



Summary report on the multilateral assessment of Australia at the forty-second session of the Subsidiary Body for Implementation

Note by the secretariat

I. Background

1. The Conference of the Parties, by decision 1/CP.16, decided that developed country Parties should enhance the reporting in their national communications and submit biennial reports on their progress in achieving emission reductions. It also established a new process under the Subsidiary Body for Implementation (SBI) – the international assessment and review (IAR) of emissions and removals related to developed country Parties' quantified economy-wide emission reduction targets – that aims to promote the comparability of efforts among all developed country Parties. The first round of the IAR process is to be conducted during the period 2014–2015.

2. According to the modalities and procedures for IAR specified in annex II to decision 2/CP.17, the multilateral assessment (MA), being part of the IAR process, is to be conducted for each developed country Party at a working group session of the SBI, with the participation of all Parties. The aim of the MA is to assess each Party's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction target.

3. The first MA of Australia took place at a working group session during SBI 42, on 4 June 2015. Such a working group session is preceded by a three-month period of questions and answers; in the first month, any Party may submit written questions to the Party being assessed, which may respond to the questions within the remaining two months. Questions for Australia had been submitted in writing two months before the working group session by the following delegations: Brazil, China, European Union, New Zealand, Saudi Arabia, Switzerland and United States of America. A list of the questions received and the answers provided by Australia can be found on the IAR web page for Australia.¹

¹ <<http://unfccc.int/8814.php>>.

II. Proceedings

4. The working group session was chaired by the SBI Chair, Mr. Amena Yauvoli. Australia was represented by Mr. Peter Woolcott, Ambassador for the Environment.

5. Mr. Woolcott made an opening presentation, summarizing Australia's progress in implementation towards the achievement of emission reductions and removals related to its quantified economy-wide emission reduction targets. He also provided an update on Australia's recent policy changes concerning emission reductions. According to Mr. Woolcott, Australia is on track to meet its 2020 target, which is 5 per cent below 2000 emission levels by 2020. Based on its 2015 national greenhouse gas (GHG) inventory report, Australia overachieved its target for the first commitment period of the Kyoto Protocol by 129 million tonnes (Mt) of carbon dioxide equivalent (CO₂ eq). In addition, Australia has advanced towards its 2020 target through policy interventions, such as the improvement in energy efficiency and the facilitation of changes of the economy. A comparison of gross domestic product (GDP) and population growth with emission intensity of GDP and emissions per capita shows that Australia has decoupled its emissions from GDP and population growth.

6. In his presentation, Mr. Woolcott elaborated on the implementation of the Emissions Reduction Fund (ERF), the central piece of the 2014 Direct Action Plan, which replaced the former carbon tax. The ERF is the main mechanism for achieving the 2020 target and it aims to tackle economy-wide mitigation potential. The first auction under the ERF was held in April 2015, with over 47 Mt CO₂ eq abatement contracted. A safeguard mechanism is planned to be put in place to ensure that emission reductions purchased by the Government under the ERF are not offset by significant rises in emissions elsewhere in the economy. Apart from the ERF, policies and measures in place to meet Australia's 2020 target include the amended Renewable Energy Target, energy efficiency measures and the National Energy Productivity Plan.

7. The opening presentation was followed by interventions and questions from the following delegations: Brazil, China, Fiji, Japan, New Zealand, Republic of Korea, Saudi Arabia, Switzerland, United Kingdom of Great Britain and Northern Ireland, and United States. These questions were on: the mitigation potential of the ERF; lessons learned from the first auction under the ERF and companies' reaction to the ERF; the mechanism to monitor the effectiveness of the ERF; the rigour of the safeguard mechanism and key issues raised during the public consultation stage of the mechanism; the conditionality and ambition of Australia's 2020 target; the role of updated GHG emission projections in policymaking; difficulties in estimating policy effects by gas; the Renewable Energy Target; and the vehicle emission standard as part of the policy package towards 2020. Questions were also raised in relation to Australia's assessment of the social and economic consequences of response measures. In response, Australia provided further explanations. Details can be found in the webcast of this session on the IAR web page for Australia.

8. In closing, the SBI Chair reminded Australia that it can submit any other observations on its MA process within two months of the working group session, and that they will form part of its Party record for the MA. The SBI Chair thanked the delegation of Australia, all the other delegations and the secretariat for this successful MA session.
