



# The Sixth Carbon Budget and Welsh emissions targets – Call for Evidence

# Background to the UK's sixth carbon budget

The UK Government and Parliament have adopted the Committee on Climate Change's (CCC) <u>recommendation</u> to target net-zero emissions of greenhouse gases (GHGs) in the UK by 2050 (i.e. at least a 100% reduction in emissions from 1990).

The Climate Change Act (2008, 'the Act') requires the Committee to provide advice to the Government about the appropriate level for each carbon budget (sequential five-year caps on GHGs) on the path to the long-term target. To date, in line with advice from the Committee, five carbon budgets have been legislated covering the period out to 2032.

The Committee must provide advice on the level of the sixth carbon budget (covering the period from 2033-37) before the end of 2020. The Committee intends to publish its advice early, in September 2020. This advice will set the path to net-zero GHG emissions for the UK, as the first time a carbon budget is set in law following that commitment.

Both the 2050 target and the carbon budgets guide the setting of policies to cut emissions across the economy (for example, as set out most recently in the 2017 Clean Growth Strategy).

The Act also specifies other factors the Committee must consider in our advice on carbon budgets – the advice should be based on the path to the UK's long-term target objective, consistent with international commitments and take into account considerations such as social circumstances (including fuel poverty), competitiveness, energy security and the Government's fiscal position.

The CCC will advise based on these considerations and a thorough assessment of the relevant evidence. This Call for Evidence will contribute to that advice.

## Background to the Welsh third carbon budget and interim targets

Under the Environment (Wales) Act 2016, there is a duty on Welsh Ministers to set a maximum total amount for net Welsh greenhouse gas emissions (Welsh carbon budgets). The first budgetary period is 2016-20, and the remaining budgetary periods are each succeeding period of five years, ending with 2046-50.

The Committee is due to provide advice to the Welsh Government on the level of the third Welsh carbon budget (covering 2026-30) in 2020, and to provide updated advice on the levels of the second carbon budget (2021-25) and the interim targets for 2030 and 2040. Section D of this Call for Evidence (covering questions on Scotland, Wales and Northern Ireland) includes a set of questions to inform the Committee's advice to the Welsh Government.

## Question and answer form

When responding, please provide answers that are as specific and evidence-based as possible, providing data and references to the extent possible.

Please limit your answers to <u>400 words</u> per question and provide supporting evidence (e.g. academic literature, market assessments, policy reports, etc.) along with your responses.

#### A. Climate science and international circumstances

**Question 1:** The climate science considered in the CCC's 2019 Net Zero report, based on the IPCC Special Report on Global Warming of 1.5°C, will form the basis of this advice. What additional evidence on climate science, aside from the most recent IPCC Special Reports on Land and the Oceans and Cryosphere, should the CCC consider in setting the level of the sixth carbon budget?

#### ANSWER:

- 1.1. New climate models and implications of CMIP6 projecting greater warming than previous modelling Zelinka et al., (2020) doi: 10.1029/2019GL085782.
- 1.2. Further to 1.1, there is therefore a need to explore more fully the implications of exceeding 1.5°C, or more 3°C or greater increases on the UK and globally.
- 1.3. Incorporate further understanding and impact of both production based and consumption based carbon accounting when making decision on the 6th carbon budget. Ignoring either is tantamount to sweeping impacts under the carpet. Whilst Defra has done some accounting in this respect, it would be of value to continue exploring work taking place at Leeds University and as used in CCC's own (2013) Reducing the UK's carbon footprint and managing competitiveness risks.
- 1.4. Impact of tipping points e.g. cloud, ice, permafrost Turetsky et al (2020) https://www.nature.com/articles/s41561-019-0526-0.
- 1.5. Broad threats from cumulative emissions Mora et al (2018) <a href="https://www.nature.com/articles/s41558-018-0315-6">https://www.nature.com/articles/s41558-018-0315-6</a>.

**Question 2:** How relevant are estimates of the remaining global cumulative CO<sub>2</sub> budgets (consistent with the Paris Agreement long-term temperature goal) for constraining UK cumulative emissions on the pathway to reaching net-zero GHGs by 2050?

