Securing traditional industries, powering new opportunities

DECARBONISATION ACCELERATED

Benchmark Survey Report

May 2024

GREATER WHITSUNDAY ALLIANCE MACKAY ▶ ISAAC ▶ WHITSUNDAY

RESOURCES CENTRE of EXCELLENCE

LOCAL BUYING FOUNDATION AN INITIATIVE OF THE LOCAL BUYING PROGRAM

Queensland Government

OVERVIEW DECARBONISATION ACCELERATED

As the world strives to achieve net zero emissions by 2050, businesses face mounting pressure from governments, investors, and consumers to demonstrate their commitment to reducing carbon emissions. This global push for decarbonisation impacts supply chains worldwide, including those in the Greater Whitsunday region. Local businesses and industries will need to meet global emissions targets, presenting both challenges and opportunities. Leveraging the region's traditional industry strengths can help address this global issue and create new value in emerging sectors.

Located in Northern Australia, the Greater Whitsunday region spans 90,354 km2 and is home to 189,643 people and supports more than 97,000 jobs. The Greater Whitsunday region is renowned for its resources sector, a dominant industry. However, the region's economy is not confined to this single sector. The Greater Whitsunday region has been forward-thinking, ensuring that market fluctuations create opportunities rather than threats.

Greater Whitsunday Alliance (GW3), the Resources Centre of Excellence (RCOE), and other key regional partners, including the Local Buying Foundation (LBF) and the Queensland Government, are collaboratively pursuing economic opportunities in a low-carbon world through the Decarbonisation Accelerated project. Decarbonisation and diversification are significant regional economic priorities, and as the resource sector evolves, this transformation will drive economic growth.

The Decarbonisation Accelerated project aims to be a catalyst for regional transformation towards a low-carbon future while supporting resilient economic expansion. Initially focusing on the METS sector, the project intends to develop a decarbonisation model that can be applied to other sectors in the future.

Follow link to read more: Decarbonisation Accelerated Blueprint.

Introduction

Purpose and Methodology

Aim

The Decarbonisation Accelerated Benchmarking Survey is designed to establish a baseline for the level of knowledge and understanding that local Greater Whitsunday businesses have regarding decarbonisation.

Insights and the Future

The survey results will play an important role in informing the deliverables and guiding the outcomes of the Decarbonisation Accelerated project. By addressing identified gaps and capitalising on opportunities, the project aims to develop a robust framework for reducing carbon emissions across the region while promoting sustainable economic growth.

Reissuing the survey at 12-month intervals will help measure the impact of the Decarbonisation Accelerated deliverables on businesses' awareness and knowledge of decarbonisation.

Survey Distribution

The survey was distributed via the BHP Local Buying Program (LBP) database, the Decarbonisation Accelerated mailing list and promoted on social media over a 12-week period and collected responses via an online survey tool. 106 responses were received, with the majority coming from businesses in the Mackay and Isaac regions through the LBP.

The survey will be reissued in 12 months (February 2025) to evaluate any changes in knowledge, awareness, and motivation regarding decarbonisation among businesses in our region.

Survey Focus Areas

The benchmarking survey collected information across four key areas:

1. **Respondent Demographics:** To understand the size and nature of businesses responding to the survey, and to capture information that will enable the same businesses to be approached for participation in future surveys.
2. **Decarbonisation Awareness and Understanding:** To gauge the current awareness and understanding of decarbonisation among businesses, and to identify where additional support is needed to enhance their knowledge.
3. **Decarbonisation Activities Tracking and Measuring**: To assess the activities businesses are currently undertaking to track and measure their emissions, and to determine where further support is required.
4. **Decarbonisation Opportunities:** To explore businesses' perceptions of whether decarbonisation will create new economic opportunities for the region.

Respondent Demographics

The Decarbonisation Accelerated project is focused primarily on the mining equipment technology and services (METS) businesses located within the Greater Whitsunday region. Is important to note that this survey was distributed to a wide range of stakeholders within the region to gain a holistic view of where the region currently sits on the journey towards a lower carbon future.

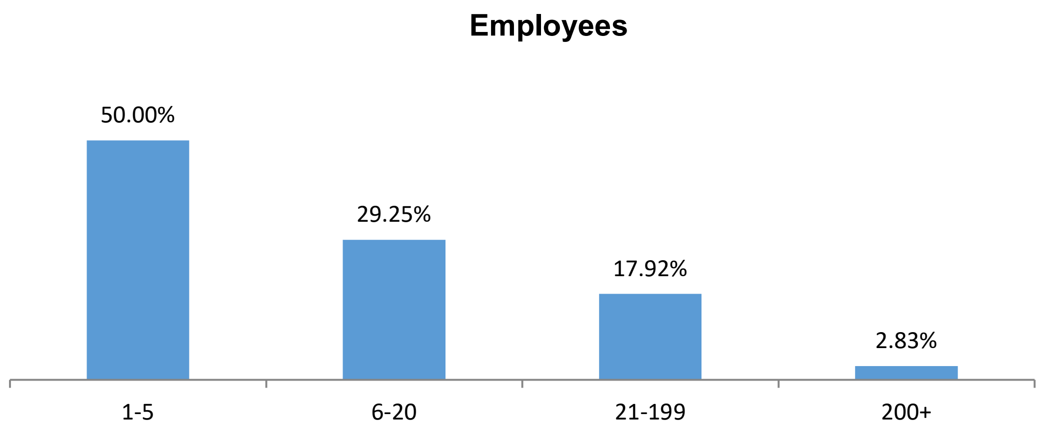
There were **106 survey respondents** in total.

