

## Minutes of CCC Meeting, 18/1/2019

Present were John Deben, Julia Brown, Piers Forster, Rebecca Heaton, Corinne Le Quéré, Chris Stark

### Conflicts of interest

Committee members were reminded of the need to declare any conflicts of interest (also recorded in the register of interest). No additional interests were reported.

### **1. Housing report**

The Committee considered a draft of the executive summary for the housing report, which had been circulated for comment. There were some detailed comments on the draft, but the main issue identified by the Committee was the need for the draft to be very direct in style, and for the key messages not to be lost. The Committee suggested that 5 or 6 key messages be identified and summarised up-front. These would be likely to be messages concerned with closure of the performance gap; the need for measures to address the standards of new homes, and for the retrofitting of the existing stock; skills; and requirements for low-carbon finance.

A revised draft of the executive summary, taking on board these comments, would be circulated for sign-off.

### **2. Aviation strategy**

The Government published its aviation consultation *Aviation 2050 – The future of UK aviation* towards the end of 2018 and intends to publish a White Paper in mid-2019. The Committee considered a draft of a letter to the Secretary of State for Transport that it might send in response to the consultation.

The Committee requested changes to the draft, to more directly reflect at the outset the work that the Government has asked the Committee to conduct to advise on the implications of the Paris Agreement for the UK's long-term emission reduction targets. Acceptance of the Paris Agreement is likely to require tighter targets, and more effort from all sectors, including aviation. The letter should include that we will cover aviation within our advice, for publication in the Spring, and follow that up with a letter to draw out the implications for the Aviation Strategy.

The letter should welcome the Government's acceptance, in the context of the existing long-term target for at least an 80% reduction in emissions, of the planning assumption for UK aviation. It was agreed that it should recommend that that final Aviation Strategy make clear that plans to meet this must be on the basis of actual emissions rather than purchase of offset credits.

A revised draft of the letter would be circulated for sign-off.

### **3. Net-zero report – international context**

The Committee considered a presentation on required global pathways for emissions consistent with the Paris Agreement goal to limit temperature rise to well below 2°C and pursuing efforts to

1.5°C. This covered requirements, amongst others, for coal use, energy intensity change and electrification.

At the last meeting, consideration had focused on the scale of the shift required as against historical performance. In this presentation there was more focus on the scale of progress to date, which has reduced expected warming down from over 4°C, and on potential grounds for optimism, in terms – for example – of progress to date in costs of renewables and electric vehicles.

The Committee agreed that this material was an important part of the context, which should be included in its final report. It asked that poverty reduction and the Sustainable Development Goals, not just estimated costs to GDP, should be included. The scale of challenge should be assessed to include the required change in investment, but also wider issues of sustainability and material availability.

The Committee agreed that in the analysis for the report, the main range of global emissions pathways considered should be based on a 66% probability of 2°C (which would imply expected warming of around 1.7-1.8°C) and a 50% probability of 1.5°C.

#### **4. Net-zero report – costs and benefits**

The Government's request for advice on setting a net-zero target for the UK asked that we consider the costs and benefits. The Committee considered a presentation setting out a proposed narrative for consideration of the costs and benefits, providing early estimates of the potential costs, and covering early feedback from the expert advisory group appointed to help our consideration.

In considering innovation, the Committee agreed that the report should set out how there had been positive (beneficial) surprises in the past in terms of the scale of cost reduction and market penetration for some low-carbon technologies. But we could not assume that this will necessarily happen in future. The important role – reflecting UK experience – for learning through deployment, rather than early-stage research, should be included.

In considering costs, it was noted that costs of 1-2% of GDP had been accepted by Parliament when the 80% emission reduction target was agreed. Putting current cost estimates for more ambitious targets in the context of those previous estimates would be valuable.

In discussing the difference in impacts as between global warming of 2°C and 1.5°C, it was noted that not all of this was directly quantifiable. Nevertheless, the potential impacts on the UK from migration, conflicts and food price increases should be included.

Management of the transition towards net-zero emissions would be important. The secretariat was asked to further consider what this would look like, in terms of, for example, the required transition in jobs and skills.

#### **5. Net-zero report – call for evidence**

The Committee considered a summary of the responses received from our call for evidence. About half of the responses received were from business; the others from a mix of NGOs, academics and individuals.

Some absences from the list of respondents were noted – in particular, little from banking and finance, international aid charities, and trade unions. The secretariat were asked to consider other means of providing some engagement with these sectors.

#### **6. Advice on carry forward of emissions**

Near final estimates of emissions for the second carbon budget period (2013-2017) indicate that emissions will be well below the required level to meet the budget. The Climate Change Act allows

the Government to carry this difference forward to help meet future carbon budgets. They must however seek the Committee's advice first. The Committee considered a draft letter providing advice.

Most of the over-achievement of the second budget reflected accounting changes for the EUETS and low GDP growth, not low-carbon policy performance. Subject to some small drafting changes, the Committee agreed the substance of the advice – that the surplus emissions should not be carried forward. The Committee agreed that the reasons for this advice should be made very strongly, in particular that carrying the surplus over would undermine the integrity of the framework for emissions reduction under the climate Change Act. It also requested that the table of indicators, currently in the draft annex, showing that policy indicators to meet carbon budget 2 were largely unmet, should be brought forward to accompany the letter.