



Submission on Carbon Budgets

February 2022

Dublin Chamber has for a more than a decade been a strong voice for sustainability and the importance of the business role in national climate action goals. The Chamber is committed to upholding the UN Sustainable Development Goals (SDGs) and, in particular, works in support of: Goal 11 Sustainable Cities and Communities; Goal 8 Decent Work and Economic Growth; Goal 9 Industry, Innovation and Infrastructure; Goal 5 Gender Equality; and Goal 13 Climate Action. The Chamber is leading the way in preparing businesses for the transition to a green economy through its Sustainability Academy, which offers participating businesses a comprehensive range of supports including training in green public procurement. Ambitious measures are needed to accelerate Ireland's transition to a sustainable and innovative economic model that will form the basis for prosperity in a rapidly changing world. This submission outlines key points that should be taken into consideration in both the adoption and implementation of the carbon budgets as proposed by the Climate Change Advisory Council (CCAC).

For Ireland to meet its 51% emissions reduction target by 2030 all industries will have to make substantial changes. A 'portfolio approach' is needed to balance levels of change and ensure just transitions for all. However, some sectors contribute significantly more to Ireland's emissions than others. For example, agriculture is the single largest contributor to Ireland's overall emissions, at 37.1%. Transport, energy industries and the residential sector are the next largest contributors, at 17.9%, 15.0% and 12.3%, respectively.¹ Dublin Chamber suggests that the agriculture sector therefore needs to contribute a fair effort in reducing Ireland's emissions. However, we also acknowledge that this is difficult, as limited technological options mean that mitigation is correlated with activity levels. As recent analysis from the UN Environment Programme concluded, emissions reduction from agriculture is necessary but challenging. Dublin Chamber agrees with the CCAC's view that additional research is required to enhance the mitigation options available here.

Given that we are now on year two of the timeline for the first carbon budget (2021-2025) it is essential that efforts are accelerated to ensure that the targets outlined by the CCAC are achievable. Government's own actions have been notably slow in this area. As noted in the technical report, the necessary legislation that enables planning and licensing for developments, such as offshore wind, is yet to be adopted by the Oireachtas. It is therefore not appropriate to assume significant and immediate reductions in energy emissions within a two-year time frame. Experts have repeatedly stressed that this is an urgent issue, notably during a recent meeting of the Joint Committee on Environment and Climate Action.² Dublin

¹ EPA, <https://www.epa.ie/our-services/monitoring--assessment/climate-change/ghg/latest-emissions-data/#:~:text=Agriculture%20is%20the%20single%20largest,%25%20and%2012.3%25%2C%20respectively.>

² Joint Committee on Environment and Climate Action debate -

Chamber therefore believes that there is a pressing need for accelerated action from Government if the goals set out by the carbon budgets are to be achieved.

The CCAC's technical report notably omits aviation and shipping from its targets. Travel and imports are critical to Ireland's economy and society; we rely on aviation and shipping to maintain international competitiveness, global intelligence, and attract investment and tourism. However, there is a need for guidance around the issue of emissions produced by aviation and shipping. The issue of scope 3 carbon reductions needs careful consideration and planning. Dublin Chamber calls for Government to establish a focused forum, with appropriate representation from enterprise, to discuss these issues.

Supports both educational and financial are essential to aid all sectors in reducing emissions. The Chamber therefore welcomes initiatives such as the 'Climate Toolkit for Business'. This mechanism should be continuously updated to incorporate progress on adhering to the carbon budgets, and publicised widely in government messaging. Many of the changes required for a business to "go green" involve a significant initial outlay, and Government support would particularly assist SMEs in making the transition and achieving the targets set out by the CCAC. In recent focus groups held by Dublin Chamber, the need for clarity around the Government's communication of carbon related goals and the supports available to help achieve these goals was highlighted. It was stressed that businesses and individuals need assurances and medium to long term commitments from Government before they fully engage with support schemes, for example there is a need for clearer communication and decision making surrounding the Benefit in Kind tax scheme for electric cars, and its possible extension. Further, Government needs to show what the public service is doing, and thereby lead by demonstration. There needs to be cohesive messaging on measures being put in place, the results of these measures, and the assistance that is available.

Wednesday, 12 Jan 2022,

https://www.oireachtas.ie/en/debates/debate/joint_committee_on_environment_and_climate_action/2022-01-12/2/