# **Senate Standing Committee on Economics**

## ANSWERS TO QUESTIONS ON NOTICE

**Treasury Portfolio** 

**Additional Estimates** 

23 – 24 February 2011

**Question: AET 172** 

Topic: Changes to International Developments

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Senator Cormann asked:

**Senator CORMANN**—Can you give us on notice, perhaps, then, the changes that have occurred in terms of the international developments, up and down, when you say that there are countries that are doing more than was expected compared to your modelling and countries that are doing less than you expected compared to your modelling? If it is not too difficult, could you put that in perspective in terms of the proportion of global emissions that those countries represent in terms of the up and down?

Ms Quinn—I can certainly take that on notice. To give you an example, in the economic modelling we undertook, we did not have Brazil taking any action for a significant period of time and yet they have provided a pledge under the international arrangements to date. So there are many examples of countries that we had not taking action until significantly later who have currently taken pledges and are framing action. So I am happy to take that on notice and provide that information.

#### Answer:

The Department of Climate Change and Energy Efficiency has released a snapshot of emissions reduction targets and policies in key countries. The paper notes that overall, 86 countries (40 Annex I and 46 non-Annex I), accounting for over 80 per cent of global emissions and around 90 per cent of the global economy, pledged emissions reduction targets and/or actions under the Copenhagen Accord. The portion of global emissions covered by these pledges represents a substantial increase compared to the Kyoto Protocol

(http://www.climatechange.gov.au/en/government/initiatives/multi-party-committee/~/media/publications/mpccc/status-global-mitigation-action.pdf)

In the Government's report, *Australia's Low Pollution Future: The Economics of Climate Change Mitigation* (ALPF), released in October 2008, the Carbon Pollution Reduction Scheme (CPRS) scenarios assumed countries representing approximately 46% of global emissions would take some form of mitigation action in 2010, over 70% would take some action by 2015 and over 80% by 2020<sup>1</sup>.

<sup>&</sup>lt;sup>1</sup> Figures based on 2005 emissions of the six Kyoto gases excluding emission from Land Use Change and Forestry from the Climate Analysis Indicators Tool (CAIT data).

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Some members of OPEC, who were assumed to take action in the ALPF CPRS assumptions, have not made pledges under the Copenhagen Accord<sup>2</sup>. However,46 countries who were assumed not to take mitigation action prior to 2015 in the CPRS scenarios have made pledges under the Copenhagen Accord<sup>3</sup>.

While it can be difficult to directly compare modelling assumptions and pledges it is Treasury's assessment that the country groups who have pledged stronger action over the period to 2020 under the Copenhangen Accord than assumed in the CPRS scenarios include: the United States, European Union, China; Japan; Canada; Indonesia; a group of Southern African countries<sup>4</sup>; and some members of the Rest of the World<sup>5</sup>.

<sup>&</sup>lt;sup>2</sup> These countries represent under 5 percent of global emissions based on 2005 CAIT data.

<sup>&</sup>lt;sup>3</sup> These countries account for approximately 16 percent of global emissions based on 2005 CAIT data.

<sup>&</sup>lt;sup>4</sup> This group includes Lesotho, Namibia, South Africa and Swaziland.

<sup>&</sup>lt;sup>5</sup> These countries represent over 75 percent of global emissions based on 2005 CAIT data. Where a pledge is given as a range this analysis uses the highest emissions reduction pledge.