

Climate Change (No. 2) Bill

[AS AMENDED AT FURTHER CONSIDERATION STAGE]

LEGISLATIVE COMPETENCE

At Introduction the Minister of Agriculture, Environment and Rural Affairs had made the following statement under section 9 of the Northern Ireland Act 1998:

“In my view the Climate Change (No. 2) Bill would be within the legislative competence of the Northern Ireland Assembly.”

SECRETARY OF STATE’S CONSENT

The Secretary of State had consented under section 8 of the Northern Ireland Act 1998 to the Assembly considering this Bill.

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CONTENTS

PART 1

EMISSIONS TARGETS

The emissions targets

1. The emissions targets for 2050
2. Emissions targets for 2030 and 2040
3. The emissions target for 2040
4. The emissions target for 2030

Power to amend targets

5. Power to amend emission targets
6. Duty to consider whether to revise targets

Meaning of key concepts

7. Meaning of “baseline”
8. Meaning of “net Northern Ireland emissions account”

Meaning of underlying concepts

9. Meaning of “net Northern Ireland emissions”
10. Meaning of “Northern Ireland emissions”: international aviation and shipping
11. Crediting and debiting of carbon units
12. Carbon units: accounting scheme

Sectoral plans

13. Sectoral plans
14. Sectoral plans for energy
15. Renewable electricity consumption
16. Sectoral plans for infrastructure
17. Sectoral plans for industrial processes
18. Sectoral plans for waste management
19. Sectoral plan for agriculture
20. Sectoral plan for fisheries
21. Sectoral plan for transport
22. Active Travel

PART 2

CARBON BUDGETS

23. Carbon budgets
24. Emissions not to exceed carbon budget
25. Setting of carbon budgets: principles
26. Setting of carbon budgets: social, environmental and economic factors

Climate Change (No. 2)

- 27. Setting of carbon budgets: timing
- 28. Carrying amounts from one budgetary period to another

PART 3

REPORTS AND STATEMENTS AGAINST TARGETS AND BUDGETS ETC

Carbon budgets

- 29. Proposals and policies for meeting carbon budget
- 30. Requirements for proposals and policies under section 29
- 31. Just Transition Fund for Agriculture
- 32. Policies and proposals: targets
- 33. Policies and proposals: further provision
- 34. Policies and proposals: nature based solutions
- 35. Proposals and policies: workforce, employers and communities
- 36. Proposals and policies: carbon leakage
- 37. Just Transition Commission
- 38. Interim progress reporting for budgetary period
- 39. Final statement for budgetary period
- 40. Proposals and policies where carbon budget not met

Emissions targets

- 41. Statements on compliance with emissions targets

Other reports

- 42. Climate change reporting by public bodies

PART 4

REPORTS BY COMMITTEE ON CLIMATE CHANGE

- 43. Progress report during first budgetary period
- 44. Progress reports after statement about each budgetary period
- 45. Progress report after statement about emissions target for 2030
- 46. Progress report after statement about emissions target for 2040
- 47. Response to progress reports
- 48. Adaptation programme reports
- 49. Response to adaptation programme reports

PART 5

FURTHER OVERSIGHT

- 50. Northern Ireland Climate Commissioner
- 51. Climate action plan

PART 6

SUPPLEMENTARY

Duties in relation to emissions

- 52. Duties to ensure that targets etc are met

Climate Change (No. 2)

Regulation-making powers: general

53. Regulations: general

Regulation-making powers: restrictions and considerations

54. Regulations that amend or add an emissions target or amend a carbon budget

55. Regulations that specify a different baseline year or change a budgetary period

Regulation-making powers: advice

56. Requirement to obtain advice about proposals to make regulations

57. Advice about proposed regulations relating to targets

58. Advice about proposed regulations relating to budgets

Definitions

59. Meaning of “carbon unit”

60. Meaning of “greenhouse gas”

61. Meaning and measurement of emissions

62. Meaning of “sector”

63. Other definitions

General

64. Commencement

65. Short title

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BILL

TO

Set targets for the years 2050, 2040 and 2030 for the reduction of greenhouse gas emissions; to provide for a system of carbon budgeting; to provide for reporting and statements against those targets and budgets; to confer power to impose climate change reporting duties on public bodies; to provide for reports and advice from the Committee on Climate Change; and for connected purposes.

BE IT ENACTED by being passed by the Northern Ireland Assembly and assented to by Her Majesty as follows:

PART 1

EMISSIONS TARGETS

The emissions targets

The emissions targets for 2050

5 **1.**—(1) The Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2050 is at least 100% lower than the baseline.

 (2) The Northern Ireland departments must ensure that the net Northern Ireland emissions account for carbon dioxide for the year 2050 is at least 100% lower than
10 the baseline for carbon dioxide.

 (3) The duty in subsection (1) does not require the net Northern Ireland emissions account for methane for the year 2050 to be more than 46% lower than the baseline for methane.

Emissions targets for 2030 and 2040

15 **2.**—(1) The Department must set targets for the years 2030 and 2040 that are in line with the overall target for the year 2050.

(2) Proposed targets for the years 2030 and 2040 must be laid before the Assembly within 24 months of this Act receiving Royal Assent and be approved by draft affirmative resolution.

The emissions target for 2040

5 **3.** The Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2040 is in line with the overall target for the year 2050.

The emissions target for 2030

10 **4.** The Northern Ireland departments must ensure that the net Northern Ireland emissions account for the year 2030 is at least 48% lower than the baseline.

Power to amend targets

Power to amend emission targets

5.—(1) The Department may by regulations amend section 1, 3 or 4 so as to specify—

- 15 (a) for a particular emissions target, an earlier year than that for the time being specified,
 (b) for a particular year, a higher percentage than that for the time being specified.

20 (2) The Department may by regulations amend this Part so as to impose a duty on the Northern Ireland departments to ensure that the net Northern Ireland emissions account for a specified year is at least a specified percentage lower than the baseline.

(3) See section 54 for restrictions on the powers conferred by subsections (1) and (2).

25 **Duty to consider whether to revise targets**

6.—(1) The Department must consider whether the targets in sections 3 and 4 are consistent with meeting the emissions target in section 1(1).

(2) In relation to each of the targets in sections 3 and 4, the Department must either—

- 30 (a) lay before the Assembly draft regulations under section 5 to amend the target so as to be consistent with the target in section 1(1), or
 (b) lay before the Assembly a statement explaining why it considers that the target does not need to be amended.

35 (3) The Department must lay draft regulations or a statement in relation to each target within the period of 2 years beginning with the day on which this Act receives Royal Assent.

(4) Section 54(2) does not apply to regulations laid before the Assembly under subsection (2)(a).

*Meaning of key concepts***Meaning of “baseline”**

7.—(1) The baseline is the aggregate amount of net Northern Ireland emissions of each greenhouse gas mentioned in the following table in the year specified in relation to that gas—

<i>Greenhouse gas</i>	<i>Year</i>
Carbon dioxide	1990
Methane	1990
Nitrous oxide	1990
Hydroflourocarbons	1995
Perflourocarbons	1995
Sulphur hexaflouride	1995
Nitrogen triflouride	1995

(2) The baseline for carbon dioxide is the amount of net Northern Ireland emissions of carbon dioxide in 1990.

