

# Key issues for Irish climate policy in 2020

## Post-election Briefing from the Stop Climate Chaos Coalition



March 10th 2020

This decade is the critical, decisive decade for our future and the future of the planet. Yet, Ireland remains a [poor performer](#) on climate action and is already far behind on where it needs to be to contribute our fair share of the global effort to avert climate breakdown. Despite all the policy plans and promises, Ireland is failing significantly to reduce emissions in line with the Paris Agreement, and faces significant monetary fines for non-compliance with our climate commitments. Continuing delay in increasing climate action amplifies the hardships already experienced by some of the most vulnerable people in the world, and will drastically escalate the political and societal effort required in the future. The next Government must act urgently and decisively to put Ireland back on track.

This briefing prepared by the Stop Climate Chaos Coalition sets out eight key issues facing decision makers regarding Irish climate policy in 2020.<sup>1</sup>

### 1. Irish climate legislation

Ireland urgently needs new legislation to set a binding net zero target for 2050 at the latest and to update the outdated National Policy Position on Climate Change dating from 2014. The 2015 Climate Action and Low Carbon Development Act is widely regarded as being weak and unambitious, and the governance framework including the 2017 National Mitigation Plan has been ineffective in reducing emissions. While heads of bill were published by the outgoing government in January, without a strong government commitment to fast-tracking this important review we will not have any binding sectoral targets or a requirement to produce carbon budgets that are consistent with a net zero target. Both the Joint Oireachtas Committee on Climate Action's landmark report from March 2019 and the Climate Action Plan published in June 2019 make firm recommendations for new legislation that would strengthen the powers of the Climate Change Advisory Council, ensure that there is scientific expertise in its membership, strengthen the oversight by the Oireachtas, and ensure that all public bodies are required to adhere to and fulfil the objectives of the Act.

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<sup>1</sup> Stop Climate Chaos is the civil society coalition campaigning for Ireland to do its fair share to tackle climate change. The Coalition's 35 members include many of Ireland's leading international development, environmental, youth and faith-based organisations. Stop Climate Chaos (SCC) was launched in 2007 based on a recognition by members that the objectives which our organisations serve are under significant threat from the global advance of disastrous climate change.

## **2. Decisions about gas and security of supply**

The outgoing Minister for Communications, Climate Action and the Environment announced a review of Ireland's security of supply to assess the role of gas during the transition, as the lowest CO<sub>2</sub> emitting fossil fuel, and consider how and from where it is sourced. So far, no consultants have been appointed to conduct this review, and its terms of reference have not been made public. Yet this review could mark a decisive moment in energy policy as we shift away from all fossil fuels, including oil and gas, in favour of renewables and renewable electricity.

The question of which agencies' remits cover security of supply considerations must also be reviewed. Currently there is a conflict between the roles of Commission for Regulation of Utilities (CRU), EirGrid and Gas Networks Ireland (GNI). The CRU regulates and ensures competition between utilities including electricity generators and distributors. GNI is responsible for operating the gas system and networks, but also securing new gas connections and accompanying any and all gas demand. GNI say that the interdependency of gas and electricity markets makes it difficult to see how we can end our need for new sources of gas. As we move towards a 100% renewable energy system, it will not be ideal to have such high levels of interdependence between the gas and electricity systems. The energy security review must be clearly conducted with a view to meeting our Paris Agreement goals and obligations, and in a manner that reduces our overall dependence on all fossil fuels without relying on any imported fracked gas.

## **3. The future of Moneypoint**

The Moneypoint 915 MW power station is Ireland's biggest single emitter of greenhouse gases. Current government plans are to cease burning coal by 2025, but earlier action to close the power station would mean immediate emission reductions that would help Ireland meet EU climate targets. Coal provided just 12 percent of our electricity in 2017 but was responsible for over 29 percent of Ireland's greenhouse gas emissions from electricity.

There are also growing concerns for the economic viability of Moneypoint, since the ESB failed in one of its capacity auction bids in 2019. According to recent media reports, the asset value of the plant is now estimated at zero despite almost €1bn in State investment in the 1990s. While the ESB can still sell all of the generated electricity from Moneypoint, the company will no longer receive capacity payments which may in turn affect the ongoing commercial viability of a generator or the entire power plant. The ESB is currently considering options for continued generation at the site, including offshore wind, biomass, combined cycle gas, gas peaking plants, other technologies and combinations of all the above, but government policy to force the early closure of Moneypoint through the introduction of a carbon price floor, as proposed by the [Climate Change Advisory Council](#), or a Ministerial decision will prove decisive in delivering immediate emission reductions.

