



Submission to  
The Senate Environment,  
Communications, Information  
Technology and the Arts Legislation  
Committee

Inquiry into the Kyoto Protocol  
Ratification Bill 2003 [No. 2]

February 2004

## **Executive Summary**

Greenpeace welcomes the opportunity to comment on the Kyoto Protocol Ratification Bill 2003 [No. 2].

The Kyoto Protocol is a crucial measure in tackling the problem of climate change. It provides an agreed international framework for delivering mandatory reductions in greenhouse emissions and, providing the reductions are sufficient, allows countries to meet their obligation under the United Nations Framework Convention on Climate Change (UNFCCC) to “prevent dangerous anthropogenic interference with the climate system”.

120 countries have currently ratified the Kyoto Protocol. The only developed countries that have refused to ratify are Australia and the USA. Russia is still considering whether or not to ratify. Greenpeace believes that, contrary to some reports, Russia has not decided to reject the Kyoto Protocol, and that if Russia does ratify it is likely to do so after its presidential elections in March this year. If Russia does ratify, the Kyoto Protocol will enter into force leaving Australia and the USA further isolated on this issue.

Unless action is taken to significantly reduce greenhouse emissions, climate change will have serious environmental, social and economic costs. The impacts of climate change are well documented by respected and credible scientific bodies such as the Intergovernmental Panel on Climate Change (IPCC) and the CSIRO.

Increasingly research is being released that quantifies the socio-economic costs of these impacts. One of the world’s largest reinsurance companies has estimated that, without significant reductions in emissions, by 2050 the global costs of the impacts of climate change will be US\$300 billion a year. It is clear there would be significant socio-economic costs in Australia if there is an increase in the severity and frequency of droughts, bushfires and floods, annual “catastrophic” coral bleaching on the Great Barrier Reef and the disappearance of much of our Alpine environment, all impacts projected to occur without a significant reduction in emissions.

Much deeper cuts in greenhouse emissions are needed than those currently required under the Kyoto Protocol's first commitment period. The CSIRO has found that about a 70% reduction in global greenhouse emissions is needed before the end of the century. The Kyoto Protocol provides the framework for these cuts in the second commitment period and beyond – it is up to countries to negotiate them.

If the Kyoto Protocol fails to enter into force, international action to tackle this serious and alarming problem is likely to be set back years, given it has taken over a decade for international negotiations to deliver the Protocol. Despite ever increasing scientific warnings about the significant environmental, economic and social costs of climate change, Greenpeace believes that, if the Kyoto Protocol fails to enter into force, both the Australian and the USA governments would be strongly opposed to binding emission reductions, reductions at source and delivering the reductions necessary to prevent dangerous climate change. Indeed, based on the climate change plan introduced by President Bush after the USA withdrew from the Kyoto Protocol, this opposition is likely to extend to any reduction in overall greenhouse emissions at all.

Greenpeace strongly supports the Kyoto Protocol Ratification Bill 2003 [No. 2] and calls on the Committee to do likewise.

## The costs of climate change

Despite the well-publicised claims of greenhouse sceptics, the mainstream scientific view is that climate change is real and that human activities are the main cause.

In 2001 the Intergovernmental Panel on Climate Change (IPCC) reported that “there is new and stronger evidence that most of the observed warming over the last 50 years is attributable to human activities”.<sup>1</sup> The IPCC was established in 1998 by the United Nations (UN) and the World Meteorological Organisation (WMO) to provide objective scientific advice on climate change to policy makers and its reports involve the input of over 2,000 of the world’s top climate scientists.<sup>2</sup> The IPCC’s conclusion is supported by both the CSIRO and the Bureau of Meteorology (BoM).<sup>3</sup>

There is also strong agreement in the mainstream scientific community about the impacts climate change is likely to have without action to reduce emissions. These are well documented by scientific bodies such as the IPCC and the CSIRO.<sup>4</sup>

In Australia these impacts include:

- An increase in the severity and frequency of droughts, bushfires and floods.