(3) The baseline for methane is the amount of net Northern Ireland emissions of methane in 1990.

(4) The Department may by regulations amend—

- (a) the table in subsection (1) so as to specify a different year in relation to a greenhouse gas,
or
(b) subsection (2) or (3) so as to specify a different year in relation to carbon dioxide or methane.

(5) See section 55 for restrictions on the powers conferred by subsection (4).

Meaning of “net Northern Ireland emissions account”

8.—(1) The net Northern Ireland emissions account for a year is determined as follows—

- (a) take the aggregate amount of net Northern Ireland emissions of each greenhouse gas for that year (which is to be determined in accordance with sections 9 and 10),
(b) deduct the amount of carbon units that are to be credited to the net Northern Ireland emissions account for that year (in accordance with regulations under section 11), and
(c) add the amount of carbon units that are to be debited from the net Northern Ireland emissions account for that year (also in accordance with regulations under section 11).

(2) Subsection (1) does not apply in relation to the net Northern Ireland emissions account for carbon dioxide for 2050 or the net Northern Ireland emissions account for methane (see subsections (3) and (4)).

(3) The net Northern Ireland emissions account for carbon dioxide for 2050 is determined as follows—

- (a) take the amount of net Northern Ireland emissions of carbon dioxide for 2050 (which is to be determined in accordance with sections 9 and 10),
- 5 (b) deduct the amount of carbon units that are to be credited to the net Northern Ireland emissions account for carbon dioxide for 2050 (in accordance with regulations under section 11), and
- (c) add the amount of carbon units that are to be debited from the net Northern Ireland emissions account for carbon dioxide for 2050 (also in accordance
- 10 with regulations under section 11).

(4) The net Northern Ireland emissions account for methane for 2050 is the amount of net Northern Ireland emissions of methane for 2050 (which is to be determined in accordance with sections 9 and 10).

Meaning of underlying concepts

15 **Meaning of “net Northern Ireland emissions”**

9.—(1) The amount of net Northern Ireland emissions of a greenhouse gas for a period is—

- (a) the amount of Northern Ireland emissions of the gas for the period (see subsection (2)),
- 20 minus
- (b) the amount of Northern Ireland removals of the gas for the period (see subsection (3)).

(2) The Northern Ireland emissions of a gas for a period are—

- (a) emissions of the gas from sources in Northern Ireland in the period, and
- 25 (b) emissions of the gas from international aviation or international shipping that count as Northern Ireland emissions for the period (as determined by regulations under section 10).

(3) The Northern Ireland removals of a gas for a period are removals of the gas from the atmosphere in the period due to—

- 30 (a) land use in Northern Ireland;
- (b) land-use change in Northern Ireland;
- (c) forestry activities in Northern Ireland; and
- (d) the use of carbon capture and storage technology.

35 (4) The Department may by regulations amend subsection (3) so as to amend the definition of Northern Ireland removals.

(5) The amounts of Northern Ireland emissions and Northern Ireland removals of a gas for a period must be determined consistently with international carbon reporting practice (see section 63).

Meaning of “Northern Ireland emissions”: international aviation and shipping

10 5 **10.**—(1) The Department may by regulations make provision for emissions of a greenhouse gas from international aviation or international shipping to count as Northern Ireland emissions of the gas.

(2) The regulations may—

- (a) specify activities which are to be regarded as international aviation or international shipping;
- 10 (b) specify the circumstances in which, and the extent to which, emissions of a greenhouse gas from international aviation or international shipping are to count as Northern Ireland emissions of that gas;
- (c) specify the period (whether past or future) for which emissions of a greenhouse gas from international aviation or international shipping are to count as Northern Ireland emissions of that gas;
- 15 (d) make provision about how emissions of a greenhouse gas from international aviation or international shipping are to be taken into account in determining Northern Ireland emissions of that gas for the year specified in section 7(1) in relation to it.

Crediting and debiting of carbon units

20 **11.**—(1) The Department may by regulations make provision about—

- (a) the circumstances in which carbon units may or may not be credited to the net Northern Ireland emissions account for a period,
- (b) the circumstances in which carbon units may or may not be debited from that account for a period, and
- 25 (c) how that is to be done.

Section 59 explains what a “carbon unit” is.

(2) The regulations must contain provision for ensuring that carbon units that are credited to the net Northern Ireland emissions account for a period cease to be available to offset other greenhouse gas emissions.

30 (3) The regulations must set a limit on the net amount of carbon units by which the net Northern Ireland emissions account for a period may be reduced as a result of applying provision made under subsection (1)(a) and (b); and that limit must not be greater than 25% of the aggregate amount of net Northern Ireland emissions of each greenhouse gas for that period (as determined in accordance with sections 9 and 10).

35

(4) The regulations may provide that carbon units of a description specified in the regulations do not count towards the limit.

40 (5) The regulations may make provision about the crediting of carbon units to, and the debiting of carbon units from, the net Northern Ireland emissions account for carbon dioxide for 2050.

(6) The amount of carbon units that are to be credited to the net Northern Ireland emissions account for carbon dioxide for 2050 must not be greater than—

$$\text{Total credits} \quad \times \quad \frac{\text{CO}_2 \text{ emissions}}{\text{Total emissions}}$$

(7) If—

- (a) carbon units are credited to the net Northern Ireland emissions account for carbon dioxide for 2050, and
- (b) carbon units are debited from the net Northern Ireland emissions account for 2050,

carbon units must be debited from the net Northern Ireland emissions account for carbon dioxide for 2050; and the amount of carbon units so debited must not be less than—

$$\text{Total debits} \quad \times \quad \frac{\text{CO}_2 \text{ emissions}}{\text{Total emissions}}$$

(8) In subsections (6) and (7)—

“Total credits” is the amount of carbon units that are credited to the net Northern Ireland emissions account for 2050;

“Total debits” is the amount of carbon units that are debited from the net Northern Ireland emissions account for 2050;

“CO₂ emissions” is the amount of net Northern Ireland emissions of carbon dioxide for 2050;

“Total emissions” is the aggregate amount of net Northern Ireland emissions of each greenhouse gas for 2050.

Carbon units: accounting scheme

12.—(1) The Department may by regulations make provision for a scheme—

- (a) for registering or otherwise keeping track of carbon units, or
- (b) for establishing and maintaining accounts in which carbon units may be held, and between which they may be transferred, by the Department.

(2) The regulations may provide for an existing scheme to be adapted for those purposes.

(3) The regulations may—

- (a) appoint a person or body (an “administrator”) to administer the scheme, or provide that the Department is to do so;
- (b) establish a body for the purpose of administering the scheme and make provision in relation to the appointment of members, staffing, expenditure and procedure of that body;
- (c) confer or impose functions on the administrator for the purpose of administering the scheme;
- (d) confer power on the Department to give guidance or directions to the administrator;
- (e) require the payment by persons using the scheme of charges (of an amount determined by or under the regulations) towards the cost of operating it.

(4) If regulations adapt an existing scheme or appoint an existing person to administer the scheme, the regulations may amend any statutory provision relating to the existing scheme or existing person.

