Committee for Agriculture, Environment and Rural Affairs
Stella McArdle
Room 243, Parliament Buildings,
Ballymiscaw,
Stormont,
Belfast, BT4 3XX

89 Loopland Drive
Belfast BT6 9DW
Northern Ireland

T 028 9045 5770

info@nienvironmentlink.org
www.nienvironmentlink.org

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NIEL response to AERA committee re DAERA letter re CCC Sixth Carbon Budget

Northern Ireland Environment Link (NIEL) is the networking and forum body for non-statutory organisations concerned with the natural and built environment of Northern Ireland. Its 63 Full Members represent 190,000 individuals, 262 subsidiary groups, have an annual turnover of £70 million and manage over 314,000 acres of land. Members are involved in environmental issues of all types and at all levels from the local community to the global environment. NIEL brings together a wide range of knowledge, experience and expertise which can be used to help develop policy, practice and implementation across a wide range of environmental fields. These comments are made on behalf of Members, but some members may be providing independent comments as well.

Firstly, NIEL would like to thank the AERA Committee for the invitation to provide a submission to the Committee in relation to the department's letter to the committee regarding the CCC's Sixth Carbon Budget report. **There are a number of points NIEL would like to make in relation to the DAERA letter to the AERA Committee and the UK Climate Change Committee (CCC) Sixth Carbon Budget.**

(1) In the letter to the AERA Committee, DAERA claims, without providing supporting evidence, that net zero is not appropriate or feasible for NI, yet as DAERA referred to in that same letter, the CCC said in its Sixth Carbon Budget "*there is no purely technical reason why net zero is not possible in Northern Ireland*"

(2) The CCC did not set a target for NI of 82% reductions in GHG emissions by 2050. The CCC made a number of suggestions based on different scenarios, one of which was the Balanced Pathway which involved NI reducing its emissions by 82% by 2050. However, the CCC said the Balanced Pathway was illustrative and not prescriptive.

(3) The AERA Minister wrote to the CCC and asked for the CCC's advice on how NI can make a fair contribution to the UK achieving net zero by 2050. The Minister did not ask the CCC how NI could achieve net zero by 2050 and the CCC's recommendations must be viewed in that context.

(4) There are sound economic reasons for achieving net zero, including, as the CCC outlined, a boost to UK GDP of around 2% by 2030 with an accompanying boost to employment of around 1%.

(1) In the letter to the AERA Committee, DAERA claims, without providing supporting evidence, that net zero is not appropriate or feasible for NI, yet as DAERA referred to it in that same letter, the CCC said in its Sixth Carbon Budget "*there is no purely technical reason why net zero is not possible in Northern Ireland*"

NIEL noted with interest that the DAERA letter to the committee says on page 2

"*There are a number of factors to support that net zero is not appropriate or feasible for Northern Ireland*"

However, not only is there no supporting evidence provided by DAERA for this claim but DAERA appears to contradict this claim on the same page of its letter to the Committee where reference is made to the fact that the UK Climate Change Committee (CCC) said in the Sixth Carbon Budget report[1],

"*there is no purely technical reason why net zero is not possible in Northern Ireland*".

The CCC Sixth Carbon Budget[2] also refers to the need for the UK to have the "***highest possible ambition***" as regards pathways to net zero. As the discussion document says[3]

"*the later cuts are made, the greater they must be to achieve the same long-term goal, and so they will be more expensive to implement*"

On the basis that we have to have the "***highest possible ambition***" and the CCC has said net zero is possible in Northern Ireland, it is therefore unclear on what basis DAERA claims in its letter to the Committee that net zero is not feasible in NI. Similarly, on the basis that the UK now has a legal target to achieve net zero carbon by 2050, it is unclear on what basis the department claims that net zero is not appropriate for NI.

It is also significant that the CCC concluded in its 2019 Net Zero report[4] "*that net-zero is necessary, feasible and cost-effective*" for the UK and so should commit to a net zero carbon future, by 2050. The CCC did not make an exception for NI in this report, which therefore leads one to conclude that the CCC believes that net zero is "*necessary, feasible and cost-effective*" for NI as well.

Furthermore, in DAERA's 'Environmental Plans, Principles and Governance for Northern Ireland Public Discussion Document[5] published in December 2020, the Minister in his foreword (page 1) says that in relation to the proposed Green Growth strategy, the aim of Green Growth is, amongst other things "*To transform our society to net zero by 2050*". This is repeated on page 13 of that discussion document and on page 4 of that document the Green Growth Strategy is described as "*essentially a roadmap to achieving net zero carbon by 2050".* It is therefore not clear why DAERA feels that net zero "*is not appropriate or feasible for Northern Ireland*" given the previously stated position of the Minister and the department as outlined in those other documents is to achieve net zero by 2050.

