Tuesday 25th August 2026

Joint statement on the Treasury's climate-related transition planning guidance

We, the signatories, welcome the climate-related transition planning guidance released by the Treasury as part of the Sustainable Finance Roadmap.

This guidance is a positive step forward that provides a practical starting point for corporate transition planning in Australia. Transition planning gives organisations an opportunity to prepare for, invest in and compete in a net zero economy – supporting Australia's long-term economic resilience. We welcome the Australian Government taking this step in line with the Sustainable Finance Roadmap. This guidance will help strengthen organisations' preparedness and support Australia's emissions reduction targets and broader transition to a net zero economy.

The Australian Government is one of few jurisdictions globally that has issued local guidance on climate-related transition planning. We commend the collaborative approach to developing this guidance, aimed at ensuring interoperability with global frameworks while tailoring it to the Australian context.

Climate-related transition planning is the ongoing, internal strategic process through which organisations identify, assess and respond to climate-related risks and opportunities, and deliver on any climate ambitions they have. Planning supports organisations to identify actions, effectively direct capital and contribute to building a strong, net zero, climate-resilient economy. Good practice in transition planning will also assist entities reporting under AASB S2 to prepare their climate-related mandatory disclosures.

We value the Australian Government's leadership in ensuring that organisations have support and information to plan for the transition to a net zero economy.

This guidance clearly sets out the recommended planning stages and comes with resources, illustrative examples and practical information on good practice transition planning. It aligns with major global initiatives and follows the UK Transition Plan Taskforce transition planning cycle, which is crucial for market coherence and clarity. The guidance aims to support all Australian organisations in their transition planning journey, particularly those starting out. While it provides a valuable foundation, further targeted resources would help guide investors in their own transition planning.

Maintaining momentum is critical to turn guidance into tangible economic outcomes, and we are ready to assist the Australian Government and organisations to take further action.

We strongly encourage the uptake of transition planning and taking full advantage of this guidance in that process. This can support business resilience and competitiveness in a transitioning economy. We also encourage the disclosure of transition plans to increase transparency, assist capital deployment from investors and signal where policy reform could support progress.

We encourage the Australian Government to develop policies that will further enable corporate action on climate transition. Further government support will facilitate the deployment of private capital and unlock investments in the technologies required to realise organisations’ transition plans.

We note that as Australia moves through the transition, more clarity on the expectations of regulators, investors and other stakeholders may be required. We also note growing market demand for complementary sector-specific guidance.

We look forward to continued collaboration as the Sustainable Finance Roadmap progresses. We call on the Australian Government to maintain momentum on transition planning and enable capital deployment that supports a resilient and competitive Australian economy.

Signatories:

eec

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Carbon Market Institute

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Climateworks Centre

Investor Group on Climate Change

PRI Principles for Responsible Investment

riaa Responsible Investment Association Australasia

Our organisations are part of an informal Transition Plan Working Group (TWPG) of key Australian industry bodies and thought leaders, co-convened by Climateworks Centre and the Energy Efficiency Council. This group shares information on international approaches and existing guidance on corporate transition plans and considers their application to the Australian context.