

Research Brief



What “progression” means for Australia’s post 2020 targets

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The Lima Call for Climate Action,¹ agreed by over 190 countries including Australia, outlines the international community’s key benchmarks and expectations for new post-2020 emissions reductions targets. The Australian Government has committed to sharing its indicative post 2020 emissions target by mid-year. It is clear that international expectations will be for targets stronger, indeed much stronger, than the current minimum 2020 target of 5 per cent below 2000 levels by 2020 emissions reductions target.

The Climate Change Authority (CCA) is due to release a draft report on future emissions reductions targets next month. This research brief highlights a key aspect of The Climate Institute’s submission, which is available [here](#).

Paragraph 10 of the Lima Call for Climate Action states: “...each Party’s intended nationally determined contribution towards achieving the objective of the Convention as set out in its Article 2 will represent a progression beyond the current undertaking of that Party”. (Emphasis added). This has specific implications for Australia’s post-2020 emissions reductions goal, which the government is currently developing.

The first key word in this paragraph is ‘progression’. This is broadly interpreted internationally to mean each target that a country takes on will be more ambitious than its last target and no backsliding on commitments will be undertaken. This is the first step towards an important evolution in the international framework as it starts to enshrine an ongoing cycle which sees countries increasing their emissions reductions contributions over time.²

The second key element is the reference to Article 2 of the Climate Convention. This currently defined as limiting global warming to less than 2°C above preindustrial levels. Progression is clearly indicated to be in service of this goal, which requires a significant acceleration of emission reduction efforts beyond 2020. For this reason, progression should be interpreted as increased ambition not just in terms of absolute

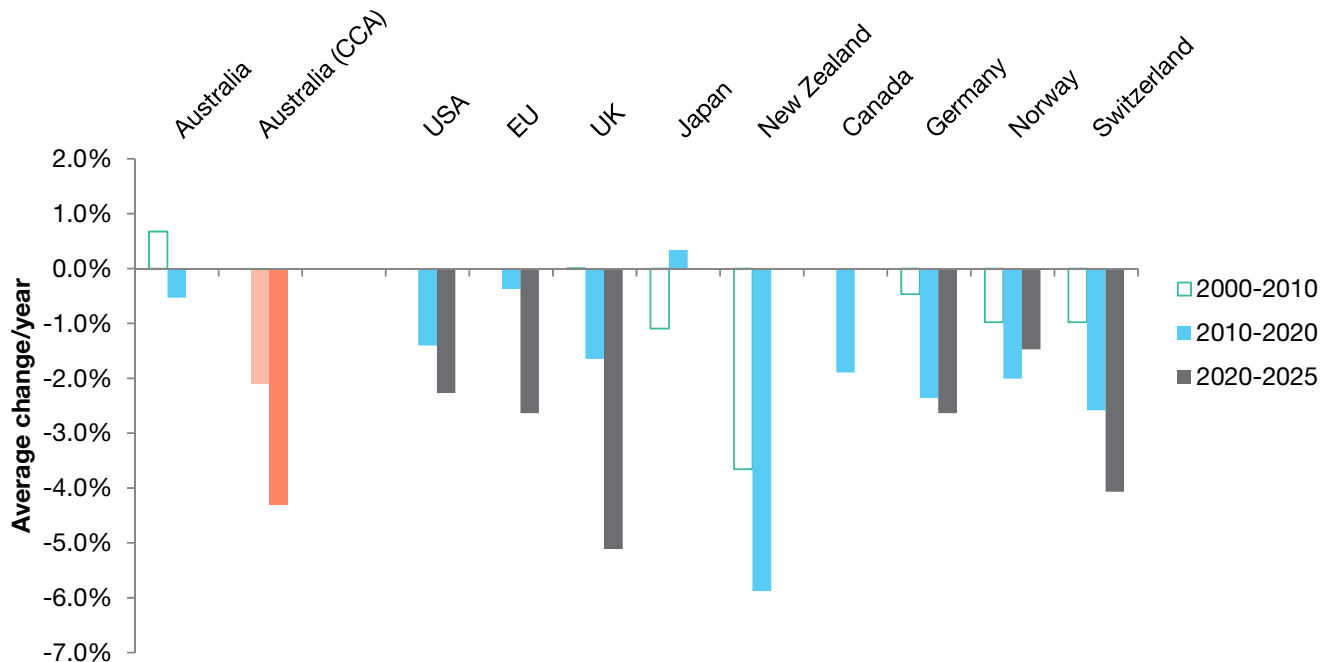
emission reductions, but also in the rate of emission reductions. In other words, countries’ targets should not just increase the amount of emissions reduced, but the speed at which this takes place.

