

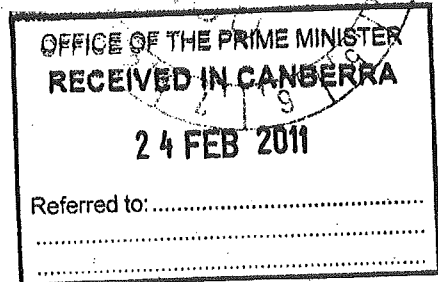
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Garnaut
CLIMATE CHANGE
REVIEW UPDATE 2011

21 February 2011

The Hon. Julia Gillard MP
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600



Dear Prime Minister,

Release of Update Papers 2 and 3: International mitigation and global emissions trends

I am pleased to enclose copies of the second and third update papers released by the Garnaut Climate Change Review – Update 2011, earlier this month.

Paper 2, entitled *Progress Towards Effective Global Action on Climate Change*, assesses international developments in mitigation since 2008. Specifically, it notes that:

- The Copenhagen and Cancun meetings have led us into a messy world in relation to the setting of each country emissions reductions, but they may have laid a stronger foundation for a comprehensive and binding international agreement.
- Most developed countries—members of the European Union, Japan, New Zealand and now Korea—are reasonably well placed to make full contributions to strong global mitigation goals.
- China is already committed to contributing more than its proportionate part in achieving an ambitious global agreement.
- The United States faces large domestic constraints on early action, but is still committed to a significant reduction in emissions.

Paper 3, entitled *Global Emissions Trends*, updates the Review's 2008 projections and notes that:

- Developing countries are now projected to account for 70 per cent of global emissions at 2030 under business as usual.
- The global financial crisis has pushed the developed countries of the northern hemisphere onto a lower long-term economic growth trajectory. This will lower underlying emissions growth in developed countries, but is fully offset by stronger emissions growth in the developing world.
- Australia is unique among the developed countries, with its business as usual emissions set to grow considerably, primarily due to expected strength in the resources sector in the years ahead. This will attract greater scrutiny of Australia's mitigation efforts.

Our next paper – Update Paper 4, *Transforming Rural Land Use* – will be released on Tuesday 1 March.

Please don't hesitate to contact my office on (02) 6159 7106 should you have any queries.

Yours sincerely,

Ross Garnaut