

# Pathways Call for Evidence Submission

18 July – 14 August 2026

|                 |               |
|-----------------|---------------|
| Submission type | Upload        |
| Submitter       | WWF-Australia |
| Response ID     | 388267        |

## Disclaimer

This document is a submission to the Net Zero Commission’s 2026 Pathways Call for Evidence. As part of the consultation process, the commission has committed to publishing the submissions it receives. Submissions do not represent the views of the commission.



AUSTRALIA

# SUBMISSION

AUGUST 2026

## WWF-Australia Submission to NSW Net Zero Commission Decarbonisation Pathways – Calls for Evidence

WWF-Australia welcomes the opportunity to provide a submission to the NSW Net Zero Commission's *Decarbonisation Pathways for NSW - Call for evidence*.

WWF-Australia is part of the WWF International Network, the world's largest independent conservation organisation. WWF's global mission is to 'stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature'. WWF-Australia has approximately 1.2 million supporters.

WWF-Australia acknowledges the Traditional Owners of the land on which we work and their continuing connection to their lands, waters and culture. We pay our respects to Elders, past and present, and their emerging leaders.

WWF-Australia's vision is to build a world where humans live and prosper in harmony with nature. Supporting First Nations peoples to continue to Care for Country, Water and Sky is integral to the WWF-Australia ambition to conserve nature and reduce the most pressing threats to diversity on earth.

We accept and respect the rights of First Peoples; their connections, Cultural Authority and Knowledge of Country and will partner in a meaningful way to build a better future together.

WWF-Australia responses are provided below in relation to the *questions* and *prompts* provided in the Commissions Call for Evidence. WWF-Australia encourages the Commission to assess NSW's progress not through emissions reductions alone, but against a broader set of transition-success indicators: transition preparedness, economic resilience, community benefit, nature-positive outcomes and social licence. Emissions are a necessary measure of progress, but they are not sufficient on their own. Assessing progress through this wider lens is best operationalised through a framework that weighs emissions alongside jobs, biodiversity, water and First Nations outcomes.

### 1. Native forests: protection and restoration

#### **Why ending native forest logging matters for net zero and decarbonisation**

Ending public native forest logging is one of the most immediate, cost-effective, and high-integrity actions available to NSW to cut land-sector emissions and accelerate its transition to net zero. Native forests are among the most carbon-dense ecosystems on Earth: the wet and dry sclerophyll forests of NSW's coast and tablelands hold exceptionally large stores of carbon in living trees, understory, deadwood, and soils.<sup>1</sup> Industrial logging is a driver of forest degradation, it releases stored carbon to the atmosphere, reduces the forest's ongoing capacity

<sup>1</sup> Keith, H., Mackey, B.G. & Lindenmayer, D.B. (2009). 'Re-evaluation of forest biomass carbon stocks and lessons from the world's most carbon-dense forests', *Proceedings of the National Academy of Sciences*, 106(28), pp. 11635–11640.

to draw down carbon and can take many decades for carbon stocks to recover. Protecting these forests instead keeps that carbon locked up and allows the forest to continue sequestering carbon as it matures, turning state forests into a significant and durable carbon sink.

Ending native forest logging delivers climate and biodiversity outcomes simultaneously. High-carbon-stock forests are frequently also critical habitat for threatened species such as koalas, greater gliders, forest owls, and spotted-tailed quolls, so the same action that protects carbon also protects nature. Retaining and restoring the roughly 1.9 million hectares of NSW state forests would protect substantial carbon stocks, support improved sequestration as forests regenerate and help NSW meet both its emissions targets and Australia's commitments under the Global Biodiversity Framework.

WWF-Australia recommends that NSW end public native forest logging, delivered through a suite of complementary policies and legislative reforms, including:

**Exit native forest logging statewide**, sunset wood supply agreements, transition to a 100% timber plantation-based forestry sector, and protect habitat for threatened species, which is often correlated with high-carbon-stock forests (koalas, greater gliders, forest owls, and spotted-tailed quolls).

