



## Issue 15 – April/May 2012

1. United Nations Framework Convention on Climate Change – Bonn Conference

### National Update

#### Law

2. *Clean Energy Finance Corporation Bill 2012 (Cth)* introduced into Parliament
3. States back down on constitutional challenge to Commonwealth Clean Energy Future package
4. Carbon pricing mechanism update
5. Revised National Carbon Offset Scheme released

#### Policy

6. Carbon Farming Initiative offset methodologies
7. Barriers to Effective Climate Change Adaption

### International Update

#### Law

8. Mexico passes national climate change law
9. South Korea passes legislation to establish Emissions Trading Scheme

#### Policy

10. Climate Change Financing Study Commences In Nauru

11. International Emissions Trading master Agreement released
12. India responds to the European Union's airline ultimatum
13. Mangroves to combat sea level rise in Papua New Guinea

## Media, reports, and other news

14. Alpha Coal Project approved by Queensland Government
  15. First Appointments to ARENA Board
  16. CEO and Chair of Climate Change Authority announced
  17. Adelaide Now: Plans revealed for mega SA wind farm (26 May 2012)
  18. ABC News: Green energy hopes for Hunter (28 May 2012)
  19. Sky News: Carbon dioxide emissions at record high
  20. *Reuters*: U.N. stalemate risks unravelling Durban climate deal: EU (22 May 2012)
  21. *WND.com*: Doubting climate change 'crime against humanity' (22 May 2012)
  22. Workshop on Climate Change Litigation, Policy and Mobilisation
  23. Invitation to Join EDO NSW's Scientific Expert Register
  24. EDO NSW's Coastal Law and Climate Change project
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## 1. United Nations Framework Convention on Climate Change – Bonn Conference

The United Nations Framework Convention on Climate Change (UNFCCC) mid-year negotiating session was held in Bonn, Germany, on 14-25 May 2012. Bonn was the first UN climate negotiation session since COP 17 in Durban (which was [covered in Issue 13](#)), and is an important meeting in the lead up to COP 18 in Doha in November 2012. The Conference included talks on capacity building under the [UN Framework Convention on Climate Change](#) for countries with economies in transition, including the effective implementation of commitments under the [Kyoto Protocol](#), workshops on equitable access to sustainable development, and reports on assessing the risk of loss and damage associated with the impacts of climate change.

Dr Justin Lee was appointed as Australia's new climate change ambassador to represent Australia in UN talks prior to the Bonn Conference. Dr Lee is the former Bangladesh High Commissioner and has also served in Indonesia and Papua New Guinea.

### Progress since Rio Earth Summit 1992

It is the 20th anniversary of the Earth Summit in Rio de Janeiro. In a [press conference on the final day of the Bonn talks](#) the Executive Secretary of the UNFCCC Christina Figueres highlighted the progress that has been achieved in the past 20 years, as well as the progress that is yet to be made, saying that while climate negotiations are certainly moving in the right direction, they are not moving at the speed and scale in which they should.

The important agreement by governments in the [Copenhagen Accord](#) of 2009 and the [Cancun Agreements](#) of 2010 that they will not let the Earth's temperature increase over 2 degrees celsius is a clear signal by countries to each other and to the private sector that there is movement towards a low carbon economy. There have also been moves towards a commitment to supporting developing countries in their efforts of both mitigating and adapting to the impacts of climate change through the Green Climate Fund, the Climate Technology Centre and Network through the Ad Hoc Working Group on the Durban Platform for Enhanced Action, and the Adaptation Committee.

However, when pressed on whether there were things that had not been achieved, the Executive Secretary stated, "we have not stabilised the climate."

The [United Nations Environment Program Emissions Gap Report](#) released before COP 17 in Durban revealed that even the upper range of mitigation strategies promised will not be enough to reduce more than 2 degree rise in the Earth's temperature. The [Climate Action Tracker Report](#) released during the Bonn Conference shows that because of the lack of implementation of mitigation strategies there is a risk that countries will fail to meet even the lower range of pledges made, which would result in a 3.5 degree increase in the Earth's temperature.

While the Bonn session has yielded healthy progress on some issues, there are some issues that are still pending outcomes.