The CCC Sixth Carbon Budget report says that the analysis carried out for the report suggests that Northern Ireland achieving Net Zero greenhouse gas emissions is not necessary for the UK to meet its climate targets. While this may be factually correct, the question is why would NI not aim to achieve net zero if it would be possible for NI to do so and given that, as the DAERA Minister stated in the climate change bill discussion document[6],

"*tackling climate change should be viewed not just as an environmental challenge, but also as an economic opportunity"*

The potential economic benefits of NI achieving net zero GHGs will be explored in the sections that follow this but on the basis that investing in net zero carbon technology and infrastructure has the potential to create thousands of jobs - potentially double the current number of jobs in the low carbon sector in NI - NIEL would therefore expect the department responsible for climate change to approach achieving net zero with enthusiasm and to be proactively offering potential solutions but the department's letter to the Committee falls short in this regard.

(2) The CCC did not set a target for NI of 82% reductions in GHG emissions by 2050. The CCC made a number of suggestions based on different scenarios, one of which (the Balanced Pathway) involved NI reducing its emissions by 82% by 2050. However, the CCC also described the Balanced Pathway as illustrative and not prescriptive.

The DAERA letter states that "*Northern Ireland's target of an at least 82% reduction in emissions is the evidence-based advice from the CCC".* However, it is not accurate to describe the 82% GHG emissions reduction figure as "*Northern Ireland's target*" as DAERA has done in its letter to the Committee. NI has no formal target for GHG reductions at this point and the CCC do not describe the relevant phrase in its Sixth Carbon Budget as a target, as it is only one scenario (called the Balanced Pathway) out of five scenarios that the CCC came up with in the Sixth Carbon Budget report. Furthermore, as the CCC says in the Sixth Carbon Budget[7] and Lord Deben said in his letter to Minister Poots:

*"*While our Balanced Pathway is the basis for our recommended budget it is not intended to be *prescriptive.* Rather it is *illustrative* of what a broadly sensible path based on moderate assumptions would look like."

This is a subtle but important difference. When thinking about what might happen in terms of climate change, telecommunications or transport or pretty much any issue, over the next 30 years, we can really only try to predict how things will turn out, based on the best available scientific evidence, and that is what the CCC did in coming up with a number of different scenarios in its Sixth Carbon Budget report. The IPCC do the same in terms of their climate projections. Therefore, the 82% GHG reductions by 2050, is just one option, based on certain assumed circumstances. If the circumstances turn out to be different, there will be a different outcome and that is what the other scenarios proposed by the CCC illustrate, including the 'Tailwinds' scenario that says NI can reach a 94% reduction in GHG emissions by 2050. There is of course also the net zero option which the CCC said is possible in NI. Put simply, a higher level of ambition and different choices should mean a greater level of emissions reductions is achieved and that is a choice that we will make. As such, describing an 82% reduction in GHGs as NI's target by 2050 is inaccurate.

3 The AERA Minister wrote to the CCC and asked for the CCC's advice on how NI can make a fair contribution to the UK achieving net zero by 2050. The Minister did not ask the CCC how NI could achieve net zero by 2050 and the CCC's recommendations must be viewed in that context.

This is important consideration because the CCC is merely answering the question it was asked. Had the CCC been asked a different question, such as, 'How can NI achieve net zero by 2050 or earlier?' it is likely the CCC response would have been different. Despite this narrow framing of the question put to it, the CCC made the point that "*There is no purely technical reason why Net Zero is not possible in Northern Ireland*." NIEL regards it as significant that the CCC looked beyond the limits of the question asked and made this statement. If NI can achieve net zero, as the CCC says is possible, why would NI not aim to do so, especially if doing so will have positive impact on the economy, environment and people of NI?

4 There are sound economic reasons for achieving net zero, including, as the CCC outlined, a boost to UK GDP of around 2% by 2030 with an accompanying boost to employment of around 1%.

There is a lot of evidence of the potential economic benefits of developing a low and ultimately zero carbon economy in the UK and for Northern Ireland specifically. In its 2019 report on Net Zero, the CCC says[8]

"*The overall economic impact of cutting emissions and the costs of increasing ambition to net-zero are likely to be small globally and in the UK and could turn out to be positive*."

The CCC Sixth Carbon Budget report also says[9] that

"*Around half of the measures to reduce emissions are expected to be cost saving by 2050, primarily decarbonising electricity and surface transport*."

Modelling commissioned for the CCC Sixth Carbon Budget report[10] suggests a boost to UK GDP growing to around 2% of GDP by 2030, with an accompanying boost to employment of around 1%. According to this analysis the GDP boost will continue growing after 2030 before levelling off at around a 3% boost by 2050. The CCC goes on to say[11] that considering the various economic models and evaluations, the investment programme for achieving net zero set out in section 2 of the Sixth Carbon Budget report

"*can provide a significant economic boost in the coming years and support the UK's economic recovery*."

