



Briefing on the Government's Climate Change Response Bill **January 2011**

Government Bill is weak, but can be strengthened **Bill has been diluted during drafting by vested interests;** **now weaker than cross-party Oireachtas Committee Bill in key respects**

Executive Summary

- Friends of the Earth welcomes the Climate Change Response Bill 2010, however it needs significant strengthening to be effective.
- It is considerably weaker than the Government's Framework Document published in December 2009, and than the commitment to legislation in the renewed Programme for Government.
- The Bill is weaker in key respects than the Joint Oireachtas Committee on Climate Change's cross-party Bill e.g. absence of legally-binding 5-year carbon budgets.
- There is no provision for five year targets in the Bill. The first target is for 2020, which is too far away to be politically effective.
- Carbon Budgets, the best way of managing the delivery of emissions targets, and much vaunted by this Government, are completely absent from the Bill.
- The Framework Document promised the Bill would enshrine emissions reductions of 3% a year until 2020. The published Bill only promises reductions of 2.5% a year.
- IBEC are mistaken – the 2020 target in this Bill is the same as Ireland's EU target, not more demanding.
- The IFA are mistaken – agriculture is not penalised or singled out in any way. The Oireachtas Committee Bill, which has cross-party support, has much stricter targets for agriculture.
- The independence of the Expert Advisory Body is severely undermined in the published Bill – it can't even publish its own reports.
- The Government Bill is worth supporting and strengthening for two reasons. It remains a very useful building block - indeed we think it can become the cornerstone of an economically resilient, low-carbon Ireland.
- It has also been through the civil service mill. Getting any other Bill through that process would probably take another year and there's no guarantee it would emerge any stronger than this one.
- Friends of the Earth is urging Senators and TDs to reverse these weaknesses during the parliamentary process to ensure the Bill safeguards the long-term public interest.

An introductory comment on climate legislation

Friends of the Earth welcomes the Climate Change Response Bill 2010, however it needs significant strengthening to be effective.

Friends of the Earth has long believed that a climate law is the only way to ensure that Ireland does its fair share to prevent climate change running out of control. An effective law also provides the framework for our society and Government to discuss and decide how best to share the effort required to reduce emissions in a way that is equitable and efficient.

An effective climate law will mean that whoever is in Government will have to think ahead and act in a timely manner to reduce our emissions. In the 10 years after the signing of the Kyoto Protocol in 1997 we all but ignored our targets and our emissions spiralled out of control. The huge bill taxpayers faced to buy overseas offset-credits to cover our overshoot was only reduced by the devastating recession, not Government policy. Even now, our per capita emissions are among the highest in Europe. An effective law means in future we will not wait until the last minute before attempting to comply with our international obligations and EU agreements.

Politicians often tell us that people do not ask them about climate change on the doorsteps. People were not asking about banking regulation 5 years ago but they would be grateful now if politicians had acted nonetheless. The causes of the climate crisis share certain characteristics with those of the banking and economic crisis: poorly understood risk, complacency that business-as-usual can go on forever, a desire among policy makers not to disturb any vested interests and a culture of light regulation. An effective climate law is the equivalent of the banking regulation we should have had five or 10 years ago.

Friends of the Earth believes that a strong, well-structured, climate change law will be a cornerstone of a low-carbon recovery that is economically, socially and environmentally sustainable. Putting our long-term emissions targets into law will give certainty to businesses and households. A law is the best way to make sure all departments across government and all governments across time take climate change seriously and take action consistently.

Ireland was not rich in the natural resources of the fossil-fuel age. We are rich in the natural resources of the post-carbon age. A climate law will send a strong signal that we are building the institutional framework to support a green enterprise economy and make Ireland a leading location for green investment and jobs that will last, rather than being the product of another boom and bust economic cycle.

It is also appropriate that the Climate Change Response Bill is being introduced in the Seanad, which has taken an ongoing and cross-party interest in climate legislation since the matter was first debated in the upper house in October 2007.

