

Joint Committee on Environment and Climate Action

20 July 2022

Opening Statement by Marc Kierans, Principal Officer

Department of the Environment, Climate and Communications

1. Introduction

I am the Principal Officer in the Land Use and Sectoral Policy Division of the Department of the Environment, Climate and Communications and I am part of the team responsible for the preparation of the sectoral emissions ceilings. I am accompanied by three of my colleagues from the Climate Division – Robert Barnes and Niamh Gibbons from the Land-use and Sectoral Policy Division and Neil Gannon from the Environment and Climate Action Plan Delivery

I will use my opening remarks to outline the process that the Department has undertaken for the preparation of sectoral emissions ceilings in accordance with the Climate Action and Low Carbon Development (Amendment) Act 2021.

2. Carbon Budgets

The Climate Action and Low Carbon Development (Amendment) Act 2021 (the Act) commits Ireland to a legally-binding target of a climate neutral economy no later than 2050 and a reduction in emissions of 51% by 2030 (compared to 2018 levels).

Following the process set out in the Act, the carbon budget programme proposed by the Climate Change Advisory Council was approved by Government on 21 February 2022, and subsequently adopted by the Oireachtas on 6 April 2022. This carbon budget programme comprises three successive 5-year carbon budgets as follows:

- 2021-2025: 295 MtCO₂eq. – an average reduction of 4.8% per annum for the first budget period
- 2026-2030: 200 MtCO₂eq. – an average reduction of 8.3% per annum for the second budget period
- 2031-2035: 151 MtCO₂eq. – an average reduction of 3.5% per annum for the third provisional budget period.

The upper-ends of the emission reduction ranges in Climate Action Plan 2021 (CAP21) are consistent with a 51% reduction in emissions by 2030 compared against 2018 levels, on the basis of full implementation of core measures and further measures, as well as allowing for unallocated savings. The Plan leaves savings of circa 4 MtCO₂eq. unallocated in 2030 on an economy-wide basis pending the identification of additional abatement measures.

The 2021 Climate Act provides that Government approve an annual update to the Climate Action Plan that is consistent with the carbon budget programme, so once the carbon budget programme and associated sectoral emissions ceilings have been adopted, Climate Action Plan 2023 will be prepared and published before year end to ensure such consistency.

3. Sectoral Emission Ceilings

Under the Act, the Minister for the Environment, Climate and Communications must prepare, within the limits of the agreed carbon budget programme, the maximum amount of greenhouse gas emissions that are permitted in different sectors of the economy during a budget period ('sectoral emissions ceilings'), and different ceilings may apply to different sectors. These sectoral emissions ceilings shall be determined by the Government and are not subject to an Oireachtas process.

The Act requires the Minister to submit sectoral emissions ceilings to Government for approval 'as soon as may be after a carbon budget takes effect'. The Minister intends to take a proposal to Government on sectoral emissions ceilings shortly.

The Department has looked at a number of scenarios to support the preparation of the sectoral emissions ceilings. The Department is being supported in this work principally by McKinsey and Company, and MaREI at University College Cork. Key inputs have also been received from the EPA, SEAI, Teagasc, EirGrid, the ESRI, University College Dublin, and other contracted support.

4. Consultation with relevant Ministers

The Act provides that the Minister shall, when preparing a sectoral emissions ceiling, consult with such Ministers of the Government as he considers appropriate. Over the last three months, extensive consultation with relevant stakeholders has taken place. In terms of the engagement to date, the Department of the Environment, Climate and Communications has been sharing analysis, including through bilateral meetings and workshops with key Departments. There has also been a series of meetings at Secretary General and Ministerial level.

5. Ministerial Accountability for Sectoral Ceilings

As part of the proposal, the Minister will recommend to Government the sectors of the economy to which each sectoral emissions ceiling will apply, based on the EPA Emissions Inventory which breaks down emissions into a range of categories across the economy.

A Minister must be assigned responsibility for each sector in order to meet the obligations under the Act. Section 6C of the Act gives a legislative underpinning to whole-of-government climate action by making responsibility for adherence to the carbon budgets and sectoral ceilings more diffuse across government.

Ministers will be required, in so far as practicable, in the performance their functions, to comply with the sectoral emissions ceiling that applies to the sector for which that Minister of the Government has responsibility.

6. Conclusion

I thank the Committee for inviting myself and my colleagues. I am happy to answer any questions.