ANSWER: It is critical for a full and accurate assessment of global c-budgets that are unclouded by politics. Otherwise there is a risk of dangerous irrelevance without including all emissions Eg UK must count international aviation and shipping and also consumption based emissions.

Making an honest, full and accurate assessment of global cumulative budget is critical for now and the future, as Severn Cullis-Suzuki said at the 1992 Rio 'Earth Summit', "It is not like losing an election or a few points on the stock market", "if you don't know how to fix it, please stop breaking it"

https://www.youtube.com/watch?list=PLfAjqE6VVDpUMo1bS930mnv92yMuQAo1w&timecontinue=179&v=oJJGulZVfLM&feature=emb\_logo

**Question 3:** How should emerging updated international commitments to reduce emissions by 2030 impact on the level of the sixth carbon budget for the UK? Are there other actions the UK should be taking alongside setting the sixth carbon budget, and taking the actions necessary to meet it, to support the global effort to implement the Paris Agreement?

#### ANSWER:

- o Include a world leading equity dimension by making a bold commitment for not just net zero by 2025 and zero carbon by 2030.
- o Not as a loss leader but a trailblazer. The UK is being overshadowed in this respect by others such as Denmark and Finland <a href="https://en.kefm.dk/news/news-archive/2019/dec/during-the-cop-denmark-passes-climate-act-with-a-70-percent-reduction-targetws-page-eng/">https://en.kefm.dk/news/news-archive/2019/dec/during-the-cop-denmark-passes-climate-act-with-a-70-percent-reduction-targetws-page-eng/</a>
- o Moral imperative how many black and brown people will die, lose habitation at 1.5°C, never mind at 2°C, 3°C or higher.

**Question 4:** What is the international signalling value of a revised and strengthened UK NDC (for the period around 2030) as part of a package of action which includes setting the level of the sixth carbon budget?

## ANSWER:

- o Be a trailblazer and show that it is a moral imperative to go beyond and not be caught in a 'prisoner dilemma' whereby the UK is incentivised to do the minimum out of fear of being outcompeted by other countries which carry on high emissions. To break that dilemma, the UK needs to avoid being seen as the 'bad apple' in international negotiations holding back progress, and draw others along to compete to see who can set the most ambitious goals and achievements.
- o It is morally reprehensible to not act for deeper emission cuts sooner than the suggested dates. It is a false argument to say that cutting emissions too fast now is too challenging. The dichotomy is that unless we reduce now, the carbon budget will shrink and in another few years, the reduction needed to reach net zero by 2050 will mean an even bigger and more unpalatable annual percentage decrease.

## B. The path to the 2050 target

**Question 5:** How big a role can consumer, individual or household behaviour play in delivering emissions reductions? How can this be credibly assessed and incentivised?

# ANSWER:

o Consumers play a very significant role. It would be worth looking at Liu's Telecoupling Framework (Liu et al. 2013 doi: 10.5751/ES-05873-180226) to see how interlinked we are

and that there are no boundaries with climate change. for example, the UK will see severe impacts in places like Kingston Upon Hull and the Humber flood basin or the doomed Fairbourne village in Wales, as temperatures continue to rise and if emissions are not ebated. Examples like these could bring home the reality for those who are not really attuned to overseas impacts or motivated thereby.

o Consider the Common Cause UK Values Survey and develop actions from applying values based behaviour change. See Tom Crompton PhD at <a href="https://valuesandframes.org/about-us">https://valuesandframes.org/about-us</a>

**Question 6:** What are the most important uncertainties that policy needs to take into account in thinking about achieving Net Zero? How can government develop a strategy that helps to retain robustness to those uncertainties, for example low-regrets options and approaches that maintain optionality?

#### ANSWER:

The most important uncertainties are very simply to consider the limits to growth as defined by conventional economics (Rockstrom planetary boundaries, Raworth Doughnut economics).

- o https://www.academia.edu/38891704/ls\_Green\_Growth\_Possible
- o https://eeb.org/decoupling-debunked1/

**Question 7:** The fourth and fifth carbon budgets (covering the periods of 2023-27 and 2028-32 respectively) have been set on the basis of the previous long-term target (at least 80% reduction in GHGs by 2050, relative to 1990 levels). Should the CCC revisit the level of these budgets in light of the net-zero target?

