

IEMA Policy Update

Environment Bill, Net-Zero 2050 carbon target, Green Finance Strategy, Brexit, future trade agreements.....

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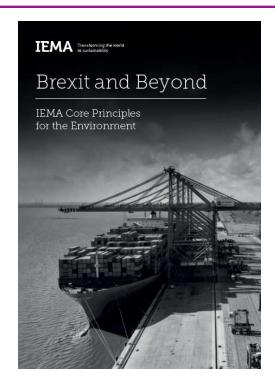
Q&A

Send in your questions using the 'chat' facility at any time during time to go through them at the end of the presentation

the session - we'll have plenty of

Overview....helping to join the dots!

- Environment Bill
- Net-Zero 2050 Carbon Target
- Green Finance Strategy
- Brexit
- Future Trade Agreements







Environment Bill



Setting out our high-level approach

To "put sustainability at the heart of our economic model" the Environment Bill needs to provide a framework that:

- gives strategic predictability on what is required in total
- assigns responsibility for who needs to do what, early and consistently
- ensures 'doing the right thing' is consistently simpler and more rewarding, with all policy pulling in the same direction coherently
- where solutions require collaboration, enables plans to be developed at the right scales, collaboratively
- ensures a shared and adequate information base to inform action
- holds government and other account for meeting their responsibilities
 in effect developing a "Constitution for the Environment"





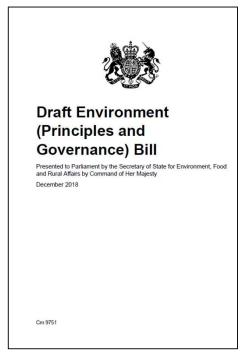
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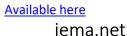


Environment Bill

Government developing Bill in 2 stages – which will be combined into a single Bill

- 1) Draft Environment (Principles and Governance) Bill published 19th
 December 2018
- Draft Environment Bill greater ambition (2nd Parliamentary session...)



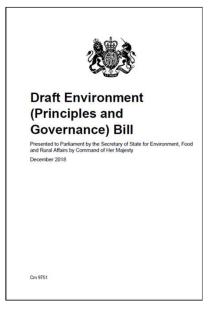




Environment Bill – a reminder

Draft Environment (Principles & Governance) Bill Dec 2018

- Environmental Principles precautionary, polluter pays etc implemented through a Policy Statement
- Environmental Improvement Plans (EIPs) putting Defra
 25yr plan on a statutory basis
- Office for Environmental Protection monitoring & reporting on Environmental Improvement Plans (EIPs) & implementation of environmental law; enforcement of public authorities





Draft Environment (Principles and Governance) Bill

Issues raised by IEMA and others in pre-legislative scrutiny

- a) Independence and resourcing of the OEP, enforcement powers and scope in relation to climate change laws
- b) Weakness in the language on the application of environmental principles by Ministers, plus carve outs for MoD and HMT
- c) Scope of the Bill with respect to UK-wide vs Devolved Nations

We are working across Government as part of the Broadway Initiative – Defra, No10, HMT, MHCLG etc



Environment Bill Policy Paper

Government commitment to:

"explore options for including additional cross-cutting targets for environmental improvement as part of this framework. Well-designed targets could offer greater certainty on the strength of the government's ambition and drive action by businesses and wider society"

Our view is that this should be considered in terms of

- Lack of overarching objective in the Bill to bind the governance aspects together
- Relationship between targets and EIPs
- Role of OEP in advising on targets
- Spatial framework and local delivery/governance



Purpose of Chapter 1: To provide a framework to ensure that appropriate policies and plans are in place to enable the environmental objectives to be met

Environmental objectives:

Within the framework of sustainable development, to achieve and maintain:

- a) A healthy, resilient and biodiverse natural environment
- b) An environment that supports human health and wellbeing for all
- c) Sustainable use of natural and physical resources

Environmental targets: Duty on the Secretary of State to set targets and milestones to establish the pathway for meeting the objectives. The target setting processes and criteria will guide decisions on the appropriate pace towards the objectives

Environmental Improvement

Plans: Duty on SoS to ensure appropriate mechanisms, policies and programmes are in place to enable and ensure that society meets the targets and is on a track towards achieving the objectives. And to measure and report on progress towards achieving the objectives.