Key findings:

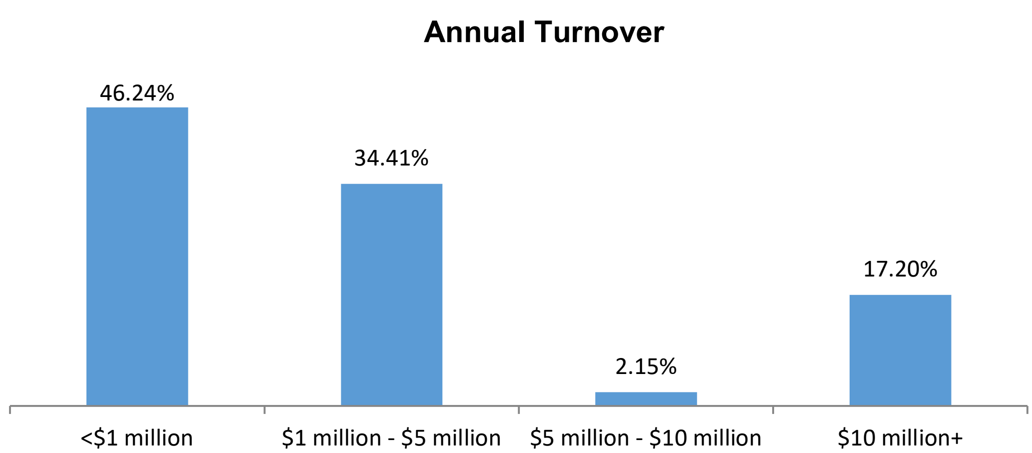
- 79% of businesses employ between 1 to 20 people full time equivalent
- 81% have an annual turnover of less than $5 million
- Over 50% supply directly into the mining industry

Q1. In order to support us to reissue this survey to you in 12 months' time, please provide your email address and business name. Sample Size: 106

Q2. How many FTE staff does your business employ? Sample Size: 106

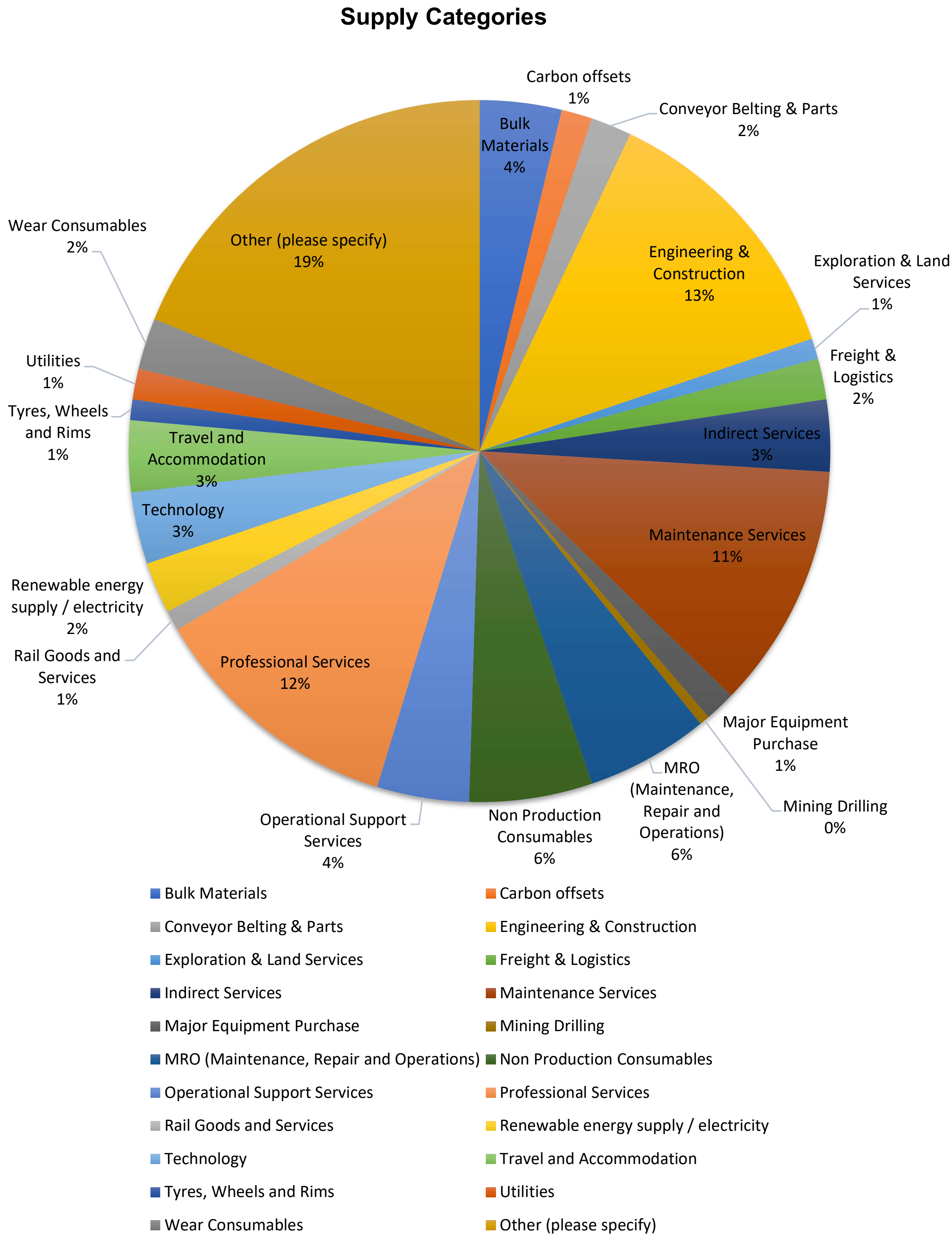


Q3. What is your business annual turnover? Sample Size: 93



Q4. What category do you supply within?
(Could make multiple selections)