Sectoral plans

Sectoral plans

5 **13.**—(1) The Northern Ireland departments must develop and publish plans for areas of the economy, known as sectoral plans, setting out how the targets in sections 1, 3 and 4 will be achieved by sector.

 (2) These must include policies and proposals to ensure the targets set out in sections 1, 3 and 4 are achieved.

 (3) Interim sectoral reports must be published in line with the targets set out in sections 1, 3 and 4.

10 (4) Sectoral plans shall also support a just transition by—

 (a) supporting the creation of secure green jobs and build pathways into green careers, in partnership with industry and unions, with workers’ rights, health and safety at the centre;

 (b) ensure that workers and communities dependent on the high carbon economy are supported with the transition;

15 (c) support the transition to a green economy with net-zero carbon investment and infrastructure; and

 (d) tackle inequality and breakdown barriers of division.

20 (5) The Department must make arrangements with other Northern Ireland departments to secure co-operation and the submission of information for subsection (1), including the format and detail of the requirement outlined in subsection (3).

Sectoral plans for energy

25 **14.**—(1) The Department for the Economy must develop and publish Sectoral Plans for the Energy sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

 (2) Sectoral Plans for Energy must include policies and proposals for energy production and the supply of private and public heating and cooling systems.

Renewable electricity consumption

30 **15.**—(1) The Department for the Economy must ensure that at least 80% of electricity consumption from renewable sources by 2030.

Sectoral plans for infrastructure

35 **16.**—(1) The Department for Infrastructure must develop and publish Sectoral Plans for the Infrastructure sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

 (2) Sectoral Plans for Infrastructure must include policies and proposals for planning and construction.

Sectoral plans for industrial processes

17. The Department for the Economy must develop and publish Sectoral Plans for the Industrial Processes setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

5 **Sectoral plans for waste management**

18.—(1) The Department must ensure that at least 70% of waste is recycled by 2030.

(2) The Department must develop and publish a plan for the waste management sector setting out how the sector will contribute to the achievement of the targets
10 in sections 1, 3 and 4 and in subsection (1) of this section.

Sectoral plan for agriculture

19.—(1) The Department must develop and publish Sectoral Plans for the Agricultural sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

15 (2) Sectoral Plans for Agriculture must contain proposals for carrying out fully funded carbon audits of farms to assess where performance improvements and savings can be made.

(3) As part of the carbon auditing process, carbon sequestration measures already being conducted by the sector should be calculated.

20 **Sectoral plan for fisheries**

20.—(1) The Department must develop and publish Sectoral Plans for the Fisheries sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

25 (2) Sectoral Plans for Fisheries must include policies and proposals for sea fisheries and the inland fisheries industry.

Sectoral plan for transport

21.—(1) The Department for Infrastructure must develop and publish Sectoral Plans for the Transport sector setting out how the sector will contribute to the achievement of the targets in sections 1, 3 and 4.

30 (2) Sectoral Plans for Transport must include policies and proposals for public and private transport.

Active Travel

22. The Department for Infrastructure must develop sectoral plans for transport which sets a minimum spend on active travel from the overall transport budgets of
35 10%.

PART 2

CARBON BUDGETS

Carbon budgets

5 **23.**—(1) The Department must by regulations set a maximum total amount for the net Northern Ireland emissions account for each budgetary period.

That amount is referred to as the “carbon budget” for that period.

(2) The Department must—

- (a) carry out a public consultation lasting at least 16 weeks on proposed carbon budgets,
- 10 (b) commission a financial, social, economic and rural impact assessment on the effects of the carbon budget for that period, and
- (c) consult with the Northern Ireland Climate Commissioner, the other Northern Ireland departments and the Just Transition Commission and lay proposals before the Assembly.

15 (3) When seeking advice on setting the carbon budget, or on other environmental issues, the Department is to give due regard to the expertise and advice of any of the following bodies—

- (a) the Republic of Ireland Climate Change Advisory Council; and
- (b) the Intergovernmental Panel on Climate Change.

20 (4) The budgetary periods are—

- (a) 2023 to 2027, and
- (b) each succeeding period of five years.

(5) The Department may by regulations amend subsection (4) so as to change a budgetary period.

25 (6) See—

- (a) sections 25 to 28 for provision about the setting and adjustment of carbon budgets, and
- (b) section 55 for restrictions on the power conferred by subsection (5).

Emissions not to exceed carbon budget

30 **24.** The Northern Ireland departments must ensure that the net Northern Ireland emissions account for each budgetary period does not exceed the carbon budget for that period.

Setting of carbon budgets: principles

25. The Department must—

- 35 (a) set the carbon budget for each budgetary period up to and including the budgetary period 2048 to 2052 at a level that it is satisfied is consistent with meeting the emissions targets for 2050 (see section 1);
- (b) set the carbon budget for the budgetary periods 2033 to 2037 and 2038 to 2042 at a level that it is satisfied is consistent with meeting the emissions target for 2040 (see section 3); and
- 40

- (c) set the carbon budget for the budgetary periods 2023 to 2027 and 2028 to 2032 at a level that it is satisfied is consistent with meeting the emissions targets for 2030 and 2040 (see sections 3 and 4).

Setting of carbon budgets: social, environmental and economic factors

- 5 **26.**—(1) In setting a carbon budget the Department must take account of—
- (a) the objective of not exceeding a fair and safe emissions budget,
 - (b) European and international law and policy relating to climate change (including the United Nations Framework Convention on Climate Change and protocols to that Convention),
 - 10 (c) scientific knowledge about climate change,
 - (d) technology relevant to climate change,
 - (e) economic circumstances, in particular the likely impact of the budget on—
 - (i) the economy,
 - (ii) the competitiveness of particular sectors of the economy,
 - 15 (iii) small and medium-sized enterprises,
 - (iv) jobs and employment opportunities,
 - (f) fiscal circumstances, in particular the likely impact of the budget on taxation, public spending and public borrowing,
 - (g) social circumstances, in particular the likely impact of the budget on those living in poorer or deprived communities,
 - 20 (h) the likely impact of the budget on public health,
 - (i) the likely impact of the budget on those living in remote rural communities and island communities,
 - (j) energy policy, in particular the likely impact of the budget on energy supplies, the renewable energy sector and the carbon and energy intensity of the economy,
 - 25 (k) environmental considerations and, in particular, the likely impact of the budget on biodiversity,
 - (l) the likely impact of the budget on the achievement of sustainable development, including the achievement of the United Nations sustainable development goals,
 - 30 (m) current international carbon reporting practice,
 - (n) the special economic and social role of agriculture, including with regard to the distinct characteristics of biogenic methane,
 - 35 (o) the risk of substantial and unreasonable carbon leakage.
- (2) “Carbon leakage” means the transfer of the production of goods (including agricultural goods) and the provision of services to countries without comparable climate change policies.
- (3) In subsection (2), “comparable climate change policies” are policies that are intended to achieve reductions in greenhouse gas emissions for the country in question which are equivalent to the targets set out in sections 1, 3 and 4, by the years set out in those sections.

