Meeting carbon budgets: Closing the Policy Gap

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UK Committee on Climate Change
www.theccc.org.uk
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The UK’s carbon budgets set a steady path towards the long-term target

Notes: 2050 target allows for emissions from international aviation and shipping, not currently in carbon budgets
The UK has succeeded in cutting emissions while growing the economy.
...but recent strong progress has been dominated by the power sector

2012-2016 ave

- Power -16%
- Waste -9%
- Rest -1%

Note: Data not temperature adjusted
In future, progress will be needed across the economy.

Notes: 2050 target allows for emissions from international aviation and shipping, not currently in carbon budgets. 2030 objective is aligned to the legislated fifth carbon budget, adjusted for expected emissions trading.
Current policies would at best deliver around half of the required reduction in emissions.
The new Government must set out the expected contribution of different sectors and credible policy plans to deliver those 2015 to 2030 37% reduction in total UK emissions.

<table>
<thead>
<tr>
<th>Sector</th>
<th>2015-2030 Target</th>
<th>Policy Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power</td>
<td>-67%</td>
<td>2020 renewables, Coal closure, Offshore wind, Hinkley, Biofuels, gCO₂/km to 2020, EV support.</td>
</tr>
<tr>
<td>Transport</td>
<td>-43%</td>
<td>HGVs, Demand-side, Aviation, H2 strategy.</td>
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<tr>
<td>Buildings</td>
<td>-22%</td>
<td>Boiler Regs, Building Regs, Products Policy, ECO, RHI.</td>
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<tr>
<td>Industry</td>
<td>-23%</td>
<td>Building Regs, EU ETS, CCL, RHI.</td>
</tr>
<tr>
<td>Other</td>
<td>-33%</td>
<td>Afforestation, Waste policy.</td>
</tr>
</tbody>
</table>

**Low-risk policies**
- 2020 renewables
- Coal closure
- Offshore wind
- Biofuels
- gCO₂/km to 2020
- Hinkley
- EV support

**At-risk policies**
- H2 strategy
- 2020s low-C heat
- New homes
- Energy Efficiency
- Roadmaps->Action
- 2020s low-C heat
- CCS strategy
- F-gas regulation
- Agriculture

**Policy gap**
- +100 TWh low-C
- Flexibility
- CCS strategy

**Notes:** low-C= low-carbon; EV= electric vehicle; ECO=Energy Company Obligation; RHI=Renewable Heat Incentive; ETS=Emissions Trading System; CCL=Climate Change Levy; CCS=carbon capture & storage.
The policy gap must be closed whatever the outcome of Brexit negotiations.
Summary

- Excellent progress in power not matched by transport, buildings, industry, agriculture
- There is a large policy gap to meeting carbon budgets

- **Clean Growth Plan** very overdue, and must add up to meeting budgets
- **Brexit** does not change the goals, but means UK levers may need to do more

- **Policy priorities:**
  - Credible CCS strategy
  - Low-carbon power plans for ~+150TWh in 2020s
  - Electric vehicle support alongside 2030 g/km standards
  - E.g. White Paper on heating and energy efficiency
  - A Plan that adds up!