

## Country Statement – Australia

7<sup>th</sup> APP Policy and Implementation Committee Meeting  
19 – 20 May 2009, Gold Coast, Australia

### *Welcome*

Thank you (Mr) Chairman. The Australian Government is pleased to host this 7<sup>th</sup> Policy and Implementation Committee Meeting of the Asia Pacific Partnership on Clean Development and Climate.

### *Australia – domestic action*

Since the Vancouver PIC meeting, there have been a number of major policy developments in Australia.

The most significant of these is the recent announcement by the Prime Minister that Australia is willing to **reduce its emissions by up to 25 per cent on 2000 levels by 2020** if the world agrees to an ambitious global deal, including stabilising levels of greenhouse gases in the atmosphere at 450 parts per million CO<sub>2</sub>-equivalent or lower.

Australia has announced this new, more ambitious target for a number of reasons:

- The Australian community has serious concerns about climate change and its effects on our lives as well as its potential effect on the unique Australian environment.
- The science is telling us that, if anything, the situation is more serious than we have previously understood.
- And the Australian Government takes the view that there have been some positive recent developments in the international negotiations, and it was a timely gesture of our seriousness in facing this global issue together.

2009 is a crucial year as we try to forge a global agreement on combating climate change. Leadership and commitment from the major economies will be vital and Australia's 25 per cent target demonstrates our strong commitment to action. We hope that our announcement will encourage other countries to consider what more they might be able to do.

Australia is committed to playing our full and fair part in global action and it is in our interest to support the most rapid and ambitious action possible. We are optimistic that recent international developments have improved prospects for a strong international agreement. In addition to US engagement we welcome the domestic actions of other countries, for example China's White Paper and efforts to address the energy intensity of its economy, and Korea's intention to introduce an emissions trading scheme.

Australia's international commitment is underpinned by its strong domestic action. Only last week the Australian Government introduced **legislation to establish a Carbon Pollution Reduction Scheme to Parliament**. This demonstrates the strength of Australia's commitment to reducing its greenhouse gas emissions and moving to a low emission future. The legislation will deliver the most significant economic reform since the 1980s, and one of the most significant environmental reforms in Australia's history.

For the first time Australia will halt the growth of, and then begin to reduce, our greenhouse gas emissions, in order to put us on a path to meet our long term target of a 60 per cent reduction on 2000 levels by 2050.

The Carbon Pollution Reduction Scheme will be the primary means through which Australia meets its international obligations to act on climate change.

Also last week, the Australian Government announced its **2009-10 Federal Budget**. The Budget provides over \$15

billion to implement the Government's comprehensive climate change response. This Budget will see the biggest single investment in energy efficiency in Australia's history, with funding of over \$4 billion for measures to reduce energy use in homes, communities, businesses and industry.

Another key new measure of the Budget is the \$4.5 billion Clean Energy Initiative, which aims to support the research, development and demonstration of low-emission energy technologies.

Under the Initiative, new funding of over \$1.3 billion will be provided for the Solar Flagships Program, which will position Australia to be a world leader in solar power generation.

The Initiative will also provide \$2.4 billion in funding over 9 years for the Carbon Capture and Storage (CCS) Flagships Program, which will support construction and demonstration of large-scale integrated carbon capture and storage projects in Australia. The target is to create 1000MW of low emission fossil fuel generation.

As you are aware, Australia recently launched its **Global Carbon Capture and Storage Institute**. The Institute is a key Flagship project under the CCS Program. It will be located in Canberra and the Australian Government will provide up to \$100 million of federal funding per annum to fund its operations.

The Institute will help deliver the G8's goal, agreed in July 2008, of developing at least 20 fully integrated industrial-scale demonstration projects around the world by 2020, accelerating the broad deployment of CCS technology.

The Institute has been operating since January 2009 and was formally launched by the Prime Minister at the inaugural meeting of Foundation Members on 16 April 2009. It has signed over 85 Foundation Members and collaborating partners including 16 national Governments,

Australian State Governments and over 60 companies and NGOs.

Low emissions coal technologies involving CCS will play a vital role in meeting future greenhouse constraints. The Institute will be a practical arena for governments and business to work together on these technologies. This is very much consistent with the spirit of the APP, which has enabled public and private sector cooperation to facilitate progress on technology cooperation.

### *APP*

Australia is pleased to see continued effort amongst Partner countries to support projects under the APP. The Partnership continues to be an excellent example of practical and cooperative action to address climate change. The practically focussed, 'bottom-up' nature of the APP approach has proved to be one of the Partnership's key strengths - enabling its projects to continue through the uncertain global financial and economic outlook.

I am pleased to inform you that there have been some positive developments on projects across many of the taskforces since we last met.

For example, Australia has provided \$4 million to the project "Hazardous Wastes – Best Practices for Co-Processing and Management in Cement Kilns". This project, under the Cement Task Force, brings together Australia, China and India to develop and demonstrate techniques to scientifically transform hazardous wastes to be used as fuel in cement kilns. It has successfully established the commercial viability of drum recycling and solvent dewatering. A drum recycling system has been commissioned and was opened by the Australian Minister for Resources and Energy on 8 May 2009.

The project between Australia and China “Assessing Post Combustion Capture (PCC) for Coal Fired Power Stations in APP Countries”, under the Cleaner Fossil Energy Task Force is also underway with \$12 million of Australian funding. The construction of the first pilot plant at Munmorah Power Station was completed in October 2008 with preliminary work on the second pilot plant at Tarong A Power Station underway and construction anticipated to commence in the latter half of this year. Carbon dioxide was first captured by the pilot plant from the Munmorah Power Station flue gas in February 2009. The first Chinese Pilot Plant has also been constructed and commissioned with 1000 tonne CO<sub>2</sub> captured so far.

### *Conclusion*

Climate change is one of our most significant economic, environmental and strategic challenges, and it will remain so for the decades to come. The positive partnerships that have been developed through the APP are an important vehicle to assist in dealing with this challenge.

Thank you.