Sample Size: 105



Survey Results

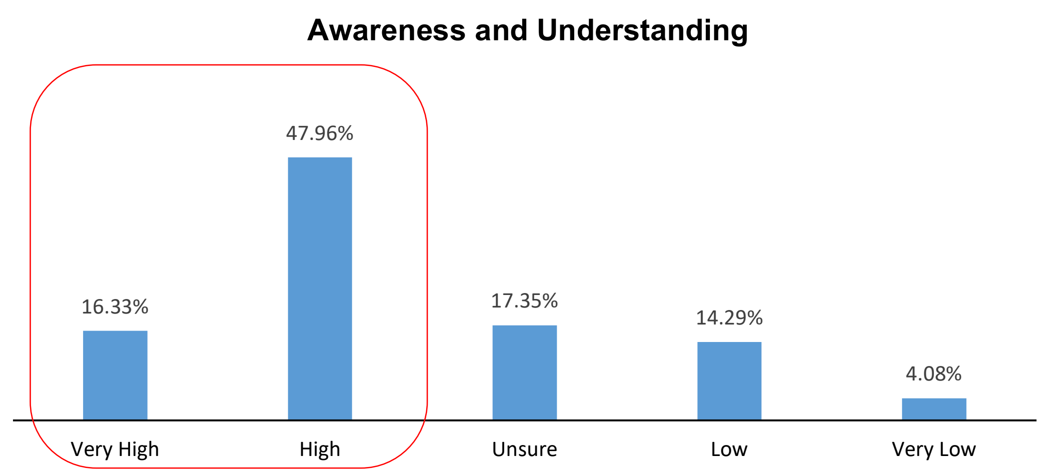
Decarbonisation Awareness and Understanding

This section seeks to measure the current level of awareness and understanding of decarbonisation amongst businesses; gauge how businesses perceive its future importance; and identify any uncertainties or misconceptions about the potential impact of decarbonisation on their operations.

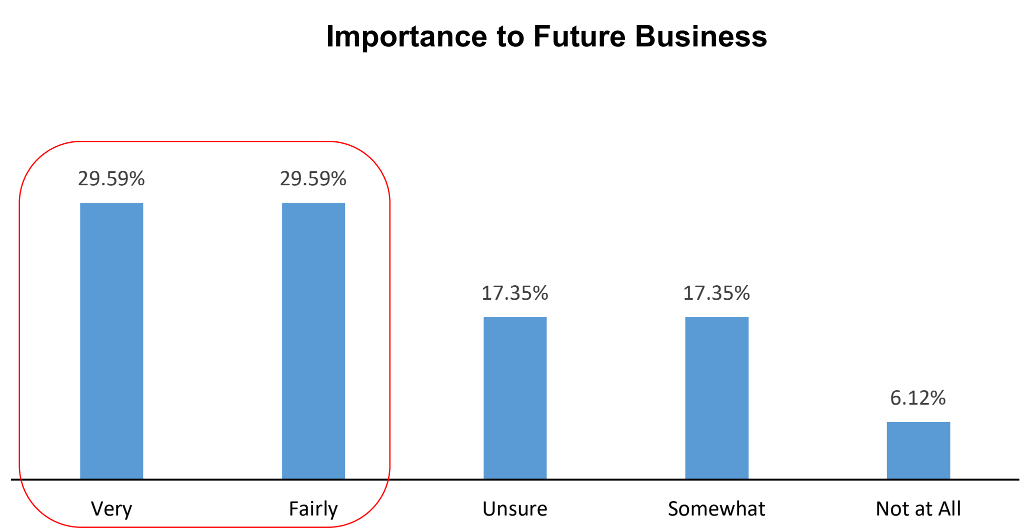
Key findings:

- 64% of respondents rated their awareness and understanding of decarbonisation as high or very high
- 60% of respondents indicated decarbonisation will be fairly or very important for their business in the future
- Almost half (48%) of respondents don't think or are unsure that decarbonisation will have an impact on their business

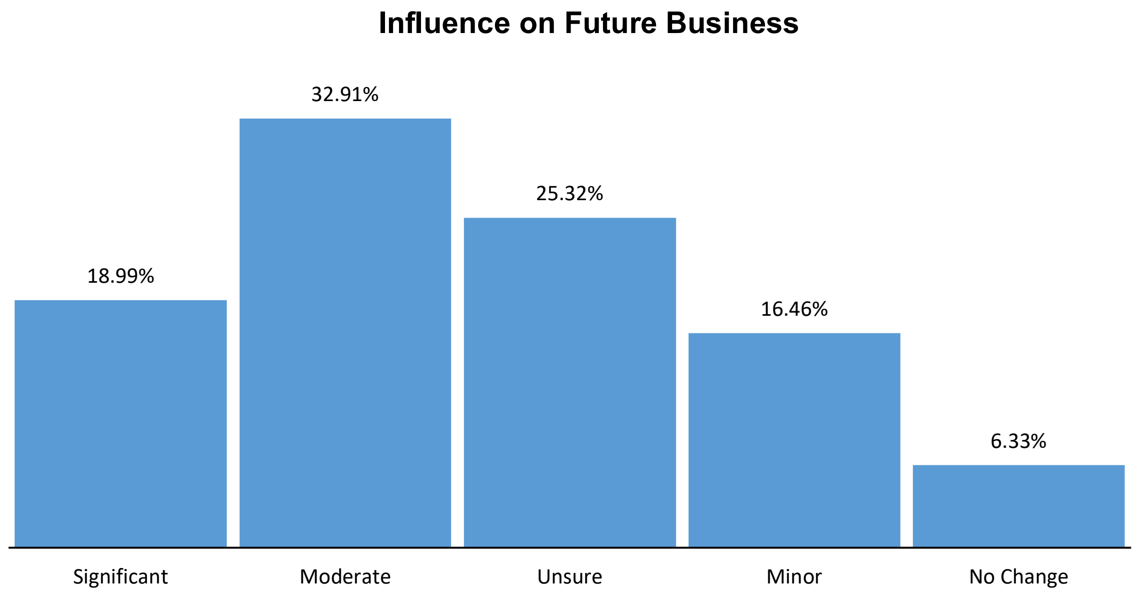
Q5. How would you rate your level of awareness and understanding of decarbonisation? Sample Size: 98



Q6. How important do you think decarbonisation is to the future of your business? Sample Size: 98



Q7. How much do you think decarbonisation will change the way you do business in the future? Sample Size: 98



Comments

Respondents offered a range of views on approaches and attitudes that will progress decarbonisation across the region.

