

Australian Country Update



Australian Government

5th Steering Committee Meeting
Methane to Markets Partnership
27-28 January 2009
Monterrey, Mexico



Australian Government

Climate Change – Policy Developments

- Kyoto Protocol: Australia ratified in 2007
- Committed to a long-term target of reducing emissions by 60% of 2000 levels by 2050
- Comprehensive package of domestic initiatives:
 - Renewable Energy Target
 - National Low Emission Coal Fund - \$500 million
 - Renewable Energy Fund - \$500 million
 - Energy Innovation Fund - \$150 million
- Global Carbon Capture and Storage Initiative
- New measures complement and build on existing measures, including M2M



Australian Government

Carbon Pollution Reduction Scheme Policy

- o CPRS released on 15 December 2008
- o Medium-term target reduce emissions by 5% to 15% of 2000 levels by 2020
- o Emissions trading scheme (ETS) based on a 'cap and trade' system to commence 1 July 2010
- o ETS applies to all Kyoto greenhouse gases and most sectors including landfill and fugitive emissions
- o Agriculture initially excluded
- o Transitional arrangements
 - the *Emissions Intensive Trade Exposed (EITE) Assistance*
 - the *Electricity Sector Adjustment Scheme*
 - the *Climate Change Action Fund*



CPRS – Treatment of Fugitive Emissions

- Landfill – landfill facilities that emit 25,000 tpa CO₂-e will need to purchase emission permits
 - To avoid displacement to smaller operations a threshold of 10,000 tpa will apply to facilities operating in close proximity (eg 80 km)
- Oil & Gas - Under the *EITE* Assistance Program, LNG production and petroleum refining may receive 60% of emission permits for free
- Coal – Transitional arrangements include:
 - *Coal Mining Abatement Fund*: \$250 million for abatement solutions
 - *Coal Mining Transitional Assistance Fund*: \$500 million compensation for gassy export mines
- Agriculture – to be reviewed 2013 for possible inclusion from 2015



Australian Government

Presented by:

John Karas

Department of Resources, Energy and Tourism

John.Karas@ret.gov.au