#### ANSWER:

Yes, this is an absolute imperative to revise the fourth and fifth carbon budgets in light of net-zero and more recent science (eg. CMIP6 models, feedback and tipping points risk). We should really be aiming for zero carbon, not net-zero or carbon neutral. RCPs are about cumulative atmospheric amounts and the concomitant forcing which affects things like precipitation and biogeochemistry of the oceans, all impacting on foods, agriculture and human need.

- o We also need legislation to prevent backsliding on emissions.
- o Legislation that binds the government and enshrines a limitation on the time to act.

**Question 8:** What evidence do you have of the co-benefits of acting on climate change compatible with achieving Net Zero by 2050? What do these co-benefits mean for which emissions abatement should be prioritised and why?

ANSWER: n/a

# C. Delivering carbon budgets

**Question 9:** Carbon targets are only credible if they are accompanied by policy action. We set out a range of delivery challenges/priorities for the 2050 net-zero target in our Net Zero advice. What else is important for the period out to 2030/2035?

#### ANSWER:

- o Legislation to prevent backsliding on emissions.
- o Legislation that binds the government and enshrines a limitation on the time to act

**Question 10:** How should the Committee take into account targets/ambitions of UK local areas, cities, etc. in its advice on the sixth carbon budget?

#### ANSWER:

Sea level rise, storm surge mitigation for Kingston Upon Hull; Yorkshire; Fairbourne village, Wales and other at risk areas.

**Question 11:** Can impacts on competitiveness, the fiscal balance, fuel poverty and security of supply be managed regardless of the level of a budget, depending on how policy is designed and funded? What are the critical elements of policy design (including funding and delivery) which can help to manage these impacts?

#### ANSWER:

Beware of stranded fossil fuel assets and other risks (e.g. CSIL unhedgeable risk report https://www.cisl.cam.ac.uk/news/blog/unhedgeable-risk)

**Question 12:** How can a just transition to Net Zero be delivered that fairly shares the costs and benefits between different income groups, industries and parts of the UK, and protects vulnerable workers and consumers?

### ANSWER:

- o Applying equitable mitigation funds not just in UK but globally
- o Morally reprehensible to do anything less than applying polluter pays principles for historic emissions and for reducing current consumption based emissions
- o Follow contract and convergence theory

# D. Scotland, Wales and Northern Ireland

**Question 13:** What specific circumstances need to be considered when recommending an emissions pathway or emissions reduction targets for Scotland, Wales and/or Northern Ireland, and how could these be reflected in our advice on the UK-wide sixth carbon budget?

#### ANSWER:

o Strengthen international solidarity such as equity share of emissions, and risk (see CCC's own UK Climate Change Risk Assessment 2017 Evidence Report: Summary for Wales)

**Question 14:** The Environment (Wales) Act 2016 includes a requirement that its targets and carbon budgets are set with regard to:

- The most recent report under section 8 on the State of Natural Resources in relation to Wales;
- The most recent Future Trends report under section 11 of the Well-Being of Future Generations (Wales) Act 2015;
- The most recent report (if any) under section 23 of that Act (Future Generations report).
  - a) What evidence should the Committee draw on in assessing impacts on sustainable management of natural resources, as assessed in the state of natural resources report?
- b) What evidence do you have of the impact of acting on climate change on well-being? What are the opportunities to improve people's well-being, or potential risks, associated with activities to reduce emissions in Wales?
- c) What evidence regarding future trends as identified and analysed in the future trends report should the Committee draw on in assessing the impacts of the targets?
- d) Question 12 asks how a just transition to Net Zero can be achieved across the UK. Do you have any evidence on how delivery mechanisms to help meet the UK and Welsh targets may affect workers and consumers in Wales, and how to ensure the costs and benefits of this transition are fairly distributed?

ANSWER: n/a

**Question 15:** Do you have any further evidence on the appropriate level of Wales' third carbon budget (2026-30) and interim targets for 2030 and 2040, on the path to a reduction of at least 95% by 2050?