**Generate and sell high-integrity carbon credits from state forests** using the *Improved Native Forest Management for Multiple-Use Public Forests* method, using the proceeds to support transitions for local communities and to restore, repair and maintain forests. Credits must be genuinely high-integrity on the supply side (ensuring additionality and preventing leakage, using independently reviewed data on timber resources, which could generate 'phantom' Australian Carbon Credit Units) and the demand side (e.g. not selling credits to fossil fuel companies and ensuring strict application of the mitigation hierarchy).

**Generate and sell biodiversity certificates** through the Protect and Conserve methodology under the federal Nature Repair Market. This nascent methodology can stack on top of carbon credits, enabling biodiversity certificates to be generated and sold where they support the maintenance and regeneration of forests with high ecosystem integrity.

**End deforestation of mature woody vegetation and mature regrowth (>15 years) for agriculture**, aligning with Australia's international commitments to halt and reverse deforestation and forest degradation by 2030.

Changes to the regulatory framework have been associated with substantially higher rates of woody vegetation clearing relative to the period under the Native Vegetation Act 2003. Between 2018 and 2024, 30 000 hectares per year of woody vegetation was cleared across NSW.<sup>2</sup> This loss of forest and woodland is a very significant emissions source that also reduces sequestration in the land sector. By contrast, rates of land clearing of woody vegetation were less than 10,000 hectares per annum under the *Native Vegetation Act 2003*, which had an object "to prevent broadscale clearing unless it improves or maintains environmental outcomes".<sup>3</sup>

The regulatory framework for native vegetation in Part 5A of the *Local Land Services Act*, the Land Management (Native Vegetation) Code, the associated Native Vegetation Regulatory Map and the *Biodiversity Conservation Act* has directly led to this significant increase in deforestation and thus increased land sector emissions.

Around three-quarters of woody vegetation change in 2024 was unallocated and undertaken as landholder self-assessment. Adopting ecological integrity as a guiding principle for the land sector would help drive down emissions rapidly while maintaining and improving the condition of ecosystems.

---

<sup>2</sup> <https://www.environment.nsw.gov.au/topics/animals-and-plants/native-vegetation/landcover-science/2024-nsw-vegetation-clearing-report#native-woody-vegetation>

<sup>3</sup> <https://legislation.nsw.gov.au/view/html/inforce/current/act-2003-103>

Frameworks audit Office's 2019 audit *Managing Native Vegetation* concluded: *The clearing of native vegetation on rural land is not effectively regulated and managed because the processes in place to support the regulatory framework are weak. There is no evidence-based assurance that clearing of native vegetation is being carried out in accordance with approvals. Responses to incidents of unlawful clearing are slow, with few tangible outcomes. Enforcement action is rarely taken against landholders who unlawfully clear native vegetation.*<sup>4</sup>

WWF-Australia recommends NSW substantially reduce deforestation through reviewing and significantly strengthening the regulatory framework for native vegetation. In addition, revenue streams should be expanded to help change the economic calculus for landholders when considering clearing forests, including mature regrowth.

**Support the return, transfer, co-management and Indigenous ownership of lands with high biodiversity and carbon values, consistent with the aspirations of Traditional Owners and established land justice frameworks.** Indigenous people hold strong connections to Country, cultural responsibilities, and significant land-management expertise. First Nations peoples are rights-holders: their self-determination, cultural governance and right to free, prior, and informed consent (FPIC) must be respected, alongside protection of cultural heritage and equitable benefit-sharing from any carbon, biodiversity, and land-management activities. Enabling land justice would give effect to the UN Declaration on the Rights of Indigenous Peoples (endorsed by Australia in 2009) and support enhanced land management and carbon sequestration through the revitalisation of cultural fire, weed and feral-animal management, bush regeneration, and revegetation. A statewide, tenure-blind Indigenous Ranger workforce for women and men is critical to scaling Caring for Country activities.