Setting of carbon budgets: timing

27.—(1) The Department must—

- (a) set the carbon budgets for the first three budgetary periods before the end of 2023, and
 - 5 (b) set the carbon budget for the fourth and subsequent budgetary periods at least twelve years before the start of the period in question.
- (2) The Department may by regulations—
- (a) amend the carbon budget for any budgetary period before the start of the period (and not otherwise);
 - 10 (b) amend subsection (1) so as to change the date by which a carbon budget must be set.
- (3) See section 54 for restrictions on the power conferred by subsection (2)(a).

Carrying amounts from one budgetary period to another

28.—(1) The Department may decide to carry part of the carbon budget for a
15 budgetary period back to the preceding budgetary period.

(2) If the Department carries back part of the carbon budget—

- (a) the budget for the later period is reduced, and
- (b) the budget for the earlier period is increased,

by the amount carried back.

20 (3) The amount carried back must not exceed 1% of the carbon budget for the later period.

(4) The Department may decide to carry any unused part of the carbon budget for a budgetary period forward to the next budgetary period.

(5) If the Department carries forward part of the carbon budget—

- 25 (a) the budget for the later period is increased, and
- (b) the budget for the earlier period is reduced,

by the amount carried forward.

(6) The carbon budget for a period is “unused” to the extent that it exceeds the net Northern Ireland emissions account for the period.

30 (7) Before deciding to carry an amount back or forward under this section, the Department must consult—

- (a) the other Northern Ireland departments,
- (b) the Committee on Climate Change, and
- (c) the Northern Ireland Climate Commissioner.

35 (8) Each Northern Ireland department must provide such assistance as the Department requires when deciding to carry an amount back or forward under this section.

(9) Section 39 provides for the reporting of a decision under this section.

PART 3

REPORTS AND STATEMENTS AGAINST TARGETS AND BUDGETS ETC

Carbon budgets

Proposals and policies for meeting carbon budget

5 **29.**—(1) The Department must prepare and publish a report for each budgetary period setting out proposals and policies for meeting the carbon budget for that period.

(2) References in this Act to a “climate action plan” are to a report under this section.

10 (3) The report must set out proposals and policies covering the areas of responsibility of each Northern Ireland department.

(4) When developing policies each department must ensure they are consistent with the targets set out in the carbon budget.

(5) Having consulted with the relevant sector-specific advisory groups, each
15 Northern Ireland department must provide the Department with—

(a) its proposals and policies in its areas of responsibility, and

(b) such other assistance as the Department requires in the preparation of the report.

(6) Each Northern Ireland department must provide its proposals and policies
20 for a budgetary period before the end of the first nine months of that period.

(7) The Department must lay the report for a budgetary period before the Assembly before the end of the first year of that period.

(8) The Department must publish the report for public consultation for a period
25 of not less than 16 weeks ending on a day which is not less than 10 working days before that report is laid before the Assembly.

(9) The Department must lay the results of the public consultation in subsection (8) before the Assembly at the same time as it lays the report.

Requirements for proposals and policies under section 29

30 **30.**—(1) In deciding its proposals and policies for the purposes of section 29, each Northern Ireland department must—

(a) have regard to the desirability of co-ordinating those proposals and policies with corresponding proposals and policies in other parts of the United Kingdom, in the Republic of Ireland, recognising that the island of Ireland is a single biogeographic unit, or elsewhere;

35 (b) consult such persons as it considers appropriate (including, where appropriate, any public body responsible in any other jurisdiction for providing advice or making recommendations in connection with adaptation to, or the mitigation of the effects of, climate change);

40 (c) commission a financial, social, economic and rural impact assessment on the effects of the proposals and policies; and

- (d) give due regard to the special economic and social role of agriculture, including with regard to the distinct characteristics of biogenic methane.
- (2) In deciding its proposals and policies for the purposes of section 29, each Northern Ireland department must also have regard to—
- 5 (a) the just transition principle (see subsection (3)), and
- (b) the desirability of using and supporting nature-based projects (see subsection (5)), whether alone or together with other types of action.
- (3) The just transition principle is the importance, in taking action to reduce Northern Ireland emissions and increase Northern Ireland removals, of doing so in
- 10 a manner which, so far as possible, achieves the objectives of—
- (a) supporting jobs and growth of jobs that are climate resilient and environmentally and socially sustainable,
- (b) in particular, supporting the agriculture sector and other sectors of the economy in Northern Ireland that are likely to be most affected by action
- 15 to reduce those emissions and increase those removals,
- (c) supporting low-carbon investment and infrastructure,
- (d) developing and maintaining consensus through engagement with (among others) workers, trade unions, communities, non-governmental organisations and representatives of the interests of business and industry,
- 20 (e) creating decent, fair and high-value work in a way which does not negatively affect the current workforce,
- (f) contributing to a resource-efficient and sustainable economy,
- (g) supporting persons who are most affected by climate change, particularly those who may have done the least to cause it or may be the least equipped
- 25 to adapt to its effects,
- (h) reducing, with a view to eliminating poverty, inequality and social deprivation,
- (i) ensuring that gender inequality is eliminated and advancing equality of opportunity between men and women,
- 30 (j) supporting the social and economic needs of people in rural areas, and
- (k) taking into account the future generations principle.
- (4) In this section—
- (a) “climate resilient” means the ability of social, economic and environmental systems to adapt to the effects of climate change;
- 35 (b) “environmentally and socially sustainable”, when used in relation to jobs and job growth, means the creation and promotion of jobs in a way which conserves and improves natural resources, in accordance with the future generations principle;
- (c) the “future generations principle” means acting in a manner which seeks to
- 40 ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- (5) “Nature-based projects” are projects to protect, restore or sustainably manage ecosystems in order to—
- (a) promote both human well-being and biodiversity, or

(b) provide other environmental, social and economic benefits.

(6) The duty under subsection (2) is in addition to, and does not limit, the duty under section 25 of the Northern Ireland (Miscellaneous Provisions) Act 2006 (sustainable development).

5 (7) Each climate action plan must explain how the proposals and policies set out in the plan take account of the just transition principle.

(8) The Department may by regulations amend subsection (3).

(9) Each climate action plan must explain how the Department intends to mitigate any negative effects uncovered in the relevant financial, social economic and rural impact assessment.

Just Transition Fund for Agriculture

31.—(1) The Department must by regulations establish a scheme for the administration of a fund to be known as the “Just Transition Fund for Agriculture” for the purpose of providing advice and financial assistance to the agriculture sector to deliver its contribution under proposals and policies for the purposes of section 29.

(2) The regulations may make provision—

- (a) for determining eligibility or entitlement for advice or assistance under the scheme;
- 20 (b) regarding applications (if any) for advice or assistance under the scheme;
- (c) imposing conditions or restrictions in connection with the scheme;
- (d) requiring persons to provide specified information, or imposing other obligations on them, in connection with the scheme;
- (e) conferring functions on the Department or other public bodies in connection with the scheme;
- 25 (f) about steps to be taken to bring the scheme to the attention of persons likely to be eligible for assistance under it;
- (g) about the enforcement of obligations imposed by or by virtue of the regulations (which may include a power for the Department impose financial penalties);
- 30 (h) about the general administration of the scheme, including provision for the review of decisions taken under the scheme and for dealing with disputes as to eligibility or entitlement under the scheme;
- (i) about any other matter which appears to the Department to be necessary or appropriate for the efficient and effective administration of the scheme.
- 35

(3) If the scheme provides for financial assistance, the regulations may make provision—

- (a) for the assistance to be given in any form, including, in particular, by way of a grant, loan or guarantee;
- 40 (b) for determining the extent of assistance (including for the calculation of payments that are to be made);
- (c) for the assistance to be provided subject to such conditions as may be specified in, or determined in accordance with, the scheme;

- (d) for those conditions to include (in the case of a grant) conditions for repayment in specified circumstances;
- (e) for assistance to be provided—
 - (i) directly to those entitled to receive it under the scheme; or
 - (ii) indirectly (for example by being made to a public body on terms which require that body to provide financial assistance to those so entitled).

