

Country Statement

Australia

Thank you (Mr) Chairman.

My delegation is very pleased to be here in Vancouver at the 6th Policy and Implementation Committee meeting of the Partnership. I would like to express my thanks to our Canadian colleagues for hosting this meeting, and I look forward to very productive discussions.

This meeting is taking place at a very difficult time for the global economy. It comes at a time of volatility in global financial markets with possible flow-on effects to national economies around the world – and of particular interest to us – our region.

While this financial volatility may tighten the availability funds for action to address climate change, the Australian Government's view is that the risks of delaying remain greater than the risks of acting on climate change. It is precisely because of concern about our future economic prosperity that we must get on with the task and address climate change now.

The APP continues to be an excellent example of practical and cooperative action to address climate change. We hope that the practically focussed, 'bottom-up' nature of the APP approach will enable its projects to continue through the uncertain global financial and economic outlook.

In terms of developments in Australia over the past year, when we last met in Seattle, I informed you of the change in Australia's Federal Government and the election of a new Prime Minister, the Hon Kevin Rudd MP. The Rudd Government has now been in office for close to 12 months, and has firmly cemented its commitment to address climate change, both domestically and on the international front.

On the international front, we are working towards securing an effective and efficient post-2012 agreement at Copenhagen next year. Domestically, we are focussing on the introduction of Australia's Carbon Pollution Reduction Scheme – the Government's key framework to address climate change.

The Scheme is central to the Australian Government's economic reform agenda. Key design elements have been set out in a Green Paper which Australia's Minister for Climate Change and Water, Senator the Hon Penny Wong, released in July this year. Through the Carbon Pollution Reduction Scheme, the government proposes to introduce a best practice emissions trading scheme by 2010. The final design of Scheme is scheduled to be announced by the end of the year – it is expected to cover the majority of Australia's carbon emissions – across sectors including stationary energy, transport, fugitive emissions, industrial processes and waste. This approach reflects the economic reality that wide coverage allows businesses to find the lowest-cost opportunities to reduce emissions.

Another major initiative to address climate change was announced by Prime Minister Rudd on 19 September this year – the launch of an Australian Global Initiative on

Carbon Capture and Storage. Among other activities under this Initiative, the Government proposes to establish a Global Carbon Capture and Storage Institute. We have committed funding to accelerate the development of CCS demonstration projects and to improve knowledge about the commercial viability and safety of CCS technologies as a way of helping facilitate investment. We will make a brief presentation on the initiative later this morning.

The Australian Government has also made considerable progress in pursuing policies to develop and deploy renewable technologies. As a key measure in delivering on the Government's committed goal of 20 percent renewable energy in Australia's electricity supply by 2020, the Government is implementing an expanded national Renewable Energy Target of 45,000 gigawatt-hours in 2020.

You may be aware of a major review by eminent Australia economist Professor Ross Garnaut of the impacts of climate change on the Australian economy, and Professor Garnaut's conclusions concerning long term policy responses. Among his conclusions were recommendations on the importance of ongoing support for technology development. Such an approach is a central element of the Government's response to climate change.

Australia recognises the need to significantly scale up funding for the development, deployment and transfer of low emissions technologies. It has committed \$1.7 billion to supporting the research and development of these technologies in this year's Budget. It is also important to keep in mind that the private sector has a critical role to play in technology R&D – and is potentially the major source of global investment and financial flows for mitigation efforts.

The Australian Government is also working with state and territory governments to harmonise approaches to renewable energy feed-in tariffs.

The APP fits very neatly into this policy framework, particularly through the government-business cooperation in developing and rolling-out activities that will reduce greenhouse gas emissions.

I am pleased to inform you that there has been some good progress made on key APP projects across many of the taskforces since we last met just 6 months ago. I will briefly mention some key developments, and others will be addressed within each taskforce.

Of the 15 Australian-led APP projects under the **Renewable Energy and Distributed Generation Taskforce**, 13 are now underway and 2 are ready to sign contracts. They all continue to be strongly supported by the Australian Government. A flagship for the Task Force is the Australian-led project High Efficiency Solar Power Stations for Affordable Energy. The Australian Government has committed \$4.5 million in funding under the APP, as part of total funding for the project of \$420 million. The project will work with other APP countries, particularly the US, India, Korea and China to demonstrate and optimise zero emission heliostat concentrator PV technology on a large scale that enables cost effective commercial deployment. The initial construction phase for this

project has commenced and my colleague Stephen Oxley will discuss this in more detail, in his capacity as Co-Chair of this REDGTF, later in the meeting.

I am also pleased to inform you that the first Research Conference of the Energy Regulatory and Market Development Forum was held in Sydney from 25-27 June 2008. The Forum is an Australian-initiated project under the **Power Generation and Transmission Taskforce**. It is designed to provide an on-going opportunity to share information on regulatory and policy practice and experience with a view to informing the development and application of appropriate best practice regulatory and market arrangements.

Australia agreed to host the first and second meetings of the Forum Steering Committee (to be held annually) and the Forum's first Research Conference (to be held every two years). As host country, Australia has proposed a Chair and administrative support secretariat for the Forum.

The Conference was a great success due to the quality of interaction and frankness of exchange. The Conference addressed key energy market and regulatory issues and identified further opportunity for cooperation and collaborative projects.

In the very near future the Forum will be releasing two key information reports on energy markets and the reliability and security of electricity supply.

We were also pleased for the opportunity to host the Sixth **Building and Appliances Task Force** (BATF) meeting in Melbourne in September, which coincided with the Sustainable Buildings 2008 Conference and Exhibition. The Task Force meeting enabled participants to share their knowledge and experience, and site visits highlighted innovative building management systems and technologies developed in Australia. The meeting also achieved a number of important outcomes for the ongoing work of the Task Force, including strengthening BATF project evaluation and ongoing review processes; the development of new procedures for proposing projects to India; and the development of a partnership between Canada and Australia for a Net Zero Energy Project. Hosting the two meetings back-to-back also enabled BATF delegates and the World Green Building Council to promote an ongoing working relationship.

The past 12 months have seen a significant ramping up of the Australia Government's resolve to address climate change. Even though we are all experiencing the impact of the global financial crisis, we cannot step back from our resolve and commitment to address climate change. Clearly, in these uncertain times, the practical work we undertake is more important than ever.

Thank you.