### Ad Hoc Working Group on the Durban Platform for Enhanced Action

The Ad Hoc Working Group on the Durban Platform for Enhanced Action (ADP) was launched at Bonn, however disagreement over how to bind all emitters under a global

climate agreement from 2020 hindered negotiations to strengthen short term emissions cuts and assist developing countries to cope with the impacts of climate change. Some countries expressed concerns that focusing solely on new policies rather than continuing to adhere to existing plans such as the Kyoto Protocol will allow developed countries to escape legally-binding cuts until 2020. Additionally, there was disagreement over the definition of developed and developing, and how some countries should be classified.

After much debate, the ADP agenda was agreed upon. The ADP will adopt a new global climate agreement by 2015, to take effect from 2020, and also to find ways to raise global ambition to act on climate change before 2020. Attention will be given to both the 2015 agreement and to efforts to raise ambition to curb greenhouse gases up to 2020.

This is a very important component of the Durban Platform and a response to repeated advice from scientists that current mitigation efforts are not sufficient.

For more information, [visit the UNFCCC website](#).

### **The Kyoto Protocol**

Although the US was never a signatory, and key nations Canada, Japan, and Russia have pulled out, members such as the European Union, Australia, and New Zealand are expected to continue to be bound by the Kyoto Protocol into the second commitment period. At Bonn, a move was made towards the preparation of the Doha amendment to the Kyoto Protocol, and following the talks there is more clarity on the quantified emission limitation and reduction objectives (QELROs) of countries still remaining in Protocol, however at the time of writing Australia and New Zealand have not presented QELROs yet, which were due before the Bonn Conference.

There is also more clarity on what legal options exist to ensure a smooth transition between the first and second commitment periods and how to achieve this. However, there are still some differences over whether second commitment period will be for five or eight years, and it is expected that that the period and the emission reduction commitments of developed countries that have obligations under the Protocol will be decided in Doha.

### **Climate Action Groups respond**

[Climate action groups have responded to the progress made at Bonn](#), expressing concerns that there is a lack of ambition, and that there is not enough energy being committed towards activating mitigation strategies. Additionally, countries are not acting quickly enough and are not taking measures to implement the pledges that they have made.

[Climate Impact Equity Lens \(CIEL\) expressed concerns](#) that countries are not responding quickly enough to climate change, and are not addressing the fact that climate change is a real and urgent problem, global emissions are continuing to rise, and there are already countries dealing with impacts of climate change. However, CIEL did commend the agreement on the need for a work program to address short term ambition before 2020, as this encourages countries to talk about raising their level of ambition. CIEL feels that if countries can get beyond the difficult political dynamics, Doha may yield some positive results.

[Oxfam expressed concern](#) that many developed countries had come to Bonn empty handed, and in doing so did not send a signal of urgency to developing countries. Oxfam is also concerned that developed countries are not making pledges to the Green Capital Fund. Long term finance is vital, as a failure to invest will result in a continued lack of progress.

[Climate Action Network International highlighted](#) the need for Qatar, as the host of COP 18, to take a leadership role in Doha, just as Mexico and South Africa did to ensure the success of COPs in Cancun and Durban, and encouraged Qatar to use its political weight in influencing countries to increase their short term ambitions.

For more information about the Bonn Conference, visit the [United Nations Framework Convention on Climate Change website](#).

## National Update

### Law

#### **2. *Clean Energy Finance Corporation Bill 2012 (Cth)* introduced into Parliament**

The *Clean Energy Finance Corporation Bill 2012* passed the House of Representatives on 30 May 2012. This Bill establishes the Clean Energy Finance Corporation, including a \$10 million fund to be invested in renewable energy. The Corporation will liaise with both ARENA and the Clean Energy Regulator, both discussed below.

The aim of the Corporation is to stimulate investment in renewable energy, low-emission, and energy efficiency projects and technologies in Australia. Any funds returned to the Corporation from its investments, including any capital and interest earned, will be available for reinvestment, with the aim being that the Corporation will become a self-supporting entity.

This Bill will now move to the Senate. For more information or to read the Bill, [visit the Australian Parliament website](#).