Policies and proposals: targets

32.—(1) Climate action plans must contain targets to be achieved during the relevant budgetary period in the following areas—

- (a) soil quality; and
- (b) biodiversity;

but these targets are subject to subsection (2) of this section.

(2) Targets under subsection (1) must be set in a way best calculated to achieve the relevant carbon budget after taking the following matters into account—

- (a) international law, including, in particular, the UNFCCC;
- (b) the impact of such targets on the environment of Northern Ireland;
- (c) the impact of such targets on public health and well-being;
- (d) the impact of such targets on fiscal, economic and social circumstances specific to Northern Ireland;
- (e) the just transition principles;
- (f) the transboundary impact.

(3) Climate action plans must also include annual targets on—

- (a) greenhouse gas emissions, and
- (b) air quality.

Policies and proposals: further provision

33.—(1) Policies and proposals under section 29 must ensure that the relevant carbon budget is achieved in the following sectors—

- (a) energy production and supply (including for residential, public and district heating and cooling purposes);
- (b) transport (including shipping and aviation);
- (c) infrastructure (including infrastructure for electric vehicular transport);
- (d) business and industrial processes;
- (e) residential and public (in relation to buildings in these sectors);
- (f) waste management;
- (g) agriculture;
- (h) land use and land-use change, including forestry;
- (i) fisheries; and
- (j) the provision of financial assistance to any person in connection with—
 - (i) the promotion of economic development in Northern Ireland or any part of Northern Ireland; and

- (ii) the provision of infrastructure, goods or services in Northern Ireland or any part of Northern Ireland;

provided that, when setting out policies and proposals in respect of energy production and supply, the advices and recommendations of the SEM Committee
5 regarding matters in relation to which it has functions under Article 6(2) of the Electricity (Single Wholesale Market) (Northern Ireland) Order 2007 (No. 913 (N.I. 7)) must be obtained and must be taken into account.

Policies and proposals: nature based solutions

10 **34.** Policies and proposals under section 29 shall as far as is practicable, support nature based projects that enhance biodiversity; protect and restore ecosystems; and seek to reduce, or increase the removal of, greenhouse gas emissions or support climate resilience.

Proposals and policies: workforce, employers and communities

35.—(1) Each climate action plan must—

- 15 (a) explain how the proposals and policies set out in the plan are expected to affect the workforce, employers and communities; and
(b) include proposals and policies for supporting the workforce, employers and communities.

20 (2) The explanation, proposals and policies included under subsection (1) must make particular reference to small businesses.

(3) In subsection (2), a “small business” is a business that employs fewer than 50 persons.

25 (4) The Department may by regulations amend subsection (3); and such regulations may define a small business by reference to such matters (or combination of matters) as the Department considers appropriate (including, in particular, the number of its employees, its turnover and its balance sheet).

Proposals and policies: carbon leakage

36.—(1) In deciding its proposals and policies for the purposes of section 29, each Northern Ireland department must take into account—

- 30 (a) the risk of that implementation of those proposals and policies will result in carbon leakage, and
(b) the desirability of eliminating or minimising that risk.

35 (2) “Carbon leakage” means the transfer of the production of goods (including agricultural goods) and the provision of services to countries without comparable climate change policies.

(3) In subsection (2), “comparable climate change policies” are policies that are intended to achieve reductions in greenhouse gas emissions for the country in question which are equivalent to the targets set out in sections 1, 3 and 4, by the years set out in those sections.

40 Just Transition Commission

37.—(1) The Department must by regulations establish a body to be known as the “Just Transition Commission”.

(2) The functions of the Commission are to—

- (a) oversee the implementation of the just transition elements of this Act, and
- (b) provide advice to the Northern Ireland departments on how to ensure that proposals, policies, strategies and plans required under this Act comply with the just transition principle.

(3) Regulations under subsection (1)—

- (a) must make provision for the constitution of the Commission (including, in particular, its membership, general powers and proceedings);
- (b) may provide that the Commission is established as a body corporate (and that section 19 of the Interpretation Act (Northern Ireland) 1954 applies to it with such modifications (if any) as may be prescribed in the regulations);
- (c) may make provision for the payment of remuneration and allowances to members of the Commission, and for the defraying of its expenses;
- (d) may make provision in relation to accounting, reporting and record-keeping by the Commission;
- (e) may make such further provision in relation to the Commission as the Department considers appropriate.

(4) Regulations made by virtue of subsection (3)(a) must provide for the members of the Commission to include a representative of each of the following—

- (a) the agricultural sector;
- (b) the fisheries sector;
- (c) academia;
- (d) trade unions;
- (e) youth groups;
- (f) civic society;
- (g) environmental groups.

(But this does not prevent the regulations from providing for other persons to be members of the Commission.)

(5) Regulations under subsection (1) may also make provision about the functions of the Commission, including provision specifying—

- (a) how the oversight function is to be performed;
- (b) what the just transition elements of this Act are.

Interim progress reporting for budgetary period

38.—(1) The Department must, during the course of each budgetary period, prepare and publish a report setting out what progress has been made in implementing the proposals and policies set out in the climate action plan prepared under section 29 for that period.

(2) Each Northern Ireland department must provide the Department with—

- (a) information on the progress it has made in its areas of responsibility in implementing its proposals and policies, and
- (b) such other assistance as the Department requires in the preparation of the report.

(3) Each Northern Ireland department must provide the information on its progress for a budgetary period before the end of the first 33 months of that period.

(4) The Department must lay the report for a budgetary period before the Assembly before the end of the third year of that period.

5 **Final statement for budgetary period**

39.—(1) The Department must—

(a) prepare a final statement for each budgetary period in accordance with this section, and

10 (b) lay the statement before the Assembly before the end of the second year after that period.

(2) A final statement under this section must state, in respect of each greenhouse gas—

(a) the total amount of Northern Ireland emissions,

(b) the total amount of Northern Ireland removals, and

15 (c) the total amount of net Northern Ireland emissions,
for the period.

(3) It must—

(a) state the total amount of carbon units that have been credited to or debited from the net Northern Ireland emissions account for the period, and

20 (b) give details of the number and type of those units.

(4) It must state the final amount of the net Northern Ireland emissions account for the period.

(5) It must—

25 (a) state whether the Department has decided to carry an amount back or forward under section 28 so as to increase or reduce the carbon budget for the period, and

(b) if so, state the amount carried back or forward.

(6) It must state the final amount of the carbon budget for the period.