> *"[Major mining companies are] yet to formalise the Decarbonisation and Pathway to Net Zero roadmap. As the criteria are yet to be set and/or ratified suppliers cannot develop an implementation plans."*

> *"This space requires calm and clarity, with a better-defined approach for decarbonisation programs to roll out more freely. Decarbonisation science, measurement and practical outcomes are not in sync. There is a danger of a loss of trust and embarrassment if the decarbonisation programs are not based on more robust systems."*

> *"Our region needs to be able to show how decarbonisation can be done in a balance[d] way over a longer period of time then forecast if not we will wear the same badge of go woke go broke which will be a disaster for our region."*

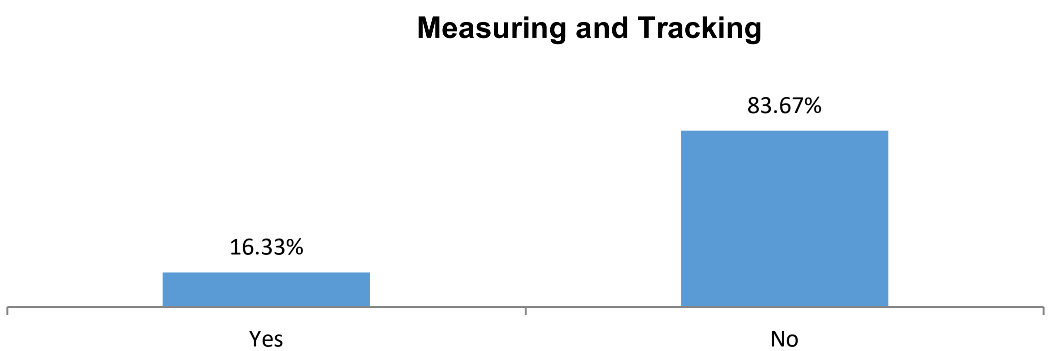
Decarbonisation Activities – Measuring and Tracking

The purpose of collecting this information is to understand the current state of decarbonisation activities among businesses, specifically focusing on how many are tracking and measuring their carbon emissions, the methods they are using, and the barriers they face.

Key findings:

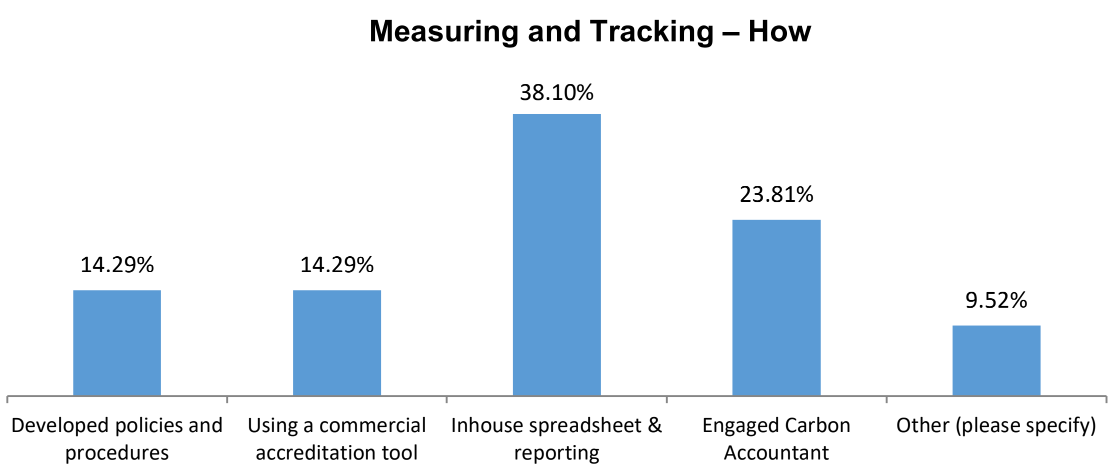
- 16% of respondents currently measure their carbon emissions.
- 38% of respondents currently measure their carbon emissions using inhouse spreadsheets and reporting.
- 29% of respondents stated lack of resources or expertise as the reason why they don't track emissions.
- 73% of respondents are either unsure about, somewhat indifferent to, or do not believe it is important to begin measuring or tracking emissions within the next year

Q8. Does your business currently measure of track its carbon emissions? Sample Size: 98



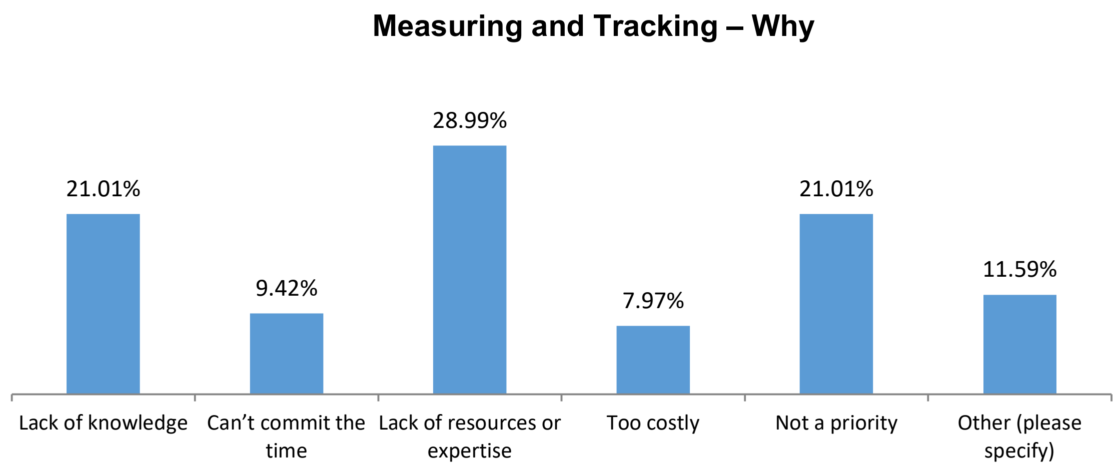
Q9. If yes, please share how your business measures or tracks its carbon emissions?