**Expand protected areas** on land to protect carbon stocks and assist sequestration as land regenerates, consistent with Target 3 of the Global Biodiversity Framework (protecting 30% of land and seas by 2030). This could protect lands with high carbon stocks, such as the 1.9 million hectares of state forests, particularly wet and dry sclerophyll forests in coastal and tablelands regions.

**Regenerate degraded ecosystems** to boost carbon sequestration in restored vegetation and soils, consistent with Target 2 of the Global Biodiversity Framework (restoring 30% of degraded land by 2030). Over-cleared bioregions in the sheep/wheat belt often retain <10% of native vegetation, much of it degraded and fragmented. Statutory restoration targets and stronger institutional arrangements, such as a coordinated 'Restore NSW' initiative augmenting the EPA, NPWS and Biodiversity Conservation Trust, could mobilise private finance through biodiversity markets, carbon markets and stewardship payments, creating regional jobs, improving agricultural resilience, recovering biodiversity and establishing a significant long-term carbon sink.

## 2. Policies and market mechanisms

### **Use high-integrity carbon and biodiversity markets to drive land-sector abatement**

Well-designed market mechanisms can unlock significant land-sector abatement in NSW while delivering biodiversity co-benefits. As set out in Section 1, WWF-Australia does not oppose the issuing of carbon credits from public native forests under the Improved Native Forest Management for Multiple-Use Public Forests method, and recommends proceeds from the sale of any carbon credits be used to support community transitions and to restore and maintain forests. To protect market integrity, mechanisms must ensure genuine additionality (crediting the cessation, not merely the deferral, of logging), prevent leakage of harvesting to private land that could generate 'phantom' Australian Carbon Credit Units, be permanent through 100-year permanence periods, and apply strict demand-side safeguards – notably by not selling to oil and gas companies. Biodiversity certificates generated through the Protect and Conserve methodology under the federal

---

<sup>4</sup> <https://www.audit.nsw.gov.au/our-work/reports/managing-native-vegetation>

Nature Repair Market can stack on top of carbon credits where they support the maintenance and regeneration of forests with high ecosystem integrity.

### **Stimulate private finance for first-of-a-kind and land-sector projects**

To mobilise private finance at the scale and pace required, NSW should complement Commonwealth mechanisms with targeted, time-limited concessional finance and faster deployment of already-committed capital. First-of-a-kind, capital-intensive projects, such as green iron and steel, carry a higher risk premium and often fall between venture capital and infrastructure finance.<sup>5</sup> Aggregator platforms that pool smaller projects into investment-ready portfolios, time-limited offtake support to help first-movers reach final investment decision, and greater co-investment flexibility can help close the residual capital gap. Government procurement should be used as the primary market-shaping mechanism to build bankable demand for low-carbon materials and industrial products.<sup>6</sup> Public support and concessional finance should be explicitly conditional, tied to demonstrable emissions-reduction performance, nature-positive outcomes, local content and workforce commitments, and transparent benefit-sharing with affected communities and First Nations, so that public investment actively drives the transition rather than subsidising business as usual.

## **3. Technology and behaviour change**

### **Electrify almost everything**

Australian households have demonstrated that fast, decentralised electrification is achievable when economics and policy settings align. For example, driven by rooftop solar, more than 400,000 home batteries (11.2 GWh of storage) have been installed nationally<sup>7</sup> and electric and hybrid vehicles reaching around 49% of new sales in the second quarter of 2026.<sup>8</sup> Ongoing electrification is a significant low-cost opportunity across the spectrum, from small-medium sized businesses through to commercial and industrial scale rooftops, as well as opportunities in light and heavy vehicle transport electrification. NSW should seek to address equity gaps, particularly for renters, so the benefits of electrification are shared more widely.

