

5th November 2017

Climate Change Advisory Council

Citizens' Assembly



Background

- **Council's role:**
 - Review progress on climate goals
 - Review national climate policy and advise government on how Ireland can move to a low carbon, climate resilient economy & society by 2050
- **Similar Councils – Denmark & Netherlands**
 - Look at Councils in smaller countries – more relevant
 - They advise government & none make policy: the role of parliament
 - Danish Council only advises on mitigation, not adaptation
 - Netherlands – has a wider environmental remit
 - UK equivalent – larger country, larger resources

Council Membership

Ordinary Members

Chair: Professor John Fitzgerald
Trinity College Dublin

Professor Peter Clinch
University College Dublin

Professor Frank Convery
Environmental Defence Fund

Joseph Curtin
IIEA and University College Cork

Professor Anna Davies
Trinity College Dublin

Professor Ottmar Edenhofer, Potsdam Institute
for Climate Impact Research & the Mercator
Research Institute

Professor Alan Matthews
Trinity College Dublin

Ex Officio Members

Economic and Social Research Institute (ESRI)
Professor Alan Barrett

Environmental Protection Agency (EPA)
Laura Burke

Sustainable Energy Authority Ireland (SEAI)
Jim Gannon

Teagasc
Professor Gerry Boyle

Council's Communications

- Advice is firmly grounded in evidence
- Advice to government is published
- Formal reports: e.g. Periodic Report in July
- Letters to Ministers, engage with departments
- Public engagement – e.g. today
- All reports and correspondence at www.climatecouncil.ie



Climate Change – the Challenge

- **The world faces dramatic changes as a result of human behaviour**
 - Changes are happening now
 - More will take decades to play out
- **Impacts will become more severe as century progresses**
 - The burden will fall more heavily on coming generations
 - Reason for taking action – altruism, avoid impacts.
 - However there will also be immediate benefits for us today – air quality, better insulated homes etc.
- **Climate change is a moral question**
 - Action is required for benefits which may not be immediate - significant costs now to avoid higher costs in future

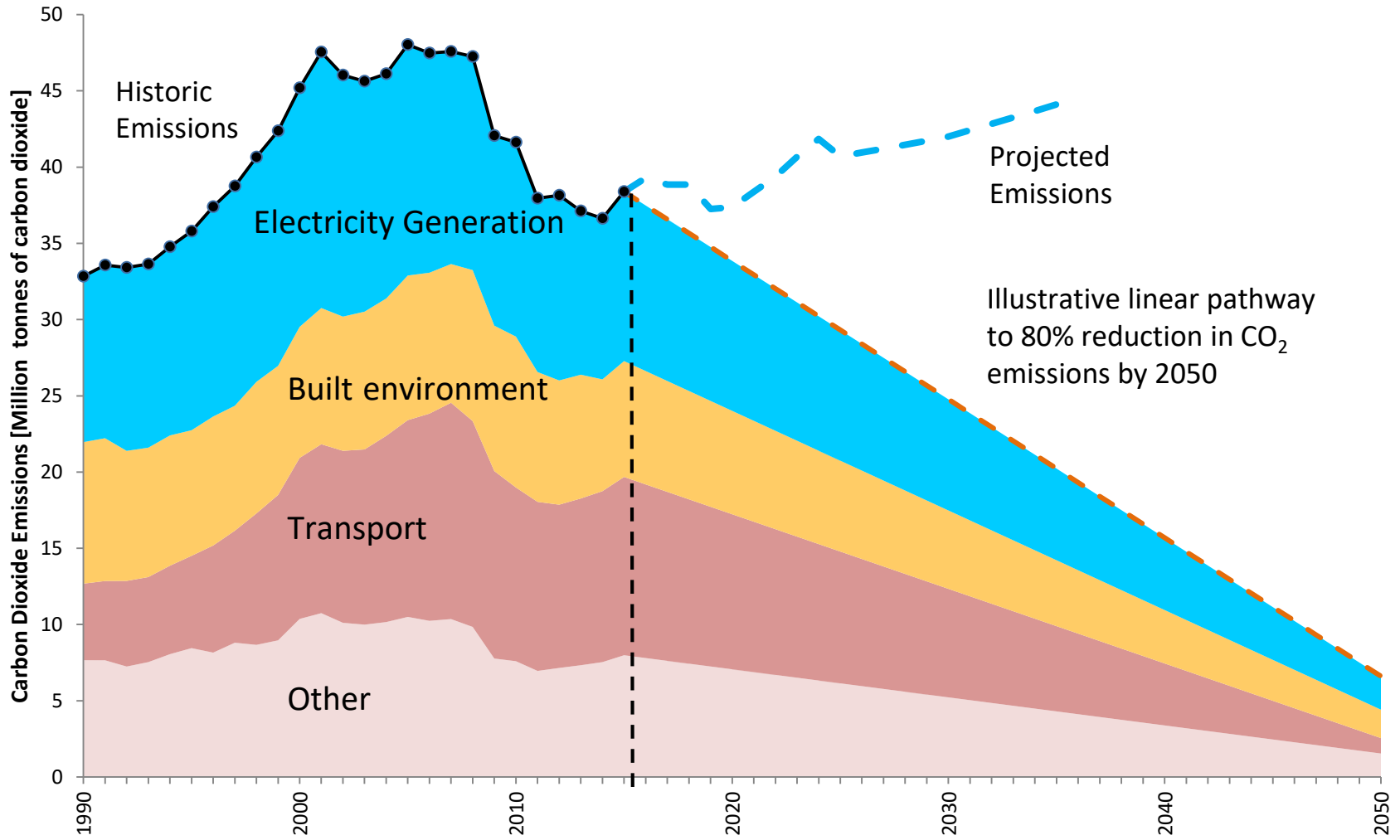
Climate Change – The Transition

- Over the next 50 years the world economy must shift from fossil-fuels to sustainable alternatives to reduce emissions of greenhouse gases
- The sooner the better
- Will affect all aspects of our lives
- **Directly:** how we travel; how we heat and light our homes and work places
- **Indirectly:** the electricity we use; the food we eat

