FRIEND OR FOE: AUSTRALIA, CLIMATE CHANGE AND THE PACIFIC

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Friend or Foe: Australia, Climate Change and the Pacific

Shifts in global power and growing geostrategic competition in the Pacific Ocean have left Australia scurrying to shore-up its position as a trusted partner of Pacific Island nations and maintain its place as an influential player in the region. At the same time, Pacific ‘large ocean states’ have emerged as powerful actors on the world stage, working determinedly to shape the global response to climate change, protect the health of the world’s oceans, and shape their own futures.

If Australia is to remain a valued member of the Pacific family it must first and foremost be responsive to the priorities and leadership of Pacific Island countries and communities. Nonetheless, Australia is failing categorically to address its part in fuelling the number one threat to the wellbeing, human rights and prospects of Pacific peoples – climate change. Stronger action to curb Australia’s climate pollution – both its domestic emissions and burgeoning coal exports – must be at the heart of any meaningful efforts to rebuild Australia’s standing in the region.

Pacific leadership on climate change

Pacific leaders have consistently identified climate change as a profound challenge to the development aspirations, security, human rights and wellbeing of the people of the Pacific. Facing a combination of severe and interrelated threats, including more destructive cyclones, rising seas, and damage to marine ecosystems, Pacific Island communities are among the most vulnerable on earth to the impacts of climate change. For the atoll nations of Kiribati, Tuvalu and the Marshall Islands, climate change is a truly existential challenge. However this acute vulnerability is matched by a determination to lead by example and to catalyse stronger international action.

Despite their small size, Pacific island nations have played a leading role in shaping the global response to the climate crisis. The Marshall Islands’ leadership of the ‘High Ambition Coalition’ was instrumental in delivering a strong Paris Agreement, in particular the goal of limiting warming to 1.5°C – a matter of survival for many Pacific island nations. Pacific leadership on climate change took another bold step in 2017 with Fiji’s Presidency of COP23. Fiji’s legacy includes the
‘Talanoa Dialogue’ – a critical part of the process for closing the gap between current national commitments and the scale and pace of action necessary to achieve the Paris Agreement’s goals. Most recently, the Marshall Islands, as chair of the Climate Vulnerable Forum, has launched another major international initiative to catalyse greater global ambition and to encourage as many countries as possible to strengthen their commitments.

Pacific island countries have matched this skilful diplomacy on the world stage with strong commitments at home towards building the sustainable, clean energy economies of the future. By contrast, Australia looks set to miss even its existing and woefully inadequate emissions reduction targets, has no long-term plan of action on climate change, and is looking to increase its mammoth coal exports – actions which are fuelling ever more severe impacts upon Pacific peoples and the entire world.

**Australia and its Paris commitments**

Under the Paris Agreement, all countries have committed to limit warming to “well below 2°C above pre-industrial levels” and to “pursuing efforts to limit to 1.5°C”. Holding to these goals demands the very rapid decarbonization of the global economy and a swift transition to 100% renewable energy. By some estimates, it would only take a few more years of global emissions at their current rate before we have exhausted a global carbon budget that provides a fair probability of limiting warming to 1.5°C.

While at present all commitments from developed countries fall short, Australia’s actions stand out as woefully inconsistent with the goals of the Paris Agreement. Australia has committed, through its first Nationally Determined Contribution (NDC) to the Paris Agreement, to reduce its domestic emissions by 26-28% below 2005 levels by 2030 – among the weakest commitments of any advanced economy. Furthermore, after more than a decade of policy paralysis, including the repeal of the country’s carbon pricing scheme in 2014, Australia’s emissions are continuing to climb.

Analysis suggests the Government’s new signature climate and energy policy – the National Energy Guarantee – may be ineffective in helping meet even Australia’s existing and woefully
inadequate contribution to the Paris Agreement, let alone far stronger emissions reductions that Australia will be expected to achieve in future.\textsuperscript{17}

Recognizing that countries’ initial NDCs would, in aggregate, fall well short of the scale and pace of action necessary to achieve the Paris goals, the Agreement includes an ‘ambition mechanism’ designed to ensure that commitments are ratcheted up over time. The 2018 ‘Talanoa Dialogue’ – built upon the traditional process of Talanoa and designed to build trust and empathy among parties and promote stronger ambition – is a critical first step in this process.