(Could make multiple selections) Sample Size: 21

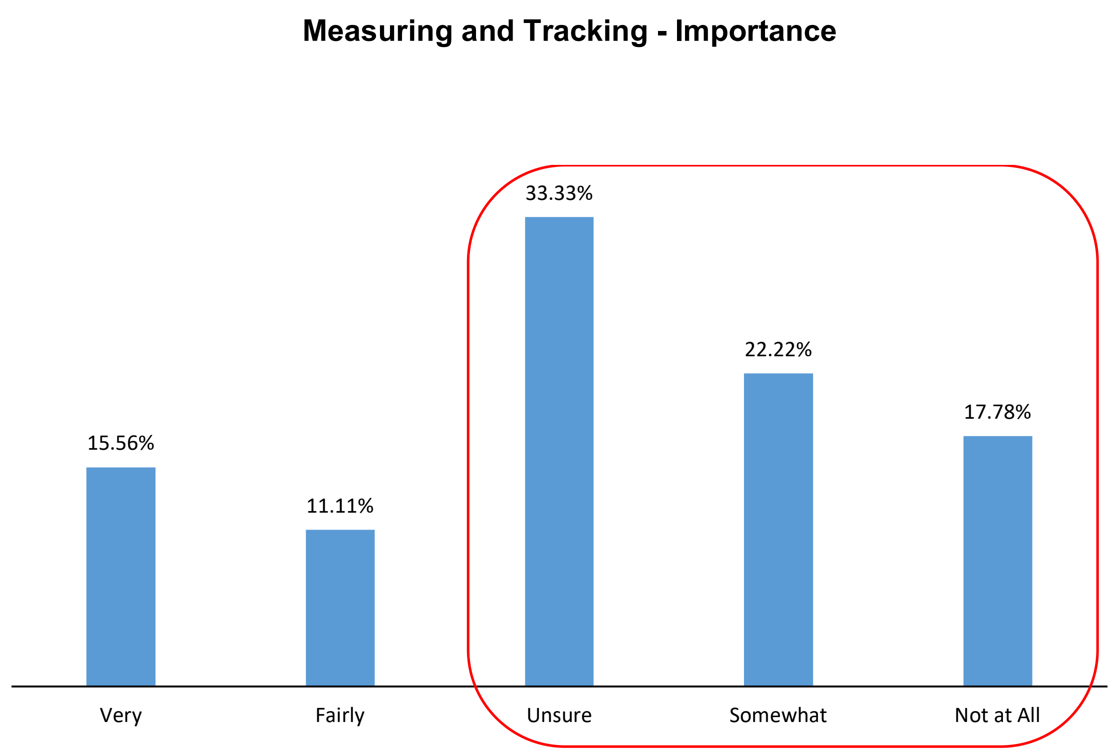


Q10. If no, please share why your business does not measure or track its carbon emissions?

(Could make multiple selections) Sample Size: 88



Q11. How important do you think it is for your business to start measuring or tracking its carbon emissions within the next year? Sample Size: 90



Decarbonisation Reporting

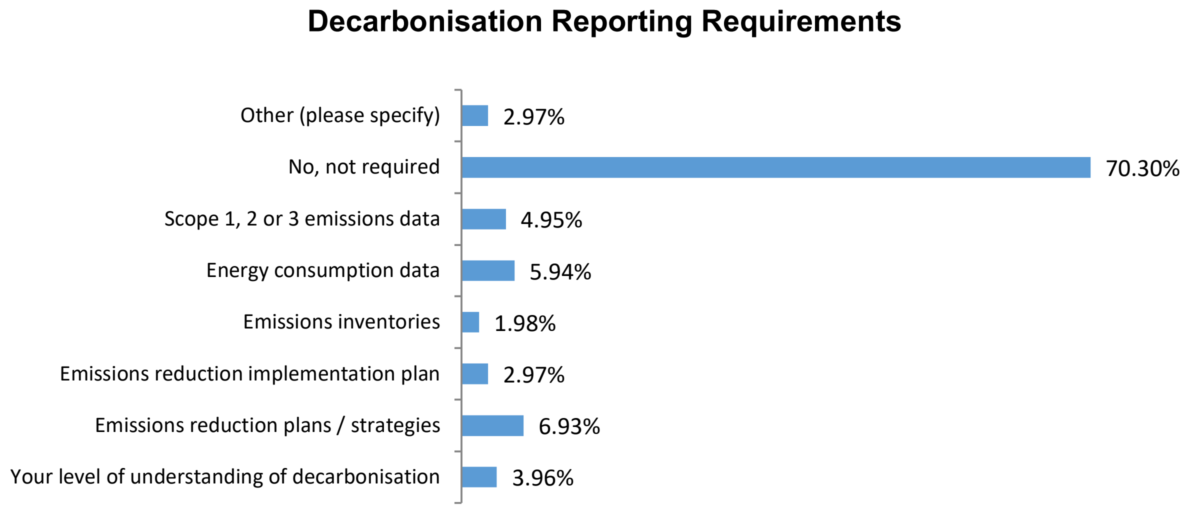
This section gathered information to understand the extent to which businesses are currently being asked for decarbonisation information by their suppliers and customers.

Key findings:

- 70% of respondents stated their current suppliers and customers DO NOT require decarbonisation information from their business.
  The remaining 30% who are required to supply emissions reduction information stated the following requirements.

Q12. Do any of your current suppliers or customers require decarbonisation information from your business (e.g. tenders)? If yes, please specify the carbon emission reduction information being requested.

(Could make multiple selections) Sample Size: 101



Comments

Respondents expressed concerns that compliance with decarbonisation legislation takes up valuable time, making it challenging for small businesses to balance these requirements with daily operations and industry needs.

