



**WWF** *for a living planet*<sup>®</sup>

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## Media release

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### **Otway a good start, but industry must boost CCS funding: WWF**

WWF-Australia today welcomed the unveiling of Australia's first carbon storage demonstration plant at Otway and called on industry to provide greater funding for more carbon capture and storage (CCS) projects.

"There is no single solution to climate change," said Paul Toni, WWF's Development and Sustainability Program Leader. "The world must simultaneously become more energy efficient, halt and reverse the loss of forests, and replace traditional fossil fuels with zero and low emission technologies."

"Carbon storage plants like Otway are necessary to determine whether CCS is practical for reducing greenhouse gas emissions; however more demonstration projects are needed."

WWF believe funding for carbon capture and storage demonstration plants should come from the industries known to contribute to greenhouse gas pollution.

These include fossil fuel industries such as coal and gas, electricity generators and energy intensive industries, such as aluminium and steel production.

"We need to rapidly and simultaneously roll out a range of renewable and low emission technologies," Mr Toni said.

"This will be expensive and our view is that those industries that contribute to greenhouse gas pollution should also contribute to the solution."

WWF have proposed a CCS Demonstration Trust be established, to be financed by a small fee extracted from coal and gas companies, coal-fired power plants, and high emitters.

This would eventually be replaced by funds raised from emissions trading permit auctioning.

A \$1 per tonne levy on exported thermal coal and a \$3 per tonne levy on exported metallurgical coal would raise about \$1.6 billion over three years from the coal industry alone, WWF said.

"The coal industry has contributed 25 cents a tonne to raise \$1 million over 10 years but, given the cost of CCS, it's not enough, \$1-3 a tonne is reasonable and affordable," Mr Toni said.

"WWF's *Climate Solutions* report found if one or two of the zero or low emission technologies fail or are delayed, the chance of beating the climate and energy challenge drops dramatically."

#### **For more information:**

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