

The Rt. Hon. Edward Davey MP
Secretary of State
Department of Energy and Climate Change
3 Whitehall Place London
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1 July 2013

Dear Ed

I am writing to let you know that we are starting the review of the fourth carbon budget.

The review of the budget is provided for under sections 21 and 22 of the Climate Change Act. These require that the basis for the review should be an assessment by the Committee of whether the circumstances under which the budget was set have significantly changed.

If there has been no change in circumstances, then the budget cannot be changed. If we were to advise that there has been a significant change in circumstances such that a budget adjustment either up or down is warranted, the Government would then have to consider whether to recommend such a change to Parliament.

Given that the Government and Parliament accepted our advice on the Fourth Carbon Budget, this defines the circumstances under which the budget was set. The review will therefore revisit each of the areas underpinning our original advice to assess whether there has been any change.

In particular, the budget was designed to take account of the criteria for budget setting in sections 8 and 10 of the Climate Change Act (the 2050 target, climate science, the international context, etc.).

As part of the review, we will carry out a Call for Evidence with specific questions relating to these criteria (see attachment).

The Government has publically linked the review to developments in the EU. The EU path for emissions reduction through the 2020s is one of the factors that we considered in designing the fourth carbon budget and will therefore be part of the review.

However, the budget was not premised on the EU increasing ambition in its 2020 emissions reduction target from 20% to 30% on 1990 levels. The fact that this has not happened does not constitute a change in the basis upon which the fourth carbon budget was set. It is therefore not relevant to the review and could not be the basis for changing the budget.

We will complete our assessment and report back to you by the end of the year, for a Government decision early in 2014.

Yours,



Lord Deben

Chairman, Committee on Climate Change

<http://www.theccc.org.uk/call-for-evidence>