Local Environmental Improvement Plans: Duty on SoS to establish a framework for environmental planning at spatial level to ensure that society [as above] Ministers should apply

environmental principles when developing policy, taking account of the objectives.

Environmental principles:

Office for Environmental
Protection: the OEP's strategy
should direct the OEP to exercise
its functions in a way that holds
government to account for
meeting the targets and for
putting society on track to
achieve the objectives.

The economy and society

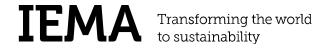
Government policies and mechanisms

Chapter 2 – Environmental Themes

- 1. Air Quality strengthening/extending local authority powers to tackle poor air quality; powers for government to mandate recalls of vehicles and machinery; biomass in urban areas....UK-wide PM2.5 target based on WHO guidelines?
- 2. Restore & Enhance Nature nature recovery network; conservation covenants; biodiversity net gain (10%); illegal deforestation in the UK; <u>Local Nature Recovery</u>

 <u>Strategies</u> "map out important habitats and opportunities for the local environment to be improved, linking communities' knowledge and priorities with national environmental objectives" potentially significant for EIA
- 3. Resources and Waste Enhanced Producer Responsibility full net cost; enhanced resource efficiency including RE standards for products + labelling; enhanced recycling plus consistent set of materials; Deposit Return Scheme; tackling waste crime
- 4. Water long-term water resource planning; abstraction





Timetable....?

Environment Bill is expected in the next Queen's Speech...14th October 2019

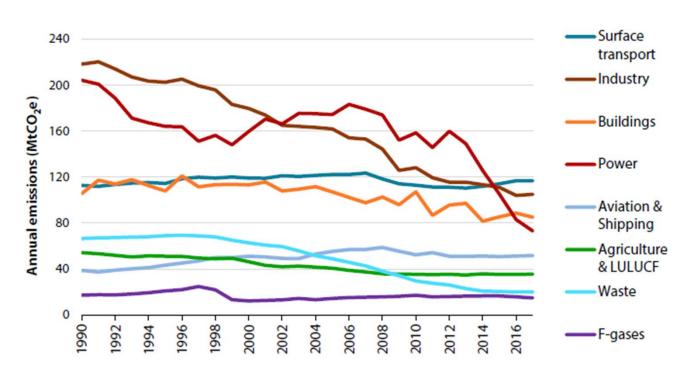
- Prorogation of Parliament
- Debate then vote on Queen's Speech 22/10?
- General Election?
- Brexit?
- Crowded Parliamentary timetable with Brexit-related legislation (Trade, Immigration, Fisheries, Agriculture etc)





Net Zero 2050 Target

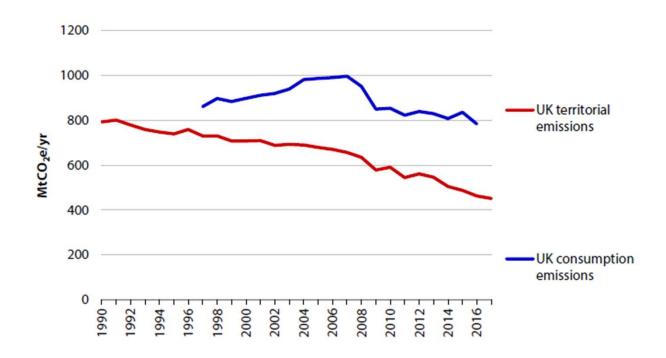
Progress reducing emissions in the UK has been imbalanced





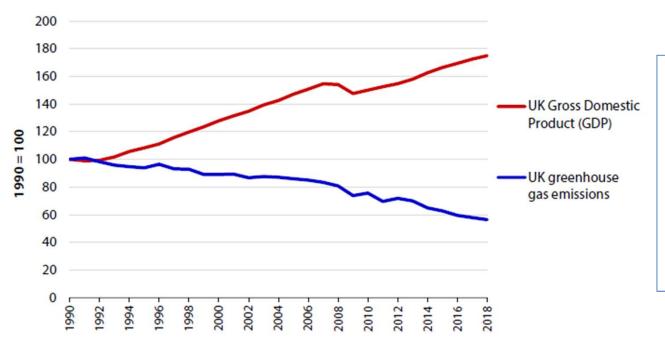
Source: Committee on Climate Change (2019) "Net Zero - The UK's contribution to stopping global warming"

Historical UK Terrestrial & Consumption Emissions





Breaking the link?