Research by both the BoM and Professor David Karoly, one of the lead authors to the IPCC, has identified that climate change made the 2002-03 drought more severe.<sup>5</sup> Studies by both the IPCC and the CSIRO show that without emission reductions Australia will face more frequent and severe extreme weather events, such as droughts, bushfires and floods.<sup>6</sup>

- “Catastrophic” coral bleaching on the Great Barrier Reef on an annual basis from 2050 onwards.

Scientists have long recognised the vulnerability of coral reefs to climate change, due to coral’s inability to survive even small increases in ocean temperatures for extended periods. The Great Barrier Reef (GBR) has seen two major bleaching events in recent years, in 1998 and 2002, with each at the time being the worst ever recorded on the GBR.

In 2003, the Queensland Government released a report on coral bleaching and the GBR that it had commissioned from the Australian Institute of Marine Science (AIMS), the CRC Reef Research Centre and the CSIRO.<sup>7</sup> The report found that without significant reductions in greenhouse emissions the GBR could face “catastrophic” coral bleaching every year from 2050 onwards.

The report concluded that “The appearance of coral reefs and thus their amenity for tourism may be seriously compromised, and their productivity and biodiversity

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<sup>1</sup> Intergovernmental Panel on Climate Change; *Third Assessment Report*; 2001.

<sup>2</sup> See <http://www.ipcc.ch>

<sup>3</sup> Bureau of Meteorology; *Submission to the Australian Senate Environment, Communications, Information Technology and Arts Legislation Committee Kyoto Protocol [sic] Ratification Bill 2003 [No. 2]*; 2004 & CSIRO; *Submission to the Senate Environment, Communications, Information Technology and Arts Legislation Committee Inquiry into the Kyoto Protocol Ratification Bill 2003*; 2004.

<sup>4</sup> See footnote 1 & CSIRO; *Climate Change Impacts for Australia*; 2001.

<sup>5</sup> See BoM publication listed in footnote 3 & Professor David Karoly & Dr James Risbey; *Submission to the Select Committee on the Recent Australian Bushfires*; 2003.

<sup>6</sup> See footnotes 1 & 9 & CSIRO; *Climate Change Projections for Australia*; 2001.

<sup>7</sup> The Australian Institute of Marine Science (AIMS), the CSIRO and the CRC Reef Research Centre; *Global Climate Change and Coral Bleaching on the Great Barrier Reef*; 2003

decimated” leading the Queensland Government to state that "increasing global greenhouse gas production could lead to more extensive coral deaths, diminish the reef's biodiversity, and put at risk industries such as tourism and fishing".<sup>8</sup>

- Disappearance of Australia's Alpine environments

The CSIRO has found that climate change could result in up to a 96% reduction in Australia's snow cover by 2070.<sup>9</sup> This would obviously have disastrous impacts for snow based tourism.

Increasingly research is being released that quantifies the socio-economic costs of these impacts. A study by Munich Re, one of the world's largest reinsurance companies, found that, without significant reductions in emissions, the global costs of the impacts of climate change will be US\$300 billion a year by 2050.<sup>10</sup>

It is clear that unless there are significant reductions in greenhouse emissions, climate change will have significant socio-economic costs in Australia, from impacts such as those listed above.

#### Recommendations

- That the Committee acknowledges that without sufficient reductions in greenhouse emissions climate change will have significant environmental, social and economic costs in Australia.

#### **The Kyoto Protocol**

The Kyoto Protocol is a crucial measure in tackling the problem of climate change.

120 countries have currently ratified the Kyoto Protocol. The only developed countries that have refused to ratify are Australia and the USA. Russia is still considering whether or not to ratify. Greenpeace believes that, contrary to some reports, Russia has not decided to reject the Kyoto Protocol, and that if Russia does ratify it is likely to do so after its presidential elections in March this year. If Russia does ratify, the Kyoto Protocol will enter into force leaving Australia and the USA further isolated on this issue.

Greenpeace believes that it is imperative that the Kyoto Protocol enter into force because:

- It requires delivering mandatory reductions in greenhouse emissions,
- it is the only international measure that does so,
- it provides a framework for the significant emission reductions beyond the first commitment period that are necessary to prevent dangerous climate change, and
- providing the emission reductions are sufficient, it allows countries to meet their obligation under the United Nations Framework Convention on Climate Change (UNFCCC).