Encouragingly, many countries including New Zealand, France, Germany, UK, and Canada have already signalled that they will strengthen their contributions to the Paris Agreement before 2020.\textsuperscript{18} By contrast, far from signalling a willingness to increase its contribution, Australia may be about to legislate against any strengthening of its emissions target for the electricity sector – its largest source of domestic emissions – until at least the mid-2020s.\textsuperscript{19} Such a move shows either a lack of understanding of Australia’s responsibilities under the Paris Agreement, or a willingness to ignore them.\textsuperscript{20}

At a minimum, to regain a place of credibility on climate change, Australia must commit to substantially strengthening its current NDC before 2020. This should be in the context of a comprehensive long-term plan for decarbonizing the Australian economy and achieving zero emissions as soon as possible.

**Australia, the world’s largest coal exporter**

Australia is both a major emitter of climate pollution in its own right, and the world’s largest exporter of coal. A move to further expand Australia’s coal exports, including the proposed Adani mine in Queensland, arguably presents an even greater concern to the Pacific than Australia’s failure to reign in its own domestic emissions. Emissions from the burning of Australian coal overseas already amount to around twice Australia’s total domestic emissions.\textsuperscript{21}

An influential study in 2015 concluded that to remain within a global carbon budget that provides a mere 50\% chance of limiting warming to 2°C, 80\% of the world’s known coal reserves – including over 90\% of Australia’s coal reserves – would need to remain unburned.\textsuperscript{22} We can
reasonably conclude that opening up any new coal reserves is utterly incompatible with the more ambitious and necessary task of limiting warming to 1.5°C.

Pacific leaders have been at the forefront of global calls for a moratorium on new coalmines and coalmine expansions, and for the managed phase-out of coal-fired power and its replacement with renewables.23

In an encouraging development, in 2017 more than 20 countries, along with many non-government partners, formed the *Powering Past Coal Alliance*.24 The Australian Government, by contrast, has continued to work to prolong the life of the coal industry, whether through its support (albeit unsuccessful to date) for Adani’s proposed mine and the opening up of the Galilee coal basin,25 supporting new coal-fired power stations in Australia,26 subsidising the exploration and extraction of coal,27 or through trying to shape the lending practices of the Asian Infrastructure Investment Bank to allow for new coal-fired power.28 Blessed with among the finest renewable energy resources in the world, and well positioned to play a proactive role in the transition from fossil fuels,29 such moves are self-defeating for Australia, just as they are reckless towards the Pacific.

Pacific leaders have not held back in their criticisms of Australia for its stance on coal.30 If it is to be serious about tackling climate change, Australia must recognize the profound disconnect between the interests of Pacific island countries and Australia’s coal exports. A commitment to no new coalmines or coalmine expansions in Australia, coupled with increased support for the ambitious renewable energy plans of developing countries, would be a good start.

**Partnering on climate resilience**

As a wealthy developed country, Australia has a responsibility both to rapidly curb its own contribution to global climate pollution, and at the same time to support vulnerable communities in their efforts to build resilience to the impacts that can no longer be avoided. In discussions on climate change and Pacific, Australia will invariably tout its efforts towards the latter, often staying silent on its contribution to the very problems to which communities are now forced to adapt.

While Australia’s contribution to international climate finance, including support for climate change adaptation, remains small in global terms,31 a significant portion of this funding has
focused on supporting Pacific island countries and communities. At the same time, Australia, during its role as Co-chair of the Board of the Green Climate Fund (GCF), put significant work into ensuring that the GCF is more responsive to the needs of Pacific island countries and communities.

These efforts are important and should be further increased, in line with national and local priorities throughout the Pacific. However, they can never be a substitute for real action from Australia towards ending its climate pollution and helping limit warming to 1.5°C. Indeed, if all countries were to adopt similar climate policies to those of Canberra, we would be on track for a global temperature rise of over 3°C—a level of disruption to which it would be impossible to adapt, and which threatens the very survival of many Pacific nations.

