

# Energy Saving Trust response to Northern Ireland Assembly AERA Committee call for views on the DAERA-led Bill on Climate Change (No. 2 Bill)

<http://www.niassembly.gov.uk/assembly-business/legislation/2017-2022-mandate/primary-legislation---bills-2017---2022-mandate/climate-change-bill/bill---as-introduced/>

## 1. The Bill Objectives

a) What are your views on the overall Bill objectives? Please give us a reason for your answer:

We are supportive of the overall aim of reducing emissions and setting out a clear trajectory for these reductions. We believe that if properly enacted there is much in the Bill that would be effective. It is our view that the setting of legally binding final and interim targets is an effective means of galvanising support and signalling the direction of travel to society. As part of this governance regime the setting of periodic carbon budgets which draw on the strongest possible evidence base and that are stretching but achievable can be an effective means of driving change.

There are elements of the Bill which need refinement or may not be so effective. We discuss these in greater detail elsewhere in our response but in summary the Bill would be strengthened with: greater clarity regarding emissions, a much stronger focus on broader sustainability issues, a much stronger focus on achieving a just transition, and clarity over the climate governance and advice regime. The overall approach would be strengthened by taking a sectoral approach which takes account of the specific challenges particular sectors of the economy and society face in decarbonising.

b) Do you think that the Bill will meet these objectives?

Yes. It is our view that the Bill could meet several of the objectives laid out within it. We are strongly in favour of the setting of legally-binding climate targets and carbon budgets informed by the best available evidence which necessitate governments and

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legislatures to provide detailed plans of action which they are accountable to. We argued for this in our response to the DAERA consultation on the creation of a Climate Change Bill in February of 2021 (<https://energysavingtrust.org.uk/report/response-to-discussion-paper-on-northern-ireland-climate-change-bill/>). On these counts we think that the Bill would be likely to meet its objectives.

We believe that the Bill would meet its objectives although the question remains as to whether these objectives are ambitious enough given the challenge that we face.

## 2. Emissions Targets

### a) What are your views on these emissions targets?

The climate and nature emergencies are urgent, and swift action is needed to progress towards a decarbonised and sustainable future. We recognise the desire to set ambitious targets and we support the delivery of decarbonisation at pace. It is our view that as far as possible climate and environmental targets and budgets should be evidence-based.

The CCC wrote to the Minister stating that it is their opinion, based on the best available evidence, that a reasonable and equitable share of the UK-wide net zero emission target translates to an 82% reduction in carbon emissions for Northern Ireland. We share this view. (<https://www.theccc.org.uk/publication/letter-lord-deben-climate-change-committee-to-edwin-poots-mla/>).

With this said, we think it is vital that these targets can be strengthened if circumstances change with this process made as streamlined as possible. To help achieve this biannual reviews of the targets could be undertaken to determine if they could be strengthened. The experience in Wales suggests that this might be a useful inclusion. Until December 2020 the Climate Change Committee had considered that neither Wales nor Northern Ireland would be able to reach net zero by 2050. Five years ago Wales was considered to be in the position Northern Ireland is now (in terms of reasonable levels of emission reductions) with the CCC recommending an 80% reduction by 2050. However, recent analysis has identified a narrow pathway through which Wales can reach net zero by 2050 even though many of the same challenges remain. A net zero by 2050 target has now been formally adopted by the Welsh Government.

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Separately, we think that the Bill must urgently clarify the proposed emission reductions for different gases. Currently, the Bill targets an 82% reduction in all emissions by 2050 but it is unclear whether all emission types will be reduced by this amount or whether some warming gases will be expected to do more of the heavy lifting.

**b) Do you think these emissions targets are achievable?**

Yes.

**c) Do you think that the timescales to deliver the emissions targets are achievable?**

Yes.

**3. Power to Amend Targets**

**a) Do you think that this is appropriate?**

Yes.

**b) What are your views on this?**

Yes, we agree it is important that flexibility is built into the Bill to account for any emerging evidence or change in circumstances. As described in our response to Question 2a we support the inclusion of clauses in the Bill that allow for targets to be strengthened and believe this process should be made as easy as possible. Linked to this, we also support the inclusion of a non-regression clause on climate change targets to ensure that target dates can only be brought forward. This should prevent any weakening of the emission targets.

It is also important that Members of the Legislative Assembly (MLA) are accountable and that the reasoning for altering targets or budgets is sound. We are happy to discuss the details of each devolved climate governance regime with Members if this would be useful. Alternatively, our response to the DAERA discussion paper on climate legislation discusses these governance regimes in greater detail (see: <https://energysavingtrust.org.uk/wp-content/uploads/2021/03/NI-Climate-Change-Bill-Energy-Saving-Trust-response.pdf>)

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#### 4. Carbon Budgets

**a) What are your views on this? Tell us what you think about Carbon Budgets:**

Regular carbon budgets alongside interim targets are an effective and widely used climate governance approach which if well-designed can front-load action. We think this is important for driving decarbonisation at pace. The CCC argued strongly in favour of this front-loading approach in their Sixth Carbon Budget because of the cumulative nature of long-lived greenhouse gases. Carbon budgets are also able to give clear, long-term signals to businesses and society on the direction of travel, allowing for investment and tailored support, making achieving a ‘just transition’ more likely.

