

## Submission to the Review of Climate Change Policies

May 2017

## About Caritas Australia

Caritas Australia is the international aid and development agency of the Catholic Church in Australia. We are a member of Caritas Internationalis, the world's second largest humanitarian network which collectively has more than 500,000 staff and 20 million volunteers operating through 165 national Caritas agencies.

Over the last 52 years Caritas Australia has worked to uphold human dignity and promote justice in partnership with marginalised communities regardless of their ethnicity, political beliefs or religion. Caritas Australia supports long-term and holistic development programs in the Pacific, Asia, Indigenous Australia, Africa and Latin America.

In 2015–16, we supported 129 long-term community programs and 120 partnerships in 29 countries, as well as 35 emergency response programs in 24 countries. Caritas Australia reached over 2 million people directly through emergency and development programs.

Over 68,000 people in Australia actively support our work through fundraising and advocacy.

## How climate change is affecting our partners

With 52 years of working in partnership with communities, partners and church agencies around the world, Caritas Australia has borne witness to the increasing severity and hardship caused by climate change on people's lives. We believe climate change is now the single biggest challenge to ending poverty and inequality worldwide.

Many of our partner communities are already experiencing the effects of a changing climate. They tell us that rainfall is unpredictable, droughts are lasting longer, fresh water is becoming scarcer and extreme weather events such as cyclones are increasing in intensity.

In the Pacific, many communities are losing ground to rising seas, coastal erosion and coastal flooding. This is affecting food production, health services, infrastructure, cemeteries and homes, and forcing families to relocate. Rising seas are no longer just affecting low-lying atolls, but larger volcanic islands as well. Caritas has documented the lived experience of our Pacific partners in this report [Caritas State of the Environment in Oceania 2016: \*Hungry for Justice, Thirsty for Change\*](#)<sup>1</sup>.

Heightening the injustice is that the world's poorest people are already being hit hardest by climatic extremes despite having contributed the least to global warming.

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<sup>1</sup> <http://www.caritas.org.au/docs/default-source/publications-and-reports/hungry-for-justice-thirsty-for-change>

## Australia's global climate commitments

*Australia has committed to considering a potential long-term emissions reduction goal for Australia beyond 2030. What factors should be considered in this process?*

Australia has a responsibility to do our fair share to reduce global emissions and help our poorer neighbours face climate change. Australia is an industrialised country that has benefited from the fossil fuel-driven economic system that has contributed to climate change. Australia is currently one of the highest per capita greenhouse gas emitters in the world<sup>2</sup>. We have far greater capacity, and responsibility, to cut our greenhouse gas emissions than poorer countries.

As a signatory to the Paris Agreement, Australia has committed to reducing our emissions in line with the globally agreed target of limiting global temperature rise to well below 2°C above pre-industrial levels and pursue efforts to limit to 1.5°C.

Implementation of the Paris Agreement is also essential for the achievement of the Sustainable Development Goals including SDG Goal 13: Take urgent action to combat climate change and its impacts.

Caritas Australia recommends the strengthening of Australia's current emissions reductions targets as well as the early adoption of longer-term emissions reduction targets beyond 2030. Australia's emissions reductions targets should, at a minimum, meet the recommendations put forward by the Climate Change Authority in 2015 based on the best available science and an assessment of Australia's fair international contribution of emissions reductions.

Caritas Australia believes that Australia should adopt targets which at a minimum are equivalent to a 30% reduction in emissions below 2000 levels (or 36% reduction below 2005 levels) by 2025, or a 40-60% reduction in emissions below 2000 levels (or 45-65% reduction below 2005 levels) by 2030. Current government policy, at a 26-28% cut in emissions by 2030 compared to 2005 levels, is not expected to meet these recommendations.

The Paris Agreement recognises that global carbon dioxide emissions must reach net zero by 2045 - 2050 in order to have even a >50% chance of limiting global warming to 1.5°C or a >85% chance of limiting it to 2°C. The Paris Agreement also recognises that 'developing' countries will take longer to reach this global goal than 'developed' countries. Australia's post-2030 targets must be in alignment with doing our fair share of achieving the global zero carbon target, reaching net zero emissions well before 2045.

To reach our emissions reductions targets, Australian policies need to rule out any major new fossil fuel projects or the expansion of existing ones, as this would be inherently incompatible with meeting our global climate commitments.

We also recommend the termination of fossil fuel subsidies in Australia, currently worth almost AUD\$11billion per year<sup>3</sup>, and ensuring there is a secure policy environment for investment into the renewable energy sector and jobs.

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<sup>2</sup> <http://www.climate-transparency.org/wp-content/uploads/2016/09/Brown-to-Green-Assessing-the-G20-transition-to-a-low-carbon-economy.pdf>

<sup>3</sup> <http://www.marketforces.org.au/ffs/tax/>

## Recommendations

- Take immediate steps to reduce Australia's emissions in line with limiting global temperature rise to 1.5°C, including:
  - adopting stronger emissions reductions targets, which at a minimum are equivalent to a 36% reduction below 2005 levels by 2025 or a 45-65% reduction in emissions below 2005 levels by 2030.
  - early adoption of a post-2030 target in line with Australia's fair share of achieving the global net zero carbon emissions target by 2045 – 2050.
- Commit to no major new fossil fuel projects or the expansion of existing major projects
- End fossil-fuel subsidies and move to a more certain policy environment for private investment into the renewable energy sector and jobs

## Support for global action

Australia and other 'developed' countries have committed to a global goal of mobilizing jointly US\$100 billion annually by 2020 from public and private sources to support 'developing' countries to fund climate adaptation and mitigation, and to fully operationalize the Green Climate Fund through its capitalization as soon as possible.