#### **3. States back down on constitutional challenge to Clean Energy Future Policy**

Queensland has backed down on plans to join a challenge to the Commonwealth Government's carbon pricing scheme in the High Court of Australia, and New South Wales and Western Australia have also indicated that they will not pursue the challenge.

It was suggested in early 2012 that a federally imposed carbon pricing scheme would be unconstitutional because carbon dioxide emissions are State property which can't be taxed by the Commonwealth. However both Queensland and New South Wales' Premiers said that they had received legal advice that the challenge would be unlikely to succeed in the High Court, and have indicated that the challenge would not be pursued.

For more information, [read this article](#).

#### **4. Carbon pricing mechanism update**

The carbon pricing mechanism commences on 1 July 2012. Entities are liable under the carbon pricing mechanism if they meet certain criteria under the *Clean Energy Act 2011*. The Clean Energy Regulator has released an initial list for 2012/2013 of 248 entities that it has reasonable grounds to believe is or is likely to be a liable entity according to the *Clean Energy Act 2011*. These entities account for around 70 per cent of emissions covered by the carbon pricing mechanism. A further 82 entities are expected to be included on a second list to be published in June. For more information, [visit the Liable Entities Public Information Database](#).

The criteria specified in Part 3 of the Clean Energy Act include a carbon dioxide emissions threshold not less than 25,000 tonnes. Liable entities are required to register under the National Greenhouse and Energy Reporting System, report on emissions, and buy and surrender permits to match these emissions. There will be a cap on the number of permits sold each year, with the aim being to decrease emissions. The price will begin at \$23 per tonne, and this will increase annually by 2.5 per cent plus CPI for three years.

For more information about the carbon pricing mechanism, [visit the Commonwealth Government's Clean Energy Future website](#).

#### **5. Revised National Carbon Offset Standard released**

A change to the Commonwealth Government's national carbon offset standard will allow business to buy credits created under the Carbon Farming Initiative to offset their emissions. The Commonwealth Parliamentary Secretary for Climate Change and Energy Efficiency said that the Standard has been revised to accommodate the Clean Energy Future Package and the Carbon Farming Initiative. The aim of the revision is to increase opportunities for consumers and businesses to access domestic offsets under the Standard, and to expand the Carbon Farming Initiative market.

For more information, [visit the Department of Climate Change and Energy Efficiency website](#).

### **Policy**

#### **6. Carbon Farming Initiative offset methodologies**

The Carbon Farming Initiative commenced in December 2011. The initiative allows landholders to earn carbon credits by reducing carbon pollution. Offset methodologies have

been developed by private proponents and industry associations as well as government agencies. These offset methodologies are put on public exhibition and are open for comment for 40 days from their publication. They are then considered by the [Domestic Offsets Integrity Committee](#) for approval.

There are a number of [approved offset methodologies](#), and there are currently a number of [offset methodologies under consideration and open for public comment](#), including [native forest protection projects](#), and [reforestation and afforestation](#). To read and comment on these methodologies, [visit the Department of Climate Change and Energy Efficiency website](#).

## **7. Barriers to Effective Climate Change Adaptation**

The Australian Productivity Commission released a [draft report on Barriers to Effective Climate Change Adaptation](#) on 27 April 2012. This report is part of an inquiry being undertaken by the Productivity Commission into the regulation and policy developments that would allow effective adaptation to climate change. The aim of the inquiry is to identify high-priority reform options to address the identified barriers to climate change adaptation, as well as examine the costs and benefits of these options, and assess the role of markets and non-market mechanisms in facilitating adaptation. The inquiry will also assess how appropriate government intervention is in facilitating this adaptation.

Key points raised in draft report include the weight of scientific evidence suggesting continued climate change in the future, the need for Australia to adapt to the impacts of this changing climate, the policy reforms required to deal with current climate variability, and the implementation of reforms required to address the barriers of future climate trends.

The public is invited to examine the report and submit comments. The submission period closes on Friday 8 June 2012. Public hearings will be held in July 2012. Information about how to register interest in attending a public hearing can be found on the [Productivity Commission website](#).

