

## Appendix 3

### Australia's 2020 target policy<sup>1</sup>

#### **Reduce emissions by 5% relative to 2000 levels**

Conditions: None

#### **Reduce emission beyond 5%**

Conditions: The Government will not increase Australia's emissions reduction target above 5% until:

- the level of global ambition becomes sufficiently clear, including both the specific targets of advanced economies and the verifiable emissions reduction actions of China and India;
- the credibility of those commitments and actions is established for example, by way of a robust global agreement or commitments to verifiable domestic action on the part of the major emitters including the United States, India and China; and
- there is clarity on the assumptions for emissions accounting and access to markets.

#### **Reduce emissions by 15% compared with 2000 levels**

Conditions: International agreement where major developing economies commit to restrain emissions substantially and advanced economies take on commitments comparable to Australia's. In practice, this implies:

- global action on track to stabilisation between 510 and 540 ppm CO<sub>2</sub>e;
- advanced economy reductions in aggregate in the range of 15–25% below 1990 levels;
- substantive measurable, reportable and verifiable commitments and actions by major developing economies in the context of a strong international financing and technology cooperation framework, but which may not deliver significant emissions reduction until after 2020; and
- progress towards inclusion of forests (reduced emissions from deforestation and forest degradation) and the land sector, deeper and broader carbon markets and low-carbon development pathways).

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1 Climate Change Authority, *Targets and progress review*, Draft report, October 2013, p. 25, <http://climatechangeauthority.gov.au/sites/climatechangeauthority.gov.au/files/files/Target-Progress-Review/cca-targets-and-progress-report.pdf> (accessed 9 January 2014).

**Reduce emissions by 25% relative to 2000 levels (up to 5 percentage points through Government purchase)**

Conditions: Comprehensive global action capable of stabilising CO<sub>2</sub>-e concentration at 450 ppm CO<sub>2</sub>-e or lower. This requires a clear pathway to achieving an early global peak in total emissions, with major developing economies slowing the growth and then reducing their emissions, advance economies taking on reductions and commitments comparable to Australia's, and access to the full range of international abatement opportunities through a broad and functioning international market in carbon credits. This would involve:

- comprehensive coverage of gases, sources and sectors with inclusion of forests (reduced emissions from deforestation and forest degradation) and the land sector (including soil carbon initiatives if scientifically demonstrated) in the agreement;
- clear global trajectory, where the sum of all economies' commitments is consistent with 450 ppm CO<sub>2</sub>-e or lower, and with a nominated early deadline year for peak global emissions not later than 2020;
- advance economy reductions, in aggregate, of at least 25% below 1990 levels by 2020;
- major developing economy commitments to slow growth and to then reduce their absolute level of emissions over time, with a collective reduction of at least 20% below business as usual by 2020 and a nomination of peaking year for individual major developing economies; and
- global action which mobilises greater financial resources, including from major developing economies, and results in fully functional global carbon markets.