Joint Oireachtas Committee on Climate Action

Consultation on Ireland’s final integrated National Energy & Climate Plan 2021 – 2030

January 2020

Tithe an Oireachtais
An Comhchoiste um Ghníomhú ar son na hAeráide

An Comhchomhairliúchán ar an bPlean Comhtháite Náisiúntha um Fhuinneamh agus um an Aeráid de chuid na hÉireann 2021 – 2030 deiridh

Eanáir 2020
Recommendations on NECP Governance and Objectives

A draft NCEP has not yet been shared with the Committee, the Committee therefore reserve the right to make further and more detailed recommendations following the publication of the Draft NECP.

1) The 2015 Climate Action and Low Carbon Development Act provides for the periodic preparation of national mitigation plans in order to specify policy measures to reduce greenhouse gas emissions and achieve the National Transition Objective. Both the National Mitigation Plan, produced in 2017, and the 2014 National Policy Position, are insufficiently ambitious and have since been superseded by commitments in the Government’s Climate Action Plan of June 2019. However, this Plan is not on a statutory footing and is not linked to the ongoing preparation of the National Mitigation Plan or Long Term Strategy. The National Energy and Climate Plan (NECP) under the EU Clean Energy Package will see the production of another separate climate strategy whose statutory basis is in EU law. While the development of successive climate plans represents an opportunity to address significant shortcomings in policy-making and implementation, there is a risk that the state’s climate implementation may become disjointed and incoherent, with three potentially disconnected strategies seeking to fulfil different obligations and objectives. Furthermore, it is essential that other policy strategies seemingly unrelated to climate action are assessed for their emissions and/or pollution potential. The logic of a zero-carbon target is that we phase out anything that causes emissions regardless of its energy source. This risk should be avoided by ensuring that all policies and strategies are consistent, coherent, and matched with the same governance and oversight structures. Further, the Committee believes that all climate policies should seek to approach mitigation through an effective and equitable investment to develop new or repurposed infrastructure, involving deep changes in the material economy and land uses. Carbon tax increases and EVs will be insufficient to get emissions down towards net zero. The NECP should specify much more ambitious reductions in energy demand and scaling up renewable energy solutions to rapidly decarbonise power generation and electrify heat and transport. No sector should have any privileged status or be exempt from effort, and all policies and measures should be proofed for equity impacts.

The Committee recommends that, the NECP include or strengthen policies and measures set out in the Government’s Climate Action Plan.

2) The Committee looks forward to an update from Government on the commitment made in the Climate Action Plan to amend the 2015 Climate Act to ensure a net zero 2050 target, to improve accountability measures including carbon budgets, as well as to establish an enhanced Advisory Council. The Government announced the relevant Heads of Bill on 6 January 2020. However, the Committee wishes to highlight that its recommendation in this area in its March report called on the Government to enact legislation by end of in 2019. The Committee therefore underlines that the Government has failed to prioritise and progress this amending legislation in 2019 in accordance with the Committee’s recommendation. This legislation is essential to the Government’s delivery of many of the policies addressed in the draft NECP. It is crucial that this legislation respect the Committee’s recommendations, particularly 2030 targets and the net zero 2050 target, a revised advisory council with an appropriate range of expertise, and comprehensive oversight by the Oireachtas.
The Committee recommends that, the Government’s Climate Action (Amendment) Bill 2019 is published and presented to the Oireachtas immediately and pre-legislative scrutiny commenced as soon as possible in January 2020. The relevant Committee should be consulted in relation to the proposed Climate Action (Amendment) Bill 2019.

The Committee further recommends that any new proposed Climate Action Council should be gender balanced and predominately led by national and international experts in climate and environmental science, just transition and climate justice.

3) The Government’s new Climate Action Plan proposes a 2% decline in emissions per annum from 2021 to 2030 to meet EU mitigation targets. However, the EU’s and Ireland’s 2030 targets are not aligned with Paris Agreement objectives and a 2% annual reduction is insufficient to achieve net zero emissions by mid-century. Given ongoing increases in emissions, such an approach would seem to imply a dependence on costly or untried negative emissions technology, or offshore mitigation via the purchase of carbon credits, in order to meet a 2050 net zero target.