#### **4. A Just Transition in 2020**

For this reason, it is essential that the Just Transition Commissioner Kieran Mulvey's powers are enhanced as quickly as possible so that he can design a framework for the negotiated closure of Moneypoint that could be replicated for Bord na Móna and/or other high emitting sectors. More than 100 jobs out of 200 have already been lost at Moneypoint, and more are anticipated over the coming years. A Just Transition deal for peat and coal workers should be negotiated with all stakeholders in 2020, i.e. immediately, without waiting for market forces and higher ETS prices to force the closure of Moneypoint.

#### **5. Supporting citizens and communities in the energy transition**

Citizen and community participation in the energy transition is well understood to bring about a range of benefits from reducing dependence on fossil fuels, creating jobs, building rural resilience, diversifying income streams and generating awareness about local climate action. The inclusion of community led projects in the next RESS auction is very positive, however there remain many barriers in Irish policy that are preventing the citizen energy revolution from reaching its potential. The next Government must

- reform the planning regulations that restrict rooftop solar. Ireland has one of the strictest regimes in Europe, requiring for example schools to apply for planning permission to install even one solar panel, adding significant costs and time. Reform was promised by end 2019 in the Climate Action Plan, but has yet to be implemented.
- Introduce a payment scheme for small renewable generators to allow schools, community centres, farms and local authorities to sell renewable energy at a fair price.
- Reform the process of grid connection to allow community energy projects to connect to the national grid.
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#### **6. CAP reforms, AgriFood strategy for 2030 and methane**

There are currently a number of important reviews taking place in the agri-food sector. Negotiations are underway on the CAP budget as part of the EU Multiannual Financial Framework discussions, and the next CAP is likely to have a smaller budget (with the departure of the UK) with 25% dedicated for climate action, and yet more flexibility around moving funds between pillars 1 and 2. The purpose of this flexibility is to allow national authorities to shift funds to where they are needed – but all public funding, whether in the form of direct payments or agri-environmental schemes, should support nature-based solutions such as agroforestry, farm practices that enhance biodiversity, diversification and more local food production.

Ireland's pursuit of an export-led intensification strategy for the dairy sector in particular has resulted in declining water quality and a steady increase in emissions of methane, ammonia and nitrous oxide. The next AgriFood strategy which is scheduled to be finalised by June 2020 will

cover the period 2025-2030. This new strategy must incorporate the lessons learned from FoodHarvest 2020 and FoodWise 2025 which have driven up water and air pollution, and GHG emissions. It should include measures to reduce these emissions and pressures on the natural environment. Regulatory, as opposed to voluntary, measures to reduce and ultimately cap the use of reactive nitrogen are required, and policies should ensure a reduction in stocking densities and aggregate methane and nitrous oxide emissions.

## **7. New EU Climate Law**

As promised in the Green New Deal, the European Commission has just published its draft proposals setting out a new legal framework for climate policy. The EU will aim to reach net-zero greenhouse gas emissions by 2050. That means updating the EU's climate ambition for 2030, with a 50-55% cut in greenhouse gas emissions to replace the current 40% objective. The commission plans to review every EU law and regulation in order to align them with the new climate goals. This will start with the Renewable Energy Directive and the Energy Efficiency Directive, but also the Emissions Trading Directive and the Effort Sharing Regulation, as well as the LULUCF directive dealing with land use change. Proposals to revise these directives will be submitted as part of a package in March 2021. From an Irish perspective it is likely that the negotiated 'flexibilities' in the Effort Sharing Regulation (the policy framework and targets for 2030) may not be easily re-negotiated, and Ireland will be expected to deliver high levels of domestic mitigation and support higher EU-wide ambition.