The post-2020 targets indicated by the USA, European Union, and Switzerland (Figure 1.) all demonstrate progression in the rate of emission reduction. On average initial post-2020 targets increase their annual rate of from less than 2 per cent per year between 2010 and 2020 to around 3 per cent a year from 2020 to 2025. While China, as an emerging economy, is not directly comparable with Australia, its initial post-2020 target also requires a substantial acceleration of decarbonisation, so meets this interpretation of the progression requirement.³

A less justifiable interpretation of progression might consider absolute terms only. This would mean that any number even slightly above the country’s previous target could be argued to be progression. For example, Australia took on a 2025 target of 7 per cent reduction or 2030 target of 10 per cent, this would be a higher number than the minimum 5 per cent 2020 target in absolute terms, but would not accelerate the rate of emissions reductions (Australia is reducing emissions by about 0.5 per cent per year, if it continued this rate after 2020 it would meet a 7 per cent target in 2025). The Government could argue that this is stronger than the current minimum 2020 emissions reduction target, and therefore fulfils the requirement for progression, even though it does not accelerate emissions reductions.

This latter approach is unlikely to be credible internationally. Most other advanced economies comparable with Australia are not only increasing their absolute emissions reductions but also the rate at which these are occurring, and it would not be consistent with Australia’s fairly contributing the agreed global objective of limiting warming to less than 2°C.

Figure 1: Annual rates of emissions reductions to achieve national targets. The figure shows that, with the exception of Japan, Australia's current rate of emissions reductions to achieve its minimum target is very low compared with other advanced economies. It also shows that most countries' initial post-2020 targets represent increases in their annual rates of emissions reductions. The implications of the targets recommended for Australia by the Climate Change Authority (CCA) and the rates of emissions reductions for past targets are also shown for comparison.



Notes: Data sources from country submissions to UNFCCC. Data includes land use, land use change and forestry emissions. Australia's 2008-2012 Kyoto target allowed it to increase emissions. Japan's increased emissions target to 2020 is due to the impact of the 2011 tsunami and subsequent closure of nuclear reactors.

Key Points from The Climate Institute's submission to the CCA

- + The Climate Institute supports the Authority's previous recommendation that Australia should set a coordinated set of short-term targets and long-term goals, based on a 2010-2050 carbon budget consistent with a fair contribution to limiting warming to less than 2°C above pre-industrial levels ("2°C goal").
- + Carbon budgets, in particular, remain central to stable and effective policy development. The development and use of carbon budgets should be guided by risk management principles which give at least a 75 per cent chance achieving the 2°C goal.
- + Australia's climate change policy is suffering from a lack of a long-term view. To meet the 2°C goal, the ultimate destination or strategic objective of climate policy is the progressive phase-out of emissions to net zero levels (and below), or 'decarbonisation'. Ultimately, only a policy with a decarbonisation strategy for achieving net zero emissions and below will provide a stable and sustainable platform for long term investment.
- + The Climate Change Authority should be clear in distinguishing national targets from any policy related sectoral impacts. The level of Australia's post-2020 target is not the determinant of its net cost or benefit, or of its impact, on specific economic sectors.
- + The Authority should explicitly consider the economic, environmental and social risks associated with meeting only the minimum 5 per cent target, including being out of step with comparable countries, and requiring a more disruptive effort to later meet a 2°C goal trajectory.
- + The Lima Call for Climate Action outlines key benchmarks and expectations for new post-2020 contributions. By setting a high standard in the communication of its own target, Australia will be in a stronger position to expect the same of other nations. This will be particularly important in the context of encouraging ambitious, transparent and accountable actions from emerging economies.

ENDNOTES

- ¹ UNFCCC, Decision 1/CP.20: <http://tinyurl.com/n5g9qsb>
- ² For discussion see: The Climate Institute, 2014, Australia's Post-2020 Emission Challenge: Our role in the international cycle of growing ambition, TCI, Sydney: <http://tinyurl.com/lmomr9p>
- ³ See for example, Zhang, et al. 2014, Carbon emissions in China: How far can new efforts bend the curve? MIT-Tsinghua China Energy and Climate Project: <http://tinyurl.com/lqghq8h> and Teng, and Jotzo, 2014, Reaping the Economic Benefits of Decarbonization for China, China & World Economy, 22(5): 37-54.