The Committee recommends that the Department of Communications, Climate Action & Environment (the Department) respond to the need for immediate and sustained reduction in Green House Gas (GHG) emissions as recommended by the UNEP Emissions Gap Report 2019. The Minister should undertake an analysis of the risks of actively delaying greater emission reductions to post-2030.

The Committee recommends that the Department deliver immediate and sustained reduction in GHG emissions as recommended by the UNEP Emissions Gap Report 2019, and that Ireland support proposals to increase EU ambition for 2030 from a 40% to at least 50-55% emissions reduction.

The Committee further recommends that the Government commits to commissioning an enquiry into the compatibility of Ireland’s pursuit of ever-increasing economic growth, including unsustainable projected increases in data centres, with the imperative of securing immediate and sustained reductions in GHG emissions.¹

4) The climate, energy and security dimensions of Ireland’s NECP must be in accordance with the achievement of Ireland’s national and international decarbonisation obligations under the UNFCCC and the Paris Agreement. The Committee is also aware of ongoing deliberations on a new ‘Green Deal’ as proposed by the new European Commission. The European Council of December 2019, in line with the objectives of the Paris Agreement and in the light of the latest available science and of the need to step up global climate action, endorsed the objective of achieving a climate-neutral EU by 2050. The Council also noted the Commission’s Communication, asking the Commission to take work forward¹. As the EU will substantially increase its mitigation objectives, including in the form of increased 2030 and 2050 targets in EU legislation, objectives detailed in the finalised NECP should be a regarded as a baseline, as opposed to the limit, of Ireland’s ambition.

The Committee also notes that a Paris-aligned pathway to net zero will require much greater ambition than is currently planned under the Climate Action Plan or NECP, and that Ireland’s equitable share of a 1.5°C degree carbon budget will be exhausted much earlier than 2050. Accordingly, the Committee recommends that the NECP sets out a pathway to net zero such that Ireland’s cumulative share of the global carbon budget is consistent with a global 1.5°C target.

¹ https://ec.europa.eu/info/publications/communication-european-green-deal_en
The Committee recommends that the NECP includes a specific statement that Ireland’s actions between now and 2030 as set out in the finalised NECP, are not sufficient to meet the objectives of the Paris Agreement. Furthermore, the Committee recommends that the state will commit as part of our contribution to the EU’s revised Nationally Determined Contribution, to achieving a reduction of at least 50-55% from the 2005 baseline and will revise the policies and initiatives in the Government 2019 Action Plan accordingly. The Committee notes the maximum threshold of Ireland's climate ambition and that the state will be expected to go beyond policies and initiatives addressed in the Government 2019 Action Plan.

The Committee recommends that the NECP include a specific statement that Ireland will increase its ambition between now and 2030, and beyond 2030, and that the state intends to go beyond policies and initiatives addressed in the Government 2019 Action Plan. The Committee notes that meeting the 2030 target would equate to a significant increase from the 2% in the Government’s Climate Action Plan.

The Committee further recommends that the NECP commits to immediate year-on-year reductions to 2030, as well as a pathway to 2050, that are both quantitatively consistent with the achievement of article 2 of the Paris Agreement, a global 1.5°C target and the UNEP global emissions gap report.

5) The Committee’s report was published on March 2019 and includes recommendations directed at several Departments. The Government produced its Climate Action Plan three months later. The Committee is aware of certain instances in which Committee recommendations have not been addressed or implemented in the Government Climate Action Plan and has produced an instructive comparison on such gaps*. The Committee also notes that Ireland’s draft NECP was published in December 2018, prior to the production of the Committee’s report and that the Committee's report addresses several policy areas relevant to Ireland’s draft NECP.

The Committee recommends that the Department undertakes a further review of the Committee’s recommendations from March 2019 with a view to their full incorporation in Ireland’s finalised NECP submission.

The Committee further recommend that with the new Oireachtas, a new standing Committee on Climate Action is established to provide input and oversight over the NECP process. The Committee reserve the right to make further recommendations to the draft NECP following its publication, as the Committee still have not seen this draft.