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<sup>8</sup> Peter Beattie, Premier of Queensland; *Great Barrier Reef report a stark warning on global warming* (Media Release); 2003.

<sup>9</sup> Australian Greenhouse Office; *Climate change - An Australian Guide to the Science and Potential Impacts*; 2003.

<sup>10</sup> United Nations Environment Programme; *Impact of Climate Change to Cost the World \$US 300 Billion a Year*, (Media Release); 2001.

If the Kyoto Protocol fails to enter into force, international action to tackle this serious and alarming problem is likely to be set back years, with it taking over a decade for international negotiations to deliver the Protocol.

Despite ever increasing scientific warnings about the significant environmental, economic and social costs of climate change, Greenpeace believes that, if the Kyoto Protocol fails to enter into force, both the Australian and the USA governments would be strongly opposed to binding emission reductions, reductions at source and delivering the reductions necessary to prevent dangerous climate change.

Indeed, based on the climate change plan introduced by President Bush after the USA withdrew from the Kyoto Protocol this opposition is likely to extend to any reduction in overall greenhouse emissions at all.

The Australian Government's claim that it is not in the national interest to ratify the Kyoto Protocol is based on flawed logic, one-sided analysis and an ideological opposition to reducing greenhouse emissions at source.

The Australian Government's refusal to ratify the Protocol denies companies and projects located in Australia access to the Protocol's flexibility mechanisms, which deliver emission reductions at the lowest cost, and it exposes them and Australia more broadly to the possible risk of adverse trade measures, such as tariffs.

Opinion polls show that Australians support the ratification of the Kyoto Protocol by Australia, with between 71% and 80% supporting ratification in opinion polls conducted from Greenpeace in recent years.

The Government's justifications for its refusal to ratify expose the weakness of its position. These are examined below.

#### The Protocol does not require developing countries to reduce emissions

Although this is technically correct, it is deeply misleading as it implies that developing countries will never have to reduce emissions under the Kyoto Protocol.

What is true is that developing countries are not required to reduce emissions during the first Kyoto commitment period. Developing countries have indicated their willingness to take on targets once developed countries have reduced emissions.

There are several reasons why developed countries should reduce emissions before developing countries:

- Developed countries have the technical and financial capacity to reduce emissions.
- Developing countries often have more pressing basic subsistence issues such as food, shelter, health etc.
- Developed countries are responsible for approximately 80% of historical greenhouse emissions.

These reasons formed the basis of the decision within the Kyoto negotiations that developing countries would not take on emission targets for the first commitment period. All governments, including Australia, agreed to this decision.

It is worth noting that the Australian Government's refusal to ratify the Protocol and ongoing attempts in the Protocol negotiations to insert and maximise any loopholes

in the Protocol make developing countries more inclined not to take on reduction targets. And also, that the Australian Government proactively promotes technology, such as coal-fired power stations, that will increase greenhouse emissions in developing countries.

The Protocol will only deliver a 1% reduction in global greenhouse emissions

Again this is misleading because it fails to differentiate between reductions required during the first commitment period and the possibility for deeper reductions in subsequent commitment periods.

The targets for commitment periods beyond the first still have to be negotiated in the international fora. The Australian Government is free to suggest, negotiate and advocate for whatever targets it likes.

Greenpeace suggests that if the Australian Government genuinely believes that greater emission reductions are required than those currently provided under the Kyoto Protocol that it publicly commit to an emission reduction target for Australia that is consistent with the reductions that the scientific community has identified as being necessary.

The Government could also play a leadership role in gaining commitments from other developed countries for far greater reductions, increasing the effectiveness of the Kyoto Protocol and making it far more likely that developing countries would take on their own emission targets.

In the first instance, an emissions target for Australia that delivers a reduction below 1990 levels would be a good initial step.

It is again worth noting that the Australian Government has initiated or supported numerous proposals, such as those around land use change and forestry, within the Kyoto Protocol negotiations which have reduced the reduction in global greenhouse emissions that the Protocol will deliver.

Also, the reduction in global greenhouse emissions delivered by the Kyoto Protocol would be greater if Australia and the USA ratified the Protocol.

