

Climate Change Committee Meeting

Minutes

Present: John Deben, Pete Betts, Keith Bell, Nick Chater, Michael Davies, Piers Forster,

Member interests: www.theccc.org.uk/about/transparency

Date: 10th December 2021, 09:30 – 14:20

Held: Virtual meeting by Zoom

Conflicts of interest: Members were reminded of the need to declare any potential conflicts and invited to update the Committee on any new potential conflicts.

Keith Bell: Doing an independent review of the National Grid ESO's modelling system restoration.

Piers Forster: Receiving funding from Rolls Royce to advise on their business NZ pathway and EPSRC to advice on a Net Zero aviation pathway.

Climate Change Committee

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1. The role of energy demand reduction in achieving Net Zero in the UK (presentation by Prof John Barrett, University of Leeds – external speaker)

John presented a major study undertaken by the Centre for Research into Energy Demand Solutions (CREDS). The study brings together 17 energy demand modelling experts from within CREDS to provide extensive detail on the possibilities to reduce energy demand in every sector. The report along with a short animation explaining the study is available from: <https://low-energy.creds.ac.uk/>.

The Committee welcomed the work and look forwards to the future quantification of co-benefits in the different scenarios and more detailed analysis with hourly electricity energy demand. The Committee encouraged the CREDS team to identify which demand changes save the most emissions and quantify how far these would reduce emissions beyond CCC pathways published in the Sixth Carbon Budget advice.

2. Trade, competitiveness and consumption emissions

The secretariat presented proposals for work on trade levers and consumption emissions. Proposals include the development of more detailed recommendations on trade policy, including on developing carbon border adjustment mechanisms and border carbon standards, with potential tendering for consultancy work. The Committee welcomed the secretariat's proposals, subject to capacity alongside other workload.

The Committee raised the importance of the cross-country diplomacy needed. The risk of policy levers creating perverse incentives was raised and the idea of considering the equivalent of a global Net Zero test for consumption emissions. Next steps for the secretariat include responding to the Government's free allocation review.

The Committee were also supportive of proposals for setting out future UK ambition on consumption emissions, if this is practical and deliverable (on which the secretariat will return with further information). This should be considered in the context of potential carbon border adjustments and standards for reporting on the carbon footprint of imported goods and services. Deforestation and supply chains were raised as particular areas that would benefit from further analysis.

3. UK Fossil fuel supply in a 1.5 °C transition

The secretariat returned to the issue of whether and how development of any new oil/gas fields can be compatible with the UK's climate commitments. They provided an update on the context following developments at COP26 and on the Cambo field and requested input on the positions to take in our advice (to be published in the new year).

The secretariat presented new analysis on the potential supply gap for the UK to meet demands for each of oil and fossil gas on the path to Net Zero, given current projections of UK production, on energy security, and potential differences between upstream emissions in the UK and elsewhere in the world. The Committee discussed the extent to which the global transition away from fossil fuels would be driven by climate policies to reduce their consumption versus via constraints on their production.

The Committee requested another session at the January committee meeting to discuss the publication, once details of the Government's Climate Compatibility Checkpoint are known. The Committee agreed that publication will be a letter with an Annex rather than a report. The Committee requested further background be circulated in response to claims that our advice is consistent with supporting new oil and gas fields.

4. Buildings Stocktake

The secretariat presented their work on a follow-up response to the Government's Heat and Buildings Strategy and the Net Zero Strategy, intended to be published in early 2022. The presentation set out a first view of an updated policy gap chart, with some emerging findings on funding levels, delivery and managing risk, including actions to close the gap and implications for how to track progress.

The Committee recommended to include planning, the future buildings strategy, skills, and embodied carbon and requested more analysis for Scotland, Wales and Northern Ireland. The Committee agreed with the proposal to highlight discrepancies with the Government's baseline and were keen to emphasise the gap between ambition and delivery.