- Carbon budgets not aligned to net-zero target
- UK not on track to hit 4th
 & 5th Carbon Budgets
- Policy gap widening
- Level of activity not commensurate with the climate and environmental emergency

Source: Committee on Climate Change (2019) "Net Zero - The UK's contribution to stopping global warming"



	2020s		2030s	2040s	
ELECTRICITY	Largely decarbonise electricity: renewables, flexibility, coal phase-out	Expand electricity system, decarbonise mid-merit/peak generation (e.g using hydrogen), deploy bloenergy with CCS			
HYDROGEN	Start large-scale hydrogen production with CCS	Widespread deployment in industry, use in back-up electricity generation, heavier vehicles (e.g. HGVs, trains) and potentially heating on the coldest days			
BUILDINGS	Efficiency, heat networks, heat pumps (new-build, off-gas, hybrids)	\geq	Widespread electrification, expand heat networks, gas grids potentially switch to hydrogen		
ROAD TRANSPORT	Ramp up EV market, decisions on HGVs	\geq	Turn over fleets to zero-emission	on vehicles: cars & vans before HGVs	
INDUSTRY	Initial CCS clusters, energy & resource efficiency	\geq	Further CCS, widespread use	of hydrogen, some electrification	
LAND USE	Afforestation, peatland restoration				
AGRICULTURE	Healthier diets, reduced food waste, tree growing and low-carbon farming practices				
AVIATION	Operational measures, new plane efficiency, constrained demand growth, limited sustainable biofuels				
SHIPPING	Operational measures, new ship fuel efficiency, use of ammonia				
WASTE	Reduce waste, increase recycling rates, landfill ban for biodegradable waste			n-bio wastes (e.g Deploy measures to reduce om waste water)	
F-GASES	Move almost completely away from F-gases				
GREENHOUSE GAS REMOVALS	Develop options & policy framework			ns, demonstrate direct air capture of CO ₂ , epending on progress	
NFRASTRUCTURE	Industrial CCS clusters, decisions on gas grid & HGV infrastructure, expand vehicle charging & electricity grids		Hydrogen supply for industry & potentially buildings, roll-out of infrastructure for hydrogen/electric HGVs, more CCS infrastructure, electricity network expansion		
CO-BENEFITS	Health benefits due to improved air quality, healthier diets and more walking & cycling Clean growth and industrial opportunities				

From 80% to Net-Zero – need to capitalise on

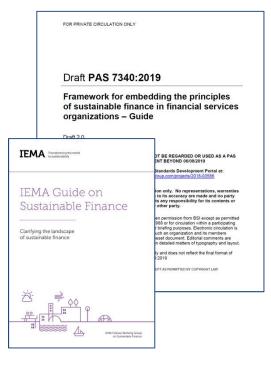
- More abatement in industry. Our understanding of what is possible in industry has significantly strengthened through deeper evidence and analysis. We can now identify ways to reduce emissions close to zero for the vast majority of industrial processes & activities. In many cases these involve similar changes to those in the rest of the economy: efficiency, electrification, application of CCS & switching heat sources to low-carbon hydrogen. It will also involve better resource efficiency, for example product designs that last longer & use less material alongside increased reuse & recycling.
- More low-carbon electricity, hydrogen and CCS. The net-zero scenarios require more electrification & use of hydrogen. Increased supplies of low-carbon electricity & hydrogen, along with more CCS to support those supplies, will therefore be needed.
- Almost all HGVs and heating of buildings must be low-carbon by 2050. These were already desirable goals for an 80% target, but will be necessary for a net-zero target.
- Aviation, agriculture and land must play their part. Updated evidence for aviation points to greater potential to reduce emissions, although we still expect the sector to emit more than any other in 2050. Our 80% scenarios did not assume any diet change, or major land use changes on the freed-up land, but these are both needed for a net-zero target.