The USA has refused to ratify

It is disingenuous for the Australian Government to claim that this is a reason not to ratify given that Australia has supported the USA's rejection of Kyoto. Greenpeace supports the entry into force of the Kyoto Protocol and getting the USA to rejoin the Protocol for the second commitment period, an approach which has been taken by the majority of the international community.

Ratification by Australia would have economic costs and lead to jobs and industry being exported overseas

This argument is based on one-sided analysis that fails to be objective on a number of grounds – it ignores the economic benefits of tackling climate change, it doesn't factor in the socio-economic costs of failing to reduce greenhouse emissions, and it often inflates the cost of reducing emissions.

The claim by industries that they would move offshore if Australia ratified the Kyoto Protocol is no doubt an effective scare tactic especially when coupled with studies which overestimate the economic costs of ratification. However, it ignores the fact that decisions by industry on business locations are made based on a number of criteria including political stability, the labour force, access to markets for products,

many of which could reasonably be expected to be of higher priority than whether or not Australia has ratified the Kyoto Protocol.

### Recommendations

- That the Committee recommends that the Kyoto Ratification Bill 2003 [No.2] is passed without amendment by the Senate.
- That the Committee recommends that the Australian Government ratify the Kyoto Protocol without delay and produces a plan to implement Australia's obligations under the Protocol.
- That the Committee calls on all remaining countries that have not yet ratified the Kyoto Protocol, and particularly Russia and the USA, to ratify the treaty without delay.
- That the Committee recommends that the Australian Government commits to a target for the second commitment period which will deliver significant reductions in emissions and that it plays a leadership role in establishing a coalition of developed countries willing to commit to similar significant emission reduction targets for the second commitment period.

### **Beyond the first commitment period**

The primary objective of the United Nations Framework Convention on Climate Change (UNFCCC), which has been ratified by Australia, is *"the stabilisation of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system."*<sup>11</sup>

The UNFCCC goes on to state that *"Such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner."*<sup>12</sup>

The Kyoto Protocol was developed out of the UNFCCC process when it became aware that mandatory emission targets were needed if the UNFCCC objective would be achieved.

Much deeper cuts in greenhouse emissions are needed than those currently required under the Kyoto Protocol's first commitment period if the objective of the UNFCCC is going to be met. A failure to do so will result in significant and irreversible environmental, social and economic costs globally, including in Australia.

The CSIRO's submission to this inquiry contains some useful discussion of what constitutes dangerous anthropogenic interference with the climate system. Greenpeace believes this is an area that requires urgent attention from policy makers.

Greenpeace's position is that given the scientific evidence the global mean temperature should be limited to a 2 degree Centigrade increase above pre-industrial levels and ideally should be as low as possible under that limit.<sup>13</sup>

According to the CSIRO such a limit would require a reduction in global greenhouse emissions of about 40% by 2050 and about 70% by 2100.<sup>14</sup>

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<sup>11</sup> United Nations; *Framework Convention on Climate Change, Article 2*; 1992.

<sup>12</sup> See footnote 12.

<sup>13</sup> Climate Action Network; *Preventing dangerous climate change*; 2003. See <http://www.climatenetwork.org/docs/CAN-adequacy30102002.pdf>

The Kyoto Protocol provides the framework for these cuts in the second commitment period and subsequent commitment periods – it is up to countries to negotiate them.

Greenpeace supports the removal of loopholes from the Kyoto Protocol that reduce the effectiveness of emission targets under the treaty.

#### Recommendations

- That the Committee recommends that the Australian Government develop a plan to deliver the emission reductions necessary to fulfil Australia's obligations under the UNFCCC.<sup>15</sup>
- That the Committee recommends that the Australian Government commissions and funds a study, led by the CSIRO, to quantify the environmental, social and economic costs of climate change in Australia for an increase in global mean temperature of 1°C, 2°C, 3°C, 4°C, and 5°C above 1990 levels by 2100.

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<sup>14</sup> See footnote 3.

<sup>15</sup> It is worth noting that the UK Government has produced a White Paper on how to deliver 60% reductions in the UK's CO<sub>2</sub> emissions by 2050. See <http://www.dti.gov.uk/energy/whitepaper/index.shtml>