## **International Update**

### **Law**

#### **8. Mexico passes national climate change law**

As reported in [Issue 14 of the Climate Law Bulletin](#), the Senate of Mexico has agreed to the completion of a unified General Climate Change Bill. This Bill has now been passed by the Mexican Parliament, and awaits President Calderón to sign it into law.

This legislation will impose legally-binding emissions goals to combat climate change, aiming to reduce carbon dioxide emissions by 30 per cent below current levels by 2020, and by 50

per cent below 2000 levels by 2050. The legislation states that 35 per cent of Mexico's electricity should come from renewable sources by 2024, and requires mandatory emissions reporting by the country's largest polluters.

For more information about the legislation, read [Issue 14 of the Climate Law Bulletin](#), or [visit Americas Society website](#).

## **9. South Korea passes legislation to establish emissions trading scheme**

South Korea has passed legislation to establish a carbon emissions trading scheme (ETS). South Korea has committed to develop the ETS which will be in operation from 2015. Despite opposition from the industry sector, the cap-and-trade legislation was passed by the National Assembly with a resounding 148 votes and only three abstentions.

The legislation introduces a cap on carbon pollution across the South Korean economy, and encourages industries to become more energy efficient. The ETS is expected to cover at least 450 entities and about 60 per cent of national greenhouse gas emissions from all industries. The threshold is expected to be 25,000 tonnes of carbon dioxide equivalent. This is the same as Australia's threshold on carbon dioxide emissions. For more information, [read an article by the Korea Herald](#).

South Korea has also announced a package of measures to reduce its consumption of oil. The Government aims to reduce the country's dependence on oil to less than 33 per cent of all energy consumption by 2015. Measures include tax breaks for purchasers of small and hybrid vehicles, and tax deductions for public transport users. For more information, [read an article on Yonhap News](#).

## **Policy**

### **10. Climate Change Financing Study Commences In Nauru**

The Government of Nauru hosted the Pacific Islands Forum Secretariat in May 2012 to discuss a climate change financing study. The purpose of the study is to assess the practical application of options for improved access to international finance and related management of climate change resources for Nauru.

Nauru is the first country to undertake a study like this. An [Options Paper](#) was released by the Pacific Islands Forum Secretariat in 2011, and the review will build on the aims of the paper, which includes providing options for the consideration of Pacific Island governments against the impacts of climate change.

The study is to be completed by August 2012. Following this, recommendations will be presented to Pacific Islands Forum Leaders when they meet in the Cook Islands in August 2012.

For more information, visit the [Pacific Islands Forum Secretariat website](#), or read the [Options Paper](#).

### **11. International Emissions Trading master Agreement released**

The International Emissions Trading Association (IETA) has released the [International Emissions Trading Master Agreement](#). This agreement is designed to be an industry standard master agreement to facilitate emissions trading.

The agreement aims to provide a greenhouse gas emissions-specific document with concise definitions of emissions trading concepts. It is not binding, however IETA encourages the use of the agreement at national and international levels.

For more information, [visit IETA's website](#).

### **12. India responds to the European Union's airline ultimatum**

In May 2012 The European Union (EU) told India and China that they would have one month to comply with the airline carbon emissions fee system covered in [Issue 13](#), or face penalties for flights into and out of Europe. European authorities said that, as a final measure, banning repeat offenders could be considered. India has responded by stating that it may stop European carriers from flying into the country if the EU bans airlines from the South Asian nation that boycott the EU's new emissions fee system.

All EU airlines and most international airlines have agreed to provide emissions data as required under the emissions trading scheme. Around 1,200 airlines have complied with the EU requirements. However eight Chinese and two Indian airlines have refused. European authorities have warned that the Chinese and Indian carriers could face penalties if they fail to submit data by an extended deadline of June 15.

For more information, [read this article](#).

### **13. Mangroves to combat sea level rise in Papua New Guinea**

Papua New Guinea's Office of Climate Change and Development (OCCD) is spearheading a grassroots project to stop mangrove degradation, rehabilitate existing mangroves, and grow new mangroves to combat the impacts of sea level rise. While mangroves cannot stop sea level rise, they can prevent erosion. It has been observed that communities that have mangroves as a barrier to the sea are protected from storms and cyclones and are much less impacted than communities that do not.

