

## UNITED KINGDOM CLIMATE CHANGE ACT 2008<sup>1</sup>

### Summary

#### History

The current Climate Change Bill was preceded by a Private Member's Bill of the same name drafted by Friends of the Earth and brought before Parliament on 7 April 2005. Although it received widespread support the Bill was unable to make progress as Parliament was dissolved ahead of the 2005 general election.

The Climate Change Act 2008, the first piece of legislation of its kind in any country, and its accompanying strategy, establishes a binding framework of measures to move the UK to a low carbon economy.

- March 2007: draft Climate Change Bill published for public consultation and Parliamentary scrutiny
- 29 October 2007: Government paper published setting out changes to the Bill in response to findings of consultation/scrutiny
- November 2007: Bill introduced to Parliament (House of Lords)
- End March 2008: Lords stages concluded
- July 2008: Commons committee stage concluded
- 7 October 2008: interim advice on the 2050 target from the Committee on Climate Change published
- 28 October: remaining Commons stages followed by “ping pong” between both Houses
- 17 November: Lords consideration of Commons amendments made to the Bill
- 18 November: Commons consideration of Lords amendments - final stage of Parliamentary passage
- 26 November 2008: Royal Assent<sup>2</sup>

#### Structure of the Act

PART 1 – Carbon Target and Budgeting

PART 2 – The Committee on Climate Change

PART 3 – Trading Schemes

PART 4 – Impact of and Adaptation to Climate Change

PART 5 – Other Provisions

PART 5 – General Supplementary Provisions

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<sup>1</sup> See: [http://www.opsi.gov.uk/acts/acts2008/pdf/ukpga\\_20080027\\_en.pdf](http://www.opsi.gov.uk/acts/acts2008/pdf/ukpga_20080027_en.pdf)

<sup>2</sup> See: <http://www.defra.gov.uk/environment/climatechange/uk/legislation/docs.htm>

## Key Aims

- to improve carbon management and help the transition towards a low carbon economy in the UK; and
- to demonstrate strong UK leadership internationally, signalling that UK is committed to taking its share of responsibility for reducing global emissions in the context of developing negotiations on a post-2012 global agreement at Copenhagen next year.

According to the Preamble of the Act the aims are the followings:

- to set a target for the year 2050 for the reduction of targeted greenhouse gas emissions;
- to provide for a system of carbon budgeting;
- to establish a Committee on Climate Change;
- to confer powers to establish trading schemes for the purpose of limiting greenhouse gas emissions or encouraging activities that reduce such emissions or remove greenhouse gas from the atmosphere;
- to make provision about adaptation to climate change;
- to confer powers to make schemes for providing financial incentives to produce less domestic waste and to recycle more of what is produced;
- to make provision about the collection of household waste;
- to confer powers to make provision about charging for single use carrier bags;
- to amend the provisions of the Energy Act 2004 about renewable transport fuel obligations;
- to make provision about carbon emissions reduction targets;
- to make other provision about climate change and for connected purposes.

## Key Provisions

### Carbon Target and Budgeting

The Act provides for legally binding emission targets: green house gas emission reductions through action in the UK and abroad of at least 80% by 2050, and reductions in CO<sub>2</sub> emissions of at least 26% by 2020, against a 1990 baseline, or, in cases of some of the GHGs, 1995. The 2020 target will be reviewed soon after Royal Assent to reflect the move to all greenhouse gases and the increase in the 2050 target to 80%.

To achieve the targets, the Act introduces a budgeting system. The carbon budgeting system caps emissions over five year periods, with three budgets set at a time, to set out the trajectory to 2050. The first three carbon budgets will run from 2008-12, 2013-17 and 2018-22, and must be set by 1 June 2009. The Government must report to Parliament its policies and proposals to meet the budgets as soon as practical after that.

The Carbon Credits/Units are the "units" which represent either a) a reduction in an amount of GHG emissions; or b) the removal of an amount of GHG from the atmosphere; or c) an amount of GHG emissions allowed under a scheme or arrangement imposing a limit on such emissions (such as the System for Carbon Budgeting). These units will be used to keep track of the reduction in GHG emissions and set the Carbon Budgets.

