

# IEMA Policy Update

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

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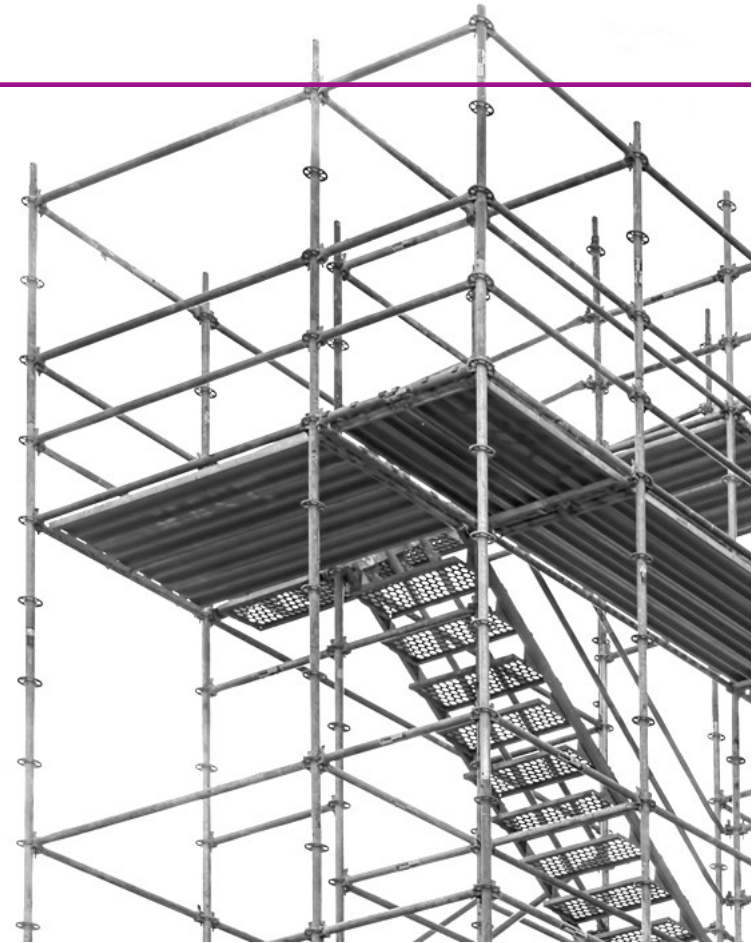
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## Q&A

- Send in your questions using the 'chat' facility at any time during the session - we'll have plenty of time to go through them at the end of the presentation

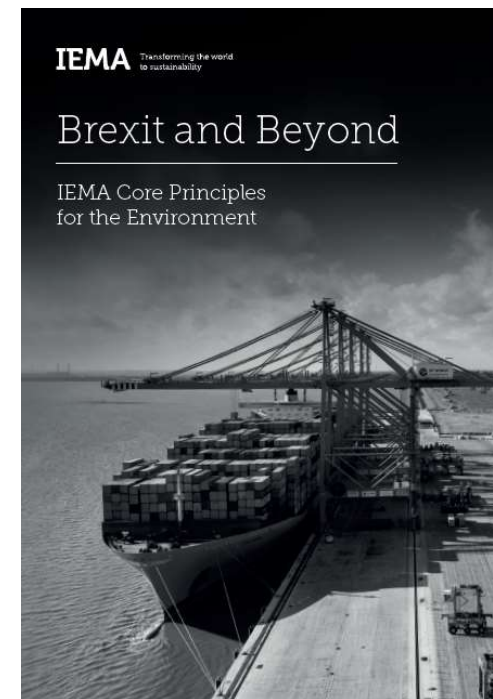
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Overview....helping to join the dots!

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- 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”

