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Climate Change

Environment

Renewable and Sustainable Energy

Net Zero

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The Importance of Domestic Policy for UK Leadership on Climate

Foreword

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The UK's climate targets are among the world's most ambitious. In recent months, in the build-up to COP26, the UK government has made a number of significant and ambitious policy announcements on the climate change agenda – namely, a world-leading 2030 phase-out date for petrol and diesel vehicles announced last year. But while the UK is on track to meet the requirements of the 3rd Carbon Budget, the five-year budgetary period we are currently in under the Climate Change Act (2008), it is not on track to meet the more ambitious 4th and 5th carbon budgets that go beyond the 2030 emissions target. Without significant action this year, the UK will not be able to meet that target - as the UN climate summit in November (COP26) approaches, the UK government has more to do to meet its ambition to be a global 'climate change leader.'

As Chairs of the APPGs for Climate Change, Environment, Renewable & Sustainable Energy, Net Zero and Sustainable Finance, we believe that to be a credible 'climate change leader' at COP26, the UK must be demonstrably on track to meet its own climate change targets well before the summit opens. This means that in the next six months, Government must turn aspirations into action – implementing measures in sectors such as home heating and insulation, transport, energy, and land use that collectively eliminate the sizeable gap between what we have promised and what current policies will deliver.

Many governments, including ours, will be committing considerable funds to rebuilding economies as we emerge from the Covid-19 pandemic. Incoming US President Joe Biden has pledged to make his rebuilding plans compatible with advancing U.S. climate policies: 'Every

dollar spend towards rebuilding... will be used to prevent, reduce and withstand a changing climate.’ The EU will spend at least 30% of its €750bn rebuilding budget on measures that also reduce emissions, and make sure that the remainder does not increase them. We believe that to be credible hosts of COP26, the UK must make similar new funding commitments for its own Covid recovery spending, ensuring that this is a moment from which we truly ‘build back better.’

2021 offers the UK an opportunity – and, indeed, as hosts of COP26, a responsibility – to show international leadership in ambitious policy making on climate, particularly given its track-record in setting the global agenda on these issues. But it can only do so if it continues to build on policy commitments, urgently translate them into action, and demonstrate decisive, credible leadership at home.

The UK Policy Challenge

In 2019 the UK became the first major economy to put a target of reaching net zero emissions into national legislation, with a 2050 end date. Last year government upgraded its target for 2030, pledging a 68% cut (from 1990 levels). Both targets are among the world’s most ambitious. But despite recent announcements such as the Prime Minister’s recent ‘Ten-Point Plan’, there remains a significant policy gap; Green Alliance calculates that policies enacted in 2020 only cut the gap between target and trajectory by 23%.

The Ten-point Plan constitutes the main roadmap for navigating the transition to net zero emissions by 2050 through a ‘Green Industrial Revolution.’¹ Among other measures, it promises:

- innovation in nuclear and hydrogen projects
- £200m of funding for Carbon Capture and Storage (CCS) technology with the aim of establishing two CCS hubs capable of removing 10MtCO₂e per year by 2030
- a 2030 phase-out date for sales of new petrol and diesel cars and vans
- £1.3bn for charging infrastructure and expanding plug-in vehicle grants
- an extension of the Green Homes Grant and a target of installing 600,000 heat pumps per year by 2028.

However, many of these measures remain aspirations (‘we *aim* to install 600,000 heat pumps’) while others such as hydrogen, CCS and nuclear can make only a small dent in emissions over the coming decade. In other key areas such as land use there is an almost total absence of policy to cut emissions. Crucially, there is a lack of long-term strategy and funding for decarbonisation in key areas including transport, buildings and industry. So, it is not clear how the pledged emission reductions will be delivered – in turn, reducing the chances of the UK’s self-proclaimed ‘climate leadership’ resonating at COP26.

