 Paris Agreement](#)
2. [NSW Climate Change Policy Framework](#)
3. [NSW Climate Change Adaptation Strategy](#)
4. [Transport Environment and Sustainability Policy](#)
5. [Transport Sustainability Plan](#)
6. [Transport Biodiversity Policy](#)
7. [Transport Future Energy Strategy](#)

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8. [Future Transport](#)
9. [NSW Decarbonising Infrastructure Delivery Roadmap](#)
10. [NSW Procurement Policy Framework](#)
11. [NSW Electric Vehicle Strategy](#)
12. [Net Zero Cities Action Plan](#)
13. [NSW Hydrogen Strategy](#)
14. [NSW Guide to Cost-Benefit Analysis \(TPG23-08\)](#)
15. [Towards Net Zero Emissions Freight Policy](#)

7 Definitions

Term	Meaning
Anthropogenic	Caused by human beings in their activities, directly or indirectly
Climate Change	Climate change means changes in the climate (the average weather) that persist for an extended period, typically decades or longer. Climate change occurs in addition to, or on top of, variability from year to year.
Climate Change Adaptation	Climate change adaptation means adjustment to the actual or expected effects of climate change. Adaptation plays a key role in reducing exposure and vulnerability to climate change, and can be proactive, reactive, incremental or transformational.
Climate resilience	Climate resilience means the capacity of systems (including social, economic, engineered, natural and ecosystems) to cope with a hazardous event, trend or disturbance. Coping means responding in ways that maintain a system's essential function, identity and structure (as well as biodiversity in the case of ecosystems).
Climate risk or climate change risk	Climate risk is when a hazard creates the potential for negative consequences due to the exposure and vulnerability of human or ecological systems. These consequences can include impacts on lives, livelihoods, health and wellbeing, economic, sociocultural assets and investments, infrastructure, services (including ecosystem services), ecosystems and species.
Decarbonisation	Decarbonisation is the process by which countries, individuals or other entities aim to achieve zero fossil carbon existence. It typically refers to a reduction of the carbon emissions associated with electricity, industry and transport.

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Embodied emissions	Embodied (carbon) emissions refers to the greenhouse gas emissions and removals associated with the creation and end-of-life disposal of an asset. This includes the emissions associated with the production and transportation of materials, construction related emissions, and end-of-life emissions. Use phase material related emissions including maintenance, repair, replacement and refurbishment are considered part of the embodied carbon definition.
Emissions	In the context of this policy, emissions denotes greenhouse gas emissions (refer below).
Fossil fuel free	Fossil fuel free means no use or reliance on fossil fuel, generally in relation to powered construction machinery, equipment, services and vehicles. This can be achieved by using 100% green electricity-supplied or green hydrogen fuel cell-supplied machinery or 100% sustainable biofuels like renewable diesel, or a combination of both.
Greenhouse gas	Greenhouse gases are constituents of the atmosphere that absorb infrared radiation (net heat energy) emitted from the Earth's surface and reradiate it back the surface, contributing to the greenhouse effect. Water vapour (H ₂ O), carbon dioxide (CO ₂), nitrous oxide (N ₂ O), methane (CH ₄) and ozone (O ₃) are the primary greenhouse gases in the Earth's atmosphere. Human-made greenhouse gases include sulphur hexafluoride (SF ₆), hydrofluorocarbons (HFCs), chlorofluorocarbons (CFCs) and perfluorocarbons (PFCs).
Innovation	Innovation is implementing a new or significantly improved product (good or service) or process, a new marketing method, or a new organisational method in business practices, workplace organisation or external relations.
Net negative emissions	Net negative emissions are achieved when anthropogenic removals of greenhouse gas emissions are more than anthropogenic emissions of greenhouse gases to the atmosphere over a specified period.
Net Zero or Net Zero emissions	Net zero greenhouse gas emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.

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Operational emissions	Operational (carbon) emissions include the emissions associated with the operation of assets, including use phase process and fugitive emissions, and operational energy. In a Transport context, this generally refers to energy (including electricity and fuel) consumption for running the trains, buses, ferries, maritime, light and heavy vehicles, corporate, maintenance and operational facilities, and operational assets (e.g. road, rail, maritime assets).
Transport	The agencies identified in Section 2 of this Policy.
transport	The transport sector and transport industry.

8 Document control

8.1 Superseded documents

No policies are superseded by this document.

8.2 Document history

Date & Policy No	Document owner	Approved by	Amendment notes
24 October 2023 CP23006	ED, Environment and Sustainability	Secretary	New policy

8.3 Feedback and help

For advice on interpreting or applying this document, please contact environmentandsustainability@transport.nsw.gov.au.

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