[*See Gap Analysis submitted for comment to the Department of Communications Climate Action and the Environment on 29th November 2019]

6) The deadline for submission of Ireland’s integrated National Energy and Climate Plan (NECP) was the end of 2019. Following publication of the draft NECP in December 2018, responses from both the European Commission and civil society highlighted the importance of robust and comprehensive public participation. The Department is currently holding a public consultation on a separate thirty-year climate plan (‘Long-Term Strategy’) which was originally only to last 15 working days and was subsequently extended. The Department has not communicated when a further public consultation on the finalised NECP will be produced but it is understood that it will not take place until 2020.
The Committee recommends that the Minister clarifies decisions made regarding late/delayed consultations on the NECP and Long-Term Strategy, the importance of allocating necessary resources to such consultations, and clarifies how these align with Government commitments to ensure early and open consultation when all options remain open.

The Committee further recommend that the Government commit to the allocation of necessary resources and appropriate time frames to all future such consultations.

7) In relation to the issue of carbon pricing, the Committee spent a considerable period of time discussing necessary steps which must be undertaken to protect those vulnerable to fuel poverty. The Committee produced a recommendation on the issue [6.8.3 (a)] ‘The Government should conduct a review to be completed by June 2019 into the most appropriate measure of, and the extent and nature of fuel poverty across all cohorts and to include in this review the short, medium and long-term impact on fuel poverty of the options for increasing the carbon tax.’

However, as noted by the Committee in September, the Government failed to undertake a fuel poverty review prior to Budget 2020. The European Commission in their analysis of Ireland’s draft NECP also recommended: “Ireland has a comprehensive energy poverty national plan, which should be accompanied in the final plan with concrete objectives, as required by the Governance Regulation.”

The Committee recommends that analysis requested by the Committee in March, as well as necessary concrete objectives to eliminate those in or at risk of fuel poverty, are clearly articulated in Ireland’s finalised NECP. Said analysis, objectives and measures should be informed by the research findings and recommendations of those organisations working with people in energy poverty.

8) In relation to ensuring a just transition for affected industries and the communities economically reliant on them, the Joint Oireachtas Committee on Climate Action recommended that a Just Transition Task Force be established in order to (inter alia):

‘commission research in 2019 examining which regions and sectors of the economy are most likely to experience serious disruption over the next decade as part of the transition to a low carbon economy’ and ‘[carry] out early assessments of the social and employment impacts of climate policies’;

The European Commission in their analysis of the draft NECP also recommended:

‘The issue of a socially just transition to a climate neutral economy could be better integrated throughout by considering social and employment impacts, e.g. shifts in sectors/industries and skills impacts, distributional effects and revenue recycling, especially in relation to the transition for carbon-intensive regions. The draft plan makes only general commitments on another enabler of the transition – the development of skills.’

The Committee notes the work of National Economic & Social Council (NESC) on examining the social and employment impacts of climate change, and the incoming Just Transition Review Group. However, a comprehensive qualitative and quantitative analysis of the social and employment impacts of climate change and chosen climate action measures, has still not been completed by Government. The Government’s current impact analysis is based on economic modelling, based on the Economic &
Social Research Institute’s (ESRI) impact of the carbon tax, which is not a comprehensive assessment of vulnerabilities or opportunities.

The Committee repeats its request, as supported by all parties in its report of March 2019, that an independent Task Force should be established with the requisite authority and resources, including a specialist mediation service and that steps to ensure its establishment are set out in the finalised NECP. The Committee also requests that this Task Force be empowered to explore and consider how international examples and templates of just transitions developed and implemented successfully for those working in carbon intensive sectors abroad could be implemented in Ireland.

The Committee further recommends that a process – such as a social dialogue process – be established so that government climate policies can be reviewed against principles of climate justice and just transition before implementation. The Committee would like more clarity around the role and resourcing of the newly appointed Just Transition Commissioner and reserves the right to make further recommendations in relation to governance on climate justice and just transition on publication of the draft NECP.

9) The Minister’s upcoming review of energy security and sustainability is relevant to the security dimension of the National Energy and Climate Plan. It is important that this review, takes as a starting point the need to meet Paris Agreement objectives. It should also address risks posed by new investments in fossil fuels potentially ‘locking in’ higher emissions.