The Climate Change Committee, the government’s official climate advisers, has outlined how building back from Covid-19 can be a historic turning point in tackling the global climate crisis by using funds to boost low- and zero-carbon sectors, in turn generating more secure jobs.² This call has received cross-party support, and been backed up by businesses, NGOs and other civil society groups. The Energy Transitions Commission has pointed out that this period of historically low interest rates is the ideal time to unleash huge investment in renewable energy, while accelerating the phase-out of fossil-fuel car engines and gas boilers will improve air

quality and, in turn, health.³ The Confederation of British Industry (CBI) has outlined a roadmap that includes boosting energy efficiency by retrofitting homes and buildings and accelerating the deployment of low carbon electricity generation.⁴ Green Alliance's 'blueprint for a resilient economy' report highlights five key priorities.⁵

1. Investment in Net Zero infrastructure
2. The restoration and protection of nature
3. A less wasteful approach to resource use
4. Investment in clean air and green spaces
5. A commitment to ensure the recovery is fair for everyone

In 2021 the government will publish a Building and Heat Strategy, a Transport Decarbonisation Strategy, a new green Industrial Strategy, and a host of plans for land and agriculture post-Brexit, including a Tree Strategy, a Peat Strategy and a National Food Strategy. Government will also inevitably be making further commitments to supporting businesses through the Covid-19 pandemic and rebuilding economic activity as we emerge.

If enacted in line with a commitment to meet or exceed the 2030 and 2050 climate targets, these measures can play a central role in delivering our climate ambitions – in turn putting the UK in a far stronger position to leverage credible climate leadership in COP26 negotiations and hence drive a strong global deal.

Comment

Why the UK must act at home to show international climate leadership

Dr Joeri Rogelj, Director of Research at the Grantham Institute – Climate Change and Environment, Imperial College London



The most important goal for COP26 is for all countries to come forward with ambitious new pledges, known as nationally determined contributions (NDCs). These pledges are needed to put the world on track to meet the Paris Agreement. Currently, global emissions in 2030 are still projected to be higher than they are today. Yet global emissions must be roughly halved by 2030 to have a 50% chance of limiting warming to 1.5°C. If, collectively, new pledges do not make a serious dent in global emissions by 2030, COP26 will be considered a debacle.

The UK can take several steps domestically to assert climate leadership internationally, and to encourage new, strengthened pledges. Some steps have already been achieved, others are still for the government to take. The UK's long-term target is ambitious and reaches net zero emissions two decades before a global pathway in line with 1.5°C. Together with the first UK NDC, it aims to present a fair contribution that enables the country's industry to lead a global green transition. Institutionally, having the UK's independent Committee on Climate Change (CCC) provide evidence for policymaking is global best-practice.

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The UK must embed climate action across all government activities.”

The challenges of asserting international climate leadership are thus not the UK's ambitions, but their delivery. The CCC judges that the UK is not on track to meet even its older, less ambitious targets. This undermines the UK's climate credibility. Similarly, the recent reduction in official development assistance (ODA) is unfortunate and will weaken the UK's international position to engage and support countries in delivering ambitious climate policies.

The UK must embed climate action across all government activities, strategies and decisions; from development cooperation to trade negotiations, through to climate-positive COVID-19 stimulus. By doing so, the UK can lead the world's countries towards the successful COP26 outcome that is needed.

Timeline: 2021

A brief, and by no means exhaustive, list of some of the key diplomatic engagement points in 2021.

| | |
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| 25 th January | Global Commission on Adaptation: <u>Climate Adaptation Summit</u> |
| 26 th – 29 th January | <u>World Economic Forum</u> Annual Meeting |
| 17 th – 30 th May | <u>COP15</u> – UN Convention on Biological Diversity in Kunming, China |
| June | G7 Summit, Carbis Bay, Cornwall |
| September | UK Government - Net Zero Strategy expected |
| 14 th September | 76 th Session of the UN General Assembly |
| 28 th - 30 th September | <u>Youth4Climate: Driving Ambition</u> COP Summit |
| 30 th September – 2 nd October | <u>Pre-COP</u> , Milan, Italy |
| 30 th – 31 st October | G20 Summit, Rome, Italy |
| 1 st – 12 th November | <u>COP26</u> – UN Climate Summit in Glasgow, Scotland |

Glossary

United Nations Framework Convention on Climate Change (UNFCCC) - the international treaty under which climate negotiations take place. The treaty was signed in 1992 and entered into force in 1994.