Mama Graun, who has been working with communities to protect mangroves, has shared its experience with OCCD. OCCD's programmes are aligned with Papua New Guinea's Vision 2050 and outline of the government's aims to develop mitigation and adaptation capacity in all impacted communities. OCCD held a workshop in May 2012 with the aim of developing a national plan to plant mangroves as an adaptation measure against coastal flooding, and plans to draft a policy and launch a pilot program.

For more information, [visit the Office of Climate Change and Development website](#).

## **Media, reports, and other news**

### **14. Alpha Coal Project approved by Queensland Government**

The Queensland Department of State Development, Infrastructure and Planning has given conditional approval to the Alpha Coal Project in the Galilee Basin. The project is an open cut coal mine with an initial export capacity of 30 million tonnes per annum and will require new rail and port infrastructure and has an investment value of \$6.4 billion. 128 conditions have been imposed on the approval. [It has been estimated that mine will result in 65 million tonnes of carbon pollution](#). The project will produce greenhouse gas emissions from construction, the clearing of vegetation, transport, of materials, and operation, which many are concerned will impact the Great Barrier Reef, as well as listed threatened species and endangered ecological communities, and migratory species.

The Queensland Department of State Development, Infrastructure and Planning has stated that the Federal Minister for the Environment is currently assessing the project under the *Environment Protection and Biodiversity Conservation Act*. The Minister for the Environment has indicated that he believes that because the Queensland government has not provided a sound assessment, he will be required to obtain the information that Queensland failed to provide. However, the Minister has stated that this will result in unnecessary and costly delays for the project, and has indicated that a bilateral agreement will allow a single assessment process to the satisfaction of both jurisdictions to be conducted.

For more information, [visit the Queensland Department of State Development, Infrastructure and Planning website](#) and [a press release of the Australian Minister for Sustainability, Environment, Water, Population and Communities](#).

### **15. First Appointments to ARENA Board**

Mr Greg Bourne, former director of Carnegie Wave Energy and chief executive officer of the World Wildlife Fund Australia 2004-2010 has been named as the acting chair of the Australian Renewable Energy Agency (ARENA) board by the Commonwealth Minister for Resources and Energy. Dr Brian Spalding, who is a current Australian Energy Market

Commissioner with more than 30 years' experience in power system operations, has also been appointed to the ARENA board by the Minister.

ARENA is a new independent statutory body which will oversee existing Government funding arrangements and uncommitted funds from renewable energy initiatives including the Solar Flagships Program and the Emerging Renewables Program. ARENA's responsibilities will include providing financial assistance for the research, development, demonstration, deployment and commercialisation of renewable energy and related technologies, and the storage and sharing of knowledge and information about renewable energy technologies. ARENA will commence operation on 1 July 2012.

For more information about ARENA, [visit the Department of Resources, Energy and Tourism website](#).

## **16. CEO and Chair of Climate Change Authority announced**

The Climate Change Authority will be an independent body who will provide advice on the Australian Government's policies for reducing carbon pollution. Anthea Harris, who is currently the Chief Advisor for the Department of Climate Change and Energy Efficiency, will be the CEO, and former governor of the Reserve Bank of Australia Bernie Fraser will be the Chair.

For more information about the Climate Change Authority, [visit the Department of Climate Change and Energy Efficiency website](#).

## **17. Adelaide Now: Plans revealed for mega SA wind farm (26 May 2012)**

A wind farm in the Mid North will be South Australia's largest if a new plan goes ahead.

Trustpower this week lodged an application for the second stage of its wind farm near Snowtown. If approved by the Essential Services Commission of SA, the turbines will produce the equivalent of 10 per cent of South Australia's current electricity consumption. The new project is expected to be completed by 2014 and built at a cost understood to be about \$400 million.

Mr Purches said once the second stage was completed, the wind farm would save 700,000 tonnes of greenhouse gas emissions each year. He said local residents were "pretty enthusiastic" about the project. Origin Energy will purchase 100 per cent of the power generated by the new development in its biggest wind purchase agreement.

SA wind farms account for half the nation's wind generated power.

To read the article, [visit Adelaide Now](#).

