



**Statement to the Sixth Conference of the Parties to the
United Nations Framework Convention on Climate Change**

**Senator the Hon Robert Hill
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Australia**

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Since the historic agreement reached at Kyoto in 1997, Australia has begun implementing a comprehensive and ambitious program of domestic action to address climate change.

We are now directing almost A\$1 billion to tackling climate change. We have established the world's first national office devoted to tackling greenhouse. We have a program of voluntary cooperation with industry which now includes almost all of our major emitters. We have contracted a carbon broker to direct private resources into enhancing our sequestration through revegetation. We have before our parliament a bill to increase the amount of electricity generated through renewable energy, to take the overall percentage to over 12% of generation. Importantly, we are devoting resources to assisting our Pacific neighbours in assessing and adapting to climate change.

Our package of measures is aimed to encourage businesses and consumers to reduce emissions. Last week the government launched a process to consider market-based incentives for business to undertake substantial early abatement action which would continue to have effect during the commitment period. This is a significant step that could see us drawing down a percentage of our Kyoto target to reward early and ongoing abatement. Further, we have created the Greenhouse Gas Abatement Program, a competitive bidding process for government assistance to reduce emissions, which promises to help us move towards a less carbon intense economy.

Australia has taken the Kyoto outcome seriously. We have acted in good faith to embark upon the task required to meet our commitments. But we must ensure that the rules agreed here faithfully implement the balance carefully struck at Kyoto.

In Australia, we have now reached the level beyond which our domestic response cannot pass without further decisions internationally. Domestically, people are finding it increasingly difficult to understand why, having heard the views of the scientists, and why, having reached agreement at Kyoto, uncertainty remains at the international level.

Australia needs progress on four issues to move forward to ratification. We need flexibility mechanisms that create an efficient market that can achieve low cost outcomes. The rules should not constrain the market so that it would fail to achieve its promise. Secondly, we should seize the opportunity to realise the multiple environmental and economic advantages that sinks can confer, within a framework that ensures a simultaneous focus upon the reduction of emissions. Sinks reduce atmospheric concentrations of carbon, and their potential should be recognized. On compliance, our point of departure should be that countries will wish to comply, and should be assisted in every way to comply. For Australia, the path to ratification will also need to recognize that climate change is a problem whose solution is beyond the means of the developed countries alone. We need to chart a means to include all countries in the task of limiting emissions.

We have come to The Hague to engage in serious negotiations to achieve a substantial outcome that will represent an important step along the path to implementing to Kyoto Protocol. We look forward to achieving this.