Conference of the Parties (COP) - a generic term for the ultimate decision-making body of an international convention, which in the case of the UNFCCC convenes annually. Often also used to refer to the conferences where the decision-making body convenes.

26th Conference of the Parties (COP26) - the 26th time that the COP to the UNFCCC has convened. To be held in Glasgow in November 2021.

The Paris Agreement - an extension to the UNFCCC agreed at COP21 in Paris. Signatories have committed to limiting global temperature rise to well below 2 degrees celsius above pre-industrial levels. Where previous efforts to reach a global agreement on emissions reduction focused on dividing the remaining carbon budget between countries, the Paris Agreement invites countries to put forward their own contributions. The intention is that these contributions will become increasingly progressive will collectively achieve the objectives of Paris Agreement.

Paris Agreement Rulebook: guidelines for how the Paris Agreement will operate in practice. The majority of the rulebook was agreed at COP24 in Katowice, however there are a number of outstanding issues such as the operation of market and non-market cooperation mechanisms.

Kyoto Protocol: The Kyoto Protocol was the first major extension to the UNFCCC, adopted in 1997. Unlike the Paris Agreement that requires emission reductions from all countries, the Kyoto Protocol only required action from industrialised countries and economies in transition.

Intergovernmental Panel on Climate Change (IPCC): An entirely separate entity to the UNFCCC that synthesis evidence on the trajectory and risks of climate change for policy makers. These 'Assessment Reports' are updated and released approximately every 6 years to reflect the latest evidence from a range of academic disciplines.

Nationally Determined Contribution (NDC): A formal commitment from a party to the Paris Agreement detailing that party's contribution towards the objectives of the Agreement. NDCs must be submitted every 5 years and must reflect the Party's 'highest possible ambition'.

Party Groupings: Collections of party's to the UNFCCC that share interests and objectives and coordinate their activities and negotiation positions. Groupings exist for each major geographical region alongside groupings based on socio-economic characteristics. Major groupings include the G-77 grouping of developing countries, the European Union grouping and the Small Island Developing States grouping that has been instrumental in driving more aggressive action. Party's may be members of more than one grouping.

Global Stocktake: Established as part of the Paris Agreement, the Global Stocktake will comprehensively assess progress towards the goals of the Paris Agreement. Stocktakes must be completed every 5 years, with the first due in 2023.

Article 6: Article of the Paris Agreement covering market and nonmarket cooperation mechanisms. One of the few areas of the rulebook yet to be agreed and an area that will be negotiated over at COP26.

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NOTE: This briefing has been prepared by the secretariats of the APPGs for Environment, Climate Change, Net Zero, Renewable and Sustainable Energy, and Sustainable Finance. The views expressed in the briefing and comment piece are not the views of the APPG Chairs.

Endnotes

¹ Press release: PM outlines his ten-point plan for a green industrial revolution. November 2020
<https://www.gov.uk/government/news/pm-outlines-his-ten-point-plan-for-a-green-industrial-revolution-for-250000-jobs>

² Climate Change Committee: Covid-19 can be a historic turning point in tackling the global climate crisis. June 2020
<https://www.theccc.org.uk/2020/06/25/covid-19-can-be-an-historic-turning-point-in-tackling-the-global-climate-crisis/>

³ Energy Transitions Commission. 7 Priorities to help the economy recover. May 2020
<https://www.energy-transitions.org/wp-content/uploads/2020/07/COVID-Recovery-Response-1.pdf>

⁴ CBI: Green Recovery Roadmap. February 2020
[cbi-green-recovery-roadmap.pdf](https://www.cbi.org.uk/media/2020/02/cbi-green-recovery-roadmap.pdf)

⁵ 'Blueprint for a resilient economy'. Green Alliance report. June 2020
[Green Alliance Blueprint for a resilient economy \(green-alliance.org.uk\)](https://www.greenalliance.org.uk/blueprint-for-a-resilient-economy)

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