While it is not clear if the level of growth in GDP and employment will turn out to be exactly the same in NI as projected for the UK overall, the point is that moving to a net zero carbon economy also offer potential economic benefits. This interpretation appears to be shared by the Minister who said in the climate change bill discussion document[12], that "*tackling climate change should be viewed not just as an environmental challenge, but also as an economic opportunity".*

The CCC Sixth Carbon Budget said that in order for NI to reach net zero greenhouse gas (GHG) emissions by 2050 one (or both) of the following was needed: a substantial reduction in output from NI's livestock farming sector that goes beyond the stretching scenarios analysed in the Sixth Carbon Budget; a much greater than equal share of all UK greenhouse gas removals being located in NI compared to its current emissions, population or economic output. Since many organisations advise that we need to reduce our overall meat consumption in order to tackle climate change then we may need to reduce the NI livestock sector anyway. In this context, reducing the impact of the NI livestock sector could be viewed as a step toward rather than a possible hindrance to NI achieving net zero by 2050. For example, the CCC Sixth Carbon Budget Balanced Pathway involves a 20% shift away from meat and dairy products by 2030, with a further 15% reduction of meat products by 2050[13]. The CCC goes on to reference a 2013 report the CCC commissioned from Ricardo which indicated that the health impacts of reducing red meat consumption by 50% amounted to an annual monetised benefit of 0.5% of GDP[14]. The CCC also reference a report[15] from Scarborough et al (2010) which says that a reduction in meat and dairy consumption by 83% by 2050 could mean 45,000 deaths avoided or delayed each year and a reduction in costs to the NHS of £1.2 billion per year. In summary, according to the CCC, reducing our levels of meat consumption could enable NI to achieve net zero by 2050 while boosting GDP, saving lives, improving citizen health and reducing NHS costs.

The low carbon and renewable energy (LCRE) economy in NI is already significant[16], generating £2 billion in 2017 - £1.2 billion directly and £800 million indirectly and approximately 11,700 FTE jobs

with an even 50/50 split between direct and indirect jobs. This is a very significant contribution, but we can build on this. For example, according to the National Grid[17] the UK will need to recruit over 400,000 jobs to build the net zero energy workforce and reach net zero by 2050, of which 13,700 jobs will be needed in NI.

The potential for job creation from a low carbon economy in NI could be even higher though, as suggested by amongst others, the Institute for Public Policy and Research[18] which concluded that greater investment in a green recovery and clean, low-carbon jobs could create 1.6 million new jobs in the UK over the next decade, of which over 40,000 could be in Northern Ireland. Of those 1.6 million jobs, half a million (560,000) could be created by improving the energy efficiency of homes, which would also help reduce fuel poverty and help the health and economic prospects of thousands. The IPPR also found that without government intervention, unemployment could rise by more than 2.1 million to almost 10% of the workforce.

This is a clear demonstration of how setting the right policies can drive economic development and job creation. The London School of Economics Grantham Research Institute and the Centre for Climate Change Economics and Policy[19] reached the same conclusion when it said

"*The key issue preventing a rebound in investment is a lack of confidence to invest rather than a lack of liquidity*."

This is another example of the benefits of developing an ambitious net zero carbon plan for Northern Ireland as that would send the right sort of message to potential low/zero carbon investors.

Yours faithfully

Malachy Campbell,
Senior Policy Officer NIEL

[1] https://www.theccc.org.uk/publication/sixth-carbon-budget/ page 230
[2] https://www.theccc.org.uk/publication/sixth-carbon-budget/ (p17)
[3] https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Discussion%20Document%20on%20a%20Northern%20Ireland%20Climate%20Change%20Bill%20-%20Full-length%20version_0.pdf page 30
[4] https://www.theccc.org.uk/publication/net-zero-the-uks-contribution-to-stopping-global-warming/ page 8
[5] https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Discussion%20Document%20on%20Plans%2C%20Principles%20and%20Governance%20-%20Published%20Dec%202020.pdf page 13
[6] https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Discussion%20Document%20on%20a%20Northern%20Ireland%20Climate%20Change%20Bill%20-%20Full-length%20version_0.pdf
[7] https://www.theccc.org.uk/publication/sixth-carbon-budget/ page 43
[8] https://www.theccc.org.uk/publication/sixth-carbon-budget/ page 213
[9] Ibid page 261
[10] Ibid page 267
[11] Ibid page 267
[12] https://www.daera-ni.gov.uk/sites/default/files/consultations/daera/Discussion%20Document%20on%20a%20Northern%20Ireland%20Climate%20Change%20Bill%20-%20Full-length%20version_0.pdf
[13]https://www.theccc.org.uk/publication/sixth-carbon-budget/ page 165
[14] Ibid page 273
[15] Scarborough, P. et. al. (2010) Modelling the health impacts of the diets described in 'Eating the Planet' https://www.ndph.ox.ac.uk/food-ncd/files/about/modelling-health-impacts.pdf
[16] ONS Low Carbon and renewable energy economy, UK 2017 see Table 3 https://www.ons.gov.uk/economy/environmentalaccounts/bulletins/finalestimates/2017#how-do-we-measure-the-low-carbon-economy
[17] National Grid Building the net zero energy workforce January 2020 https://www.nationalgrid.com/document/126256/download
[18] https://www.ippr.org/research/publications/transforming-the-economy-after-covid19
[19] The basic economics of low-carbon growth in the UK Romani M., Stern N. and Zenghelis D. 2011 http://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2014/03/PB_economics-low-carbon-growth_Jun11.pdf