



## AUSTRALIA

### Submission under the Durban Platform for Enhanced Action | April 2013

#### Workstream 2: Mitigation Ambition | ADP

##### I. Overview

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Australia welcomes the opportunity to present its views on how to enhance mitigation ambition in 2013, including through the Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP).

For Australia, pledges are very important. The pledges that countries have already made are a good base for further global action. But we know they are not enough. Broader and deeper pledges are needed – and needed soon. The period to 2020 is the ‘critical decade’ for action.

As a starting point, **all Parties should make a pledge**. As the critical decade advances, it will be important for all countries to look again at how deeply their pledges cut emissions, and **consider doing more**.

Parties’ circumstances are diverse, and different Parties may need different things to make new or enhanced pledges. For some, this may be a better understanding of the opportunities they have to cut emissions, or how barriers to action can be overcome. For others, greater clarity and transparency on all countries’ actions, and further progress on carbon markets, or opportunities for REDD+, will be key.

Australia sees five areas for practical action to support new and enhanced pledges from Parties:

- **Use ADP workshops to build Parties’ mitigation toolboxes** – To commit to ambitious mitigation action, Parties must be confident they possess the right tools. The ADP workshops should help Parties develop these tools by inviting Party and non-Party experts with ‘lived experience’ of mitigation action to share their expertise.
- **Transparency and clarification** – To do more, Parties need to have confidence in the actions others are taking and the impact of those actions. Continued clarification of countries’ pledges, and the full implementation of the new transparency measures, is critical.
- **Markets** – Progress on markets is important in order to create the right environment for greater ambition. Access to robust, broad and liquid markets can help Parties unlock mitigation potential and lower the cost of emissions reductions.
- **REDD+** – Emissions from deforestation and subsequent land use are a significant component of many Parties’ emissions profiles. Addressing these emissions can contribute to enhanced ambition. Implementing REDD+ can also help Parties develop knowledge and experience that can be applied to a broader mitigation toolbox.



- **Political engagement** – The right political environment is essential to deliver greater mitigation action and translate that action into pledges. Technical work in the ADP and elsewhere should be complemented by ongoing engagement at the political level, including through opportunities outside of the UNFCCC, to build political momentum for enhanced ambition.

## II. New and Enhanced Pledges

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Pledges and putting pledges into action build confidence that countries are acting, and help lift global ambition. To date, 98 countries covering over 80 per cent of global emissions and around 90 per cent of the global economy have pledged to reduce or limit emissions by 2020. This includes all 42 developed countries and 56 developing countries.

### All countries should pledge

Many countries, including 20 of the world's top 50 emitters, are yet to make a pledge. Climate change is a global problem that requires a global solution - Australia encourages all 194 UNFCCC Parties to make mitigation commitments, consistent with their national circumstances and capabilities.

Making and implementing a pledge:

- generates international recognition for domestic action;
- allows countries to take advantage of the opportunities of shifting to a low-carbon economy, including co-benefits such as improved air quality and increased energy security;
- can help countries to become more attractive targets for climate investment;
- drives ambition by creating the conditions for other countries to do more in turn, moving us closer to achieving the below 2 degree goal.

Given the critical importance of the pledges, Australia supports suggestions to enhance the prominence they are given within the UNFCCC, including, for example, by displaying them prominently on the UNFCCC website.

### Enhancing existing pledges

Parties with pledges, including those with conditional targets and target ranges, should consider whether they could commit to more ambitious emissions reductions or limitations. Those with commitments under the Kyoto Protocol second commitment period (CP2) will engage in a process in 2014 to revisit their CP2 targets. But CP2 Parties account for less than 14 per cent of global emissions today. A broader effort by all UNFCCC countries will be required to raise pre-2020 mitigation ambition. A process involving only CP2 Parties will not be meaningful.



Australia has made an unconditional commitment to reduce emissions by five per cent below 2000 levels by 2020. This target represents serious action, and is equivalent to a 22 per cent reduction on business as usual emissions.<sup>1</sup> But importantly, it is the floor, not the ceiling of Australia's mitigation ambition.

Along with many other countries, Australia's target range has conditions that maintain the potential for increasing ambition subject to the extent of global action. The Australian Government set out Australia's conditions for moving up its 2020 target range in public statements in May 2009, and January 2010. Looking forward, Australia has included in domestic legislation a 2050 target of reducing emissions by 80 per cent below 2000 levels.

Australia has established a legislated process to revisit its mitigation commitments. The independent Climate Change Authority will make recommendations to the Government on Australia's national targets and emissions caps, taking into account global action to reduce emissions, by February 2014.

### **III. Transparency and clarification**

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Transparency is crucial to creating the right environment for greater ambition. For countries to take more action, they need to know what action others are taking and the impact of that action. Without transparency, there can be no confidence in international action.

The robust and timely implementation of the new measurement, reporting and verification (MRV) processes agreed at Durban, along with the ongoing improvements to existing processes, will be critical. Australia urges all Parties to participate fully and constructively in MRV processes, including by submitting their initial biennial and biennial update reports by 1 January and 31 December 2014 respectively.

