

Statement to the Second Ministerial meeting of the Asia Pacific Partnership on Clean Development and Climate

Thank you Mr Chairman

My delegation is delighted to be here at the Second Ministerial Meeting of the Asia Pacific Partnership on Clean Development and Climate.

It is a Partnership that has come a long way since our first meeting in Sydney a little over 18 months ago. Australia takes considerable pride in the role in it has played in the development of the Partnership, and in the substantial progress that has been made so far.

Before making some remarks about Australia's vision for the next phase of the Asia Pacific Partnership's development, my government warmly welcomes Canada to our collaborative effort. As well as being a significant economy, Canada is a major player on the global energy and minerals scene, and an influential partner in international discussions on climate change. I am confident that Canada will add an extra dimension to our co-operation.

Canada's decision to join the Partnership is also an important endorsement of the unique public/private sector model we chose when launching this initiative 18 months ago. It is a model which embraces the power of the market, and the innovation of our businesses, researchers and entrepreneurs. After all, we do not need to rethink capitalism to solve climate change, we need to harness it.

The critical role of the business sector is not the only unique feature of the work of the Partnership. In the ongoing global debate about climate change, there is a lot of talk about the importance of countries working together to address climate change. There are lots of meetings, dialogues, and discussions – sometimes it seems there is one every week. I stress that we are not disparaging these efforts – Australia participates actively in many of these discussions, and constructive dialogue is critical if we are to bridge the current divisions between the various positions.

But our work in the Asia Pacific Partnership represents co-operation of an entirely different sort.

The Asia Pacific Partnership is an example of a group of major economies *actually pursuing* real and practical projects aimed at reducing greenhouse gas emissions. It is also co-operation of considerable

importance given the fact that APP countries account for half the world's GDP, and produce about 65 per cent of the world's coal, 48 per cent steel, 37 per cent of the world's aluminium and 61 per cent of the world's cement.

These projects are real, practical and commercially relevant.

They include the work between partner countries and an Australian company Solar Systems, to deploy over 1 gigawatt of ultra high efficiency solar energy across the US, China and Australia.

Another example is the mobile carbon capture and storage pilot plant, developed by Australia's CSIRO, that can move between power stations and test the potential for carbon capture. This technology has the potential to capture 95 per cent of CO₂ emissions from power stations.

And then there is the innovative work on reducing the greenhouse gas emissions of our buildings, which can account for between 20 and 40 per cent of total energy use. Although this work does not get a lot of attention, improving the energy efficiency of our buildings and appliances through better design, regulatory codes and smart technologies can make a real impact on emissions.

These are only a handful of the nearly 100 projects developed and launched by our businesspeople, researchers and officials from APP economies over the last 18 months. Projects which demonstrate that it is possible to pursue economic growth and better living standards while also limiting or reducing greenhouse gas emissions.

We should not under-estimate the scale of this achievement.

It is a clear demonstration of the importance that APP member countries place in the development of energy efficient and low emissions technologies.

It is also an acknowledgment of the scale of potential reductions in greenhouse gas emissions from the development and adoption of these technologies.

A report published last month by the Australian Bureau of Agriculture and Resource Economics (ABARE) found that the deployment of cleaner, more advanced and energy efficient technologies could reduce emissions

amongst Asia Pacific nations by 49 per cent compared with a business-as-usual scenario.

This emphasis on technology and practical solutions is, of course, not limited to the Asia Pacific, but we would argue it is given greater emphasis and support in our region.

In our view, the Asia Pacific instinct, reflected in the growth and dynamism of our economies, is faith and respect in the ingenuity of our researchers and entrepreneurs rather than the heavy hand of our regulators.

In our view it is no coincidence that the Asia Pacific is host to some of the most promising and innovative large-scale projects designed to reduce carbon emissions. There is the \$US1.5 billion FutureGen International Partnership - which Australia has decided to join - which is developing the world's first coal-fueled, near-zero emissions power plant. There is the Greengem project in China which is a major integrated coal gasification and carbon sequestration project. And off Australia's North West Coast, the Gorgon project is the world's largest carbon capture and storage project.

In Australia for example, strategic investment by the public sector has leveraged \$7 billion in new private investment in renewable and low emissions technologies. The scale of the private sector's commitment to developing these technologies is demonstrated by the fact that Australia's coal sector will invest \$1 billion in clean coal technologies over the next decade.

Importantly, the Asia Pacific Partnership model is multiplying the value of these investments by facilitating the cross-fertilisation and joint development of the ideas and opportunities that are emerging in each of our economies.

That is why we will commit a further \$50 million to the Asia Pacific Partnership, bringing our total contribution to \$150 million. This will enable us to expand our participation from the 63 projects we are already participating in across the 8 sectors covered by the taskforces.

With its project focus, the Partnership also neatly complements our efforts on other fronts.

The Partnership's approach - its focus on 8 key sectors, its engagement with the private sector, its emphasis on results and on the commercial relevant deployment of low emissions technologies - is relevant to all seeking a lower carbon future.

Mr Chairman, the climate change challenge is a serious one, and we have much to do. We must translate the excellent start we have made into sustained and lasting emissions reductions.

Thank you for your attention.