30 (7) Whether the carbon budget for a period has been met is to be determined by reference to the information in the statement for that period.

(8) The statement must explain why the carbon budget for the period has, or has not, been met.

35 (9) In particular, it must include an assessment of the extent to which the proposals and policies for meeting the carbon budget set out in the climate action plan under section 29 for the period—

(a) have been carried out, and

(b) have contributed to the carbon budget for the period being met or not being met.

40 (10) The statement under subsection (8) and assessment under subsection (9) must cover the areas of responsibility of each Northern Ireland department.

(11) Each Northern Ireland department must provide the Department with—

- (a) an explanation of what it considers to be the reasons why the carbon budget for the period has, or has not, been met, so far as relating to its areas of responsibility,
- (b) its assessment of the extent to which its proposals and policies for meeting the carbon budget—
- 5 (i) have been carried out, and
- (ii) have contributed to the carbon budget for the period being met or not being met, and
- (c) such other assistance as the Department requires in the preparation of the statement.
- 10

(12) Each Northern Ireland department must provide its explanation and assessment for a budgetary period before the end of the first 21 months after that period.

Proposals and policies where carbon budget not met

15 **40.**—(1) This section applies if the Department has laid a final statement before the Assembly under section 39 in respect of a budgetary period for which the net Northern Ireland emissions account exceeds the carbon budget.

(2) No later than three months after laying the statement, the Department must lay before the Assembly a report setting out proposals and policies to compensate

20 for the excess emissions in subsequent budgetary periods.

(3) Each Northern Ireland department must provide such assistance as the Department requires in the preparation of the report.

Emissions targets

Statements on compliance with emissions targets

25 **41.**—(1) The Department must—

(a) prepare a statement for each of the years 2030, 2040 and 2050 in accordance with this section, and

(b) lay each statement before the Assembly before the end of the second year after the year to which it relates.

30 (2) A statement under this section must state, in respect of each greenhouse gas—

- (a) the total amount of Northern Ireland emissions,
- (b) the total amount of Northern Ireland removals, and
- (c) the total amount of net Northern Ireland emissions,

35 for the year to which the statement relates.

(3) It must—

- (a) state the total amount of carbon units that have been credited to or debited from the net Northern Ireland emissions account for the year, and
- (b) give details of the number and type of those units.

40 (4) It must state the amount of the net Northern Ireland emissions account for the year.

(5) The statement for 2050 must also state—

- (a) the total amount of carbon units (if any) that have been credited to or debited from the net Northern Ireland emissions account for carbon dioxide for that year, and
- 5 (b) the amount of the net Northern Ireland emissions account for carbon dioxide for that year.

(6) Whether the emissions target (or targets) for 2030, 2040 or 2050 has (or have) been met is to be determined by reference to the information in the statement for that year.

10 (7) The statement must explain why the target (or each of the targets) for the year has, or has not, been met.

(8) Each Northern Ireland department must provide the Department with—

- (a) an explanation of what it considers to be the reasons why the target (or each of the targets) for the year has, or has not, been met, so far as relating to its areas of responsibility, and
- 15 (b) such other assistance as the Department requires in the preparation of the statement.

(9) Each Northern Ireland department must provide its explanation before the end of the first 21 months after the year to which the statement relates.

20

Other reports

Climate change reporting by public bodies

42.—(1) The Department must make regulations that impose, on specified public bodies, specified climate change reporting duties.

“Specified” means specified in the regulations.

25 (2) In this section “public body” means—

- (a) a person or body with functions of a public nature;
- (b) a person who is a statutory undertaker within the meaning of the Planning Act (Northern Ireland) 2011 (see section 250 of that Act).

30 (3) The climate change reporting duties that may be imposed on a body under subsection (1) include in particular duties to prepare reports containing any of the following—

- (a) an assessment of the current and predicted impact of climate change in relation to the body’s functions;
- (b) a statement of the body’s proposals and policies for adapting to, or mitigating the effects of, climate change in the exercise of its functions;
- 35 (c) a statement of the time-scales for implementing those proposals and policies;
- (d) an assessment of the progress made by the body towards implementing the proposals and policies set out in any previous reports prepared under the regulations.
- 40

(4) The regulations may require public bodies to have regard to (among other things) the following, so far as relevant—

- (a) the most recent report under section 56 of the Climate Change Act 2008 (report on impact of climate change);
- (b) the most recent programme under section 60 of that Act (programme for adaptation to climate change for Northern Ireland);
- 5 (c) the desirability of co-ordinating the proposals and policies referred to in subsection (3)(b) with corresponding proposals and policies in other parts of the United Kingdom, in the Republic of Ireland or elsewhere.
- (5) The regulations may make provision about—
- (a) the contents of a report (including the time period to which the report
10 relates);
- (b) the time period within which a report must be prepared;
- (c) co-operation between public bodies in the preparation of a report, or the preparation of a joint report by two or more public bodies;
- (d) the form of reports;
- 15 (e) the publication of reports.
- (6) The regulations may confer functions on the Department in connection with the duties imposed by the regulations.
- (7) The Department must consult such public bodies, and such other persons, as it considers appropriate before making the regulations.
- 20 (8) The first regulations made under this section must come into operation before the end of the period of 18 months beginning with the day on which this Act receives Royal Assent.

PART 4

REPORTS BY COMMITTEE ON CLIMATE CHANGE

25 **Progress report during first budgetary period**

43.—(1) Before the end of 2027, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) the progress that has been made towards meeting—
- 30 (i) the emissions targets that have been set by section 1, 3 and 4, and
- (ii) the carbon budgets that have been set under section 23,
- (b) whether those targets and budgets are likely to be met, and
- (c) any further measures that are needed to meet those targets and budgets.

(2) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

35 **Progress reports after statement about each budgetary period**

44.—(1) No later than six months after the Department lays the final statement for a budgetary period before the Assembly under section 39, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- 40 (a) the way in which the carbon budget for the period was, or was not, met,

- (b) the action taken by the Northern Ireland departments to reduce net Northern Ireland emissions of greenhouse gases during the period,
- (c) the progress that has been made towards meeting—
 - (i) the emissions targets that have been set by section 1, 3 and 4, and
 - (ii) the carbon budgets that have been set under section 23,
- (d) whether those targets and budgets are likely to be met, and
- (e) any further measures that are needed to meet those targets and budgets.

(2) Subsection (1)(c) to (e) do not require the Committee to set out its views on the matters mentioned in those paragraphs to the extent that they concern targets and budgets relating to periods of time that end before the report is sent.

(3) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

Progress report after statement about emissions target for 2030

45.—(1) No later than six months after the Department lays the statement under section 41 for 2030 before the Assembly, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) whether the emissions targets for 2040 and 2050 are the highest achievable targets,
- (b) if any of them is not the highest achievable target—
 - (i) what is the highest achievable target, and
 - (ii) what further measures are needed to meet the highest achievable target.

(2) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

Progress report after statement about emissions target for 2040

46.—(1) No later than six months after the Department lays the statement under section 41 for 2040 before the Assembly, the Committee on Climate Change must send a report to the Department setting out the Committee's views on—

- (a) whether the emissions targets for 2050 are the highest achievable targets,
- (b) if either of them is not the highest achievable target—
 - (i) what is the highest achievable target, and
 - (ii) what further measures are needed to meet the highest achievable target.

