

Opening Statement to Joint Committee on Climate Action

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Addressing climate change, whether through decarbonisation of our economy, or preparing to adapt to the impacts of climate change, is one of the most significant challenges facing this country. It is a complex whole-of-Government and whole-of-society issue with long-term impacts that require policy solutions in the near term.

The Taoiseach and Minister have each acknowledged that Ireland is playing catch-up on our international and EU obligations. EPA figures published in May of this year project that Ireland's non-ETS emissions may be no lower than 1% below 2005 levels by 2020 in the context of a targeted 20% reduction. These are disappointing figures but are nonetheless a snapshot reflecting the extent of policy implementation at a particular point in time. Importantly, these figures do not yet include any projected benefit from the significant investments of almost €22bn on climate action to come over the next decade under the National Development Plan.

Complexity of the climate challenge

I want to say something about the complex sectoral challenges involved as well as outlining progress in a number of areas.

On the plus side, we are making progress in relation to renewable electricity. Ireland is recognised as world-leading in its success in integrating intermittent renewable energy generation onto an isolated electricity grid. Preliminary SEAI figures show that at the end of 2017 we achieved just over 30% of our electricity consumption from renewable sources, up from 26% in 2015 and from 4.25% in 1997, the base year for the renewable energy directive. Eirgrid grid management programmes are recognised as being at the leading edge of global research in this area. By 2030 we have an ambition to achieve at least 55% renewable electricity on the grid. The recently-approved Renewable Electricity Support Scheme will help to deliver on this ambition.

The structure of Ireland's economy with a dispersed population settlement, car based commuting, and the central role of agriculture in the rural economy, all require Government to balance economic and societal objectives with the imperative to reduce our greenhouse gas emissions.

We have not yet managed to decouple economic growth from emissions growth in the transport and agriculture sectors which dominate non-ETS emissions accounting for 75% of emissions in 2020. The EPA's 2018 reports

on greenhouse gas emissions projections show continued emissions growth in these sectors out to 2030 in the absence of further measures.

National Mitigation Plan

The policy framework to set Ireland on path towards achieving both its near-term targets as well as its long-term (2050) decarbonisation objective, is set out in the National Mitigation Plan, published in 2017. This provides a framework to guide Government investment decisions in measures to reduce greenhouse gas emissions from four key sectors: Electricity Generation; Built Environment; Transport; and Agriculture, Forestry and Land Use.

The Plan set out 106 actions and 60 measures to reduce our emissions. It is a 'living document' which is being updated on an on-going basis as analysis, dialogue and technological innovation generate more and more cost-effective sectoral mitigation options. The next update to the Plan will be published as part of the 2018 Annual Transition Statement later this year. Implementation of the Mitigation Plan in this manner means we are making continual, incremental inroads into addressing these long-term challenges.

It is worth highlighting some of the measures in the National Mitigation Plan that are being actively addressed:

- carbon pricing measures through the Emissions Trading Scheme for power generation and large industry with a carbon tax applied to other sectors;
- existing support schemes for renewable energy deployment;
- an ongoing programme of energy efficiency retrofits for the existing housing stock;
- implementation of Near Zero Energy building standards for new residential and commercial buildings;
- implementation of the Public Sector Energy Efficiency Strategy which targets a 33% efficiency improvement by 2020;
- Strengthening of the Biofuels Obligation Scheme, with the rate of biofuels in the national fuel mix to increase to 10% from 1 January 2019;
- Implementation of a range of agri-environment schemes through the 2014-2020 Rural Development Programme, including Beef Data and Genomics Programme, the Knowledge Transfer Programme, GLAS (Green, Low-Carbon Agri-Environment Scheme) and Organic Farming Scheme; and

- The Forestry Programme, with an ambition to increase national forest cover from the current 11% to 18% by mid-century.

