# 15 DEC 2014

# The Hon Greg Hunt MP

### Minister for the Environment

PDR: MS14-002901

Mr Bernie Fraser AO Chair Climate Change Authority GPO Box 1944 MELBOURNE VIC 3001

Dear Mr Praser

Please find attached an instrument requesting the Climate Change Authority undertake a special review under section 59 of the *Climate Change Authority Act 2011*.

Yours sincerely

Greg Hunt

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#### **COMMONWEALTH OF AUSTRALIA**

## SPECIAL REVIEW BY THE CLIMATE CHANGE AUTHORITY

By this written instrument I, Greg Hunt, Minister for the Environment, request that the Climate Change Authority conduct a review under section 59 of the *Climate Change Authority Act* 2011, as below:

- Assess whether Australia should have an Emission Trading Scheme in the future and what conditions should trigger the introduction of such a scheme.
- This review must consider:
  - whether the USA, China, Japan, Republic of Korea and the EU have established ETSs or equivalent schemes that have similar effect;
  - Australia's international commitments and undertakings under the United Nation's Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol to which Australia is a party;
  - whether Australia should introduce an ETS that does not harm Australian businesses international competitiveness; and
  - what future emissions reduction targets Australia should commit to as part of an effective and equitable global effort to achieve the objective of the UNFCCC (Article 2) or subsequent agreement to which Australia is a party.

#### Timing

- The Authority should issue a draft report on what future emissions reduction targets Australia should agree to for public consultation by 30 June 2015.
- The Authority should issue a draft report on an Emissions Trading scheme for public consultation by 30 November 2015.
- The Authority should issue a final report by 30 June 2016 recommending what action Australia should take to implement outcomes flowing from the Paris conference.

Dated

December 2014

Greg Hunt

Minister for the Environment