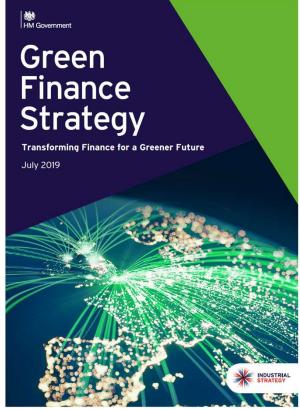


Sustainable Finance

Recent initiatives - significant









Supply and Demand – linking capital deployment & 'green' assets

STRATEGY

Greening Finance

Ensuring current and future financial risks and opportunities from climate and environmental factors are integrated into mainstream financial decision making, and that markets for green financial products are robust in nature.



Financing Green

Accelerating finance to support the delivery of the UK's carbon targets and clean growth, resilience and environmental ambitions, as well as international objectives.



Capturing the Opportunity

Ensuring UK financial services capture the domestic and international commercial opportunities arising from the 'greening of finance', such as climate related data and analytics, and from 'financing green', such as new green financial products and services.

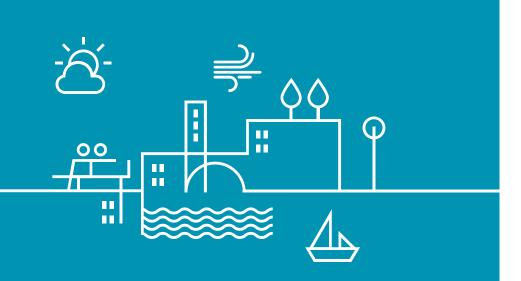


Strong links between:

- Climate Change Act (net-zero target and climate adaptation)
- Environment Bill
- Agriculture Bill (in particular the proposed Environmental Land Management Scheme)

Expect to see greater policy coordination, integration and coherence.





Future Trade Agreements, Non-Regression & Alignment

Non-Regression

Withdrawal Agreement text "the EU and the UK shall ensure that...

the level of environmental protection provided by law, regulations and practices is not reduced......in relation to:

access to environmental information, public participation and access to justice in environmental matters; environmental impact assessment and strategic environmental assessment; industrial emissions; air emissions and air quality targets and ceilings; nature and biodiversity conservation; waste management; the protection and preservation of the aquatic environment; the protection and preservation of the marine environment; the prevention, reduction and elimination of risks to human health or the environment arising from the production, use, release and disposal of chemical substances; and climate change."



Business Secretary Non-Regression Statement to Parliament

Environment (separate provisions on worker rights/protections)

- i. The government will legislate to ensure that where future Bills could affect environmental protections, a Minister of the Crown will make a statement of compatibility to Parliament
- ii. The government will also create a new statutory duty on Government to monitor any strengthening of environmental protections and regulations by the EU, and to report regularly to Parliament about the Government's intended course of action in those areas

 (Greg Clark 6th March 2019)



Prime Minister letter to Donald Tusk

"Although we will remain committed to world-class environment, product and labour standards, the laws and regulations to deliver them will potentially diverge from those of the EU."

Boris Johnson letter 19th August 2019



Future Trade Agreements – EU and Rest of the World

Thoughts on positioning.....essential that we develop a common UK position

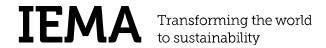
- 1. High-level of environmental protection and a commitment to sustainable development
- 2. Based on a principle of "non-regression" of environmental <u>outcomes</u>
- Ongoing improvement?.....extract from the recent EU/Japan agreement: "each Party shall strive to ensure that its laws, regulations and related policies provide high levels of environmental and labour protection and shall strive to continue to improve those laws and regulations and their underlying levels of protection".
- 4. Dynamic-alignment towards (higher) environmental protections/outcomes/standards?
- 5. CEN & UNICE standards to be used as the basis of mutual recognition and accreditation?
- 6. Leverage environmental services/technologies into future agreements
- 7. Key environment/trade protections for certain issues (timber, conflict minerals etc)
- 8. Climate change Article 6 Paris Agreement, ETS, border carbon adjustment for dispute resolution?



And finally.....

- 1. Dasgupta Review on the Economics of Biodiversity
 https://www.gov.uk/government/collections/the-economics-of-biodiversity-the-dasgupta-review
- 2. ISO 14008 (2019) Monetary valuation of environmental impacts and related environmental aspects
- ISO 14090 (2019) Climate Change Adaptation: principles, requirements and guidelines
- 4. Ballot on starting work on new standard "GHG Management and related activities on Carbon Neutrality"





Thanks....any questions?

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