



AUSTRALIA

Cooperative Sectoral Approaches

Submission to the AWG-LCA and the AWG-KP

Australia supports consideration of cooperative sectoral approaches to reducing emissions under both the Ad hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP) and the Ad hoc Working Group on Long-term Cooperative Action (AWG-LCA).

Australia welcomes the conclusion of the AWG-KP at the resumed fifth session “that approaches targeting sectoral emissions could be used by Annex I Parties as a means to reach, but not replace, their emissions reduction targets”. This outcome accords with Australia’s initial submission on sectoral approaches (KP/AWG/2008/MISC.1/Add.2).

Parties which adopt fixed national emission reduction targets set a binding economy-wide constraint in the form of an assigned amount of emissions. Given the relative stringency of national targets over other forms of mitigation policies, there is no compelling rationale for those Parties that take such targets to adopt subsidiary binding international commitments, including targets, for individual sectors already included within their economy wide commitment. Sectoral targets are subordinate, and not additional, to economy-wide national targets adopted under the UNFCCC or Kyoto Protocol.

Where Parties do not adopt a binding national target as part of the post-2012 outcome, there may be scope for these Parties to commit to binding actions based on cooperative sectoral approaches.

Sectoral approaches offer several advantages:

1. Existing initiatives, such as the Asia-Pacific Partnership for Clean Development and Climate, suggests that such approaches can expedite the research, development and diffusion of low-carbon

technologies and sector-specific expertise between countries and regions;

2. Collaborative activities may lower transaction and risk-associated costs and provide attractive incentives for private sector investors;
3. Sectoral collaboration can help build capacity between Parties facing similar challenges; and
4. Given that technological advancement and expertise in many sectors will vary from country to country – often irrespective of Annex I and non-Annex I status – collaborative sectoral approaches can facilitate joint R&D and enable world’s best practice to be applied across a given sector.

International Maritime and Aviation Emissions

Australia considers that sectoral approaches are important for dealing with emissions that cannot be attributed to any particular economy, and that multilateral collaborative action is the most appropriate means to address emissions from the international aviation and maritime sectors. The International Maritime Organisation (IMO) and the International Civil Aviation Organisation (ICAO) should continue to develop effective sectoral approaches towards international maritime and aviation emissions respectively as a matter of priority.