

## Committee on Climate Change Meeting Minutes

Friday 13<sup>th</sup> November 2020, 9:30 – 15:30 | Virtual meeting

**Present:** Present were John Deben, Keith Bell, Julia Brown, Nick Chater, Piers Forster, Rebecca Heaton, Paul Johnson, Corinne Le Quéré, Pete Betts (as an advisor), Chris Stark.

**Members' interests:** Interests can be found on the CCC's website at:  
<https://www.theccc.org.uk/about/transparency/>.

Committee members were reminded of the need to declare any conflicts of interest.

Nick Chater declared two new potential conflicts through Decision Technology, a company he co-founded and owns a 10% stake in. The first is a possible project on consumer energy switching with the energy company, Axpo. The second, in which he has no direct involvement, is a project on the smart meter roll-out with Smart Energy UK.

Julia Brown reminded the Committee of her previously declared roles as Offshore Wind Sector Champion and Chair of the Carbon Trust.

John Deben reminded the Committee of his land purchase and efforts to farm it sustainably while not taking any Government subsidies.

Keith Bell reminded the Committee of his research projects with electricity companies.

### 1. Findings of the Interim Report of the Treasury cost review

Niva Thiruchelvum, the official leading the Treasury's Net Zero Review, presented to the Committee on the findings of the review's Interim Report. The Committee welcomed the work and findings of the Review, and were of the view that the weight carried by the conclusions were considerable simply by virtue of being said by the Treasury.

The Committee highlighted the challenge posed not by the aggregate costs of achieving Net Zero but rather the areas in which some of the costs are concentrated (e.g. decarbonisation of buildings). Part of the challenge is therefore how to take the cost savings in some other areas and help to mitigate the adverse distributional aspects where they arise. Real and perceived fairness will be very important in gaining public support for the transition.

The Committee were grateful for the presentation and look forward to publication of the Review's final report in 2021.

### 2. Sixth Carbon Budget advice, and associated recommendations on the UK's NDC and Fifth Carbon Budget

The secretariat updated the Committee on the latest results of the emissions path under the Balanced Net Zero Pathway that will underpin the recommendation for the level of the Sixth Carbon Budget.

This were slightly different to those presented previously, following further tweaks to refine the analysis and on the basis of the findings of quality assurance processes. The Committee were happy with the revisions.

The Committee discussed the appropriate level of the UK's Nationally Determined Contribution for 2030, given the expectation of a Government request on this, potentially in advance of publication of the advice on the Sixth Carbon Budget.

This included discussion of whether the UK NDC whether this should include the UK's share of emissions from international aviation and international shipping (IAS). The Committee decided that on balance it was better to recommend an NDC excluding IAS emissions, in line with existing convention internationally. However, they noted the vital importance of IAS emissions, that action to reduce them is necessary whether they are inside or outside the NDC, and that their inclusion in the sixth carbon budget is essential.

The Committee decided that the appropriate reduction for the NDC is that achieved by the Committee's Balanced Net Zero Pathway in 2030, as a minimum contribution based on domestic action to reduce emissions. This means a reduction in UK territorial emissions, excluding IAS emissions, of 68% by 2030 on 1990 levels, together with further reductions in IAS emissions alongside. Furthermore, the NDC should include commitments on adaptation and climate finance alongside that on UK emissions reduction.

The Committee further discussed the recommendation on inclusion of IAS in the Sixth Carbon Budget, including how to address the possibility that the Government rejects the Committee's recommendation that the budget scope should include IAS emissions. Overall, given the importance of IAS emissions, it was decided that an alternative option should not be presented for the level of the budget on a scope excluding IAS.

The Committee discussed the implications of the revised emissions path from 2020 to 2050 for the already-legislated Fourth and Fifth Carbon Budgets. On the basis of the revised path for emissions reduction, together with the forthcoming changes to methodologies for estimating emissions, the Fourth Carbon Budget looks to be in the right place, when continuing to exclude IAS emissions from this budget.

The steeper path for emissions on the way to Net Zero has a considerably greater impact on the Fifth Carbon Budget, which is clearly too loose when excluding IAS emissions and still too loose even with their inclusion. Although ideally the Fifth Carbon Budget would be set in law at a level consistent with a path through the recommended Sixth Carbon Budget and on the path to Net Zero, the Committee discussed the budget would need to be changed if a UK NDC were set at the appropriate level for 2030 (the mid-point of the fifth budget period).

The Committee did not consider it absolutely necessary to revise the existing Fifth Carbon Budget, assuming that the Government accepts the recommendations on the NDC for 2030 and the Sixth Carbon Budget. Ultimately, the Committee regards re-legislation of the budget as a choice for the Government and Parliament. The Committee was clear that if the Fifth Carbon Budget is changed, the scope should include IAS emissions, as for its recommendation on the Sixth Carbon Budget. Regardless of whether budget is formally changed, the Committee agreed to monitor progress in reducing emissions against the Balanced Net Zero Pathway, through the 2030 NDC and Sixth Carbon Budget.

The Committee discussed the draft Executive Summary that had been circulated in advance. Various wording changes and changes in emphasis were agreed, including greater emphasis on fairness and the UK's consumption emissions.

### **3. 6th carbon budget – launch and comms**

The secretariat presented on the plans for the launch of the Sixth Carbon Budget advice and the comms around this, together with the plans for post-launch ‘deep-dive’ events to highlight different aspects of the work. The Committee were pleased with the proposed approach and commented that this was the biggest and best set of plans for a report launch to-date.

### **4. Advice to Wales and Scotland**

Although discussed with the Wales and Scotland champions outside the Committee meeting, the secretariat provided an update on the advice to the Welsh Government on Net Zero, the Welsh third carbon budget and updated interim targets for 2030 and 2040 and to the Scottish Government on their 2030 target.

The Committee were content with progress and were pleased that the analysis justified the setting of a Net Zero target for Wales. The draft letter for Scotland and draft report for Wales will be circulated for further comments towards the end of November, given the slightly later deadlines for these than the UK advice.