The weaknesses of the Bill

The Climate Change Response Bill 2010 is significantly weaker than the Government's Framework Document published in December 2009, and than the commitment to legislation in the renewed Programme for Government. In key respects it is weaker than the cross-party Bill produced by the Joint Oireachtas Committee on Climate Change. It bears all the hallmarks of prolonged bureaucratic haggling. The delay in producing the Bill has seen it diluted on behalf of vested interests. Friends of the Earth is urging Senators and TDs to reverse these weaknesses during the parliamentary process to ensure the Bill's maximum effectiveness in safeguarding the long-term public interest.

1. **Absence of 5-year targets and carbon budgets**

No Five year targets

- The first target that any Government faces under this Bill is 2020. That is simply too far away to be politically effective. It's exactly the problem we faced with the Kyoto Protocol that a climate law should be designed to avoid.
- The Fianna Fail-led Government which signed Kyoto in 1997 did not expect to be in power when the commitments fell due in 2008. If Ireland had passed a climate law in 1997 which provided for interim targets in 2002 and 2007 it is much more likely we would have acted in a timely and effective manner to meet our Kyoto commitments.
- In a world where politics is dominated by the 24/7 news cycle and the 5-year electoral cycle a target that is almost 10 years away is toothless.
- Good climate legislation is about hardwiring accountability on climate change into the political system. Yet under the Bill as it now is, the Government we elect in the coming months would not face any target. After 2020 the next target is 2030 and after that, 2050, so most Governments would not face any target.
- The Bill should be amended to provide for the setting of 5-year targets by Government. This would be much better aligned with the electoral cycle of political accountability and would therefore be a much greater spur to timely action.

No carbon budgets

- The Programme for Government and the Framework Document both talk about putting carbon budgeting on a statutory footing. The published Bill makes no mention of carbon budgets at all.
- A 'carbon budget' is simply a Government statement of the total amount of greenhouse gases that will be emitted in the coming period (e.g. the next year, or the next five years), in the same way that a fiscal budget is a statement of how much money the Government will spend in a given period.
- Until recently the closest Ireland has had to a carbon budget is the figure for our "total allowable emissions" under the Kyoto Protocol for the five-year period from 2008-2012. Ireland's carbon budget for the 6 greenhouse gases covered by Kyoto is 314.184 million tonnes CO₂eq for the five years.
- Friends of the Earth believes that five-year carbon budgets are by far the best way of managing the delivery of targets. The important difference between a target and a budget is that a target is about emissions at a single point in time, five years in the future, while a budget captures the total emissions over the five year period.
- To continue the fiscal analogy, the Government has agreed a target to reduce the annual fiscal deficit to 3% of GDP in 2014. The relevant budget is the total amount the Government will spend over the intervening four years to achieve that target.
- Government ministers said that the Irish climate law would be modelled on the UK Climate Change Act, indeed would improve on it. Under the UK Act the British Government announces 3 five-year carbon budgets at a time – the first of which is legally binding. They budget 15 years ahead in other words.

2. **The targets are inadequate**

Early action is what is needed to drive Ireland towards a low-carbon economy. This will be extremely important for putting us on the right path. There are benefits in driving change early, such as early mover advantages for business. Also the next 15 years are the most crucial in terms of atmospheric concentrations that are pushing us towards catastrophic climate change.

2020

The 2007 Programme for Government included a commitment to reduce Ireland's emissions by 3% a year on average until 2012. The Renewed Programme for Government extended that commitment to 2020 and committed to putting it into law. It is disappointing that the 2020 target in the published Bill is only the equivalent of a reduction of 2.5% a year.

2050

The IPCC report indicated that developed countries will have to reduce their emissions by 80-95%, from 1990 levels, by 2050, to do their fair share. The EU supports this position. Indeed, that will only give us a 50/50 chance of limiting global warming to 2C above pre-industrial levels. In other words, this already represents a timid, not to say inadequate, approach. The Government Bill sets a 2050 target of reducing Irish emissions by 80%, the very least we will have to do to play our full part in containing climate change.

IBEC are mistaken - the 2020 target is the same as our EU target

The 2020 target in the Government Bill is **not** more demanding or ambitious than what Ireland is already required to do under existing EU directives concerning emissions reductions. The target in the Bill is to get gross Irish emissions down to 52.5 MT in 2020, the EU package translates to gross Irish emissions in 2020 of 52.4 MT. [You can download a detailed spreadsheet of what the targets mean here¹](#).

