



**Australian Government**

# National Clean Air Agreement

*Towards a clean air future for all Australians*

**December 2015**

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## FOREWORD

On 15 December 2015, Australia's Environment Ministers established the National Clean Air Agreement to address the impacts of air pollution on human and environmental health and to ensure that the community continues to enjoy clean air.

Australia's air quality remains very good by world standards. Australian governments have, over a number of years, successfully implemented measures to reduce air pollution which have significantly improved Australia's overall air quality and resulted in positive environmental and health outcomes. But there is more that can be done.

We want to maintain this good performance while addressing areas of concern. Peak levels of airborne pollutants such as particulate matter and ground-level ozone still frequently exceed air quality standards. There are also specific areas of concern to local communities, including emissions of sulfur dioxide and particulate matter from a range of sources. There are multiple drivers such as population growth, transport and energy demands that run the risk of accelerating air pollution and its impacts on Australia's air quality in the future.

Governments, businesses and the community need to be active to ensure a clean air future. It is critical that governments and businesses take action to continue to improve our air quality and ensure our management of air quality continues to meet community expectations.

In April 2014 Commonwealth Environment Minister Greg Hunt proposed that all Australian Environment Ministers work together to develop a National Clean Air Agreement to address the challenges regarding our air quality and to chart a course to cleaner air in the future. Engagement with business and the community has confirmed support for the development of the Agreement and highlighted ongoing concern about air quality in Australia, its impacts on communities and the need to take action.

The Agreement strengthens Australia's existing air quality management arrangements and will assist in developing practical, effective and efficient policy settings to ensure Australia is well positioned to respond to current and emerging air quality priorities. It incorporates a range of existing, new and complementary measures to improve our air quality.

### *Strategic approaches*

The Agreement provides scope for a wide range of actions to be formulated over time across four strategic approaches:

- I. **Standards** ensure a consistent approach to monitoring and reporting air quality, reducing air pollution and limiting emissions from certain sources. The Agreement's initial work plan established by Ministers includes implementing strengthened reporting standards for particulate matter; work towards strengthening the reporting standards for sulfur dioxide, nitrogen dioxide and ozone; and a review of the *Fuel Quality Standards Act 2000*.

- II. **Emissions reduction measures** are targeted towards reducing air pollution and/or population exposure to air pollution, with associated health outcomes. The Agreement's initial work plan includes implementing decisions taken by Ministers to establish emission standards for non-road spark ignition engines and equipment (such as garden equipment and outboard engines) and reduce emissions from wood heaters. The potential for a national approach to manage non-road diesel and marine engine emissions will be evaluated under the Agreement's priority setting process.
- III. **Partnerships and cooperation** activities will complement government action to address air quality issues by fostering partnership opportunities aimed at promoting and sustaining improved air quality outcomes. The Agreement's initial work plan establishes an ongoing approach to engage with the non-government sector to seek out non-regulatory measures to managing air quality and to examine ways to better integrate air quality management in new infrastructure developments and upgrades. A Clean Air Champions initiative has also been established to help raise awareness and engage industry and the community on clean air issues.
- IV. **Better knowledge, education and awareness** are essential requirements to inform policy decisions and to help empower communities and individuals to better deal with air pollution. Knowledge, improved through information sharing and research, is critical to plug existing data gaps, identify future trends and help focus efforts in managing air quality, and explore innovative measures to address air pollution. The Agreement's initial work plan also includes a two-year plan for reforms to improve the National Pollutant Inventory.

#### *Complementary measures*

The Agreement complements other Commonwealth, state and territory and local government measures, including in relation to climate action, science and research endeavours and environmental information monitoring and reporting:

- The Commonwealth Government has established a National Environmental Science Programme which includes \$8.88 million in funding for a Clean Air and Urban Landscapes research hub to support environmental quality in urban areas.
- The Commonwealth Government has provided \$2.55 billion to establish the Emissions Reduction Fund to help achieve Australia's 2020 emissions reduction target. Actions to reduce carbon dioxide emissions will also help to reduce other airborne pollutants.
- The Bureau of Meteorology's proposed National Air Quality Data Service is aimed at improving access to information and reporting on air quality.