The Committee notes with concern the Policy Statement released by Government in December 2019 entitled “Petroleum Exploration and Production Activities as part of Ireland’s Transition to a Low Carbon Economy”. This Policy Statement addresses Government policy on offshore fossil fuel exploration in the context of climate and energy commitments. It also notes that proposed regulatory and legislative changes to the state’s marine planning framework may address offshore gas exploration. It is important that Ireland’s NECP does not conflate or limit considerations of existing gas supply and long-term energy security with current Government policy on offshore fossil fuel exploration. The provisions and regulatory changes addressed in the Policy Statement must also not pre-empt the findings of the Government’s forthcoming energy security review.

The Committee recommends that the Minister include the latest up to date information on Ireland’s upcoming energy security and sustainability review in the NECP, including the proposed terms of reference and that any risk analysis within that review should include a consideration of environmental risk.

The Committee also recommends that the Minister give consideration to the evidence heard from expert testimony to the Committee (from Professors Robert Howarth and Barry McMullin) on the dangers posed by the fracked gas industry and Methane emissions to global climate targets. The Minister should consider latest scientific advice on remaining global carbon budgets and how the current licensing regimes for oil and gas exploration and importation of fracked and fossil gas may result in ‘locking-in’ reliance on fossil fuel infrastructure. Given the relevance of the review to decisions on energy supply, functions of state entities and the state’s decarbonisation commitments. Given the importance of the review to decisions on energy supply, functions of state entities and the state’s decarbonisation commitments, the Committee recommends that an early public consultation process forms part of the review in 2020.
The Committee recommends that the Petroleum Exploration Policy Statement’s conclusions should be subject to a public consultation process as part of the finalisation of Ireland’s National Energy and Climate Plan.

10) The Committee wishes to highlight other significant recommendations made by the European Commission based on their analysis of Ireland’s draft NECP submission (see Annex 1).

The Committee recommends that Ireland’s finalised NECP addresses in a comprehensive and transparent fashion these recommendations which point to significant gaps in the initial draft. It should also provide information on why any of the following European Commission recommendations have not been implemented or only partially implemented.

11) The Committee wishes to underline the concurrent biodiversity emergency also facing Ireland, the relevant legal obligations on the state to reverse ecosystem and species decline, as well as the mitigation opportunities offered by biodiversity protection and restoration. The loss of biodiversity both locally and globally is interlinked with climate change and is as important a challenge. Our climate policies should not result in decreased biodiversity but should enhance our biodiversity.

The Committee seeks to highlight Chapter 8 of its March report, the Dáil motion on 9 May 2019 and numerous Oireachtas debates, which discuss the need to address the current crisis as an interlinked climate and biodiversity emergency. It is important that biodiversity science is integrated into climate action, and vice versa. For example, policy on forestry, marine and peatlands must be underpinned by biodiversity analysis and targets as well as climate analysis and targets. Environmental impact assessments and processes for new infrastructure must also look at both climate and biodiversity impacts in an integrated manner.

The Committee recommends that all policies are reviewed with respect to their impacts on biodiversity and that any policies that would have a significant detriment to biodiversity would not be pursued.

The Committee further recommends that the NECP includes a specific statement that climate and biodiversity are interlinked and a commitment to tackle these respective crises in an integrated manner and based on appropriate scientific evidence.

12) To be effective in the reduction of global emissions, the NECP must be accompanied by policy coherence in other areas of national and international policy. Ireland should support the achievement of climate targets and sustainable development in other countries through responsible engagement with UNFCCC mechanisms such as the Green Climate Fund, the Adaptation Fund, the Loss and Damage Mechanism and the Technology Transfer framework Ireland’s trade, infrastructure, investment and tax policies should be reviewed to ensure they responsibly contribute to the achievement of overall global climate goals. This should include a commitment to avoid further new long-term fossil fuel infrastructure and policies that contribute to fossil fuel extraction in other countries. We also cannot have economic policies or development strategies that move us away from sustainability, for example, data centres that would require increased fossil fuel energy.
The Committee recommends the NECP must be accompanied by policy coherence in other areas of national and international policy. Ireland should support the achievement of climate targets and sustainable development in other countries through appropriate UNFCC funding and responsible trade and tax policy and economic policy/development strategy.

The Committee recommends the NECP must be accompanied by policy coherence in other areas of national and international policy. Ireland should support the achievement of climate targets and sustainable development in other countries through appropriate UNFCC funding and responsible trade and tax policy and sustainable economic policies/development strategies.