National Development Plan

The Committee will already be familiar with the headline commitments on climate action contained in the National Development Plan. These build on existing National Mitigation Plan commitments and with almost 20% of total NDP funding for 2018-2027 to be spent by the State & State Companies on climate-related measures, represent a significant step-change in our approach both in terms of scale of ambition and the funding needed to meet the climate challenge. Key initiatives in the NDP include:

- energy efficiency upgrades of 45,000 homes per annum from 2021 and providing support for a major roll-out of heat pump technologies;
- delivering energy upgrades to BER 'B' level in all public buildings and a minimum of one-third of commercial buildings;
- implementing the new renewable electricity support scheme to deliver an additional 3,000-4,500 MW of renewable energy, with the initial

focus on shovel ready projects which could contribute to meeting our 2020 renewable energy targets;

- the roll-out of the support scheme for renewable heat and national smart metering programme;
- transitioning the Moneypoint plant away from coal by the middle of the next decade;
- having at least 500,000 electric vehicles on the road by 2030 with additional charging infrastructure to cater for planned growth;
- a €500 million Climate Action Fund to leverage investment by public and private bodies in innovative climate action measures; and
- Public transport investments, with €8.6bn in funding over the next decade under National Strategic Outcome 4 of the National Development Plan.

The combined effect of exiting NMP measures and new NDP commitments are contributing to containing pre-2020 emissions at lower levels than would otherwise be the case and will also take us some way toward meeting our 2030 targets.

National Energy and Climate Plan (NECP)

The preparation of a National Energy and Climate Plan, covering 2021-2030, is one of the key provisions of the recently agreed EU Regulation on the Governance of the Energy Union. This is an overarching, consolidating regulation that streamlines a large number of energy and climate planning and reporting requirements.

The National Energy and Climate Plan (NECP) will include trajectories for national emissions, renewable energy and energy efficiency and outline the measures required to achieve these trajectories

The first draft must be submitted to the European Commission by 31 December 2018, with the final version due by 31 December 2019. We will commence a preliminary public consultation on the NECP within the next few weeks, the findings of which will inform the initial draft NECP, with a further consultation on the draft plan during 2019.

Ireland's NECP will set out our proposed contribution to EU level targets on renewable energy and energy efficiency, which will be informed both by our NDP commitments and by our ambition to largely decarbonise our energy system by 2040. In the electricity sector we will see the deployment of additional technologies over the next decade with solar and offshore wind in particular playing an increasing role. We will further decarbonise the sector by

ceasing to use coal and peat in electricity generation. In transport, we will increase our use of sustainable biofuels, move to electrify our car fleet and deploy renewable gas and compressed natural gas solutions for the heavier commercial fleet. In the heating/cooling sector we will significantly increase the use of heat pumps and sustainable biomass in the commercial sector. By combining these actions with a robust energy efficiency programme at domestic and commercial levels, we will significantly reduce emissions from the energy sector.

New Long-Term Low Emissions Strategy

A separate requirement of the Governance Regulation is the preparation by each Member State of a new long-term Low Emissions Strategy. Each Strategy must be prepared by the start of 2020, have at least a 30 year time horizon and contribute to long-term greenhouse gas emissions reductions in the EU in accordance with the Paris Agreement. The Strategy will further elaborate sectoral pathways for Ireland to meet its long-term decarbonisation objectives to 2050.

Building resilience to climate change through the National Adaptation Framework

We also need to consider how we respond to the impacts of climate change. No matter how successful our mitigation efforts prove to be, we are already locked into a scenario where globally we know we are vulnerable to the impacts of climate change. Observations show that Ireland's climate is also changing and the observed scale and rate of change is consistent with regional and global trends.

Earlier this year the Minister published Ireland's first statutory National Adaptation Framework which aims to reduce the vulnerability of our environment, society and economy to the impacts of climate change and thus increase our overall climate resilience.

The National Adaptation Framework identifies twelve key sectors under the remit of seven Government Ministers where sectoral adaptation plans are to be prepared for submission to Government for approval by 30 September 2019.

Each Local authority will also be developing their own adaptation strategies under the National Framework. Building capacity within both central and local Government administrations to engage with climate adaptation is very important, particularly at regional and local level. In this regard, the Minister

announced in January the establishment of four Climate Action Regional Offices to coordinate and drive climate action at local level in Ireland and committed €10m to support their work.