The National Clean Air Agreement is in two parts. Part One provides the context for the Agreement and outlines roles and responsibilities of governments. Part Two presents the policy framework, including the outcomes, objectives, principles, and strategic approaches of the Agreement. It also sets out the priority setting process to assist governments to deliver coordinated and practical responses to air quality priorities.

# PART ONE - CONTEXT

## Introduction

It is well recognised that Australia's current air quality remains very good by world standards. Australian governments have, over a number of years, successfully implemented measures to reduce air pollution which have significantly improved Australia's overall air quality with positive environmental and health impacts.

We want to maintain this good performance, while addressing areas of concern. Peak levels of airborne pollutants such as ground level ozone and particulate matter (PM) frequently approach or exceed national air quality standards in some Australian cities (ozone) or nearly all regions (PM)<sup>1</sup>. Furthermore, there are specific areas of concern to local communities, including emissions of sulfur dioxide and PM, from a range of sources (for example, industrial activity, heating).

Air quality issues may be limited to a particular region due to local air pollution sources, or may be more widespread and experienced across one or more jurisdictions, due to common air pollutant sources (such as vehicle emissions) or due to the trans-boundary movement of airborne pollutants.

Regardless of the source of air pollution, it continues to be a major human health concern, given the known respiratory and cardiovascular effects<sup>2</sup> and recently recognised carcinogenic properties of air pollutants<sup>3</sup>. Sensitive individuals (children, the elderly and those with existing respiratory and/or cardiovascular disease) are particularly susceptible to air pollution. Other concerns of air pollution include environmental impacts, economic costs, and impacts on our quality of life, especially in our cities and towns.

Looking to the future, there are multiple drivers that run the risk of accelerating air pollution and the impacts of air quality in Australia, including:

- **Population Growth and Ageing:** Australia's average annual rate of growth in the population is projected to be 1.3 per cent. This would see Australia's population rise to 39.7 million people by 2054-55, up from 23.9 million people today. In 2054-55, life expectancy at birth is projected to be 95.1 years for men and 96.6 years for women, compared with 91.5 and 93.6 years today. The number of Australians aged 65 and over is projected to more than double by 2054-55<sup>4</sup>.

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<sup>1</sup> State of the Air in Australia: 1999-2008. (2010) Australian Government, Canberra.

<sup>2</sup> Review of evidence on health aspects of air pollution – REVIHAAP project. (2013) World Health Organization.

<sup>3</sup> Outdoor air pollution a leading environmental cause of cancer deaths. (2013) Press Release No. 221, International Agency for Research on Cancer.

<sup>4</sup> 2015 Intergenerational Report Australia in 2055. The Commonwealth of Australia.

- **Urbanisation:** By 2061, an estimated 74 per cent of Australians, compared to 66 per cent in 2012, are expected to live in a capital city<sup>5</sup> - areas where people are more likely to be exposed to many sources of pollution.
- **Increased Transport and Energy Demands:** Over 70 per cent of all domestic travel occurs via roads. By 2030, road and rail freight are expected to grow by 80 and 90 per cent, respectively. National public transport is projected to grow by 30 per cent to 2030. The Australian transport sector is expected to rely heavily on oil over the next 20 years<sup>6</sup>.

Such challenges could erode the successes in air quality achieved to date and lead to poorer air quality outcomes for current and future generations. Given the evidence at hand and the challenges impacting on our air quality, Environment Ministers have recognised it is timely to map out a path for a clean air future for Australia.

### Development of the National Clean Air Agreement

In April 2014, the Commonwealth Minister for the Environment, Greg Hunt, secured the agreement of Australia's Environment Ministers to work together to develop a National Clean Air Agreement to address the challenges regarding Australia's air quality and to chart a course to cleaner air in the future.

Government, industry and community representatives were engaged in the development of the Agreement through consultation on a discussion paper, *Working towards a National Clean Air Agreement*, released on 27 February 2015. Over 300 submissions were received. Feedback was specifically sought on proposed elements of the Agreement, key air quality priorities for possible action under the Agreement, and potential partnership opportunities to support improved air quality outcomes.