**b) Do you think the proposed Carbon Budgets are an effective way of delivering on the emissions targets?**

Yes.

We would question the rationale behind

1. Implementing the first budgetary period from 2023 rather than as soon as possible. The Environment (Wales) Act made provision for the setting of carbon budgets in Wales and the first carbon budget period ran from 2016–2020. Similarly, in Scotland the Climate Change (Scotland) Act 2009 made provision for the setting of emission reduction targets with the first of these coming into force in 2010. This suggests that if passed in late 2021 the Bill could make provision for the first carbon budget to commence in 2022 at the latest.
2. Setting the first three budgetary periods at once with the fourth and fifth due to be set 12 years before they commence. While we recognise that the Bill allows for these budgets to be amended if the science changes or new advice is given we think that the process of setting budgets regularly every four to five years is a useful exercise for the Executive and government departments. As the Bill is currently proposed senior policymakers may never meaningfully engage in the budget-setting process. A great deal can change in a decade and so we think that a more regular iterative process of setting carbon budgets should be adopted, similar to that undertaken in Wales by the Welsh Government.

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**c) Clause 15 of the Bill allows DAERA to adjust a Carbon Budget by carrying a proportion of the emissions level forwards or backwards to a different Carbon Budget period (up to a maximum of 1% of the later Budget) after consulting other Government Departments and the CCC. Do you think that this is appropriate?**

Yes. While we recognise that adjusting budgets is perhaps not ideal the exact framing of Clause 15 could work to incentivise early action.

Only 1% of a later budget can be brought back to an earlier budget, fractionally increasing the amount that can be emitted in the near term. Conversely, if Northern Ireland is able to reduce emissions more quickly than predicted, leaving unspent budget, this can be moved forward to the next budget period. As there are no limits on this second aspect of budget adjustment this mechanism could work to incentivise early and ambitious action. This front-loading of emission reductions was seen as crucial by the CCC in their Sixth Carbon Budget report owing to the long-lived and cumulative nature of emissions.

This mechanism is similar to the carbon budget adjustment process used in the Welsh Climate Act. A process that we advocated for in our response to DAERA’s initial call for evidence.

**5. Progress Reporting**

**a) Do you think that this is an effective way to monitor progress?**

Yes though we have some concerns about duplication of effort.

**b) Please tell us your views on the proposals for progress reporting as outlined in the Bill:**

While we welcome the proposals to publish reports ahead of carbon budgeting periods, progress reports during and final statements following them it is not immediately clear whether the Bill is suggesting that DAERA will produce these reports as well as requesting separate progress reports and final statements from the CCC. If so, this likely represents an unnecessary duplication of effort. It may be best to request that the CCC alone produces progress reports and final statements, engaging with all Executive departments and working with them to create sectoral plans which can feed into an NI-

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wide budgetary proposal. This would provide rigorous reporting and prevent any suggestion that the Department or Executive is marking their own homework.

## **6. Independent Oversight**

### **a) What are your views on this?**

We welcome these proposals. In England, Scotland and Wales, the Climate Change Committee (CCC) fulfils a similar role by producing regular progress reports on targets and budgets. To an extent the CCC already provides this service to Northern Ireland though not currently in an official capacity (<https://www.theccc.org.uk/wp-content/uploads/2020/12/Lord-Deben-CCC-Letter-to-DAERA-Minister.pdf>). It is our view that Northern Ireland should seek to implement a similar official advisory role for the CCC.

## **7. Responsibilities on Government Departments and Public Bodies**

### **a) Do you think that the responsibilities on Government Departments set out in the Bill are appropriate?**

Yes. To achieve the levels of decarbonisation required to safeguard against the worst impacts of climate change all organisations and departments will have to play their part. It is right that they should be tasked with reporting on their emission reduction efforts and engaged in the process of decarbonisation. We recognise that this will necessitate additional work for these bodies and so sufficient advice, support and funding should be made available.

### **b) Under Clause 21 DAERA may impose Climate Change reporting duties on specified public bodies following consultation with the organisation/entity concerned. What are your views on this?**

Broadly Positive. As above, we all must play our part in decarbonisation. We would want to see these bodies being supported and consulted with prior to any additional reporting duties being imposed on them with advice and funding available.

## **9. Access to Specialist Advice**

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**a) Do you think that this is appropriate?**

Yes.

**b) Are there other sources of expertise that may be needed to inform Climate Change policy and to report on progress in terms of meeting the emissions targets?**

Northern Ireland should look to draw on expertise wherever it is available. This means engaging with global experts such as the Intergovernmental Panel on Climate Change as well as local and regional experts. This means adopting best practice and lessons from the Republic of Ireland Climate Advisory Council alongside the UK Climate Change Committee as well as more local experts such as those involved in ClimateNI, SustainableNI and NI EnvironmentLink. Academic experts from a range of fields should be consulted as should third sector and industry stakeholders. No one organisation has a monopoly on good ideas, and advice and guidance should be sought from a wide cohort of stakeholders.