### **Renewable deployment and transmission as the binding constraint**

While large-scale renewable deployment is advancing, it is not yet at the pace required to meet emissions targets or to underpin a competitive low-emissions industrial base. Nationally, only 2.3 GW of large-scale renewable generation reached financial close in 2025, down from 4.4 GW in 2024, one of the lowest levels in a decade.<sup>9</sup> Developers and investors consistently cite transmission delivery, planning approvals, community engagement and investor confidence as binding constraints.<sup>10</sup> For NSW, the biggest opportunities lie in accelerating Renewable Energy Zone and transmission delivery, building genuine community support through

---

<sup>5</sup> Climate Capital Forum (2026), Getting clean energy capital moving: <https://www.climatecapitalforum.org/wp-content/uploads/2026/06/CCF-June-2026-Getting-Capital-Moving.pdf>

<sup>6</sup> Creating the Pull: WWF – Australia 2026

[https://assets.wwf.org.au/image/upload/f\\_pdf/20260529\\_Creating\\_The\\_Pull\\_Green\\_Iron\\_and\\_Steel\\_Final\\_Report](https://assets.wwf.org.au/image/upload/f_pdf/20260529_Creating_The_Pull_Green_Iron_and_Steel_Final_Report)

<sup>7</sup> Clean Energy Regulator, *Cheaper Home Batteries Program* data (Small scale Renewable Energy Scheme), as reported in the *Quarterly Carbon Market Report* (March quarter 2026); milestone announced by the Hon. Chris Bowen MP, Minister for Climate Change and Energy, 16 May 2026.

<sup>8</sup> Australian Automobile Association (2026), [Electric Vehicle Index](#)

<sup>9</sup> Clean Energy Council (2026) p15, [Clean Energy Australia 2026](#)

<sup>10</sup> <https://www.ceig.org.au/wp-content/uploads/2026/06/Delivering-Clean-Energy-Projects-in-NSW-2026-Update-Review-of-NSW-Statutory-Planning-Approvals-Processes.pdf>

coordinated benefit-sharing and empowering regional communities and First Nations through inclusive engagement.

### **Managing new electricity demand from data centres**

Data centres represent a rapidly growing and NSW-critical source of new electricity (and water) demand that must be managed so it pulls the system towards, rather than away from, the state's climate goals. WWF-Australia's position, developed with a broad alliance of industry, unions and environment groups, is that new data centre load should be matched with genuinely additional, 100% renewable energy, not simply compete for existing clean electricity, with new gas-fired generation ruled out. This should be supported by nationally consistent reporting and transparency on energy and water use, best-practice water-efficiency standards differentiated by water source, integrated siting that avoids high-biodiversity areas and respects water limits and delivers nature-positive outcomes, a measurable net gain for biodiversity rather than merely avoiding harm, while upholding First Nations free, prior and informed consent and approvals conditioned on alignment with climate targets.

### **Emerging low-emissions industries: green iron and steel**

A key barrier to the growth of low-emissions industries is the absence of bankable demand. Demand-side policies could help create the green demand that NSW's existing aluminium and steel facilities will depend on to decarbonise and remain competitive. Green public procurement, minimum embodied-carbon standards, product definitions and aggregated offtake commitments can give facilities such as those in the Hunter and Illawarra clearer investment signals, while ensuring NSW infrastructure spending supports low-emissions local industry rather than imported high-emissions materials.

A 'green trade statecraft' approach, time-limited offtake support to help first-movers reach final investment decision, lead markets created by directing demand toward early-adopter sectors such as vehicles, infrastructure and data centres, and strengthened green trade corridors with partners such as Japan, Korea and China, can de-risk investment and bring first-of-a-kind projects to commercial scale. NSW can contribute through procurement, product standards and support for local manufacturing.<sup>11</sup>

The key steps to create demand are:

- mandating low- and near-zero-emissions materials (such as green steel) in government-funded infrastructure through green public procurement;
- setting minimum green-content standards backed by clear definitions and verification; and
- aggregating public and private demand into long-term, bankable offtake commitments that give first movers the certainty needed to reach final investment decision.

