



Organisation for Economic
Co-operation and Development

PRESS STATEMENT
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Launch of the Environmental Performance Review of Australia

By Mr. Lorents G. Lorentsen, Environment Director

Ministers, Colleagues and Friends,

- ◇ On behalf of the OECD, it is a great pleasure for me to present, here in Canberra, the second OECD Environmental Performance Review of Australia.
- ◇ The report focuses on the country's environmental achievements and challenges. It examines the environmental performance of Australia as a whole, due to the combined efforts of its government, including federal, state and local governments, as well as civil society (e.g. enterprises and environmental NGOs).
- ◇ The report reviews the period 1998-2007 and shows progress in environmental management, but also the many challenges in implementing environmental policies and integrating environmental concerns in sectors such as agriculture, transport, energy and mining.

THE REVIEW OF AUSTRALIA

- ◇ This report examines the environmental results achieved, with respect to Australia's domestic and international commitments. This is not an Olympics in environmental policies, ranking Australia as number x out of 30 member countries. You are evaluated against what you have

promised to deliver nationally and internationally and with best practices.

- ◇ It is an evidence-based report, building on data and facts. The assessments presented here are built on the policy experience of OECD, having conducted some 60 country environmental performance reviews;
- ◇ An earlier draft of this report was the basis for a formal examination, which took place for a full day in June 2007 in Paris, where representatives from OECD countries posed questions to the Australian delegation. The report includes 45 recommendations, which were approved by all OECD countries including Australia itself. So these are recommendations not so much from the OECD Secretariat but friendly advice based on insights and experience from colleagues in all 30 OECD countries.
- ◇ The review of policies and country performance is a core function of the OECD. In reviewing performance, we distinguish intentions, actions and results. Our aim is to promote policy dialogue and exchange of best practices among member countries. We have also reviewed environmental performance of key non member countries such as China and Russia. Other OECD country review programmes address other policy areas. For instance, the latest Economic review of Australia was published in 2006 and a new one is in preparation.

ACHIEVEMENTS (WHAT YOU CAN BE PROUD OF)

Australia has made significant environmental achievements on several fronts. I will only mention a few of them here:

- ◇ Protecting nature and biodiversity, a most important achievement in a mega-diverse country like Australia.
- ◇ Engaging in an innovative and ambitious New Water Initiative to face a highly challenging water situation. Australia is one of the most water stressed countries in the OECD family, and we are looking to you for good solutions

on how to manage water resources and improve the efficiency of water use.

- ◇ Preparing and engaging in a new Climate Change Policy, to face domestic mitigation and adaptation challenges and to contribute to the international efforts under the Kyoto protocol and in shaping the post 2012 architecture.
- ◇ Implementing effectively a number of Multilateral Environmental Agreements (with trade implications): Montreal Protocol (on stratospheric ozone depleting substances, Washington Convention (on international trade in endangered species of wild fauna and flora), Basel Convention (on hazardous waste) and Stockholm Convention (on organic persistent pollutants).

CHALLENGES or REMAINING HEADQUOTES

The report provides 45 recommendations and a number of indicators suggesting areas for further progress. I wish to highlight here only a few of the challenges:

- ◇ Strengthen the capacities: i) for enforcing environmental legislation in the states/ territories as well as ii) in the newly created 56 regional catchment management bodies.
- ◇ Strengthen the environmental information systems to support decisions, including economic information and analysis on the environment. More active use of social cost benefit analyses of reducing e.g. air and water pollution might have given you strong arguments that the benefits in terms of improved health and improved productivity far outweigh the costs.
- ◇ Review through appropriate inter-ministerial mechanisms: market-based instruments from an environmental point of view, including prices (e.g. for energy, land, water), taxes, environmentally harmful subsidies and other economic instruments. The effectiveness and efficiency of policy instruments could in some cases be improved.

- ◇ Strengthen the responses to face the degradation of natural resources (e.g. land, soil, water) as inherited from years of overgrazing, land clearing, inefficient irrigation, etc.
- ◇ Decouple environmental pressures from economic growth (e.g. in agriculture, energy, transport, households (life styles)), with special attention to improving energy efficiency to capture its multiple benefits (e.g. climate, health, economic benefits). I know energy efficiency is one of the .priorities of the new government which is of course promising.
- ◇ Further promote responses to international challenges: climate (with the full range of instruments and technological developments to reduce GHG emissions), marine pollution and fisheries, official development assistance and its environmental component.

While a number of policies proposed or implemented are going in the right direction, it is not sure that the level of their enforcement and implementation is sufficient, nor that they are effective enough to face up to the pressures on the environment associated with the rapid growth of some sectors.

I saw that last Friday the government announced a new program “Caring for our Country” which addresses many of the challenges that I have mentioned. That shows that you you are constantly moving the Environmental Agenda forward.

CONCLUSION

In conclusion, I would like to reiterate our two key messages.

- ◇ Since the first OECD review in 1998, environmental policies in Australia have progressed and have been implemented with determination. Australia should be congratulated for its recent water and climate related policy initiatives.
- ◇ But to achieve actual environmental results, particularly to deal with the most challenging issues, much more should

be done to integrate environmental concerns in public and private decisions in sectors such as agriculture, transport, energy, and mining.

Ministers, let me thank you, and through you, the many talented and committed officials and experts who have contributed to this review in a spirit of openness and transparency. It has been a real pleasure to work together to produce this report - that I will now hand over to you Ministers to transfer the ownership and wish you success in following up on the recommendations.