## **8. Revision of the EU's 2030 target before COP26 in Glasgow**

The EU's fair share of the 1.5° global carbon budget is at least 65% reductions in emissions by 2030. It is expected that the EU, as part of the European Commission's Green New Deal, will raise its Nationally Determined Contributions to 50%, if not 55% in the first half of 2020, as well as proposed amendments to all relevant climate and energy legislation (see no.3 above). This will allow the EU to agree on a new target well in advance of this year's UNFCCC Climate Summit - COP26 - in Glasgow (November 2020). This decision needs to take place ideally before the summer. Only this timeframe will allow the EU to demonstrate increased domestic climate ambition to other major emitters around the world, particularly China which hosts next year's UN Conference on Biodiversity just ahead of COP26.

A key date will be the European Council meeting in mid-June 2020, during which it is hoped that a proposed EU NDC enhancement of 55% emissions reductions target for 2030 will be adopted. It is essential that the Commission fulfils this commitment with the support of all Member States. However, so far, Ireland has not yet explicitly committed to the higher 55% level, despite supporting higher ambition in principle.

## **9. EU mandated statutory policy requirements: National Energy and Climate Plan and Long Term Strategy**

Under the EU Governance of the Energy Union Regulation, the 'umbrella' piece of legislation intended to ensure that the EU's 2030 energy and climate targets are achieved, all Member States must submit to the European Commission, National Energy and Climate Plans (NECPs) and Long-term Strategies (LTS). These are the main tools for delivering on the EU's climate and energy targets in accordance with the Paris Agreement. The decisions Ireland makes now when meeting these requirements will dictate much of the State's climate and energy policy over the next ten years and beyond to 2050. They present an opportunity to ratchet up Ireland's response to averting climate breakdown and close our glaring emissions gap.

**National Energy and Climate Plans:** The NECP must outline how individual Member States intend to achieve 2030 targets for greenhouse gas emission reductions, renewable energy, and energy efficiency. Following public consultation, the outgoing Government submitted a draft NECP in late 2018. In June 2019, the European Commission [emphasised](#) that the draft NECP provided inadequate detail on how Ireland intends to reach its existing 2030 targets, concluding that the final Plan must provide sufficient details of a more concrete pathway for emissions reductions over the next ten years, particularly in terms of how Ireland intends to address the demands of rising energy consumption. The final Plan must address these weaknesses.

The campaigning coalition, Climate Action Network (CAN)-Europe [criticised](#) Ireland's draft NECP for lack of ambition and detail on policies relative to the scale of emissions reductions required over the coming decade. Concern was also [expressed](#) that the 2019 Climate Action Plan will be used as the final NECP, which fails to deliver the scale of annual emissions reductions of 7.6% now called for by the United Nations, and as required to deliver Ireland's commitments to the Paris Agreement.

The final Plan was due to be submitted to the European Commission on December 31st, 2019. As of the end of February 2020, Ireland had not submitted its final Plan. The new Government will be required to sign off on prepared drafts and the final Plan before its submission to the Commission. NECPs will be reviewed and updated every five years.

**The Long-term Strategy:** This Strategy must outline the policy pathway Member States intend to follow over the next thirty years to deliver on long-term greenhouse gas emissions reductions goals, and detail how climate action will be scaled up from incremental to transformational across all sectors of society. The LTS is required to include:

- Sector-specific emission reductions (including electricity, industry, transport, heating and cooling/buildings (residential and tertiary), waste, agriculture and land use).
- Expected progress on the transition to a low greenhouse gas emission economy (incl. GHG intensity, CO2 intensity of GDP, estimates of long-term investment, and strategies for related research, development and innovation).
- Impact assessment of policy measures, including macro-economic and social development, health risks and benefits and environmental protection.

Alignment with climate science and its fair share of the global effort to avert climate breakdown requires Ireland to adopt in its Long-Term Strategy, a net zero emissions target as soon as possible and by 2050, at the very latest. It is essential that to put Ireland on track, the long term target is reflected in the policy decisions that are implemented in the near term, i.e., over the lifetime of the next Government. For this reason, the NECP must be consistent with the LTS – any plan with a ten year horizon must be developed with a clear picture of the long-term decarbonisation objective. Otherwise, short-term policy measures risk locking-in high carbon energy and infrastructure choices, creating stranded assets and ultimately requiring more stringent, faster and costly action at a later stage when the impacts of worsening climate change will be more apparent.

All Member States were required to submit their Long-term strategies on 1st January 2020. A public consultation was held by the outgoing Government in December 2019. As of the end of February 2020, Ireland had not yet submitted its final Strategy, and this will be a matter for the next Government.

Further information:

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