## **4. Economic impacts and just transition**

### **Manage the decline of fossil fuels as an economic strategy**

A just transition for NSW requires planning proactively for the structural decline of fossil fuels, rather than allowing it to happen in a disorderly and costly way. Demand for Australia's fossil fuel exports is increasingly uncertain and could fade faster than expected, with metallurgical and thermal coal demand in key markets potentially beginning to decline within five years.<sup>12</sup> Managing this decline means confronting stranded liabilities and having honest conversations with affected communities about the costs and risks ahead, while strategically

---

<sup>11</sup> WWF-Australia & Deloitte Access Economics (2026), [Creating the Pull: Demand-side Levers for Green Iron and Steel](#).

<sup>12</sup> [https://assets.wwf.org.au/image/upload/f\\_pdf/2307\\_Energy\\_Crossroads\\_-\\_final\\_1](https://assets.wwf.org.au/image/upload/f_pdf/2307_Energy_Crossroads_-_final_1)

deploying finite fossil revenue to invest in the industries of the future and to support workers and regions through the change. This is an economic development strategy as much as an emissions-reduction one. In practice, this means requiring statutory transition plans for coal-dependent regions and major emitting assets, with clear sequencing, plan first, then reinvest finite fossil revenue, then support workers and diversify regional economies, so that decline is anticipated and actively managed rather than left to a disorderly market exit.

#### **First Nations land justice and Caring for Country**

A just transition must deliver equitable outcomes for First Nations peoples as rights-holders, embedding self-determination and free, prior and informed consent throughout NSW's transition. This should include though not be limited too: genuine participation in the Renewable Energy Zones transition; ownership via equity stakes and co-investment; co-designed benefit-sharing consistent with the national First Nations Clean Energy Strategy and procurement directed to Aboriginal-owned businesses factoring in employment pathways.

#### **Regional workforce, benefit-sharing and tangible local benefits**

The transition will only be politically durable if communities can see tangible benefits at home like lower bills, cleaner transport, good jobs and more resilient communities. Pathways should account for regional workforce pressures and prioritise coordinated benefit-sharing, inclusive community engagement and targeted support for workers in fossil-fuel-dependent regions. Progress should be measured not only by emissions outcomes but by workforce transition, community participation and the equitable distribution of the benefits of new renewable and green-export industries across regional NSW.

## **5. Evidence and other considerations**

There are several WWF reports that lend evidence to the issues put down in this submission:

#### **Energy Crossroads: Why managing fossil fuel decline is key to Australia's green export future**

[https://assets.wwf.org.au/image/upload/f\\_pdf/2307\\_Energy\\_Crossroads\\_-\\_final\\_1](https://assets.wwf.org.au/image/upload/f_pdf/2307_Energy_Crossroads_-_final_1)

#### **Creating the Pull: Demand Side Levers for green iron and steel**

[https://assets.wwf.org.au/image/upload/f\\_pdf/20260529\\_Creating\\_The\\_Pull\\_Green\\_Iron\\_and\\_Steel\\_Final\\_Report](https://assets.wwf.org.au/image/upload/f_pdf/20260529_Creating_The_Pull_Green_Iron_and_Steel_Final_Report)

#### **The New Energy Security: Australia's strategic choice from fossil fuel exports to renewable partnerships**

[https://assets.wwf.org.au/image/upload/f\\_pdf/FMWA\\_the\\_new\\_energy\\_security](https://assets.wwf.org.au/image/upload/f_pdf/FMWA_the_new_energy_security)

#### **Australia's Green Iron Key: Unlocking Asian steel decarbonisation, securing Australia's economic future**

[https://assets.wwf.org.au/image/upload/file\\_WWF\\_Green\\_Iron\\_Report](https://assets.wwf.org.au/image/upload/file_WWF_Green_Iron_Report)

## FOR MORE INFORMATION

**Larissa Sherman**

**A/Government Relations Manager  
WWF-Australia**



Working to sustain the natural  
world for the benefit of people  
and wildlife.

together possible. [wwf.org.au](http://wwf.org.au)

WWF-Australia National Office  
Level 1/1 Small Street, Ultimo NSW 2007  
GPO Box 528, Sydney NSW 2001  
Tel +61 000 032 551 | [enquiries@wwf.org.au](mailto:enquiries@wwf.org.au) | [wwf.org.au](http://wwf.org.au)