It is our view that the Commissioner role proposed in the Private Members Climate Bill could be an effective addition to the Northern Ireland climate governance regime provided they fulfil a distinct role to the one currently performed by the CCC for the Scottish, Welsh and UK Governments. Due to the unique geographical, environmental, political and cultural context here in Northern Ireland, the Climate Commissioner role could serve to represent and take account of the unique challenges and opportunities facing Northern Ireland in its transition to a more sustainable society.

**10. Transboundary Considerations**

**a) What are your views on how the Bill addresses transboundary issues in relation to Climate Change? By transboundary we mean different countries and/or jurisdictions working together.**

Our view is that the Bill does not sufficiently address transboundary issues. We welcomed specific discussion of these issues in the Private Members Bill. It is important that those responsible for emissions or pollutants are held accountable for addressing them.

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It will be important for Northern Ireland to account for negative impacts on its atmosphere and environment from its neighbours, equally the pollution and emissions caused by consumption in Northern Ireland in other parts of the world should be accounted for.

We think that Northern Ireland should seek to include consumer emissions in any future climate targets, budgets and estimates. Currently, emissions resulting from the consumption of products produced overseas are not accounted for in UK climate targets and emission estimates. However, both Wales and Scotland make provision in their Climate Acts to account for emissions produced by Welsh or Scottish consumption of foreign goods. This could be of particular importance for Northern Ireland given the large amount of cross-border trade with the Republic of Ireland. As described above, taking this approach could also work in Northern Ireland's favour when accounting for Northern Ireland emissions generated as a result of producing goods for the rest of the UK and Ireland. For example, a high share of Northern Ireland's agricultural emissions relate to the production of food products exported and consumed elsewhere in the UK and Ireland.

**b) Do you think that there should be a transboundary approach to Climate Change?**

Yes

**II. Additional Information**

**a) Are there any other measures not included in the Bill that you think should be included and why?**

See previous Committee response and our response to the Bill call for evidence back in Jan/Feb.

**Just transition**

With think that a significant omission from this Bill as currently proposed is any suggestion or consideration of how a just transition will be achieved in Northern Ireland. The great strength of the Private Members Bill was that it required the Executive and individual departments to report on wider societal issues such as support for green growth and jobs, net-zero carbon investment and infrastructure, high-value work, reduction of inequality and elimination of poverty and social deprivation alongside

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emission reductions. We strongly welcomed the proposed requirement for targets to be set taking account of “the impact of such targets on public health and well-being; the impact of such targets on fiscal, economic and social circumstances specific to Northern Ireland”.

We believe that there is a need for specific measures aimed at ensuring a just transition in Northern Ireland. Alongside investments in low-carbon infrastructure all governments should be seeking to ensure that the societal transition required to ultimately reach net zero is fair and just. The transition to net zero offers all nations the opportunity to create sustainable and prosperous economies that work better for all citizens and Northern Ireland is no exception.

A foundational step should be the setting of stretching targets which have achieving a just transition as a key consideration. Engaging early and effectively with a range of stakeholders, and the people of Northern Ireland more generally, will also help to facilitate a just transition. This could mean setting up regional citizen assemblies to discuss people’s concerns and the opportunities that may come from the transition in terms of new employment and businesses.

Northern Ireland should consider a body tasked with analysing how the Executive’s policies and proposals align with the need for a just transition and ensuring that the need for a just transition is accounted for in decision-making across departments. We welcome the recent publication of the ‘Programme for Government: Draft Outcomes Framework’ which will help to guide the Executive’s future work and align policy with a just transition. In Scotland the Just Transition Commission ([www.gov.scot/groups/just-transition-commission/](http://www.gov.scot/groups/just-transition-commission/)) has been created “to advise Scottish Ministers on how to apply Just Transition principles to Scotland”. The Commission is tasked with producing a written report to Scottish Ministers with “practical, realistic, affordable recommendations for action”. The Commission has recently published a report into the key opportunities and challenges Scotland faces in achieving a just transition (see: <https://www.gov.scot/publications/transition-commission-national-mission-fairer-greener-scotland/pages/3/>).

**Wider sustainability goals**

We think it would be valuable for DAERA to approach carbon reductions and the climate crisis in a more holistic way, recognising that the nature and climate crises that we face are intimately linked and that creating a sustainable society and economy will be about

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more than just reducing emissions. With this in mind, we recommend that the Bill makes provision for the reporting of additional metrics such as soil health, biodiversity, riverine pollution etc.

**Taking a sectoral approach**

While we recognise that the proposed governance regime of the Bill makes provision for individual government departments to feed into the carbon budget reporting process we think that this could be strengthened. The Climate Action Plans proposed in the Private Members Bill offered a strong framework for creating a more sectoral approach. This would have the benefit of engaging policymakers and wider stakeholders more closely with decarbonisation by having them report on their emissions and produce their own plans to reduce them which would in turn feed into an overall plan. Every sector of the economy must play their part in decarbonisation and making this explicit in the governance regime would help to achieve this.

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