Furthermore, my Department is continuing to support the ongoing development of a Climate Information Platform - Climate Ireland - which is providing hands on training and guidance for the regional teams being established within these offices.

In addition, the Department continues to support the EPA climate change research programme which plays a critical role in informing our responses to adaptation.

Recommendations of the Citizens Assembly

The Minister and the Government have welcomed the report and recommendations of the Citizens Assembly.

Many of the Citizens Assembly recommendations on climate action are already being implemented by the Government. For example:

- On public sector leadership, the Public Sector Energy Efficiency Strategy requires public bodies to implement the Nearly Zero Energy Building (NZEB) standard two years in advance of the private sector

and provides a framework for investment in public buildings retrofits (Recommendation 2).

- The new RESS scheme provides for communities to develop their own renewable electricity projects and for developer-led projects to offer investment opportunities for local citizens and communities (Recommendation 6).
- In relation to sustainable mobility, Strategic Outcome 4 of the National Development Plan commits to investing €8.6bn over the next ten years. Capital funding for cycling and walking infrastructure will increase three-fold between 2018 and 2021 with over €110m allocated for urban cycling and walking infrastructure in our main cities (Recommendation 8).
- A strong package of measures to support the roll out of electric vehicles is now in place, supporting the NDP objective of having at least 500,000 electric vehicles on the road by 2030 (Recommendation 9)
- The Minister is promoting strong action at EU level and in Ireland to address food waste (Recommendation 12) and to reduce packaging, in particular plastics (Ancillary Recommendation 2).
- The Department of Housing, Planning and Local Government is implementing the Nearly Zero Energy Building standard for new residential and commercial buildings (Ancillary Recommendation 4).

The low carbon economy opportunity

Much of the discussion in and around the work of the Citizens' Assembly has focused on the need to recognise the economic and social, in addition to the environmental, opportunities of the low carbon transition.

The imperative to take advantage of this opportunity is also made explicit in both the National Policy Position and the 2015 Climate Action and Low Carbon Development Act.

There is now a large body of international and local evidence that examines the potential gains for the economy in taking strong action to develop the low carbon economy. The Government's support for energy efficiency measures in our building stock is supported by detailed analysis, commissioned by SEAI, that evidences not only the savings, but also the employment gains, market and supply chain development opportunities and macro-economic benefit that can be achieved from energy efficiency investments. In 2017 alone, Exchequer investments of €70 million in building energy upgrades, supported more than 2,000 jobs across Ireland.

Elsewhere, the development of the bioeconomy and the development of a stronger emphasis on value-added, sustainable food production presents real long-term economic opportunities for Ireland's agriculture and food sectors

which will have the potential for real improvements in the emissions profile of the sector over the longer-term.

Ireland's public-funded research is also recognising these opportunities. The recently concluded re-refresh of our national research priorities has added Energy, Climate Action and Sustainability as one of six overall themes for the 2018-2023 period. This will comprise two broad pillars of research – Decarbonising the Energy System and Sustainable Living.

National Dialogue on Climate Action

The Citizens' Assembly also demonstrates that individual citizens can produce very clear recommendations when provided with an opportunity to reflect and consider in detail a specific societal change. It also underlines that Ireland will not achieve its climate objectives through Government action alone and engagement with wider society on an ongoing basis will be essential.

This is a model the Department intends to develop further through initiatives under the National Dialogue on Climate Action, launched by the Minister last year to deliver on the objective of broad societal engagement in the low-carbon transition. A first Regional Gathering under the auspices of the Dialogue took place on 23 June in Athlone. Further regional gatherings are

currently being planned and details will be announced by the Department in the near future.

Conclusion

The Government is already implementing many of the recommendations made by the Citizen's Assembly and considering the best way to follow through on others. We are implementing long-term climate mitigation and adaptation strategies through the National Mitigation Plan, the National Adaptation Framework and National Development Plan and will be streamlining our EU climate and energy reporting via the NECP. Citizens are being consulted on how best to tackle climate change through the National Dialogue on Climate Action.

We have a long way to go and huge challenges ahead. We also have to see and grasp the huge opportunities that exist if we embrace a low carbon future.

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