On 15 December 2015, Environment Ministers established the National Clean Air Agreement to build on existing air quality arrangements and ensure a continued and strengthened approach to air quality management in Australia. The Agreement establishes a basis on which to set priorities for action now and into the future, and provides a means to develop practical, cost-effective and outcome-focused measures to address these priorities.

The Agreement recognises that not only governments, but business and the community need to be active to ensure a clean air future. A key focus of the Agreement is to encourage the development of partnerships with the business and non-government sectors to achieve and sustain improved air quality outcomes. The Agreement also recognises the continuing need for robust, reliable data and information to support decision making and to satisfy public needs, and seeks to focus efforts to improve this essential resource.

Priority actions will be reflected in the Agreement's work plan. The work plan will also set out roles and responsibilities and timeframes for implementing agreed actions. The work plan will be reviewed every two years to maintain accountability and ensure its continued relevance.

<sup>5</sup> Based on Australian Bureau of Statistics data. ABS cat. No. 3222.0

<sup>6</sup> Transport Security Outlook to 2025. Department of Infrastructure and Regional Development 2014 Australian Government, Canberra

## Roles and responsibilities

Given the varied sources of air pollution and its movement in Australia, tailored responses from governments and across different sectors are often necessary. This is consistent with the primary responsibility that state, territory and local governments have regarding environmental management, including air quality. However, all levels of government play a role in managing air quality in Australia.

Governments have recognised that there are circumstances where collaboration across jurisdictions can lead to better outcomes. The Intergovernmental Agreement on the Environment (1992) was made between the Commonwealth, State and Territory governments and representatives of Local Government in Australia to provide a basis for cooperative approaches to the management of environmental issues, including air quality. The IGAE led to the establishment of the *National Environment Protection Council Act 1994*, which allowed for the making of National Environment Protection Measures, a special set of national objectives designed to assist in protecting or managing particular aspects of the environment.

The key existing air quality management framework in Australia is the National Environment Protection (Ambient Air Quality) Measure. Since 1998, the Measure has established a common national goal to aim for in order to best protect human health and well being from the adverse impacts of air pollution. By establishing and updating health-based standards for six common air pollutants, as well as mandatory monitoring and reporting requirements, the Measure helps to assess Australia's overall air quality, identify issues and drive policy development towards managing these issues. The Measure is implemented by state and territory governments through legislation, statutory instruments, policies and programmes in their own jurisdictions towards meeting the goal of the Measure.

Local government also plays an important role in providing responses to air quality issues, including management of local air pollution events and delivering education and awareness programmes.

In some specific areas the Commonwealth also takes a lead role to address air quality issues. For example, the Commonwealth contributes to air quality management through setting standards for fuel quality (*Fuel Quality Standards Act 2000*) and road vehicle emission standards for new vehicles (*Motor Vehicle Standards Act 1989*). The Commonwealth also implements measures to meet Australia's obligations under international conventions (for example, shipping, aviation).

The Agreement recognises the different roles and responsibilities of governments and will seek to support the management of air quality issues through existing arrangements where appropriate. In addition, the Agreement will foster continued coordinated effort between governments to ensure practical, efficient and effective responses to air quality issues prioritised under the Agreement. The Agreement also retains flexibility for individual governments to act independently to manage local air quality issues and priorities in accordance with local circumstances.



The Agreement further seeks to foster partnership opportunities with business and the community towards enhancing air quality outcomes, including by reducing air pollution, reducing exposure and raising awareness.

## PART TWO - POLICY FRAMEWORK

### Desired outcomes

In setting out a means to identify and prioritise air quality issues for action, the Agreement seeks to strengthen management of air quality to reduce air pollution and exposure in Australia and help deliver better air quality information. The Agreement is underpinned by three overarching desired outcomes:

- Human and environmental health outcomes are improved through actions implemented
- Communities are empowered to better deal with air pollution through greater awareness of air quality issues and access to reliable information
- Air quality policy development and implementation is underpinned by up-to-date and robust information and evidence.

### Objectives

The Agreement will support improvements in air quality through two key objectives:

- provide a framework to identify and prioritise specific air quality issues where concentrated effort is needed that will optimise health, environmental and economic outcomes for Australians
- formalise cooperative management of air quality at the national, state and local levels to help develop effective and efficient policy settings that enable swift and informed responses to current and emerging air quality priorities.