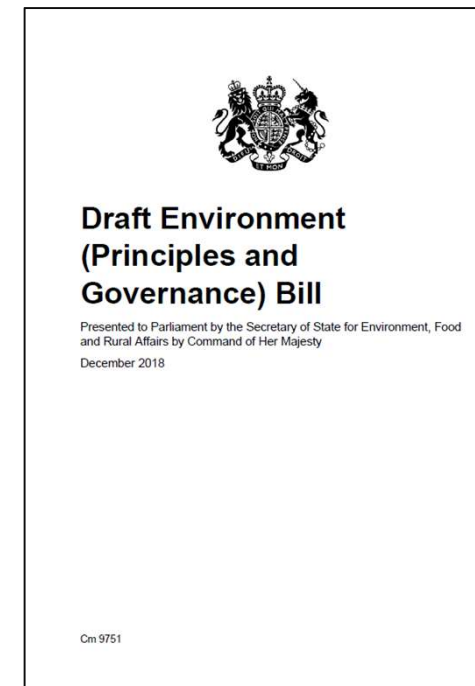


# Environment Bill

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

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

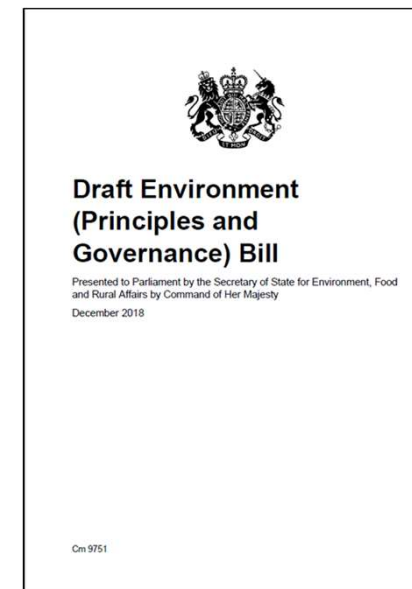


# Environment Bill – a reminder

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Draft Environment (Principles & Governance) Bill Dec 2018

1. Environmental Principles – precautionary, polluter pays etc implemented through a Policy Statement
2. Environmental Improvement Plans (EIPs) – putting Defra 25yr plan on a statutory basis
3. 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

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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

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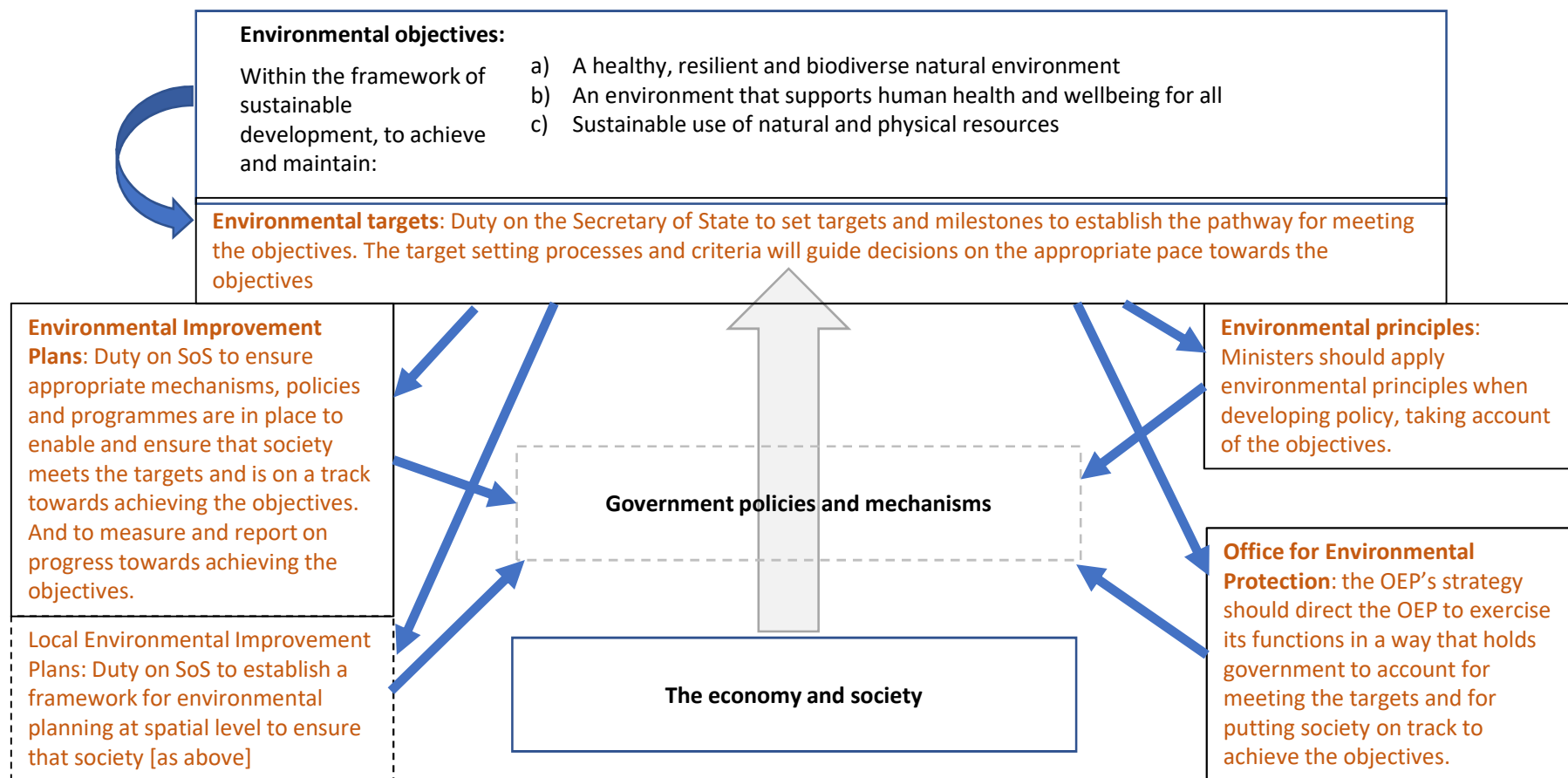
Government commitment to:

*“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



## Chapter 2 – Environmental Themes

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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; Local Nature Recovery Strategies – “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....?

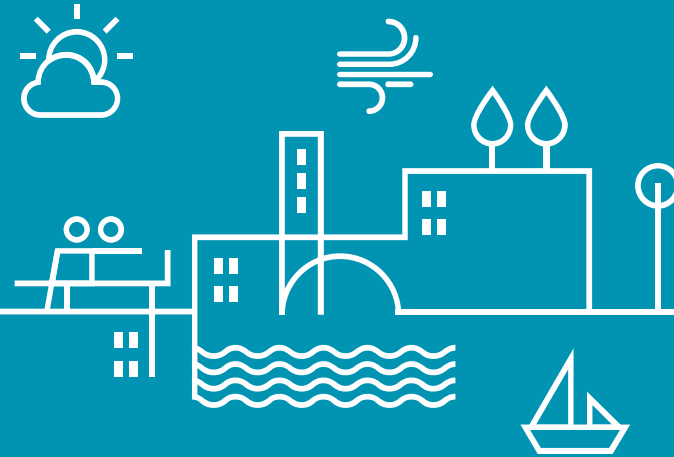
Environment Bill is expected in the next Queen's Speech...14<sup>th</sup> October 2019

- 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)

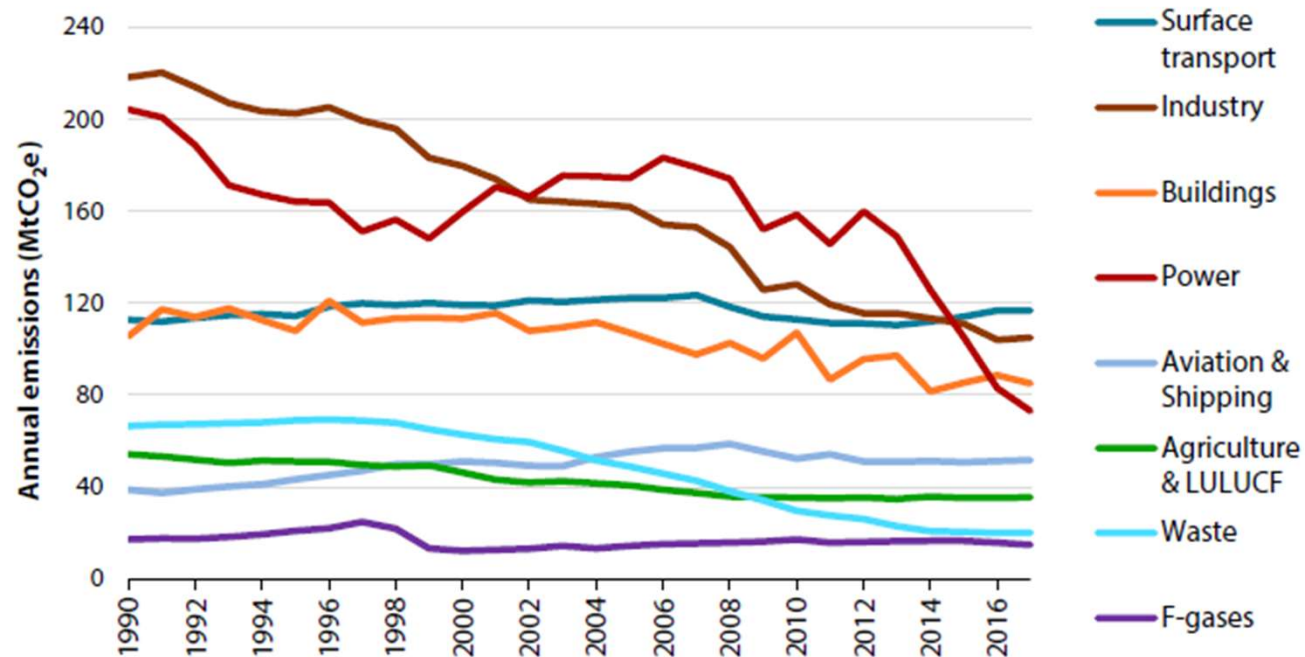
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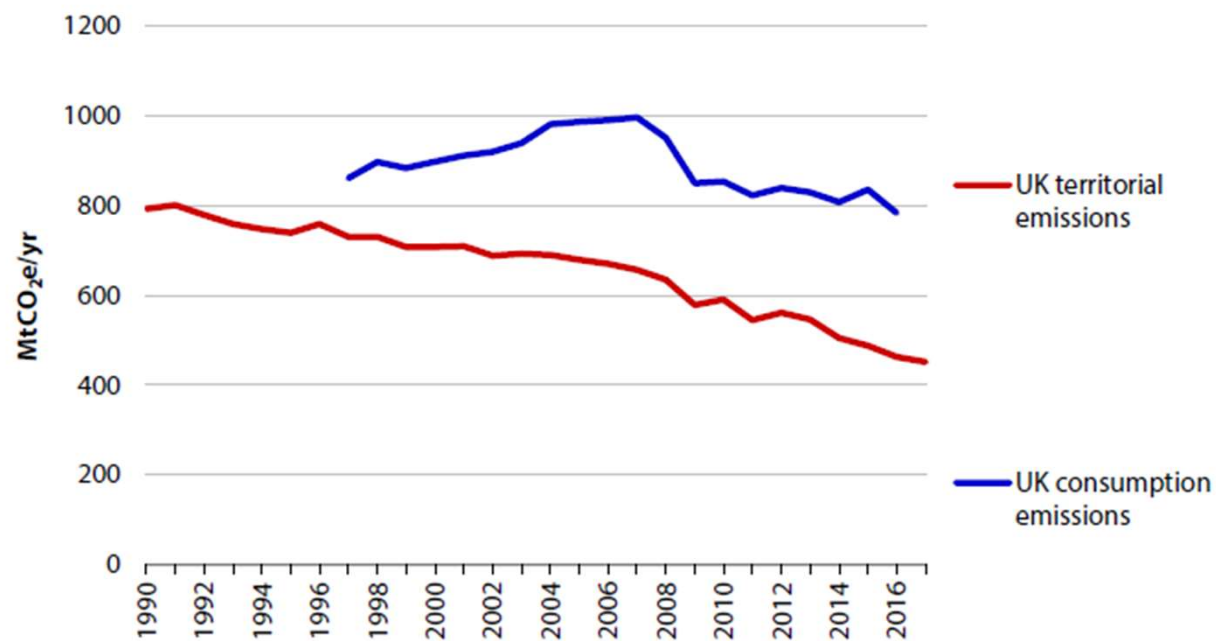
# Net Zero 2050 Target