ANSWER: n/a

**Question 16:** Do you have any evidence on the appropriate level of Scotland's interim emissions reduction targets in 2030 and 2040?

ANSWER: n/a

**Question 17:** In what particular respects do devolved and UK decision making need to be coordinated? How can devolved and UK decision making be coordinated effectively to achieve the best outcomes for the UK as a whole?

# E. Sector-specific questions

**Question 18 (Surface transport):** As laid out in Chapter 5 of the Net Zero Technical Report (see page 149), the CCC's Further Ambition scenario for transport assumed 10% of car miles could be shifted to walking, cycling and public transport by 2050 (corresponding to over 30% of trips in total):

- a) What percentage of trips nationwide could be avoided (e.g. through car sharing, working from home etc.) or shifted to walking, cycling (including ebikes) and public transport by 2030/35 and by 2050? What proportion of total UK car mileage does this correspond to?
- b) What policies, measures or investment could incentivise this transition?

ANSWER: n/a

**Question 19 (Surface transport):** What could the potential impact of autonomous vehicles be on transport demand?

ANSWER: n/a

Question 20 (Surface transport): The CCC recommended in our Net Zero advice that the phase out of conventional car sales should occur by 2035 at the latest. What are the barriers to phasing out sales of conventional vehicles by 2030? How could these be addressed? Are the supply chains well placed to scale up? What might be the adverse consequences of a phase-out of conventional vehicles by 2030 and how could these be mitigated?

ANSWER: n/a

**Question 21 (Surface transport):** In our Net Zero advice, the CCC identified three potential options to switch to zero emission HGVs – hydrogen, electrification with very fast chargers and electrification with overhead wires on motorways. What evidence and steps would be required to enable an operator to switch their fleets to one of these options? How could this transition be facilitated?

ANSWER: n/a

**Question 22 (Industry):** What policy mechanisms should be implemented to support decarbonisation of the sectors below? Please provide evidence to support this over alternative mechanisms.

- a) Manufacturing sectors at risk of carbon leakage
- b) Manufacturing sectors not at risk of carbon leakage
- c) Fossil fuel production sectors
- d) Off-road mobile machinery

ANSWER: n/a

**Question 23 (Industry):** What would you highlight as international examples of good policy/practice on decarbonisation of manufacturing and fossil fuel supply emissions? Is there evidence to suggest that these policies or practices created economic opportunities (e.g. increased market shares, job creation) for the manufacturing and fossil fuel supply sectors?

ANSWER: n/a

**Question 24 (Industry):** How can the UK achieve a just transition in the fossil fuel supply sectors?

ANSWER: n/a

**Question 25 (Industry):** In our Net Zero advice, the CCC identified a range of resource efficiency measures that can reduce emissions (see Chapter 4 of the Net Zero Technical Report, page 115), but found little evidence relating to the costs/savings of these measures. What evidence is there on the costs/savings of these and other resource efficiency measures (ideally on a £/tCO2e basis)?

ANSWER: n/a

**Question 26 (Buildings):** For the majority of the housing stock in the CCC's Net Zero Further Ambition scenario, 2050 is assumed to be a realistic timeframe for full roll-out of energy efficiency and low-carbon heating.

- a) What evidence can you point to about the potential for decarbonising heat in buildings more quickly?
- b) What evidence do you have about the role behaviour change could play in driving forward more extensive decarbonisation of the building stock more quickly? What are the costs/levels of abatement that might be associated with a behaviour-led transition?

ANSWER: n/a

**Question 27 (Buildings):** Do we currently have the right skills in place to enable widespread retrofit and build of low-carbon buildings? If not, where are skills lacking and what are the gaps in the current training framework? To what extent are existing skill sets readily transferable to low-carbon skills requirements?

**Question 28 (Buildings):** How can local/regional and national decision making be coordinated effectively to achieve the best outcomes for the UK as a whole? Can you point to any case studies which illustrate successful local or regional governance models for decision making in heat decarbonisation?

ANSWER: n/a

**Question 29 (Power):** Think of a possible future power system without Government backed Contracts-for-Difference. What business models and/or policy instruments could be used to continue to decarbonise UK power emissions to close to zero by 2050, whilst minimising costs?

