



## OPEN LETTER TO THE LIBERAL AND LABOR PARTIES

2 November 2007

Rt Hon John Howard MP  
Prime Minister

Mr Kevin Rudd MP  
Leader of the Opposition

The Hon Malcolm Turnbull MP  
Minister of Environment and Water Resources

Mr Peter Garrett MP  
Shadow Minister for Climate Change,  
Environment & Heritage, Arts

Dear Sirs

### Climate change and clean energy pledge

Action on climate change needs to have bi-partisan support and be made a true national priority. Environment Business Australia believes that Australia can be an international leader by demonstrating how an energy intensive economy can remain robust and prosperous using more efficient, cleaner, and renewable sources of energy.

Australian business is ready to rise to this challenge. We look to Government for the strategy and the policies that will help Australian companies access a fair share of the global \$750 billion environment industry market which is expected to double over the next decade. Together we can take advantage of the commercial opportunities that will offer Australians new employment opportunities.

On behalf of the environment industry and cleantech sector which we represent Environment Business Australia asks both major political parties, the Liberal Party of Australia and the Australian Labor Party, to sign up to a list of pledges. We would appreciate you reviewing the pledge list below and letting us know which of these core actions a government formed by your party would implement.

- Commit to fast-tracking the national greenhouse gas emissions trading scheme**
  - Beginning in:
    - 2009
    - 2010
    - 2011
  - All high greenhouse gas emitters will be included - with no exemptions
  - The reporting of greenhouse gas emissions will be mandatory with data in the public domain
  - Permits will be auctioned
  - Revenue raised will be used for:
    - national energy efficiency performance program
    - clean and renewable technology R&D, trialing, and deployment
    - plant depreciation and retrofitting
    - household and commercial sector retrofits; and adaptation
- Adopt mandatory national targets**
  - Minimum cut in greenhouse gas emissions of 20% by 2020; 60% by 2050
  - Mandated renewable energy target of 15% by 2015; 20% by 2020; 25% by 2025
  - Mandated performance targets (to prevent free-riders undermining the new market), for
    - 20% energy efficiency improvement by 2020 against business as usual
    - waste and pollution elimination
    - world's best standards for new residential and commercial buildings; vehicles; appliances; industrial/commercial equipment
- Action on land use and forestry**
  - National emissions trading scheme to include the agricultural sector which will:

- assign commercial value to biological sequestration of carbon
  - provide incentives to further reduce land-clearing
  - return soil carbon from the food chain as a natural fertiliser
- Ban importation of unsustainably produced biofuels
- Ban importation of illegally logged tropical rainforest timber
- Support deforestation avoided and re-forestation in developing countries
  
- **Update economic and fiscal strategies**
  - Identify cost impacts of negative externalities on GDP and remove 'pollution subsidies'
  - Mandate that 10% of super funds be invested in climate change action – clean energy, clean technology, energy efficiency, and adaptation
  - Government mandate to only purchase/lease/invest in energy efficient or low emissions goods, services, transportation, buildings
  - Provide water tax credit for desalination fuelled by renewable energy and recycling of water
  - Provide renewable energy re-investment tax concessions for existing and emerging 'cleantech' and clean energy technologies
  
- **Domestic policy action**
  - Work with State Governments to put in place a moratorium on new coal-fired plants, and over the next five years switch brown coal burning plants to gas/solar thermal electricity generation until clean coal proven viable
  - ABS to include measurement of the direct and embedded value of the environment industry/cleantech sector
  - National priority for export development plan for clean energy and environmental technology
  - Cleantech national 'Action Plan'
  
- **Adopt international environmental commitments**
  - Ratify Kyoto Protocol for business to access the Clean Development Mechanism (CDM), Joint Implementation (JI) and the EU Emissions Trading Scheme
  - Fast-track clean technology demonstration sites, deployment of clean energy, and technical capacity-building into developing countries
  
- **Provide Federal Government funding for:**
  - Demonstration projects and commercial deployment for existing and near horizon technologies e.g. solar thermal, wind, geo-thermal, wave, solar photovoltaic, solar/gas hot water heating
  - Re-skilling work force and training scientists and engineers
  - Overhaul of public transport system and telecommunications
  - Waste reduction and infrastructure projects to recycle materials, embodied energy, methane and soil carbon
  - Program to assist SMEs recognise business risk from climate change and to capitalise on new opportunities, including re-skilling staff
  - Technology and infrastructure to deliver urban water supplies

We would appreciate you returning the list of commitments you can agree to us by Friday 16 November 2007.

You will see that you can pledge to a general commitment without necessarily agreeing to all or any of the steps we think are required for it.

It is our intention to place this list and your agreed pledges before our members and the Australian public.

Kind regards



Fiona Wain  
CEO, Environment Business Australia

Authorised by Fiona Wain, 2A Mugga Way, Red Hill, ACT

*Environment Business Australia is a business think tank and advocacy group promoting commercial solutions to environmental challenges. The peak industry body pushes for far-reaching policies to help shape the marketplace for clean and efficient technologies and smart systems and ideas.*