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Department of Resources, Energy and Tourism

Australian Country Update

Methane to Markets Partnership

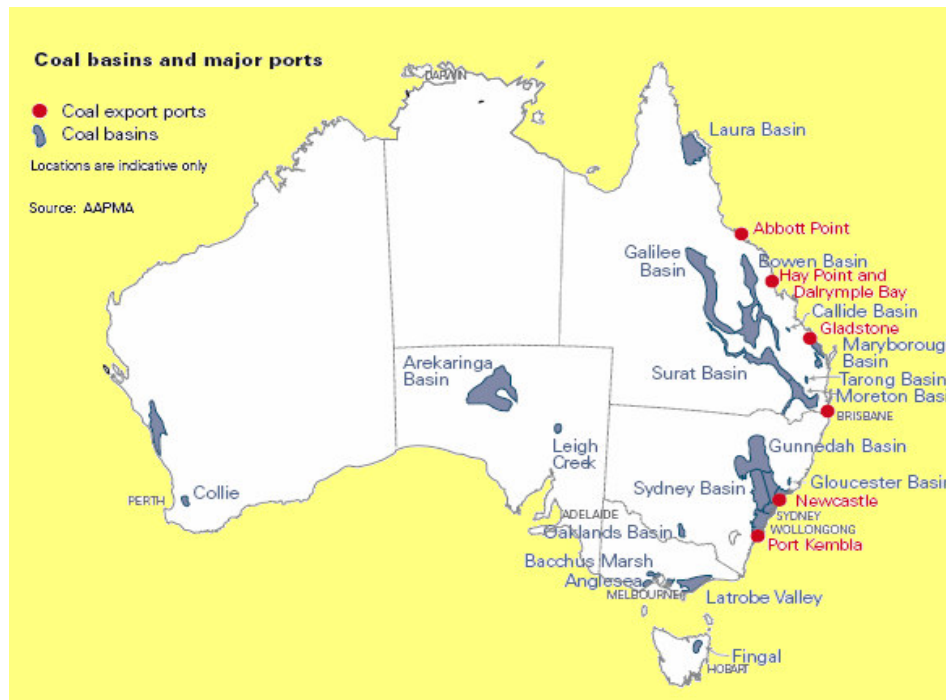
8th Coal Sub-Committee Meeting
29-30 April 2008
Cagliari, Sardinia, Italy



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Australian Coal Industry



Current analysis projects Australia's greenhouse gas emissions at 108% of the 1990 emissions level over the period 2008-12, which is equal to Australia's Kyoto target of 108%.

www.climatechange.gov.au



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Australian Climate Change Policy

- New Australian Government elected on 24 November 2007
- 3 new Australian Government Departments;
 - Department of Climate Change,
 - Department of Resources, Energy and Tourism
 - Department of the Environment, Water, Heritage and the Arts.
- December 2007 - Australia ratified Kyoto Protocol



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Australia - Climate Change Policy

New Government initiatives:

- Greenhouse gas emissions to be reduced by 60% on 2000 levels by 2050
- Implementing a comprehensive national emissions trading scheme (ETS) by 2010 to deliver targets;
- 20% target for renewable energy by 2020;
- Investing in research and development on low emission technologies.



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Other Australian Government Domestic Initiatives on Climate Change

- \$100 million for Clean Coal Initiative;
- World Leading Carbon Capture and Storage Regulatory Framework;
- \$500 million for a Renewable Energy Fund;
- \$150 million for an Energy Innovation Fund



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Emissions Trading Scheme (ETS)

The ETS will be the primary mechanism for achieving Australia's domestic greenhouse gas emission reduction target

The National Emissions Trading Scheme

- Will commence in 2010
- Be a cap and trade scheme
- Maximise coverage of greenhouse gases
- Short-medium term reduction target to be established



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Domestic CMM Initiatives

Greenhouse Gas Abatement Program

- \$43m in funding for 4 projects supporting conversion and use of coal mine methane
- Four projects are supported, in the use of waste coal mine methane for electricity generation.

Australian Coal Mine Methane Reduction Program

- Expected to reduce emissions 4.5 million tonnes over the 2008 - 2012 period.
- \$15.9 million over five years
- Project contracts currently being finalised



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CMM Country Specific Strategies some thoughts....

- "Horses for courses"
- Australia has considerable policy, technical and other expertise on CMM issues.
- Australia's primary focus will be on how to achieve the 60% greenhouse target by 2050.
 - ETS to be the primary driver
 - Methane/CMM reduction projects and initiatives potentially part of the solution
 - No need for specific Australian CMM strategy



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Specific Country CMM Strategies

- Strategy development process be flexible rather than a prescriptive
- Use ASG strategy development process to identify
 - CMM reduction objectives
 - Current CMM capacities and particularly, CMM gaps, technological, legal, financial needs
- ASG or other third party could potentially help facilitate strategy development process for countries as needed/requested
- Developed countries could provide further information on their capacities to facilitate/assist CMM work in developing countries



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