

Climate change policy statement

April 2021

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CPA Australia recognises the overwhelming scientific evidence of climate change and the urgency of international and national action to achieve net-zero carbon emissions by 2050.

Climate change presents profound consequences for environmental, economic and social sustainability and stability, and creates vulnerabilities in many other areas, such as health.

The treatment of environmental risks demands long-term, coherent and coordinated responses from governments, businesses, investors and others.

Policy responses must be timely and should share the burden of transition and adaptation fairly.

Accounting is embedded in economic and market systems and cannot be viewed in isolation from the natural environment.

The accounting profession has an important role to play in shaping environmentally sensitive business and economic policies.

Why is climate change a priority for Australia?

Australia is the driest inhabited continent on earth and is particularly vulnerable to the impacts of climate change, especially the loss of biodiversity.

Australia's current and past performance in managing environmental risk is poor and, in many instances, deteriorating.

Australia's carbon emissions have increased, and latest projections indicate the nation will fall significantly short of its 2030 reduction targets.

The integration of energy and climate policy is critical to an efficient, cost effective and equitable low-emission transition, consistent with Australia's international commitments.

To achieve change, there must be substantially greater collaboration between federal, state and local governments in Australia and with sectors that rely on or impact the environment.

What is CPA Australia's role?

We advocate on behalf of our members and in the public interest. In this context, our role is two-fold.

We influence the development of sound, coherent and effective laws, policies and regulations on climate change, emissions, energy and the environment.

We ensure the accounting profession has the knowledge, skills and methodologies to contribute to the business community's response to climate change.

What actions are we taking?

Call to action on climate change – CPA Australia has joined many of the world's largest professional accounting organisations committing to a call to action in response to climate change. Read [more](#)

Policy and advocacy for the management of emissions reduction – We promote the economic and fiscal merits of market-based mechanisms as the most effective means of driving low-emissions.

Sectoral management of emissions reduction – Our members are employed in sectors directly impacted by climate change. We assist members to recognise the material risks and realise opportunities.

Resources:

REPORT: [Australia's international climate change commitments – Associated accounting assumptions and auditing of climate risk disclosures](#)

FACTSHEETS:

[Summary of Australia's international climate commitments](#)

[Climate change risk – accounting and audit assumptions](#)

[Australia's international climate change commitments and the impact on Australia's economy](#)

[Directors and Business Leaders – climate risk disclosures](#)

WEBINAR: [Climate Change – What accountants need to know](#)

How was this policy statement formed?

This policy statement is based on extensive research. To receive a statement detailing the literature and developments underpinning this policy position, please email policy.advocacy@cpaaustralia.com.au