

## Climate Change (No. 2) Bill Summary

Sponsored by the Minister for Agriculture, Environment and Rural Affairs

This document summarises the Climate Change Bill that has been brought forward by the Minister for the Department of Agriculture, Environment and Rural Affairs (DAERA) in order to help inform members of the public and stakeholder organisations about the key aspects of the legislation.

### Emissions Targets

The Bill outlines that Northern Ireland (NI) will achieve **at least an 82% reduction in total greenhouse gas (GHG) emissions** compared to baseline levels **by 2050** (baseline year is either 1990 or 1995, depending on the particular gas).

Interim targets are also included in the Bill as follows:

- Net GHG emissions will be **at least** 48% lower than baseline levels by 2030
- Net GHG emissions will be **at least** 69% lower than baseline levels by 2040

These targets are based on advice provided by the UK Committee on Climate Change (CCC) as to what is considered reasonable, fair and credible for NI to achieve, as part of the UK-wide initiative to deliver net-zero GHG emissions by 2050.

### Changes to Targets

The Bill gives DAERA the authority to change the target emission levels, years or baseline through regulations which must be approved by the Assembly.

DAERA may only bring forward a proposed change if (1) it is satisfied that it is **justified** on the basis of significant developments in UK or international law/policy, scientific knowledge or technology relevant to Climate Change and the CCC has advised that the change is the most ambitious that it could be (if relevant) OR (2) the CCC has recommended the change (or it is not substantially different from a CCC recommendation).

### Pathway to Deliver Targets

DAERA will establish “**Carbon Budgets**” that will outline maximum GHG emission levels for NI for specific time periods. Each Carbon Budget will be set at a level designed to achieve the interim and overall emissions targets included in the Bill.

The first Carbon Budget will cover 2023 to 2027 and subsequent Budgets will **run for a period of 5 years**. DAERA must set Carbon Budgets for the first 3 budgetary periods before the end of 2023.

The Bill gives DAERA the authority to carry GHG amounts from one Carbon Budget to another, either forwards or backwards, following consultation with other NI Departments and the CCC.



## Progress Reporting

The Bill places the following responsibilities on DAERA to lay reports with the Assembly on the progress and effectiveness of Carbon Budgets:

- A report outlining the policies/strategies that will be implemented by NI Government Departments to meet a Carbon Budget must be submitted before the end of Year 1 of that Carbon Budget period
- An **interim progress report** must be laid before the **end of Year 3** of each Carbon Budget period
- Within two years of the end of each Carbon Budget period a **final statement** must be laid with an assessment as to whether the Carbon Budget for that period has, or has not, been met
- If the final statement confirms that net GHG emissions exceeded the Carbon Budget for that period, a report must be laid within 3 months outlining proposals to compensate for the excess net emissions in future periods
- A statement must be laid documenting compliance with the emissions targets for 2030, 2040 and 2050 within 24 months of the end of each respective year

## Independent Oversight

The Bill proposes that the CCC will report periodically on the progress made in terms of meeting GHG emission targets and will make recommendations as required – these reports will be laid before the Assembly.

The CCC will send a report to DAERA by the end of 2027 outlining its consideration of the progress made towards meeting the emissions targets, the Carbon Budgets that have been set, the likelihood of achievement and any further measures that may be required to meet the targets and budgets.

**Within 6 months** of DAERA laying a final statement on a particular Carbon Budget period, the CCC will send a report to DAERA on **its assessment of the attainment of that Budget**, the relevant actions that have been taken by NI Departments and any further measures that may be needed to meet future Budgets.



A similar report will be sent by the CCC to DAERA within 6 months of the statements being laid in relation to the interim emissions targets for 2030 and 2040. These reports will include the CCC's view on whether the emissions targets for 2040 and 2050 respectively are the most ambitious they could be and what additional measures may need to be implemented.

DAERA must lay a response to the Assembly within 6 months of receiving each UK CCC report.

## Government Responsibilities

The Bill places an obligation on all NI Government Departments to ensure that GHG emissions do not exceed the level set in each Carbon Budget.

Additionally, Government Departments will be required to furnish DAERA with the necessary information to support its reporting obligations set out in the Bill including:

- The policies, proposals and strategies that will be taken forward by each Department to deliver each Carbon Budget
- Updates on these initiatives to inform the Carbon Budget interim progress report laid by DAERA by the end of Year 3 of each period
- Data to support submission of Carbon Budget final statements and compliance statements for years 2030, 2040 and 2050

## Public Body Reporting

The Bill also gives DAERA the authority to impose through regulations Climate Change **reporting duties on specific public bodies** following consultation with the body/organisation.

## Climate Change Adaptation

The Bill requires the CCC to provide a report to DAERA on its consideration of the progress made, and any relevant recommendations, against Climate Change Adaptation Programmes laid by a Government Department with the Assembly under section 60 of the Climate Change Act 2008.

The report must be sent within 3 years of each programme being laid and DAERA must send the Assembly a copy of the report as soon as possible.

## Financial Implications

DAERA has acknowledged the challenges in estimating the projected costs associated with the Bill, given the long timeframe and uncertainties with regards future policies that may be introduced and the potential emergence of new technologies.

The indicative net cost of the Bill from the years 2022-2050 is **estimated to be over £4 billion** (approx. £140 million per year).

It is projected that the additional resource costs will be less than 1% of 2018 GDP each year through to 2050 and there will be a significant requirement for capital investment to put in place effective low-carbon infrastructure and technologies.

