

Australia Country Statement

Thank you , Mr. Chairman.

My delegation is most pleased to be here at the 6th Policy and Implementation Committee meeting of the Partnership.

When we last met at the Ministerial meeting in New Delhi, you may recall that Australia was in the midst of an election campaign, and thus in ‘caretaker mode’. As many of you would already know, the result was a change of Federal Government and a new Prime Minister, the Hon. Kevin Rudd MP. With the change of government has come a new resolve to address climate change, both domestically and on the international front.

The new Australian Government has placed climate change at the top of its national reform agenda. It established a new department – the Department of Climate Change – to oversee and coordinate a whole-of-government response. This includes the introduction of an Emissions Trading Scheme by 2010.

And, for the first time, Australia comes to a Policy and Implementation Committee meeting as a Kyoto Protocol party.

Another part of this heightened resolve is a reaffirmation of Australia’s commitment to the APP. The government fully appreciates the important role of the APP as a forum that complements our commitments under the UNFCCC and the Kyoto Protocol.

In contrast to the expanding schedule of international dialogues and discussions to develop policy responses to climate change, the APP remains focussed on implementing practical solutions now, as well as moving forward with essential research and development to deliver viable technological solutions in the future. It is the practically focussed, ‘bottom-up’ nature of the approach that makes the APP unique.

Since we last met in New Delhi, a number of developments have taken place in Australia in relation to the APP.

First, the bad news: you may recall that at the Ministerial meeting in New Delhi we informed the PIC that the Australian Government would provide an additional \$50 million in funding for the APP on top of its initial \$100 million commitment. This funding is one of many commitments that have been withdrawn by the new government as part of a broader cost-saving programme.

I assure APP Partners that this does not signal a change of policy direction away from the Partnership. As I mentioned a moment ago, the new government fully supports the APP, and there still exists the potential for funding commitments in the future. However, at this stage, Australia is already managing a commitment of \$100 million to develop 62 of the Partnership’s 118 projects, so we have plenty of work to do before we need to consider a new raft of projects.

I would like to add that it would be easier for Australia to make further funding commitments if other Partners were more explicit about their own funding commitments to date.

Now on to the good news: we have made significant progress on projects across all of the Task Forces since we last met, with some projects completed. I am pleased to also report that many of our major projects have reached important milestones in the last six months. We are really starting to see the payoff for all the hard work we have put in since the Partnership began.

In the Cleaner Fossil Energy Task Force, for example, under the flagship project *Assessing Post-Combustion Capture for Coal fired Power Stations in APP Countries*, Australia's premier research agency, the CSIRO, is developing a post combustion capture (PCC) international research laboratory and is currently installing pilot PCC facilities at a coal-fired power station in Australia and at Gaobeidian Power Station in Beijing.

The Beijing installation is expected to be operational in time for the Olympics. These pilot trials are a unique initiative developed under the Partnership. This project has global benefits, with CSIRO now receiving expressions of interest to install similar pilot plants at European power stations. This project illustrates the practical, tangible activities aimed at reducing greenhouse gas emissions that we are pursuing through the Partnership.

We have also made considerable progress in the development and deployment of renewable technologies. The *Pursuing Clean Energy Business in India* project, undertaken by Clean Technology AustralAsia in partnership with The Energy and Resources Institute in India, released its final report on 11 March 2008. The report identifies the market and policy barriers to enhanced collaboration between Australia and India in the investment, development and deployment of renewable energy technologies. Hopefully this report will accelerate investment in these technologies by making it easier for renewable energy companies to do business in India.

And under the *Solar Photovoltaic Linear Concentrator Systems* project, work is well underway to resolve the remaining technical barriers to the widespread deployment of photovoltaic trough concentrator systems, which is a promising technology for reducing the cost of solar electricity generation. This involves close collaboration between the Australian National University and China's Tianjin University. The project has made a strong start, with work plans identified and preliminary testing results already in.

These are just a few examples of a myriad of projects Australia is working on across all eight of the APP Task Forces.

In addition to the development of projects, Australia also hosted two Task Force meetings: a Steel Task Force meeting in Wollongong in October, and a joint meeting of the Cleaner Fossil Energy Task Force and the Power Generation and Transmission Task Force in early April in Melbourne.

The joint meeting in Melbourne, which had more than 150 delegates, provided an opportunity to share information, examine the work of each Task Force and look at synergies between the Task Forces. This included providing feedback on major projects, the establishment and broadening of working groups in the areas of Integrated Gasification Combined Cycle technology and Oil and Gas; and consideration of some of the barriers to the deployment of low emission technologies.

Clearly, we have come a long way since the Partnership was first agreed back in 2005. And as international efforts to address climate change intensify, the practical work we undertake is more important than ever. Given the progress we have achieved and the developments that have taken place since the Partnership began, it is appropriate that we use this meeting to reflect upon our successes and failures and give careful consideration to the future direction and shape of the Partnership.

I thank you all for your attention and look forward to a productive meeting.