> *"Too much time complying with legislation and not enough to actually run the business and make an income."*

> *"As a small business, decarbonisation will be about balance of need with day-to-day operations and industry needs and wants."*

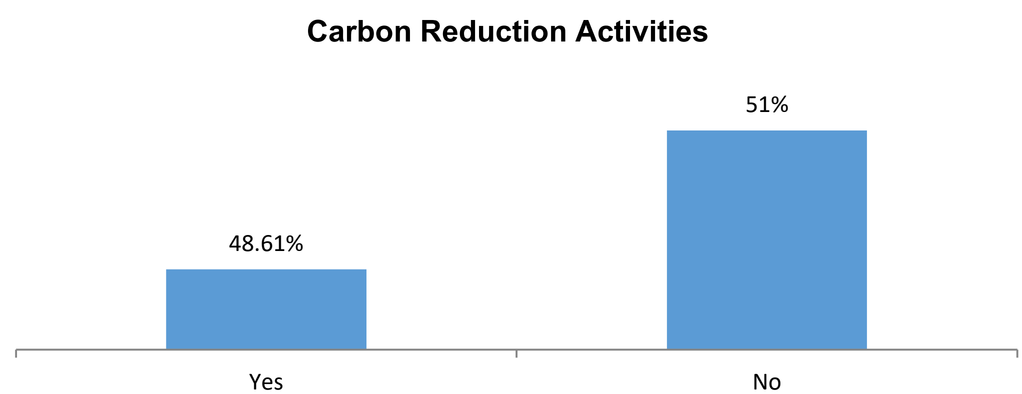
Decarbonisation Activities – Implementing Carbon Reduction Activities

This section assesses the number of businesses actively implementing carbon reduction activities and to identify the most common initiatives being prioritised. Additionally, this section seeks to understand the reasons why some businesses have not yet implemented any decarbonisation activities.

Key findings:

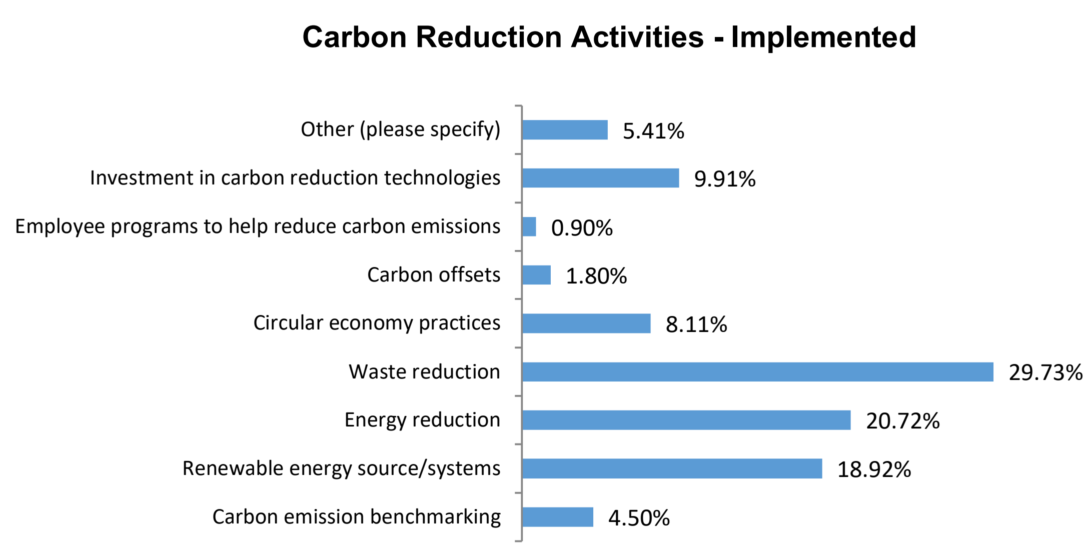
- 51% of respondents indicated they have implemented carbon emissions reduction activities.
- The three (3) prioritised emissions reduction activities that businesses have implemented are waste reduction (including recycling), Energy Reduction (including updating lighting to LED) and Renewable Energy (including solar panels).
- The three (3) standout reasons for why businesses have not implemented carbon reduction activities are lack of knowledge, lack of resources or expertise and it's not a priority.

Q13. Does your business currently implement carbon emissions reduction activities? Sample Size: 91



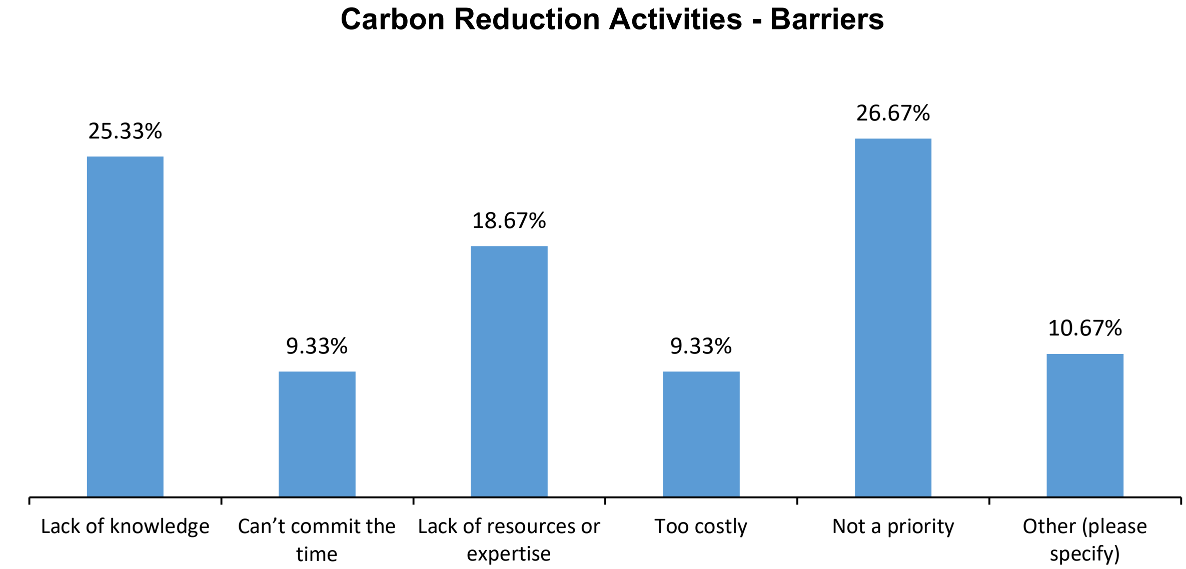
Q14. If yes, please specify the carbon reduction activities your business has implemented.

