

**Central Service and Contingency Planning
Group**
Central Management Branch



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Dear Nick,

Briefing paper: Update on the Climate Change (No. 2) Bill

As the Committee will be aware, the Climate Change (No.2) Bill passed Second Stage in the Assembly on 27th September 2021. Officials are due to provide an oral briefing to the Committee on 14th October 2021 and, in advance of this oral briefing and to aid the discussions, I attach a briefing paper which summarises the Bill's main provisions.

Officials are happy to provide any assistance required by the Committee as part of its ongoing scrutiny process in respect of the Bill.

I trust this information is of assistance but should you require anything further please contact me directly.

Yours sincerely,



Michael Oliver
Departmental Assembly Liaison Officer

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Environment, Marine & Fisheries Group (EMFG)

Environment Policy Division

Briefing paper on the Climate Change (No 2.) Bill

BACKGROUND

1. Officials previously briefed the Committee on 18th March 2021 on the proposed content of the Department's Executive Climate Change Bill. Further briefing and correspondence has also been provided by Departmental officials in respect of the Committee's consideration of the Climate Change (No.1) Bill.
2. Following the approval of the Executive to the policy content of the Bill, the DAERA Minister, Edwin Poots MLA, introduced the Climate Change (No.2) Bill to the Assembly 5th July 2021 and the Bill passed its Second Stage on 27th September 2021.

MAIN ELEMENTS OF THE CLIMATE CHANGE (NO.2) BILL

3. The Bill is split into five Parts and the main elements of each Part of the Bill are as detailed below.

Part 1 – Emissions Targets

4. This Part sets a long-term net greenhouse gas emissions reduction target for Northern Ireland of at least 82% lower than the baseline by 2050. It also sets two interim net greenhouse gas emissions reduction targets for Northern Ireland of 48% lower than the baseline by 2030, and 69% lower than the baseline by 2040. The duty on ensuring these targets are met is placed on all Northern Ireland departments. The baseline is defined in clause 5 of the Bill. As the Committee will be aware, the targets in the Bill have been set in accordance with the independent, expert advice provided by the UK Climate Change Committee.
5. This Part also includes provisions which provide powers to, via regulations:
 - specify a different year for a particular target or a different percentage for a particular year
 - add further targets; and
 - modify the baseline year for a greenhouse gas.
6. The Department notes that some members of the Committee have expressed concerns regarding the power to change the targets in the Bill. The purpose of this power is to provide flexibility for adapting to progress being made in reducing emissions and other factors which may mean that a different target is appropriate.

This power can only be used as a result of a recommendation from the Climate Change Committee and/or if it is considered appropriate to change the target on the basis of significant developments in UK or international climate change law or in scientific knowledge or technology relevant to climate change. As is standard in Northern Ireland legislation, the power is provided to an individual Department however use of the power is subject to Executive and Assembly approval. Similar powers are included in climate change legislation in other parts of the UK and have been used to introduce more ambitious targets. The intention is that the power would similarly be used to strengthen the targets within the Bill when the evidence shows it is appropriate to do so.

7. Further provisions in Part 1 of the Bill set out how emissions are to be calculated for the purposes of the targets and provide powers to bring forward regulations in relation to:
 - taking into account emissions from international aviation and shipping;
 - the crediting and debiting of carbon units and the establishment of a scheme around this.

Part 2 - Carbon Budgets

8. This part contains provisions which place a requirement on the Department to make regulations to set 5 yearly carbon budgets (beginning in 2023) which will establish a statutory cap on the total net greenhouse gas emissions allowed to be emitted in Northern Ireland within that 5 year period. A duty is placed on Northern Ireland departments to ensure that these carbon budgets are not exceeded. Part 2 of the Bill further includes provisions around the principles and timing of the setting of carbon budgets and includes powers to:
 - allow for the modification of carbon budgets subject to certain restrictions;
 - carry back limited parts of a carbon budget to the preceding budgetary period; and
 - carry forward unused parts of carbon budgets to the next budgetary period.

Part 3 - Reports and Statements against Targets and Budgets Etc

9. This Part sets out requirements in terms of the preparation of reports to set out how carbon budgets will be met and to assess progress in terms of whether carbon budgets and targets have been met. It requires the following reports to be laid in the Assembly:
 - Carbon Budget Implementation Reports: 5-yearly reports which set out proposals and policies for meeting the carbon budget for a period (with interim progress reports required);
 - Carbon Budget Final Statements: a statement for each budgetary period which must, amongst other things, detail:
 - the total and net greenhouse gas emissions;
 - the total amount of greenhouse gas removals;
 - the amount of carbon units credited or debited for the period
 - whether the carbon budget for the period has been met and provide reasons why the budget has been met or not met;
 - an assessment of the extent to which the proposals and policies for meeting the carbon budget for the period have been carried out and

have contributed to the carbon budget for the period being met or not being met;

- Statements on compliance with the interim greenhouse gas emission reduction target years (2030 and 2040) and the 2050 target which must detail:
 - the total amount of Northern Ireland emissions, removals and the net emissions;
 - the amount of any carbon units credited or debited to the emissions account; and
 - why a target has, or has not, been met.

10. Part 3 of the Bill also includes enabling provisions to give power (through regulations) to set out requirements in terms of climate change reporting by public bodies and this is an area which will be progressed when the legislation is enacted.

Part 4 - Reports by Committee on Climate Change

11. Part 4 of the Bill places a number of requirements on the UK Climate Change Committee in respect of reporting on progress being made with respect to meeting the targets in the Bill, carbon budgets set under the Bill and the implementation of Climate Change Adaptation Programmes (which are required under Section 60 of the UK Climate Change Act 2008). The Climate Change Committee will also be required, before the end of 2027, to report on progress towards meeting carbon budgets set under the Bill and the 2050, 2040 and 2030 emissions targets, whether those targets and budgets are likely to be met and any further measures required to meet them. The Committee is required to provide their views on the same aspects when reporting after the end of each budgetary period.

12. When reporting on progress against the 2030 and 2040 interim targets, the Climate Change Committee is also required to provide its views on whether the remaining targets are the highest achievable and, if not, what the highest achievable target would be and what measures would be required to meet it.

13. DAERA will be required, on behalf of the Executive, to lay responses to all of these reports in the Assembly.

Part 5 - Supplementary

14. Part 5 of the Bill:

- expands on the duties which are placed on all Northern Ireland departments to meet the emission reduction targets and carbon budgets;
- sets out the restrictions on the Department when using the regulation making powers in other Parts of the Bill including the need to request advice from the CCC.
- contains definitions for a number of terms used throughout the Bill.