### **18. ABC News: Green energy hopes for Hunter (28 May 2012)**

A sustainability and mining expert says the Upper Hunter region has the potential to be a national leader in the renewable energy sector if it looks beyond the coal industry. Doctor Geoff Evans has addressed Muswellbrook residents at a forum on climate change and renewable energy at the weekend.

Locals at the forum raised concerns about the future of towns like Muswellbrook and Singleton once the mining boom is over.

Doctor Evans says there is no reason the Upper Hunter could not lead the way into a green energy future.

Hunter residents are being warned a failure to recognise the benefits of a green energy boom could cost them their jobs.

### **19. Sky News: Carbon dioxide emissions at record high (26 May 2012)**

Emissions of heat-trapping carbon dioxide reached an all-time high last year, further reducing the chances that the world could avoid a dangerous rise in global average temperature by 2020, according to the International Energy Agency (IEA).

Global emissions of carbon-dioxide (CO<sub>2</sub>) from fossil-fuel combustion hit a record high of 31.6 gigatonnes in 2011, according to the IEA's preliminary estimates, an increase of 3.2 per cent from 2010. The burning of coal accounted for 45 per cent of total energy-related CO<sub>2</sub> emissions in 2011, followed by oil (35 per cent) and natural gas (20 per cent).

According to the vast majority of climatologists, the rapid rise of carbon dioxide in the atmosphere because of industrialisation over the last 150 years has led to an increase in global average temperature by about 1 degree Celsius. Scientists and the IEA contend that countries need to keep the global average temperature from rising by more than two degrees Celsius in order to avoid profound damage to life on Earth, from water and food scarcity to rising sea levels to greater incidence and severity of disease.

To read the article, [visit Sky News](#).

### **20. Reuters: U.N. stalemate risks unravelling Durban climate deal: EU (22 May 2012)**

Disagreement over how to bind all emitters under a global climate pact from 2020 at the United Nations Bonn Climate Change Conference is blocking negotiations to deepen short term emissions cuts and assist developing countries to cope with the impacts of climate change.

To read the article, [visit Reuters](#).

### **21. WND.com: Doubting climate change ‘crime against humanity’ (22 May 2012)**

Professor Donald Brown, a professor of Environmental Ethnics, Science and Law at Penn State University in the US has encouraged conversation on whether sceptics of man-made climate change are responsible for a ‘new crime against humanity’.

To read the article, [visit WND.com](#).

### **22. Workshop on Climate Change Litigation, Policy and Mobilisation**

The Workshop on Climate Change Litigation, Policy and Mobilisation was held 26-27 April 2012 in London. This was a forum for researchers and practitioners to discuss experiences and perspectives on various forms of mobilisation of the law in areas of climate change policy.

Discussions from the workshop included the idea that claimants could use non-climate-specific laws to seek compensation for climate change impacts from emissions-intensive industries, and seek active protection from climate change impacts from governments.

For more information, [read this article](#).

### **23. Invitation to Join EDO NSW’s Scientific Expert Register**

EDO NSW is seeking scientific and technical experts with 10 or more years’ experience in a range of fields to join our Expert Register. PhD students are also encouraged to apply.

The Expert Register is a list of scientific experts who are willing to assist EDO NSW with public interest environmental matters on a pro bono basis. A key aim of the service is to increase the public's capacity to participate effectively in the environmental planning and development assessment process.

EDO NSW is also seeking to develop relationships with research organisations and environmental consultancies interested in doing pro bono work.

If you would like more information on how to be involved in the scientific work of EDO NSW, and have expertise in climate science or a relevant environmental field, please contact EDO NSW on 02 9262 6989.

## 24. EDO NSW's Coastal Law and Climate Change project

EDO NSW has been funded by the Commonwealth Government through its Caring for Our Country program to produce a guide to coastal law and climate change. To order a free copy of *Caring for the Coast: A guide to environmental law for coastal communities in NSW*, please email [education@edonsw.org.au](mailto:education@edonsw.org.au) with your details and we'll send you a copy.

If you would like the EDO NSW to come to your area to present a workshop on coastal law and climate change, please contact our Legal Outreach Director at [education@edonsw.org.au](mailto:education@edonsw.org.au), or call 02 9262 6989.

Requests from rural and regional groups in NSW will be given priority.



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