The IFA are mistaken – the Bill does not penalize agriculture

The Government's Bill does not single out any one sector or seek to penalise agriculture in any way. The Oireachtas Committee Bill, which has cross-party support, has much stricter targets for agriculture. The Government Bill simply puts the 2020 and 2050 targets for the state as a whole, agreed with our partners in the European Union, into Irish law. It doesn't make the targets any more demanding, it just makes it more likely that we actually act to achieve them. But we are free as a society to decide how we achieve them and how each economic sector can best contribute to building a prosperous, resilient, low-carbon Ireland.

3. The Expert Advisory Body is not independent enough

The independence of the Expert Advisory Body (EAB) must be ensured for it to be effective and it must be free to contribute to the public debate on tackling climate change.

The published Bill, however, does not even allow the Expert Body to publish its own reports!

Section 9(1) says "the Expert Advisory Body shall, **subject to the consent of the Government**, publish an annual report in such manner **as the government determines**" (our bold). This leaves a sorry state of affairs where it is likely that each year the report of the expert panel will only get into the public domain on foot of Freedom of Information requests. The EAB should be free to publish their reports themselves, no later than a week after they furnish the minister with the report. It should be a responsibility of the EAB itself to publish the report not the Government, independent advice to the Ministers on matters as important as this should be in the public domain. The UK Act is much stronger on this point. Their Climate Change Committee must publish its advice "in such a matter as it considers appropriate".

¹ www.foe.ie/download/xls/2020_emissions_target_comparison_of_eu_directives_and_irish_climate_bill_25_trajectory.xls

4. The National Climate Change Plan is on a 7 year cycle which is much too long.

The National Climate Change Plan should be on a five year cycle to be relevant and effective. Politically too much can happen in seven years.

If the 2020 target is the destination we want to reach and the carbon budget sets the amount of pollution we can afford to emit in order to achieve that target, then the National Climate Change Plan details the policy measures we will take to stay within the carbon budget.

Why a strong climate law makes sense for Ireland

Cross-party approach

Containing climate change will require the commitment of every party in every government for the next 40 years. The 2007 Programme for Government commits the Fianna Fail / Green Party coalition to “agree an all-party approach to climate change targets”. The establishment of the Joint Oireachtas Committee on Climate Change and Energy Security with a Chair drawn from the Opposition was presented as part of that effort. Speakers from all parties have welcomed the principle of legislation on numerous occasions in both houses now. There could be no stronger or better expression of a cross-party approach to climate change than an Act of the Oireachtas. It hardwires action and accountability on climate change into the political system.

Certainty over time

The pathway to a low-carbon economy and society will require a whole series of changes by the state, businesses and households. Investment decisions will be central, for example in public transport by the state, in energy-efficient plant and processes by business, in energy-conservation by households. Putting our long-term emissions targets into law and mapping out the pathway to get there gives decision makers in government, business and society the certainty that the rules of the game have changed for good. That certainty inspires the confidence to make investments and decisions that have upfront costs but which bring savings, returns and security as society moves down the emissions curve towards a safe level of emissions

That certainty will drive innovation in public policy, private enterprise and personal behaviour as economic and status advantages open up for first movers and early adopters.

The law will be a catalyst for decision making. If our Kyoto targets had been given the force of law we would have been much quicker to implement the policies identified to help us meet those targets. It would not have taken seven years for the proposals for VRT reform to make it from the National Climate Change Strategy in November 2000 to the Budget in December 2007. A carbon tax would have been implemented in 2002 which would have initiated a shift away from fossil-fuel dependency before the price of oil headed over the \$100 a barrel level and towards \$150 eroding our competitiveness as it went.

Attracting international investment

The certainty the law gives to investors about the long-term direction of Irish policy could also act as a spur to foreign direct investment looking for opportunities to invest in green R&D and enterprise. Ireland can become a testbed for the development of green technology in areas such as wind and wave power and the use of electric vehicles. The climate change law would be a powerful signal that Ireland is intent on becoming a leading location for the development of a green enterprise economy. Corporate Leaders have backed the call for strong climate legislation – see what they have to say here:

<http://www.corporateleaders.ie/node/36>