(2) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

Response to progress reports

47.—(1) The Department must prepare a response to the points raised by each report of the Committee on Climate Change under sections 43 to 46.

(2) Each Northern Ireland department must provide such assistance as the Department requires in the preparation of the response.

(3) The Department must lay the response before the Assembly within six months of receiving the report from the Committee.

Adaptation programme reports

48.—(1) This section applies where a programme is laid before the Assembly under section 60 of the Climate Change Act 2008 (programme for adaptation to climate change for Northern Ireland).

5 (2) No later than 3 years after the programme is laid, the Committee on Climate Change must send a report to the Department setting out—

(a) the Committee's assessment of the progress made towards implementing the objectives, proposals and policies set out in the programme, and

10 (b) the Committee's recommendations for the next programme to be laid under section 60 of that Act.

(3) The Department must lay a copy of the report before the Assembly as soon as reasonably practicable after receiving it.

Response to adaptation programme reports

49.—(1) The Department must prepare a response to the points raised by each report of the Committee on Climate Change under section 48.

(2) Each Northern Ireland department must provide such assistance as the Department requires in the preparation of the response.

(3) The Department must lay the response before the Assembly within six months of receiving the report from the Committee.

20

PART 5

FURTHER OVERSIGHT

Northern Ireland Climate Commissioner

50.—(1) The Executive Office must by regulations establish an independent office known as the "Northern Ireland Climate Commissioner".

25 (2) The functions of the Commissioner are to oversee and report on the operations of this Act.

(3) Regulations under subsection (1)—

(a) must make provision for the appointment of the Commissioner;

(b) may provide that the Commissioner is to be a corporation sole;

30 (c) may make provision about the general powers of the Commissioner;

(d) may make provision for the payment of remuneration and allowances to the Commissioner, and for the defraying of the Commissioner's expenses;

(e) may make provision in relation to accounting, reporting and record-keeping by the Commissioner;

35 (f) may make provision for the appointment of officers and staff by the Commissioner;

(g) may make provision about the acquisition and disposal by the Commissioner of property, rights and liabilities (including land);

40 (h) may make such further provision in relation to the Commissioner as the Executive Office considers appropriate.

(4) Regulations under subsection (1) may also make provision about the functions of the Commissioner, including provision specifying how the oversight and reporting functions are to be performed.

5 (5) The first regulations under subsection (1) must be laid in draft before the Assembly within the period of 2 years beginning with the day on which this Act receives Royal Assent.

Climate action plan

10 **51.**—(1) The Department must lay before the Assembly and publish a plan, known as the climate action plan, within 24 months from the day on which this Act receives Royal Assent.

(2) Before laying each plan before the Assembly, the Department must commission a financial, social, economic and rural impact assessment on the effects of the draft climate action plan and carry out a public consultation on the draft climate action plan, including consultation with sector-specific advisory groups, lasting at least 16 weeks.

(3) Subsequent plans must be published within 5 years from the date on which the previous plan was laid before the Assembly.

(4) The climate action plan must set out how interim targets and the overall target of net zero will be achieved by the year 2050.

20 (5) Climate action plans must be climate resilient and support an environmentally sustainable economy.

(6) The plans must include annual targets on—

- (a) greenhouse gas emissions, and
- (b) air quality.

25 (7) “Climate resilient” means the ability to minimise, mitigate or remedy the effects of climate change.

PART 6

SUPPLEMENTARY

Duties in relation to emissions

30 **Duties to ensure that targets etc are met**

52.—(1) The duties mentioned in sections 1, 3 to 5 and 24 on the Northern Ireland departments (namely, to ensure that the net Northern Ireland emissions account is below a certain amount and that the net Northern Ireland emissions account for carbon dioxide for 2050 is below a certain amount) are duties on each of them—

- (a) to exercise its own functions, so far as is possible to do so, in a manner that is consistent with the achievement of that objective,
- (b) so far as is consistent with the proper exercise of its own functions, to co-operate with each of the other departments in the performance by the other department of the other department’s duty under paragraph (a), and

(c) to draw up and implement such plans, policies and strategies as may be appropriate for the purpose of performing its duties under paragraphs (a) and (b).

(2) Departments should, as far as reasonably practicable, align such plans, policies and strategies to those of the Republic of Ireland.

(3) Subsection (1) is in addition to (and does not limit) the duties under other sections of this Act.

Regulation-making powers: general

Regulations: general

10 **53.**—(1) Regulations under this Act may make such consequential or supplementary provision as the Department considers appropriate.

(2) The provision that may be made under subsection (1) includes, in particular, provision that—

- (a) amends this Act, or
- 15 (b) amends the carbon budget for any budgetary period before the start of the period (but not otherwise).

(3) Regulations may not be made under any provision of this Act unless a draft of the regulations has been laid before, and approved by a resolution of, the Assembly; but this is subject to subsection (4).

20 (4) Regulations under section 9(4) or 42(1) are subject to negative resolution, unless they contain consequential or supplementary provision of the kind mentioned in subsection (2).

(5) See sections 54 and 55 for restrictions on the power to make provision mentioned in subsection (2).

25 *Regulation-making powers: restrictions and considerations*

Regulations that amend or add an emissions target or amend a carbon budget

54.—(1) This section applies in relation to the making of regulations, under any provision of this Act, that—

- (a) amend an emissions target or add a new target in relation to emissions, or
- 30 (b) amend a carbon budget.

(2) The Department may make such regulations only if—

- (a) it is satisfied that it is appropriate to do so as a result of significant developments in one or more of the following matters—
 - 35 (i) United Kingdom or international law or policy relating to climate change;
 - (ii) scientific knowledge about climate change;
 - (iii) technology relevant to climate change; or
- (b) the provision made by the regulations—
 - (i) has been recommended by the Committee on Climate Change, or
 - 40 (ii) is not substantially different from provision that has been recommended by the Committee.

(3) When making such regulations, the Department must have regard to the following matters—

- (a) United Kingdom and international law or policy relating to climate change,
- (b) scientific knowledge about climate change,
- 5 (c) technology relevant to climate change, and
- (d) the views of the Northern Ireland Climate Commissioner and the Just Transition Commission.

(4) But if the Department is satisfied that it is appropriate to make the regulations as a result of significant developments in a matter listed in subsection
10 (2)(a) the Department is not also required by subsection (3) to have separate regard to that matter.

Regulations that specify a different baseline year or change a budgetary period

15 **55.**—(1) This section applies in relation to the making of regulations, under any provision of this Act, that—

- (a) specify a different baseline year for a greenhouse gas, or
- (b) change a budgetary period.

(2) The Department may make such regulations only if it is satisfied that it is appropriate to do so as a result of significant developments in United Kingdom or
20 international law or policy relating to climate change.

Regulation-making powers: advice

Requirement to obtain advice about proposals to make regulations

25 **56.**—(1) This section applies in relation to the making of regulations under any provision of this Act, except regulations that are made in accordance with section 54(2)(b) (recommendation by the Committee on Climate Change).