(Could make multiple selections) Sample Size: 66



Q15. If no, please specify why your business has not implemented carbon reduction activities.

(Could make multiple selections) Sample Size: 44



Comments

Respondents highlighted their efforts in reducing carbon emissions but noted challenges measuring their overall carbon impact.

> *"Upgrades of machinery and equipment is undertaken as required to make use of new technologies available".*

> *"We think our next step in reducing carbon is installing solar to supply the workshop. However, we are short the capital to do this. Our carbon footprint is small, and our core line of work is salvage parts for reuse, so our principle is to reduce carbon by default of our primary service."*

> *"We are a small business with a relative low carbon footprint and do try to purchase more fuel-efficient machinery of all types in the future purchases we make and what we have made in the last two years."*

> *"Every part my business reclaims means a part does not need to be manufactured, and this is the best way I can contribute to reducing carbon. I am trying to figure out how to measure that."*

Decarbonisation Opportunities

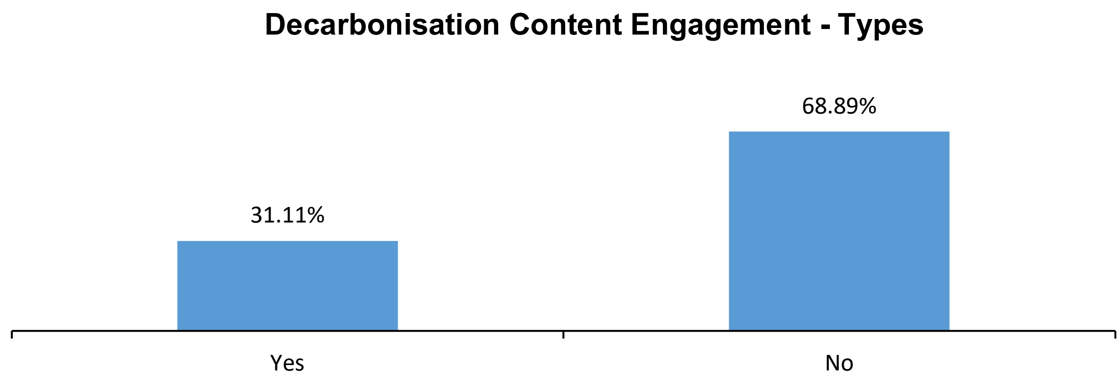
The purpose of collecting this information is to identify the level of appetite for decarbonisation content and preferred engagement methods.

Key findings:

- *69% of respondents have NOT engaged in activities focused on decarbonisation for business.*
- *50% of the 28 respondents who answered yes, are a METS business.*
- *The respondents chose Newsletters, Online webinars and Conference/forums as their preferred engagement options.*

Q16. Have you connected with any decarbonisation content via workshops, activities, newsletters or events?

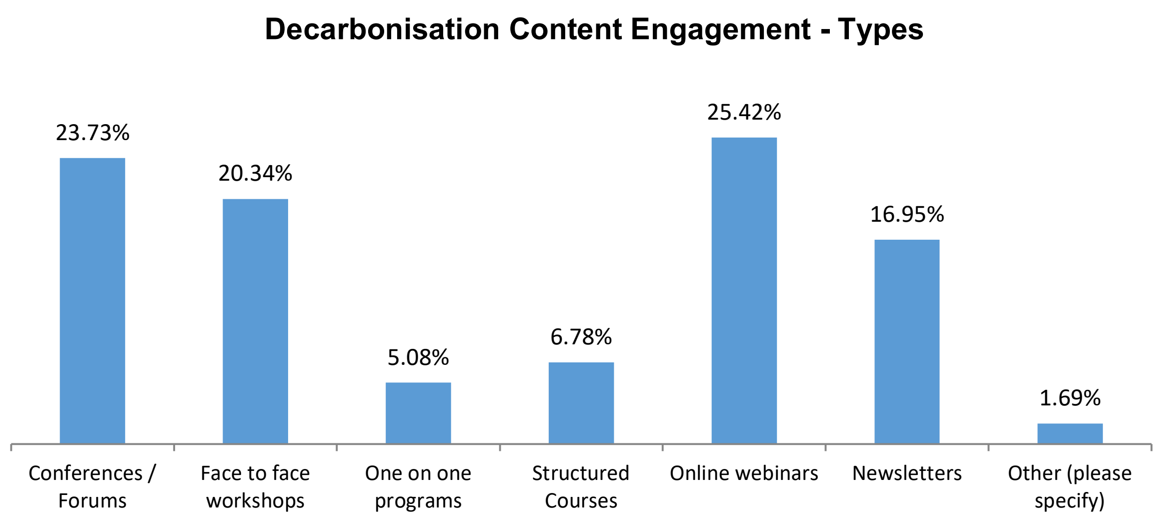
Sample Size: 90



Q17. If yes, please select from the list below?