Increasing the scale and accessibility of support for climate change adaptation in the Pacific remains vital. But unless coupled with far more serious efforts both to tackle Australia’s domestic emissions and address Australia’s status as the world’s largest coal exporter, no such efforts can serve to maintain Australia’s standing in the region or reassure Pacific communities that Australia has their interests at heart.

Australia must also show it is willing to support practical solutions for those faced with the ultimate injustice and trauma of being forcibly displaced due to climate change. Commitments made by the opposition party are a start: While rightly recognizing relocation as an option of last resort and that all possible measures must be taken to minimize risks of displacement, the Labor Party has committed to work in close consultation with the region on solutions for those who are nonetheless forced to move. The Government, on the other hand, has remained largely silent on the growing threat of displacement in the context of climate change.

**Conclusion**

Climate change is the defining challenge of our times. No region is at greater risk or more determined to lead by example than the Pacific. Australia’s abject failure to respond to the repeated calls from Pacific countries and communities to step up has already sullied its reputation and is undermining the region’s future.
Returning to a place of credibility on climate change would go a long way to rebuilding Australia’s relationship with its closest neighbours. At a minimum, Australia must commit to stepping up its contribution to the Paris Agreement before 2020 and join the global transition away from coal. Any less risks more than further tarnishing its reputation in the Pacific, and is creating a future of increasing dangers and hardships for everyone.

**Endnotes**

1 This SGDIA Brief is based on a public seminar delivered at the University of the South Pacific, Laucaila Campus, Suva, in February 2017. That seminar - entitled: ‘Friend or Foe? Australian climate policy post-Paris and implications for the Pacific’ – was part of a ‘Pacific Climate Diplomacy Seminar Series’ co-hosted by the School of Government, Development and International Affairs (SGDIA), and the Pacific Centre for the Environment and Sustainable Development (PACE-SD).


8 Fiji, as President of 23rd Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC), was the first small island state to preside over the international climate negotiations. COP23, the ‘Pacific COP’, brought a high level of visibility to both the impacts of climate change on the Pacific and the Pacific’s role in driving solutions. COP23 included work on the implementation guidelines for the Paris Agreement (to be finalized at COP24), the launch of the Talanoa

7 Talanoa Dialogue Platform: https://talanoadialogue.com

8 On 22 November 2018, the Marshall Islands will host a landmark virtual summit of the Climate Vulnerable Forum. The summit will follow the release of Intergovernmental Panel on Climate Change (IPCC)’s Special Report on 1.5°C and is designed to encourage more countries to commit to strengthening their commitments to the Paris Agreement before 2020.


9 For example, the Framework for Resilient Development of the Pacific represents a world-first regional framework for addressing climate change and disaster risks, as part of an integrated vision for sustainable development.


Pacific Island countries have also set some of the more ambitious renewable energy targets in the world, with many well on their way to achieving them. See: 10 Pacific Island nations kicking Australia’s butt on renewables. The Climate Council, 2016.

10 Paris Agreement, Article 2, Paragraph 1a.
https://unfccc.int/sites/default/files/english_paris_agreement.pdf

11 Just four years left of the 1.5°C carbon budget. Carbon Brief, 2017.
https://www.carbonbrief.org/analysis-four-years-left-one-point-five-carbon-budget

12 See Climate Action Tracker for analysis of the adequacy of countries’ commitments in the context of the Paris Agreement’s temperature goals.
https://climateactiontracker.org/

13 Australia’s Nationally Determined Contribution to the Paris Agreement is available on the UNFCCC website here:
http://www4.unfccc.int/ndcregistry/Pages/All.aspx

14 The Australian Government has defended its 2030 emissions reduction target on the basis that it would see Australia’s per capita emissions fall by 50% - a higher percentage reduction in per capita emissions than many other countries. However, as Australia has extremely high per capita emissions, meeting the Government’s current 2030 target would still leave Australia with far higher per capita emissions than other developed countries.

15 In the 2014 the Australian Government repealed a suite of climate and energy laws and initiatives that had been introduced in 2011, most notably a price on carbon pollution.