Australia welcomed the decision in Doha to establish two new workstreams to continue the clarification of countries' pledges. This work is key to understanding the extent of mitigation action underway, and better quantifying how much more needs to be done. The more detail that is provided on what countries commitments represent, the easier it will be for countries with targets or ranges that are conditional on greater global action to judge when those conditions have been met.

### **IV. Markets**

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Carbon markets are an important tool in driving enhanced ambition. When well-tailored to domestic circumstances, they facilitate low-cost, real, permanent, additional and verified abatement that helps countries achieve ambitious mitigation consistent with the global goal. Access to robust, broad and liquid markets can also help Parties further unlock mitigation potential and lower the cost of emissions reductions. Australia supports the ongoing work in the UNFCCC to elaborate a framework for various approaches and a new market mechanism. This critical work needs to be prioritised to help support enhanced ambition by all Parties. Australia looks forward to sharing our own experience in the design and operation of market-based approaches. And we look forward to learning from the many countries across the world that are developing or implementing approaches tailored to their national circumstances.

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<sup>1</sup> Business as usual scenario is based on the projected level of emissions in 2020 in the absence of Australia's Emissions Trading Scheme and Carbon Farming Initiative.



## **V. Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD+)**

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Participating in a REDD+ mechanism can provide developing countries with the confidence to participate in broader mitigation activities. The UNFCCC has established frameworks, institutions and systems that are being implemented by both developed and developing countries. Many can be applied more broadly, including those set up specifically for REDD+. The crossover between REDD+, adaptation and development will allow Parties to implement measures appropriate to their national circumstances.

## **VI. Complementary Initiatives**

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Australia sees real value in mitigation initiatives that are taking place outside the UNFCCC, noting the capacity of such initiatives to help countries increase their mitigation ambition. Complementary initiatives can also provide a demonstration effect for successful actions and cooperative models, and help us learn more about the co-benefits from efforts to reduce emissions. Australia joined the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants in 2012 and is contributing to the design and implementation of its initiatives. We would encourage the Co-Chairs to draw on the experience of international complementary initiatives in the course of the ambition workshops.

## **VII. Using the workshops to build Parties' mitigation toolboxes**

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For Parties to increase their ambition, they need to have the tools and confidence to take domestic action, and to translate this action into new or enhanced pledges. Australia would like to see a practical, results-oriented approach to the ADP's work in 2013 designed to help Parties implement more ambitious mitigation measures appropriate to their national circumstances. The series of workshops that were agreed in Doha are an ideal avenue for this work.

To focus discussions, the workshops should be organised thematically, considering specific areas of mitigation opportunity one by one. They should assist Parties to build their mitigation toolboxes, by sharing experiences and best practice examples of practical mitigation efforts and facilitating a discussion of any barriers to action and how those barriers can be overcome. Clearly identifying the many co-benefits of mitigation actions, including improved air quality, health impacts, increased energy security and adaptation co-benefits, will be important. The workshops should also explore opportunities to replicate and scale-up successful mitigation actions, including possibilities for new cooperation between Parties and other stakeholders.

Parties could be invited to share views on the specific conditions, including means of implementation, that would allow them to do more. The workshops should complement work by existing UNFCCC bodies that support means of implementation, including the Finance and Technology Mechanisms.

### **Leveraging expertise and engaging the private sector**

Workshops provide the chance to engage with and learn from experts not usually involved in the UNFCCC.

Each workshop should include Party experts with first-hand experience in successful domestic mitigation action. Australia would welcome the chance to share its experience of implementing market-based



mechanisms to drive emissions reductions, including the Emissions Trading Scheme, Renewable Energy Target, and Carbon Farming Initiative. Australia encourages presentations from a variety of Parties so that countries can build nationally appropriate mitigation toolboxes.

Non-Party experts, including from the private sector, non-government organisations, sub-national actors and complementary initiatives, should also be involved in the workshops. Business in particular has a crucial role to play in driving mitigation. Workshops should allow Parties to engage with the business community to understand its needs, learn from its expertise, and make the UNFCCC negotiations relevant to the private sector. The Co-Chairs' initiative of holding an ADP Special Event in Doha was an important first step towards broader participation. The ADP should build on this initiative in 2013.

### **Suggested workshop themes**

- Energy efficiency: Rating tools, labelling and standards for appliances and buildings, and industrial energy efficiency options.
- Renewable energy generation: accelerating the development and deployment of renewable technologies.
- Demonstrating new technologies: encouraging investment in low emission technologies, including carbon capture and storage.
- The private sector: building business confidence to help drive greater ambition.
- Sustainable cities: The contribution of low-emissions urban development to national action.

Australia looks forward to other Parties' suggestions for themes.

## **VIII. Political engagement**

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The right technical environment must be supported by the right political environment. Political support is essential for countries to act at home, and to translate their action into pledges. Technical work in the ADP in 2013 should be complemented by ongoing engagement at the political level.

To generate momentum on ambition, opportunities for all Ministers to discuss mitigation ambition should be built into the ADP workplan – including at COP19 in Warsaw. This political engagement should encourage all Parties to revisit their mitigation commitments: for Parties without pledges to make one, and those with pledges to consider doing more. Action by all countries will be needed if we are to meet our below two degree goal.

