

Climate Change Policies & Programs in Australia

On November 24, 2007, a national election was held in Australia and the Liberal-National Party Coalition (that had been in power since 1996) was defeated by the Australian Labor Party. The first official act by the new prime minister, Kevin Rudd, was to begin the process for Australia to ratify the Kyoto Protocol. The protocol had been signed by the former government in 1998 but Prime Minister John Howard refused to ratify it. The ratification allows Australia to play a more important role in the new round of negotiations for an international agreement to reduce greenhouse gas emissions following the end of the Kyoto Protocol after 2012. The Rudd government's climate change policy is based on three main pillars: reducing Australia's greenhouse gas emissions; adapting to climate change; and helping to shape a global solution.

Although the protocol had not been ratified, Australia was the first country to establish a dedicated government organization to develop programs to reduce greenhouse gas emissions, the Australian Greenhouse Office, more recently part of the Department of the Environment and Heritage. Several emissions reduction programs were introduced over several years. The new Labor government established the Department of Climate Change (within the Department of Prime Minister and Cabinet Portfolio) and many programs are now administered by the two departments.

The national programs relate mainly to the reduction of emissions from the transport, residential and industrial sectors. Currently, there are a wide range of programs in operation but the key elements of the new government's plan to reduce emissions include a commitment to reduce Australia's emissions by 60% of 2000 levels by 2050; investing in research and development on low emissions technologies; and a target of 20% for renewable energy by 2020. Other initiatives include funding to make homes, communities, appliances and equipment more energy efficient and extensive research on geosequestration to enable the capture and underground storage of carbon dioxide.

The combined effect of these programs and measures introduced by state, territory and local governments is an expected reduction in emissions. Australia's target under the Kyoto Protocol is 108% of 1990 emissions over the period 2008-2012.

According to the government's latest projections, Australia's annual greenhouse gas emissions are expected to reach 599 million tons of carbon dioxide equivalent over 2008-2012, 108% of the 1990 level. There has been a substantial reduction in land use change emissions because of reduced forest cover removal in Australia. In the absence of abatement measures, emissions are projected to reach 124% by 2008-2012.

In Australia, stationary energy is the largest emitter of greenhouse gases and 70% of these emissions are from electricity generation. More than 80% of Australia's electricity is based on coal and Australia has been the world's largest coal exporter since 1989. To reduce the impact of the coal sector, the Australian government is investing \$500 million in a Clean Coal Fund to assist the development of clean coal technologies. An additional \$500 million is being invested in a Renewable Energy Fund to support renewable technologies. At present, renewable energy accounts for less than 5% of total energy consumption in Australia.

In mid-July 2008 the Australian government released a green paper on its proposals for a new plan for a Carbon Pollution Reduction Scheme. Following further consultation with industry and the community, the government intends to release draft legislation in December 2008 with a view to commencing a comprehensive emissions trading scheme (ETS) in 2010. The government has announced that the proposed ETS will: be a cap and trade scheme; be designed to best manage the economic impacts of transition; and enable international linkages.

Australia is involved in several international affiliations, for example: the Asia-Pacific Partnership on Clean Development and Climate (which brings together Australia, Canada, China, India, Japan, South Korea and the United States); the Australia-China Joint Coordination Group on Clean Coal Technology; the Bilateral Climate Change Partnerships Program; and funding to assist global efforts to reduce deforestation in developing countries. On June 12, 2008, in Tokyo, then Prime Minister Fukuda and Prime Minister Rudd affirmed their commitment to cooperate on climate change and reduce greenhouse gas emissions.

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