



Department  
of Energy &  
Climate Change

The Rt Hon Edward Davey MP  
Secretary of State

Department of Energy & Climate Change  
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Lord Deben  
Chair, Committee on Climate Change  
7 Holbein Place  
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19 March 2015

Dear Lord Deben,

### **PRESERVING THE INTEGRITY OF THE UK'S CLIMATE CHANGE REGIME – NEXT STEPS**

I welcome the Committee on Climate Change's response to my concerns that the 'phantom allowances' issue might have serious impacts on the carbon budget system and I thank you for your reply.

I agree with the Committee that there is a question of how best to reflect the changes in international accounting systems and in particular changes to the EU ETS in our carbon budget system.

This is essential not only to maintain the integrity of our system but also, as you say, to provide clear direction to business, industry and others of the effort needed to meet our target to reduce emissions by at least 80% by 2050. I would like to reiterate that my intention is to meet this target through action, not through statistical loopholes.

I would ask that our officials work together to explore solutions to this issue.

**EDWARD DAVEY**