16 Australia’s emissions began rebounding strongly following the repeal of the carbon price in 2014. Government projections show Australia’s emissions continuing to rise between now and 2030. See:

According to The Australia Institute, Australia and Turkey are the only developed nations in which emissions are rising. See: Climate Outliers: Australia and Turkey the only developed nations breaking emissions records. The Australia Institute, September 2017. http://www.tai.org.au/content/climate-outliers-australia-and-turkey-only-developed-nations-breaking-emissions-records.


At time of writing, the Government proposes to legislate an emissions reduction target for the electricity sector of 26% by 2030, with no review of the target until mid-2024.


Similarly, the 2018 Amatuku Declaration on Climate Change and Oceans by the Polynesian Leaders Group called for “all nations to cease the expansion of existing coal mines and the creation of new mines”. See: Polynesian Leaders issue declaration on climate change and oceans. http://sdg.iisd.org/news/polynesian-leaders-issue-declaration-on-climate-change-and-oceans/

24 Founding members of the Powering Past Coal Alliance include Canada, Fiji, France, the Marshall Islands, Mexico, New Zealand and the UK. Government partners have committed to a moratorium on traditional coal power stations and to phasing out existing traditional coal-fired power stations. In their declaration, Alliance members recognize that phasing out coal power is “one of the most important steps governments can take to tackle climate change and meet our commitment to keep global temperature increase well below 2°C, and to pursue efforts to limit it to 1.5°C”. The declaration, citing research by Climate Analytics, recognizes that to meet the goals of the Paris Agreement, coal phase-out is needed no later than by 2030 in the OECD and no later than by 2050 in the rest of the world.

See: Powering Past Coal Alliance: Declaration

See also: Implications of the Paris Agreement for Coal Use in the Power Sector. Climate Analytics, November 2016.

25 In 2017 the Queensland Government vetoed Adani’s request for a loan through the Northern Australia Infrastructure Facility for construction of a railway to transport coal from its proposed mine. However, the Federal Government has sought alternative avenues to support the mine, including through its Export Finance and Insurance Corporation (EFIC).


26 Under pressure from some members of his party, Australia’s Minister for the Environment and Energy, Josh Frydenberg, has refused to rule out government funding for a new coal-fired power plant in Australia.


28 Australia lobbies China-led AIIB to add coal to lending priorities. Financial Times, 16 December 2016.
https://www.ft.com/content/68ed504a-c110-11e6-9bca-2b93a6856354

29 See, for example: A Plan to Repower Australia. #RepowerAustralia, 2018

30 For example:
Speaking ahead of the launch of the Powering Past Coal Alliance, and noting that Australia was well aware of the threats facing low-lying nations in the Pacific, Marshall Islands President Hilda Heine said: "We are very disappointed, I would say, in Australia because we are neighbours to them. …So we hope that maybe a new government can come in and change the position of the current government, which is continuing to promote coal."

Speaking in 2015 at a workshop of the Pacific Islands Development Forum, Fiji President Frank Bainimarama said:

“Rather than side with us, Australia in particular is siding with what I call the coalition of the selfish. Those industrialized nations which are putting the welfare of their carbon polluting industries and their workers before our welfare and survival as Pacific Islanders.”


31 Since 2010 Australia has contributed approximately AUD$200m a year in international climate finance. There has been no significant increase in Australia’s annual contribution over this time. Oxfam asserts that a fair share from Australia towards the international commitment of mobilizing USD$100bn/year by 2020 in public and private funds to support climate change mitigation and adaptation in developing countries would equate to around AUD$3.2bn/year. See: *Bringing Paris Home: How Australia measures up against the new global climate agreement.* Oxfam, 2016. https://www.oxfam.org.au/media/files/2016/04/Oxfam-Australia-Bringing-Paris-Home-Report.pdf


33 According to *Climate Action Tracker*: “If all other countries were to follow Australia’s current policy settings, warming could reach over 3°C and up to 4°C”. See: *Country Summary: Australia.* Climate Action Tracker, 30 April 2018. https://climateactiontracker.org/countries/australia/