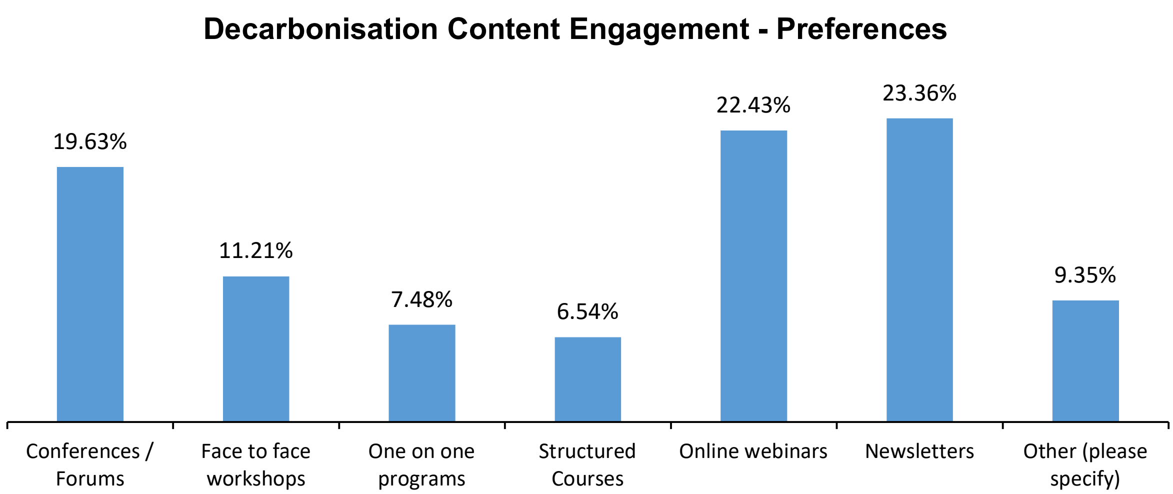
(Could make multiple selections)

Sample Size: 28



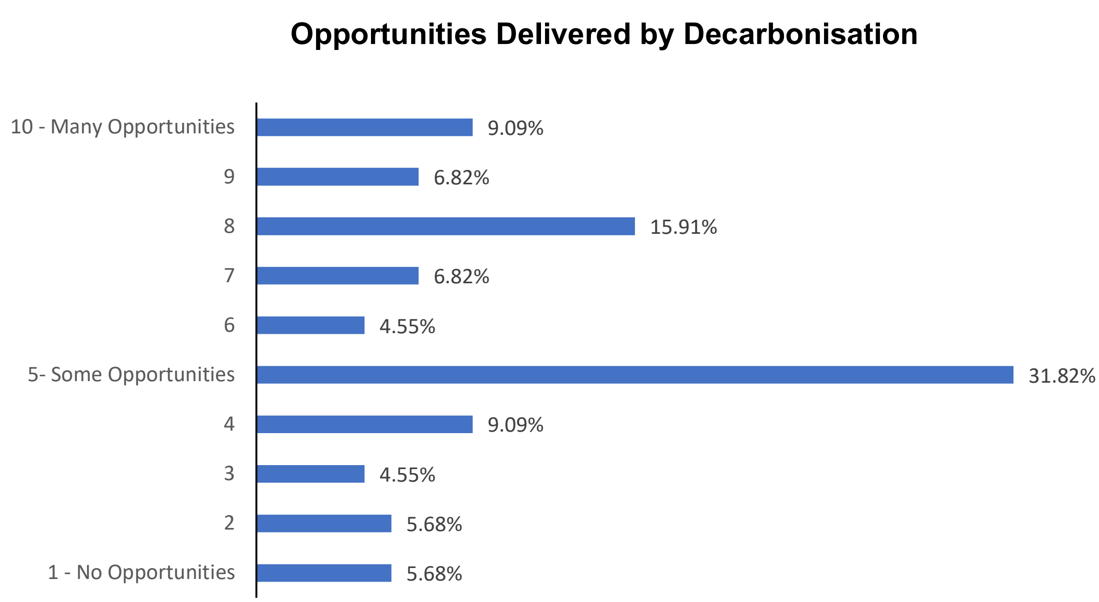
Q18. If no, how are you likely to connect with decarbonisation content in the next year?

(Could make multiple selections) Sample Size: 42



Q19. On a scale of 0-10 how much opportunity do you think Decarbonisation will bring to Greater Whitsunday METS businesses?

Sample Size: 88



Recommendations

Key Area of Focus and Strategies

Based on the survey results, the following areas should be prioritised for education and awareness:

1. **Decarbonisation Understanding**
   Focus: Enhance education on what decarbonisation means at a global, national, and regional level to build a comprehensive understanding.

   Strategy: Partner with key agencies to deliver workshops or webinars that explain decarbonisation at various levels—global, national, and regional—tailored specifically for METS businesses.

2. **Business Implications**
   Focus: Provide businesses with clear information on the impact of decarbonisation and how it will shape their future operations and strategies.

   Strategy: Develop industry-specific case studies or success stories that illustrate how decarbonisation impacts businesses and the benefits of early adoption.

3. **Actionable Strategies**
   Focus: Offer guidance on practical strategies that businesses can adopt to begin their decarbonisation journey effectively.

   Strategy: Partner with key agencies to deliver workshops or webinars that educate businesses on how to assess their carbon footprint and initiate decarbonisation efforts, such as switching to renewable energy, improving energy efficiency, or adopting circular economy principles

4. **Support Services and Funding**
   Focus: Increase awareness of available support services, including grant funding and other financial assistance, to help businesses transition to low-emissions technology and equipment.

   Strategy: Establish a link to funding resources for METS businesses to provide information on available grants, financial support, and services that help businesses transition to low-emissions technology.

5. **Government Regulations and Legislation**
   Focus: Support businesses to stay informed about government regulations and legislation related to decarbonisation.

   Strategy: Disseminate relevant information to businesses via newsletters, forums and workshops, as well as supporting businesses to establishing their own connection points to keep up to date with changes in policies, regulations and compliance requirements.

Conclusion

The survey results highlight the growing awareness around decarbonisation within the business community. However, it also underscores the need for further education and clearer communication about the pathways and support available for businesses to transition effectively to a low-carbon economy.

The recommendations outlined in this report provide actionable steps that can help bridge the knowledge gap, offer practical support, and equip businesses with the tools they need to navigate decarbonisation.

As the global push for sustainability accelerates, it is crucial that businesses in the region are well-prepared to meet these challenges and leverage the opportunities presented by decarbonisation. By taking proactive measures now, businesses can not only reduce their carbon footprint but also strengthen their competitiveness in an evolving market.

To monitor progress and evaluate the effectiveness of these initiatives, we will be reissuing this survey in 12 months. This follow-up will provide valuable insights into any changes or improvements in business awareness, understanding, and action on decarbonisation.