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Seminar of Government Experts on Climate Change 16-17 May 2005 Bonn, Germany

<u>Australia</u>

Dear co-chairs and fellow seminar participants,

Australia views climate change as a serious problem that warrants a long-term commitment to substantive action.

There is clear scientific evidence that the global climate is warming, and that greenhouse gas emissions and their radiative forcing have continued to increase as a result of human activities.

Further observations and modelling are required to reduce scientific uncertainties. Even so, it seems that some regions will warm faster than others and that extreme weather events may intensify in the future.

Australia, as the inhabited continent with the driest and most variable climate, is particularly vulnerable to climate change. Many natural and human systems and economic activities in Australia are vulnerable to the potential impacts of climate change. Shifting rainfall patterns, for example, could severely impact our agricultural and livestock production.

Moreover, according to our modelling and due to our national characteristics, the negative impacts of climate change on Australia are likely to be felt at a lower increase in temperature than other regions of the globe.

The Australian Government is working assiduously to address climate change nationally through both efforts to reduce greenhouse gas emissions and to adapt to the unavoidable impacts of climate change.

Key elements of our mitigation policies and measures in Australia include:

• over \$1.8 billion committed to measures, including half a billion dollars to seed finance the development of low-emission technologies;

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- encouragement of greater energy and industrial efficiencies;
- regulation to ensure a sharp reduction of land clearing rates; and
- support for renewable energy, including the world's first mandatory renewable energy target and more than half a billion in direct funding support.

As a result of these domestic mitigation policies and measures, our emissions will be 17 per cent lower in 2010 than would have otherwise been the case.

Through these measures, we are preventing the equivalent of 94 million tons of carbon-dioxide from entering the atmosphere. This is more than the emissions from our entire transport sector.

Australia's achievement is all the more significant given we are a young and strongly growing nation.

Between 1990 and 2010, the Australian economy is expected to grow by 90 per cent. Yet, by means of domestic policies and measures, we are on track to limit emissions to our target agreed at Kyoto.

Indeed, greenhouse gas emissions per dollar of real GDP is set to decline by an impressive 43 per cent from 1990 to 2010.

Similarly, Australia's population is one of the fastest growing in the developed world, yet emissions per capita is set to decline by 14 per cent between 1990 and 2010.

It is worthwhile noting that Australia is one of the world's great commodity providers. These commodities provide vital inputs for other countries that do not have to account for the greenhouse emissions associated with production of their production.

But Australia's efforts alone to mitigate emissions will not make much difference to overall global concentrations of greenhouse gases.

The magnitude of the global challenge is huge.

Notwithstanding the efforts we have all made to constrain greenhouse gas emissions, global emissions are expected to be some 40 per cent higher in 2010 than 1990.

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Global greenhouse gas emissions will continue to rise at a rapid and unsustainable pace without renewed and concerted action and cooperation by all of us, but particularly by the major emitters, the top dozen of which produce over three-quarters of global emissions.

The core problem is how to satisfy growing global energy demands while recognizing that any stabilisation of greenhouse gas concentrations in the atmosphere requires steep cuts in global emissions.

There are some fundamental truths. The energy sector produces the bulk of global emissions already and global energy demand will continue to rise strongly this century in line with much welcome global development.

The development, diffusion and uptake of new low-carbon technologies, fuel switching and effective energy efficiency policies and measures will be essential elements in providing for the long-term solution to global reductions in greenhouse gas emissions that is needed.

This view was endorsed Energy and Environment Ministers from twenty of the largest emitting nations earlier this year in a roundtable hosted by the United Kingdom.

Renewable energy and nuclear power will represent an increasing share of global energy supply in the years to come.

And Australia will continue the development, commercialisation and uptake of low-emission energy from renewables sources. We will also promote practical energy-efficiency policies and measures.

Even so, global dependence on fossil fuels for energy will be an enduring reality for our lifetimes and beyond.

A major collective challenge, therefore, is to develop and implement cleaner, more efficient technologies that allow for the continued economic use of fossil fuels while constraining emissions.

And we must find fresh ways to cooperate further and share knowledge on clean development policies and low-carbon technology development and deployment.

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This will help not only curb greenhouse gas emissions but will also deliver the co-benefits of improving air quality, energy security and industrial efficiency.

Already technology exists that can help put developing countries on a lower emissions trajectory than that of their developed country counterparts at the same stage of economic development.

To give one example, our modelling indicates that accelerated adoption of world-best practice for thermal power generation alone would cut global emissions by 1.5 per cent by 2010, which is a greater reduction in emissions than will be achieved by the Kyoto Protocol.

Looking further ahead, the effective and widespread introduction of clean coal and carbon sequestration technologies in the coming decades promises enormous reductions in global emissions while not unduly penalising development.

For example, extensive work is being undertaken in Australia and elsewhere on the proving of oxy-fuel combustion for coal-based power stations which involves the burning of coal with added oxygen. Combined with carbon sequestration, oxy-fuel combustion holds promise for achieving near zero emissions from coal-based electricity generation. Moreover, oxy-fuel combustion technology may be able to be retro-fitted to existing power plants.

Australia will therefore place a high priority on cooperation with regard to the development and deployment of clean development technologies, including both low-emission fossil-fuel technologies and renewables.

At present such technologies are being pursued in a number of international fora such as the Carbon Sequestration Leadership Forum.

We wish to see such efforts deepened and broadened.

We are also working bilaterally with a number of our trading partners to exchange information and progress opportunities for technology transfer.

And we would welcome additional focus on the role of technologies in the UNFCCC.

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Another major priority for Australia will be increased cooperation on adaptation. Climate change will impact on all countries, developed and developing alike.

Given the varied climate change impacts faced by countries, adaptation responses demand tailored and localised responses. Australia recognises the desire of countries to plan and undertake appropriate adaptation responses, and therefore looks forward to the elaboration and implementation of a five-year programme of work in the UNFCCC that will assist all countries in their efforts.

Australia looks forward to making further progress on developing longterm solutions to climate change, both with regard to mitigation and adaptation.

Thank you

Jan Adams Ambassador for the Environment