International aviation and shipping emissions - the Government will include international aviation and shipping emissions in the Act or explain why not to Parliament by 31 December 2012.

Use of International credits - Government is required to "have regard to the need for UK domestic action on climate change" when considering how to meet the UK's targets and carbon budgets.

### **The Committee on Climate Change<sup>3</sup>**

The creation of the Committee on Climate Change, a new independent, expert body to advise Government on the level of carbon budgets and where cost effective savings could be made. The Committee will submit annual reports to Parliament on the UK's progress towards targets and budgets to which the Government must respond, thereby ensuring transparency and accountability on an annual basis. The Committee has a duty to advise on the appropriate balance between action at domestic, European and international level, for each carbon budget.

The Committee on Climate Change is required to advise the Government on the consequences of including emissions from international aviation and shipping in the Bill's targets and budgets. Projected emissions from international aviation and shipping must be taken into account in making decisions on carbon budgets.

Further functions of the Committee are the followings, to provide advice or assistance on request of a national authority, to involve the public in the exercise of its functions.

According to the Committee's webpage the CCC's Priorities

- Provide independent advice to Government on setting and meeting carbon budgets and targets.
- Monitor progress in reducing emissions and achieving carbon budgets.
- Conduct independent research and analysis into climate change.
- Engage with representatives interested in climate change from across the UK in order to share research and information on climate change and gain input into our analysis.

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<sup>3</sup> [www.theccc.org.uk](http://www.theccc.org.uk)

## **Trading Schemes**

Further measures to reduce emissions include powers to introduce domestic emissions trading schemes more quickly and easily through secondary legislation. These schemes are schemes that: a) limit or encourage the limitation of activities that consist of the emission of GHGs or that cause or contribute, directly or indirectly, to such emissions; b) and encourage activities that consist of, or that cause or contribute, directly or indirectly, to reductions in GHG emissions or the removal of GHG from the atmosphere.

## **Impact of and Adaptation to Climate Change**

On adaptation the Government must report at least every five years on the risks to the UK of climate change, and publish a programme setting out how these impacts will be addressed. The Act also introduces powers for Government to require public bodies and undertakers providing public services to carry out their own risk assessment and make plans to address those risks.

An Adaptation Sub-Committee of the Committee on Climate Change, in order to provide advice to and scrutiny of the Government's adaptation work.

## **Other Provisions**

A requirement for the Government to issue guidance next year on the way companies should report their greenhouse gas emissions, and to review the contribution reporting could make to emissions reductions by 1st December 2010. Requirement also that the Government must, by 6th April 2012, use powers under the Companies Act to mandate reporting, or explain to Parliament why it has not done so.

Schedule 5 of the CC Act amended the Environmental Protection Act to provide for the making of waste reduction schemes. The purpose of a waste reduction scheme is to provide a financial incentive to produce less domestic waste and to recycle more of what is produced and accordingly to reduce the amount of residual domestic waste.

In addition, provisions are made to encourage the use of biofuels; powers to make provision about the collection of household waste; powers to require a minimum charge for single-use carrier bags (excluding Scotland).

## **Conclusions**

The UK Climate Change Act is the first piece of legislation of its kind in any country. It is providing legally binding targets to decrease carbon and GHG emissions, but the possibility of the amendment of 2050 target or baseline year by the Secretary of State is also laid down.

The emission mitigation targets and the carbon budgeting system are detailed elaborated in the Act. The establishment of the Committee on Climate Change and its operational rules are deeply developed in the Act as well. Regarding Trading Schemes and Adaptation it defines the commitments of the different national bodies and can be considered as a framework act laying down procedural provisions, frames and guarantees.

Horizontal issues are raised in Part 5 under Other Provisions. These provisions concern only the waste management and transport sectors, but the latter one is covered solely by one provision on amendment the Energy Act relating to renewable transport fuel obligations.

To sum up, this Act is a precedent in the legal history. Its practical significance depends on its implementation in the coming years and decades and also on the practice of the different national authorities which are authorized in several issues by the Act. The Act do not cover all potential climate change relevant fields of law, it seems to be a random selection of the relevant areas.