Communicating Climate Change Challenge

- **The Science is well understood, but complex**
- **No simple answer**
 - No “silver bullet”, but urgent action needed
- **Many distractions**
 - Brexit, Tracker mortgages etc.
 - Politicians are human and can only work 24 hours a day. Getting necessary attention is difficult.
- **How to communicate**
 - Human behaviour – complex response to information
 - Ability of people to absorb information
 - Moment of inspiration does not necessarily produce lifetime of action
 - The role of the market as a simple signal
 - However, the market is always imperfect. Many other approaches needed as well.

The Challenge: to 2020 and 2050



Council's view on Climate Change Policy

- **Council welcomed the National Mitigation Plan**
 - Reflected commitment of the Government to the task
 - A number of key Ministers signed off on the NMP
- **However, COULD DO BETTER**
- **Ireland will not achieve 2020 targets**
 - With higher growth: risk of even higher emissions
- **Serious: achieving our 2030 target more difficult**
 - Can buy permits for 2020 – but will require even greater (and more expensive) action in 2020s
 - Need urgent action to minimise gap to 2020, to be on track to meet 2030 targets and decarbonisation to 2050
- **Consider pathways on how to decarbonise by 2050**

Council Recommendations - 1

- **Need additional policies if we are to meet targets**
 - NMP lists many possible initiatives but lack of commitment to new measures
- **Need a review of performance of existing policies**
 - Learn from past successes and failures
- **Need an effective price signal**
 - An appropriate price of carbon in the Public Expenditure Framework
 - Forward guidance on carbon tax
 - EU reform of the Emissions Trading System
 - These “signals” needed to guide and incentivise essential investment
- **Remove fossil fuel subsidies on peat**
 - While also enabling a just transition

Council Recommendations - 2

- **“Public Expenditure Framework” matters:**
 - A success in influencing the NMP – Framework to be reviewed
 - Guides public expenditure, especially investment
 - Too low a carbon price – won’t take action where action beneficial
 - Too high a discount rate – will forget about costs of global warming
- **Distributional Implications of Policy**
 - Needs to be fully assessed
 - Consider effects of a range of policies
 - Support from other government policies
- **Need to change behaviour**
 - Understanding how to change behaviour, needs research

Council Recommendations - 3

- **Transport**

- Increased investment in public transport - NTA Bus Connects plan
- Supporting incentives and infrastructure for electric vehicles
- Rebalance spending away from roads to public transport and active modes (walking and cycling)

Council Recommendations - 4

- **Defining neutrality in agriculture and land use**
 - So that Ireland has an environmentally robust approach to addressing the agriculture and land use sector.
- **Will require reduction in agricultural emissions of greenhouse gases.**
- **Vital importance of land-use management**
 - Essential for the managed removal of carbon dioxide from the atmosphere
 - Ambition in the national afforestation policy, but low uptake

Success story: renewable electricity

- **Encouraged by a guaranteed price**
 - Accounts for a growing share of electricity
 - Objective 40% by 2020
 - Guarantee financed from our electricity bills
 - Today Public Service Obligation c. €80 a year
 - Some of this subsidises renewables
 - Up to 2012, cost of subsidy was more than offset by lower electricity prices.
 - Tackling climate change actually saved us all money

Carbon Tax - 1

- **Carbon Tax a vital instrument**
 - Signals to us all that we should consume and emit less
 - Easy to understand
- **Government gets the revenue**
 - Use it to compensate vulnerable & invest in reducing emissions
 - If used to reduce other damaging taxes - GNP higher
- **Sends a message to Research and Development**
 - Companies can make money if they invent ways of doing business that are carbon free
 - Likely high price of carbon (tax) drives research
 - Electric cars, solar electricity, etc.

Carbon Tax - 2

- **Carbon Tax today €20 a tonne of carbon dioxide**
 - Result: adds €2.10 per 40kg bag of coal, €0.45 per 12.5kg bale of briquettes
 - International study suggests tax, which is today €20, should be €35-€70 by 2020 and €45-€90 by 2030
- **EU mechanism (Emissions Trading Scheme) sets the price of carbon for electricity and cement industry**
 - Currently much too low. Sending the wrong signal
 - Vital that it is reformed because EU and Ireland could decarbonise electricity much more rapidly

We are human

- **Not just driven by the market and prices**
 - How we learn and behave is affected in different ways
- **Examples:**
 - Poorer households unable to invest – targeted support
 - We may forget the price signal - smart meters
 - Public transport & denser development: less commuting
 - Making it “easy” – insulating our homes

Conclusions

- **Climate change poses unique challenge for society**
 - Need to cut our emissions in 2050 by 80%
- **Leadership & a strategy is needed**
- **Currently we are a laggard not a leader**
- **The NMP is only a beginning**
 - We must rapidly introduce new policies to close gap
- **Ireland must work with EU & UN**
 - to implement Paris Agreement