(2) Before making regulations under section 9(4) or 42(1), or laying draft regulations before the Assembly under section 53(3), the Department must—

- (a) request advice from the Committee on Climate Change about the proposal to make the regulations, and
- 30 (b) take the Committee's advice into account.

(3) When the Department requests advice from the Committee on Climate Change under this section, it must specify a reasonable period within which the advice must be provided.

(4) The Committee must provide the advice within that period.

35 (5) The Committee's advice must set out the reasons for the advice.

(6) The Department must publish the Committee's advice as soon as reasonably practicable after receiving it.

(7) Subsections (8) and (9) apply where—

- 40 (a) the Committee's advice includes recommendations as to provision that should be made by regulations, and

(b) the Department intends to make regulations that differ from that recommendation.

(8) If the regulations are to be laid in draft before the Assembly, the Department must at the same time lay before the Assembly a statement setting out the reasons for the difference.

(9) Otherwise, the Department must, on making the regulations, publish a statement setting out the reasons for the difference.

Advice about proposed regulations relating to targets

57.—(1) Subsections (2) and (3) apply where—

(a) the Department proposes to make regulations, under any provision of this Act, that—

- (i) specify a different year for a particular emissions target, or
- (ii) specify a different percentage for a particular year, and

(b) the Committee on Climate Change provides advice under section 56.

(2) Where the Department proposes to make regulations that specify a different year for a particular target, the Committee's advice must include the Committee's opinion as to—

(a) whether the year proposed is the earliest year for which the target could be achieved, and

(b) if not, what is the earliest year for which the target could be achieved.

(3) Where the Department proposes to make regulations that specify a different percentage for a particular year, the Committee's advice must include the Committee's opinion as to—

(a) whether the percentage proposed is the highest percentage achievable for the year, and

(b) if not, what is the highest percentage achievable for the year.

(4) When giving advice in accordance with this section, the Committee must have regard to the following matters—

- (a) United Kingdom and international law or policy relating to climate change,
- (b) scientific knowledge about climate change, and
- (c) technology relevant to climate change.

Advice about proposed regulations relating to budgets

58.—(1) This section applies where—

(a) the Department proposes to make regulations, under any provision of this Act, that set or change a carbon budget for a budgetary period, and

(b) the Committee on Climate Change provides advice under section 56.

(2) The Committee's advice must include the Committee's opinion as to—

(a) the appropriate level of the carbon budget for the period;

(b) the extent to which the carbon budget for the period should be met—

- (i) by reducing the amount of net Northern Ireland emissions of greenhouse gases, or

- (ii) by the use of carbon units that, in accordance with regulations made under section 11, may be credited to the net Northern Ireland emissions account for the period;
- (c) the respective contributions towards meeting the carbon budget for the period that should be made—
- 5 (i) by the sectors of the Northern Ireland economy covered by trading schemes (taken as a whole);
- (ii) by the sectors of the Northern Ireland economy not so covered (taken as a whole);
- 10 (d) the sectors of the Northern Ireland economy in which there are particular opportunities for contributions to be made towards meeting the carbon budget for the period through reductions in emissions of greenhouse gases.
- (3) When giving advice in accordance with this section, the Committee must have regard to the following matters—
- 15 (a) United Kingdom and international law or policy relating to climate change,
- (b) scientific knowledge about climate change, and
- (c) technology relevant to climate change.
- (4) In subsection (2)(c), “trading schemes” has the meaning given by section 44 of the Climate Change Act 2008.

20 *Definitions*

Meaning of “carbon unit”

59. In this Act, a “carbon unit” is a unit of a kind specified in regulations made by the Department and representing—

- (a) a reduction in an amount of greenhouse gas emissions,
- 25 (b) the removal of an amount of greenhouse gas from the atmosphere, or
- (c) an amount of greenhouse gas emissions allowed under a scheme or arrangement imposing a limit on such emissions.

Meaning of “greenhouse gas”

60.—(1) In this Act, “greenhouse gas” means any of the following—

- 30 (a) carbon dioxide;
- (b) methane;
- (c) nitrous oxide;
- (d) hydrofluorocarbons;
- (e) perfluorocarbons;
- 35 (f) sulphur hexafluoride;
- (g) nitrogen trifluoride.

(2) The Department may by regulations amend the list of greenhouse gases in subsection (1) so as to add a gas.

Meaning and measurement of emissions

61.—(1) In this Act, “emissions”, in relation to a greenhouse gas, means emissions of that gas into the atmosphere that are attributable to human activity.

(2) Each of the following must be measured or calculated in tonnes of carbon dioxide equivalent—

- (a) emissions of greenhouse gases;
- (b) reductions in greenhouse gas emissions;
- (c) removals of greenhouse gases from the atmosphere.

(3) A “tonne of carbon dioxide equivalent” means one metric tonne of carbon dioxide or an amount of any other greenhouse gas with an equivalent global warming potential, calculated consistently with international carbon reporting practice (see section 63).

Meaning of “sector”

62. In this Act “sector” or “sectors” refers to one or all of the following—

- (a) energy production and supply (including for residential, public and district heating and cooling purposes);
- (b) transport (including shipping and aviation);
- (c) infrastructure (including infrastructure for electric vehicular transport);
- (d) business and industrial processes;
- (e) residential and public (in relation to buildings in these sectors);
- (f) waste management;
- (g) land use and land-use change, including forestry;
- (h) agriculture; and
- (i) the provision of financial assistance to any person in connection with—
 - (i) the promotion of economic development in Northern Ireland or any part of Northern Ireland; and
 - (ii) the provision of infrastructure, goods or services in Northern Ireland or any part of Northern Ireland.

Other definitions

63. In this Act—

“the Committee on Climate Change” means the Committee of that name established by Part 2 of the Climate Change Act 2008;

“the Department” means the Department of Agriculture, Environment and Rural Affairs;

“emissions target” means a target set by section 1, 3 or 4;

“international carbon reporting practice” means accepted practice in relation to reporting for the purposes of—

- (a) the protocols to the United Nations Framework Convention on Climate Change, or
- (b) such other international agreements or arrangements as the Department may specify by regulations;

“Northern Ireland emissions” has the meaning given by section 9(2);

“Northern Ireland removals” has the meaning given by section 9(3).

General

Commencement

- 5 **64.** This Act comes into operation on the day after the day on which it receives Royal Assent.

Short title

- 65.** This Act may be cited as the Climate Change Act (Northern Ireland) 2022.

Climate Change (No. 2) Bill

[AS AMENDED AT FURTHER CONSIDERATION STAGE]

Set targets for the years 2050, 2040 and 2030 for the reduction of greenhouse gas emissions; to provide for a system of carbon budgeting; to provide for reporting and statements against those targets and budgets; to confer power to impose climate change reporting duties on public bodies; to provide for reports and advice from the Committee on Climate Change; and for connected purposes.

Introduced by: Mr Edwin Poots, Minister for Agriculture, Environment and Rural Affairs

On: 5 July 2021

As amended at
Consideration Stage: 1, 2 and 7 February 2022

As amended at Further
Consideration Stage: 28 February & 1 March 2022

Bill Type: Executive Bill

ACCOMPANYING DOCUMENTS

**An Explanatory and Financial Memorandum is printed separately as
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