The Agreement will enable the Commonwealth, state and territory governments to maintain responsiveness to Australia's air quality challenges over time by serving as a framework for identifying the most important issues and developing practical, cost-effective and outcome-focused solutions to these priorities.

The Agreement provides the flexibility to facilitate targeted cooperation between jurisdictions where it is needed to provide effective and efficient policy responses (whether a nation-wide focus or limited to a few jurisdictions), but otherwise enable state, territory and local governments to act independently in accordance with local needs and priorities.

### Principles

The following key principles will guide prioritisation and decision-making under the Agreement:

- actions will focus on addressing the most significant current and emerging air quality issues to protect the health of Australians and the environment

- policy decisions on new measures, whether regulatory or non-regulatory, will take account of human health, environmental, and economic considerations
- responses to air quality issues will apply best practice approaches, consider the latest evidence available and identify the most appropriate level of government to take the lead
- policy decisions are relevant, timely, consider available resources, and allow for effective consultation and appropriate lead-in times, balancing the interests of the community as well as businesses in this regard
- air quality management measures delivered are proportionate, efficient and effective, and avoid creating cumulative or overlapping regulatory burdens
- activities are consistent with Australia's international obligations
- the Agreement and endorsed work plan are periodically reviewed to maintain a focus on achievement of desired outcomes and to ensure its continuing relevance.

### Strategic approaches

Environment Ministers consider that governments, business and the community have a role to play in realising desired outcomes.

The Agreement therefore provides scope for a wide range of actions to be formulated over time across four strategic approaches:

1. **Standards** ensure a consistent approach to: monitoring and reporting of air quality; and to reduce air pollution and limit emissions from certain sources. Governments will consider the need for, and enhancement of, existing standards as well as the need for any new standards for air quality management.
2. **Emission reduction measures** are targeted towards reducing air pollution and/or population exposure to air pollution, with associated health outcomes. Governments will consider options to manage or reduce emissions from priority sources.
3. **Cooperation and partnerships** have the capacity to complement government action to address air quality issues. Governments will seek to engage with business and the community to identify and foster partnership opportunities aimed at promoting and sustaining improved air quality outcomes.
4. **Better knowledge, education and awareness** are essential requirements to inform policy decisions and to help empower communities and individuals to better deal with air pollution. Knowledge, improved through information sharing and research, is critical to plug existing data gaps, identify future trends to help focus efforts in managing air quality, and explore innovative measures to address air pollution. Governments will promote a focus on approaches to enhance the information and evidence base as well as explore avenues to ensure the public has the best available air quality information.

The Agreement will also complement other Commonwealth, state and territory and local government measures, including in relation to climate action, science and research endeavours and environmental information monitoring and reporting.

### Priority setting process

The above elements of the Agreement provide the framework through which air quality issues will be evaluated as part of a rigorous and evidence-based process and, where justified, prioritised for action under the Agreement.

As new and emerging air quality issues are raised with governments, the framework will guide their consideration for inclusion in the Agreement's work plan and identify the most appropriate level of government to lead the response.

In practice, governments would achieve this by drawing on information and evidence such as inventory and modelling data, and other research and studies to better understand the nature, scale, and impact of the problem; identifying the extent to which measures are already in place to manage the issue raised and; where necessary, examine the efficiency and efficacy of potential new measures, having regard to relative priorities, available resources and roles and responsibilities. This would be done in line with the principles underpinning the Agreement.

Engagement with relevant experts in the health and research sectors and with business, non-government organisations and the community will also inform this process.

A high level overview of the priority setting process is provided in Figure 1.

### Implementation

The National Clean Air Agreement will be implemented through individual and collective action by the Commonwealth and state, territory and local governments and, where applicable, through partnerships forged with business and community organisations.

The measures adopted and roles and responsibilities for their implementation will be determined by Environment Ministers, drawing on a rigorous evidence-based process to identify priorities, and reflected in the work plan.

Figure 1. Overview of National Clean Air Agreement Priority Setting Process