We believe that a reasonable Australian contribution from public and private sources to the global climate finance commitment would be 2.4% or AUD\$3.2 billion a year by 2020<sup>4</sup>. For the financial year 2017-18, Caritas Australia endorses the Australian Council for International Development's recommendation that Australian public funding for climate change should be AUD\$600 million in FY2017-18<sup>5</sup>.

At COP21 in Paris in 2015, the Prime Minister announced that Australia will contribute at least AUD\$1 billion over the next five years to support vulnerable countries to adapt to climate change. However, this is not additional money, and does not represent an increase in Australia's previous contributions to climate finance. It also continues to be taken from other poverty-alleviation programs in the overseas aid budget, which the Government has cut over four consecutive years to a historic low of 0.22% of Gross National Income (GNI) in 2016-17 and intends to continue to cut to 0.20% GNI by 2020-21<sup>6</sup>.

Caritas Australia encourages the Government to develop and implement an articulated climate change strategy for Australia's aid program. This is important to ensure that climate change is integrated across programmatic areas and also to enable tracking and evaluation of Australia's climate finance over time.

Fundamental to ensuring the success and integrity of any climate action is to ensure that the people most severely affected are directly involved in shaping the policy solutions.

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<sup>4</sup> [http://www.climateinstitute.org.au/verve/resources/anu\\_financingoptionspaper\\_october2011.pdf](http://www.climateinstitute.org.au/verve/resources/anu_financingoptionspaper_october2011.pdf)

<sup>5</sup> <https://acfid.asn.au/sites/site.acfid/files/ACFID%20Analysis%20of%2017-18%20Federal%20Budget.pdf>

<sup>6</sup> <https://acfid.asn.au/sites/site.acfid/files/ACFID%20Analysis%20of%2017-18%20Federal%20Budget.pdf>

## Recommendations

- Ensure that the people most severely affected by climate change are directly involved in shaping the policy solutions.
- Contribute a share of global climate finance which better reflects Australia's ranking as one of the wealthiest of OECD countries. This would point to about AUD\$600 million in public funding in FY2017-18, and a total of AUD\$3.2 billion in public and private funding by 2020.
- Develop and implement a climate change strategy for Australia's aid program to ensure climate change is integrated across programmatic areas.

## Support for Indigenous carbon projects and communities

*Australia's Paris target:*

*What are the issues in the transition to a lower emissions economy with respect to jobs, investment, trade competitiveness, households (including low income and vulnerable households) and regional Australia?*

*Land and Agriculture:*

*What are the opportunities and challenges of reducing emissions from the land and agriculture sectors? Are there any implications for policy?*

*What can be done to realise further benefits from emissions reduction activities beyond carbon abatement?*

*Are there particular concerns or opportunities with respect to jobs, investment, trade competitiveness, households and regional Australia associated with policies to reduce emissions in the land and agriculture sectors?*

Indigenous carbon projects have a valuable role to play in reducing greenhouse emissions and in delivering community-led development and capacity-building for remote communities.

The Aboriginal Carbon Fund (a partner of Caritas Australia) is establishing an industry development fund to support Indigenous carbon farming, and is developing an evaluation framework for the many co-benefits of carbon projects funded by a AUD\$3 million investment from the Queensland Government. Some of these co-benefits are:

- Supporting Indigenous land values and community development aspirations
- Acknowledging Indigenous rights and interests as a priority
- Positive impacts on the Indigenous ranger livelihood & well-being of community
- Enabling direct investment into the management of Indigenous lands and biodiversity
- Supporting regional economies in regional and rural Australia

Caritas Australia asks the Australian Government to co-invest in the Aboriginal Carbon Fund with the Queensland Government to help develop the Indigenous carbon industry.

### Recommendation:

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## Summary of Recommendations

Caritas Australia asks the Australian Government to:

- Ensure that the people most severely affected by climate change are directly involved in shaping the policy solutions.
- Take immediate steps to reduce Australia's emissions in line with limiting global temperature rise to 1.5°C, including:
  - adopting stronger emissions reductions targets, which at a minimum are equivalent to a 36% reduction below 2005 levels by 2025 or a 45-65% reduction in emissions below 2005 levels by 2030.
  - early adoption of a post-2030 target in line with Australia's fair share of achieving the global net zero carbon emissions target by 2045 – 2050.
- Commit to no major new fossil fuel projects or the expansion of existing major projects
- End fossil-fuel subsidies and move to a more certain policy environment for private investment into the renewable energy sector and jobs
- Contribute a share of global climate finance which better reflects Australia's ranking as one of the wealthiest of OECD countries. This would point to about AUD\$600 million in public funding in FY2017-18, and a total of AUD\$3.2 billion in public and private funding by 2020.
- Develop and implement a climate change strategy for Australia's aid program to ensure climate change is integrated across programmatic areas.
- Co-invest in the Aboriginal Carbon Fund with the Queensland Government to help develop the Indigenous carbon industry.