## Progress reducing emissions in the UK has been imbalanced

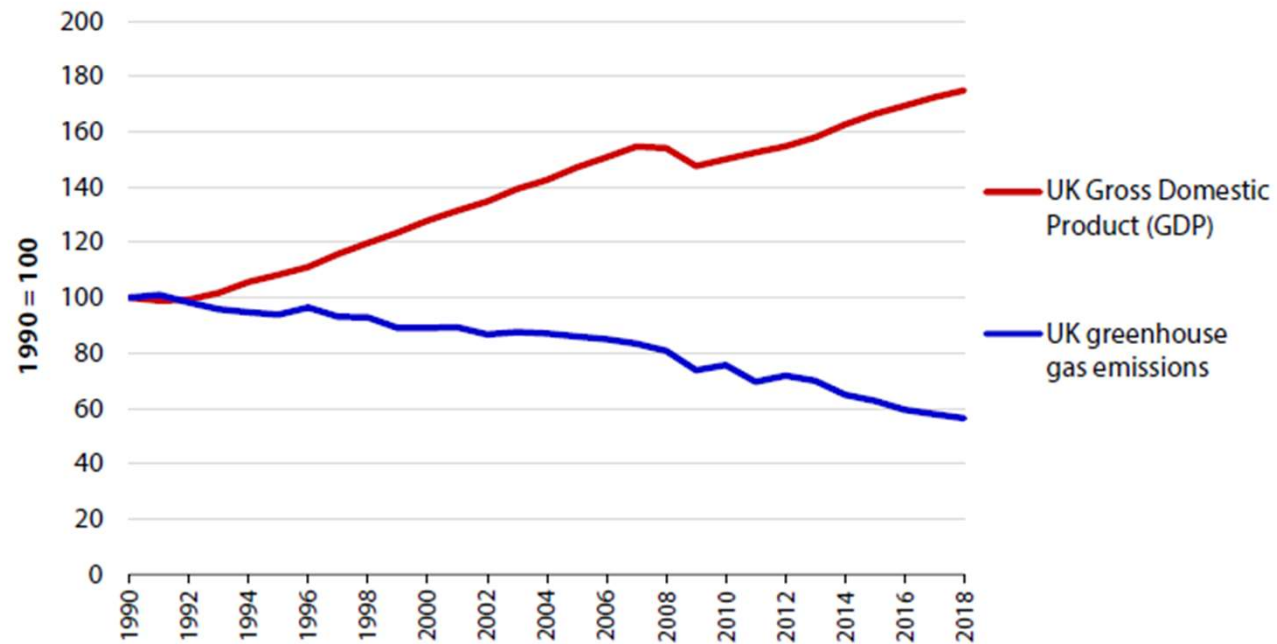


# Historical UK Terrestrial & Consumption Emissions



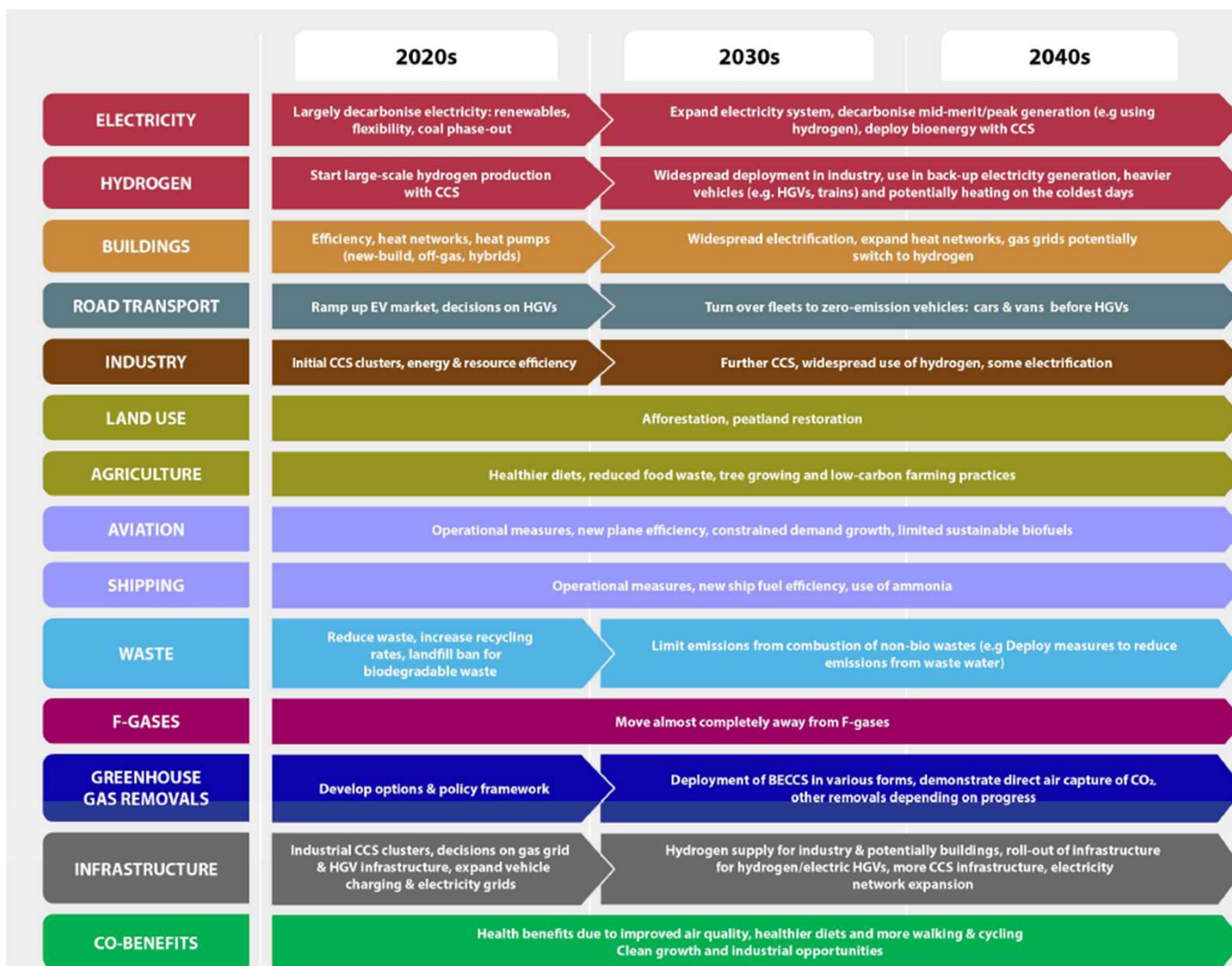


## Breaking the link?



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

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



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

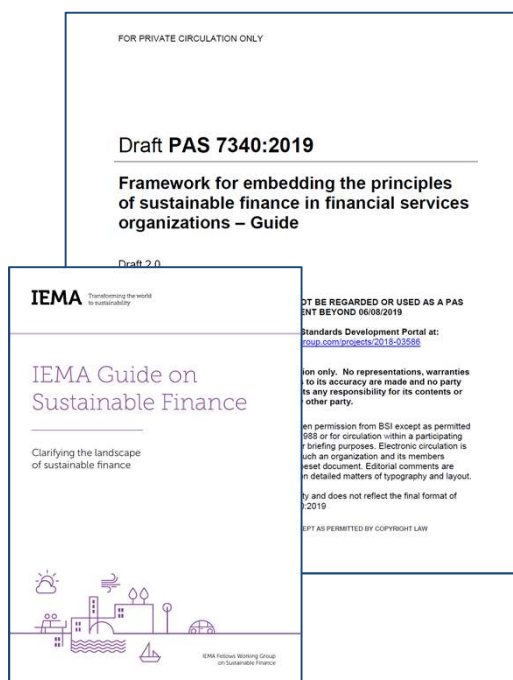
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- **More abatement in industry.** Our understanding of what is possible in industry has significantly strengthened through deeper evidence and analysis. We can now identify ways to reduce emissions close to zero for the vast majority of industrial 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



**IEMA** Transforming the world to sustainability



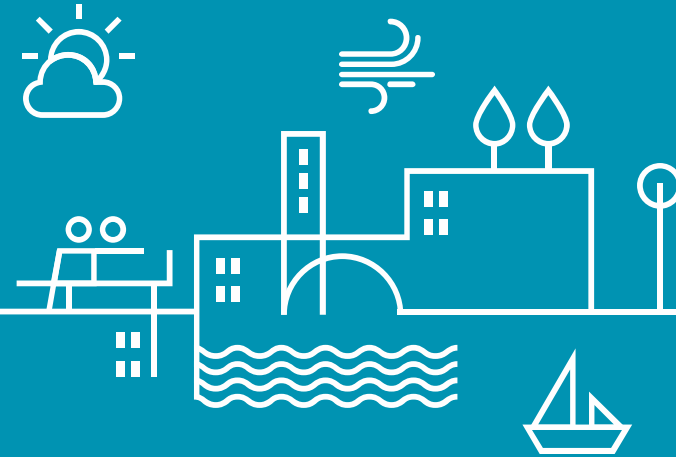
# Supply and Demand – linking capital deployment & ‘green’ assets



## 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 co-ordination, integration and coherence.



# Future Trade Agreements, Non-Regression & Alignment



## Non-Regression

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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

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### 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 6<sup>th</sup> March 2019)

## Prime Minister letter to Donald Tusk

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“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 19<sup>th</sup> August 2019

# Future Trade Agreements – EU and Rest of the World

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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 outcomes
3. 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.....

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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
3. 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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