ANSWER: n/a

**Question 30 (Power):** In Chapter 2 of the Net Zero Technical Report we presented an illustrative power scenario for 2050 (see pages 40-41 in particular):

- a) Which low-carbon technologies could play a greater/lesser role in the 2050 generation mix? What about in a generation mix in 2030/35?
- b) Power from weather-dependent renewables is highly variable on both daily and seasonal scales. Modelling by Imperial College which informed the illustrative 2050 scenario suggested an important role for interconnection, battery storage and flexible demand in a future low-carbon power system:
  - i. What other technologies could play a role here?
  - ii. What evidence do you have for how much demand side flexibility might be realised?

ANSWER: n/a

**Question 31 (Hydrogen):** The Committee has recommended the Government support the delivery of at least one large-scale low-carbon hydrogen production facility in the 2020s. Beyond this initial facility, what mechanisms can be used to efficiently incentivise the production and use of low-carbon hydrogen? What are the most likely early applications for hydrogen?

ANSWER: n/a

Question 32 (Aviation and Shipping): In September 2019 the Committee published advice to Government on international aviation and shipping and Net Zero. The Committee recognises that the primary policy approach for reducing emissions in these sectors should be set at the international level (e.g. through the International Civil Aviation Organisation and International Maritime Organisation). However, there is still a role for supplementary domestic policies to complement the international approach, provided these do not lead to concerns about competitiveness or carbon leakage. What are the domestic measures the UK could take to reduce aviation and shipping emissions over the period to 2030/35 and

longer-term to 2050, which would not create significant competitiveness or carbon leakage risks? How much could these reduce emissions?

#### ANSWER:

o Deferring to 'competitiveness' domestically or globally is not an answer, we must be robust in delivering for the future as the cost of failure to curb all emissions is too great. Financially, the adaptation costs of not including fully reducing all aviation and shipping emissions to zero will be immense in financial capital but also for other capitals, social, human, natural etc.

Question 33 (Agriculture and Land use): In Chapter 7 of the Net Zero Technical Report we presented our Further Ambition scenario for agriculture and land use (see page 199). The scenario requires measures to release land currently used for food production for other uses, whilst maintaining current per-capita food production. This is achieved through:

- A 20% reduction in consumption of red meat and dairy
- A 20% reduction in food waste by 2025
- Moving 10% of horticulture indoors
- An increase in agriculture productivity:
  - Crop yields rising from the current average of 8 tonnes/hectare for wheat (and equivalent rates for other crops) to 10 tonnes/hectare
  - Livestock stocking density increasing from just over 1 livestock unit (LU)/hectare to 1.5 LU/hectare

Can this increase in productivity be delivered in a sustainable manner?

Do you agree that these are the right measures and with the broad level of ambition indicated? Are there additional measures you would suggest?

ANSWER: n/a

Question 34 (Agriculture and Land use): Land spared through the measures set out in question 33 is used in our Further Ambition scenario for: afforestation (30,000 hectares/year), bioenergy crops (23,000 hectares/year), agro-forestry and hedgerows (~10% of agricultural land) and peatland restoration (50% of upland peat, 25% lowland peat). We also assume the take-up of low-carbon farming practices for soils and livestock. Do you agree that these are the key measures and with the broad level of ambition of each? Are there additional measures you would suggest?

ANSWER: n/a

Question 35 (Greenhouse gas removals): What relevant evidence exists regarding constraints on the rate at which the deployment of engineered GHG removals in the UK (such as bioenergy with carbon capture and storage or direct air capture) could scale-up by 2035?

Question 36 (Greenhouse gas removals): Is there evidence regarding near-term expected learning curves for the cost of engineered GHG removal through technologies such as bioenergy with carbon capture and storage or direct air capture of CO<sub>2</sub>?

ANSWER: n/a

**Question 37 (Infrastructure):** What will be the key factors that will determine whether decarbonisation of heat in a particular area will require investment in the electricity distribution network, the gas distribution network or a heat network?

ANSWER: n/a

**Question 38 (Infrastructure):** What scale of carbon capture and storage development is needed and what does that mean for development of CO<sub>2</sub> transport and storage infrastructure over the period to 2030?