The Committee further recommends that we should avoid further development of fossil fuel infrastructure and Ireland should avoid new fossil fuel extraction activities in other countries.

13) The Climate Action Plan will require massive government spending to reach a carbon neutral Ireland by 2050. This spending will benefit different sectors of society in different ways. Plans to subsidise retrofitting of houses will likely benefit homeowners with sufficient capital to carry out works. Likewise subsidising the shift to electric vehicles is likely to benefit those that can afford to buy a new car. There is a significant transfer of wealth to those that are already doing well. Detailed analysis and modelling will be required to ensure that climate policies and investments are fair and work to reduce inequality and not increase it.

The committee recommends that all carbon policies are modelled to assess their impacts on income inequality, and that the Climate Action Plan does not increase inequality.
Annex 1: Recommendations from European Commission Staff Working Document SWD(2019) 230:


- A list of actions undertaken and planned to phase-out energy subsidies, in particular for fossil fuels, needs to be included in the final plan.
- A clearly defined target for renewable energy would help quantifying the objective on increasing indigenous production. This, along with the energy efficiency contribution would serve to reduce the overall consumption and import dependency, to some extent offsetting the diversification challenge once the planned closures of coal and peat plants take place between now and 2030.
- The projected use of peat and biomass would make air impacts important to consider. The final plan would also more generally benefit from complementing and quantifying the analysis of interactions with air quality and air emissions policy.
- The issue of a socially just transition to a climate neutral economy could be better integrated throughout by considering social and employment impacts
- The lack of a clearly identified contribution to the 2030 renewable energy target among the four scenarios presented makes it difficult to assess the level of Ireland’s ambition. … In addition to clarifying Ireland’s contribution, the final plan would need to include an indicative trajectory that reaches all required reference points
- The final plan would benefit from a more detailed list and description of the main concrete mitigation actions considered for reducing greenhouse gas emissions in the agriculture sector.
- The final plan would also need to explain how the very significant increase in biomass use for energy will be combined with the policy on land and forestry, which relies upon increasing removals, and how it will impact air quality.
- The final plan would also benefit from consideration of circular economy and biodiversity, referring to national strategies and action plans and raising their benefits and potential trade-offs in terms of greenhouse gas emission reduction and adaptation.
- The final NECP would benefit from including considerations of a suitable regulatory framework to facilitate the necessary investment as well as indicative milestones for the roll-out, including clear timetables for the implementation of different measures.
- The plan is focused on support to alternative powertrains in road transport. It would benefit from covering measures that address similarly the better organisation of the transport system and hence address energy efficiency of transport, including incentives for modal shift, multimodality, intelligent transport systems and investments in public transport infrastructure.
Annex 2 – Membership of Committee:

Deputies:

Mary Butler TD (FF)
Jack Chambers TD (FF)
Marcella Corcoran Kennedy TD (FG)
David Cullinane TD (SF)
Pat Deering TD (FG)
Timmy Dooley TD (FF)
Martin Heydon TD (FG)
John Lahart TD (FF)
Hildegarde Naughton (FG)
Tom Neville TD (FG)
Carol Nolan TD (RIG)
Thomas Pringle TD (I4C)
Eamon Ryan TD (SD-GP)
Seán Sherlock TD (Lab)
Brid Smith TD (Sol-PBP)
Brian Stanley TD (SF)

Senators:

Paul Daly (FF)
Máire Devine (SF)
Alice-Mary Higgins (CEG)
Tim Lombard (FG)
Ian Marshall (Ind)
Michelle Mulherin (FG)

Notes

1. Deputies nominated by the Dáil Committee of Selection and appointed by Order of the Dáil on 3 July 2018.
2. Senators nominated by the Seanad Committee of Selection and appointed by Order of the Seanad on 5 July 2018.
3. Paul Murphy TD (Sol-PBP) replaced by Brid Smith TD (Sol-PBP) 5 October 2018.
4. Grace O’Sullivan (CEG) replaced by Alice-Mary Higgins (CEG) 1 July 2019
5. Imelda Munster TD (SF) replaced by David Cullinane TD (SF) 11 July 2019