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MEDIA RELEASE

GC 302/12

9 November 2012

AUSTRALIA READY TO JOIN KYOTO SECOND COMMITMENT PERIOD

The Minister for Climate Change and Energy Efficiency, Greg Combet announced today that Australia is ready to join a second commitment period of the Kyoto Protocol.

The Kyoto Protocol was the first global treaty to set binding obligations on countries to cut emissions. Australia's accession to the Kyoto Protocol on 12 December 2007 was one of the first acts of the Labor Government.

The Kyoto Protocol's first commitment period ends on 31 December this year and a second commitment period to restrain greenhouse gas emissions is to begin on 1 January 2013.

Australia joins as countries around the world are taking action to combat climate change.

Joining a second commitment period will ensure Australian businesses have access to international credits under the Clean Development Mechanism, helping Australia reduce emissions at the lowest cost to the economy.

All countries that are party to the United Nations Framework Convention on Climate Change are working towards a new global agreement that will have legally binding commitments for all major emitters.

This agreement – which will include China, the United States, the European Union, India, Japan, Brazil and South Korea – is to be finalised by 2015 and start in 2020.

Australia's preparedness to join a second commitment period of the Kyoto Protocol at the UN climate change negotiations in Doha, Qatar (26 November to 7 December) will be conditional on:

- Continued progress in international negotiations towards the new 2015 agreement. This will require serious commitments from all countries, developed and developing alike.
- The second commitment period ending in 2020 in line with the start of the new agreement.
- Access to the Kyoto market mechanisms, including the Clean Development Mechanism, from 1 January 2013.
- The existing land sector rules continuing, providing opportunities to cut emissions through better land management, including under the Carbon Farming Initiative.
- The rules applying to carryover of units from the first commitment period of the Kyoto Protocol being appropriate for Australia.

In Doha, Australia will commit to limiting its greenhouse gas emissions from 2013 to 2020 with a Kyoto target consistent with the bipartisan target of reducing emissions to five per cent below 2000 levels by 2020.

In no way does this rule out the option later of moving up Australia's 2020 target range of 5 to 15 per cent, or 25 per cent, below 2000 levels if Australia's target conditions relating to the extent of global action are met.

The intention to join a second commitment period does not constrain the role of the independent Climate Change Authority which will advise the Government on a national target and carbon budgets for the emissions trading scheme by early 2014.

As the world increases the extent of its action on climate change, Australia's domestic scheme means that we have the ability to match that action.

Australia joins 36 other countries in planning to take on a Kyoto target to restrain emissions between 2013 and 2020.

At last year's UN negotiations in Durban, all countries decided that new global warming potential factors set out in the Fourth Assessment Report of the Intergovernmental Panel on Climate Change would be used to calculate emissions as part of the international accounting framework starting from 2013. It is up to individual countries as to when these new values are applied domestically.

Australia will apply the new values to determine liabilities under the carbon pricing mechanism and synthetic greenhouse gas arrangements from 2017-18, giving liable entities notice and time to prepare.

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