

Submission to the Public Consultation on the Carbon Budgets

Ireland's first two Carbon Budgets as currently proposed are not ambitious enough. They don't match up to either UN standards or the promises in the programme for government, they don't deliver climate justice and there are potential loopholes and accountancy tricks like 'forward counting' which need to be taken off the table. The draft carbon budgets must be urgently revised to reflect the best available science (in particular the 2019 United Nations Environment Programme (UNEP) Report) and the principles of 'fair share' and climate justice. This revision and an associated reduction in the size of the budgets is important to ensure consistency with legal and international obligations under the Climate Act and the Paris Agreement, particularly "common but differentiated responsibilities and respective capacities". The third budget is also entirely unacceptable and will need far deeper consideration applying different and better tools.

The Size of the Carbon Budgets:

To be consistent with the UNEP "average per annum reduction of 7.6%" the proposed carbon budgets of 495 MtCO₂eq budgets should be reduced by about 41 MtCO₂eq – to a total of 454 MtCO₂eq

- Each Carbon Budget is written in Megatons of emissions (MtCO₂eq). Currently, the first two proposed budgets, up to 2030 add up to 495 MtCO₂eq
- A 2019 report from the UNEP stated that a global average annual reduction of 7.6% would be required to stay within 1.5°C global temperature increase. Ireland as a wealthy country should be aiming to do more than the average, we certainly shouldn't be doing less.
- The current Programme for Government commits to "an average 7% per annum reduction in overall greenhouse gas emissions from 2021 to 2030". The phrase 'overall' here makes it clear that these emissions should be calculated cumulatively.
- Presenting to the Joint Oireachtas Committee on Environment and Climate Action, Professor Barry McMullin of Dublin City University demonstrated that the current proposed budgets are cumulatively equivalent to an annual reduction rate of just under 6% per year until 2030.
- In their response to queries from the Joint Oireachtas Committee on Environment and Climate Action, the Climate Change Advisory Council (CCAC) confirmed that "In the scenarios considered by CCAC, the average rate of emission reduction over the ten year period covering the first two carbon budgets, 2021-2025 and 2026-2030, is approximately 5.7% per annum." This is clearly well below the UNEP average and the 7% average annual reduction committed to in the Programme for Government.
- Under section 6A of the Climate Act, the budgets are required to be consistent with the ultimate objective of Article 2 of the UN Framework Convention on Climate Change which calls for "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system." IPCC science has been very clear that any temperature increase beyond 1.5°C is indeed dangerous. The goal must be to "keep 1.5 alive".

- The UNEP estimated that a global average annual reduction of 7.6% would reflect a 66% chance of staying within 1.5°C. The CCAC have stated that in developing the proposed carbon budgets they considered Paris compliance to be a 50% chance of staying within 1.5°C. A 50/50 chance or “flip of the coin” is not really sufficiently consistent with keeping “1.5 alive” or the safety goals of the ultimate objective.
- To be consistent with the “average 7% per annum reduction” commitment in the Programme for Government, the proposed carbon budgets of 495 MtCO₂eq budgets should be reduced at least 27 MtCO₂eq to a total of 468 MtCO₂eq
- To be consistent with the UNEP “average per annum reduction of 7.6%” the proposed carbon budgets of 495 MtCO₂eq budgets should be reduced by about 41 MtCO₂eq – to a total of 454 MtCO₂eq
- However, even reducing the budgets by these amounts would fall short of climate justice and represent less than our ‘fair share’ internationally.

Common but Differentiated Responsibilities and Climate Justice:

The 2030-2035 Carbon Budget must deliver on climate justice and be consistent with Paris principles of equity, common but differentiated responsibilities and respective capacities. A review of the 2026 – 2030 carbon budget should also be scheduled to address these issues

- Article 2(2) of the Paris Agreement specifies an obligation “to reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.”
- Under section 6A of the Climate Act, the Climate Change Advisory Council (CCAC) were required to be consistent with Article 2 of the Paris Agreement, however the CCAC have not reflected certain aspects of Article 2(2) when developing and assessing their proposals. In their Technical report they state, in respect of fair share that “Any such determination has implicit or explicit implications around climate justice, historical responsibility, equity and equality. It is not the job of the Council ...to make such value judgements”. There is a strong argument that consideration of such matters is in fact part of the CCAC’s job. Moreover, there is a clear requirement for ‘equity’ and ‘fair share’ to be addressed in this next stage of the process.
- Under section 3(3) of the Climate Act, the Minister and the Government are required to carry out their functions under the Act (including in respect of carbon budgets) in a manner consistent with Articles 2 and 4(1) of the Paris Agreement’ including the provisions on equity and common but differentiated responsibilities.
- Witnesses to the Climate Action Committee were very clear that the current draft carbon budgets would use more than our fair share of the global carbon budget and do not reflect the principle of equity or common but differentiated responsibilities.
- **The Minister should revise/reduce the proposed Carbon Budgets, to make them more ‘consistent’ with Articles 2 and 4(1) of the Paris Agreement, including ‘equity’ and “common but differentiated responsibilities and respective capacities”.**
- **The Minister should also strengthen the consideration and weighting given to climate justice when finalising the proposed Carbon Budgets**

- **More emphasis, analysis & policy tools, including those used by UNEP, should be applied by CCAC and the Minister to assess Ireland's "fair share" of emission reductions under Paris and our responsibilities in terms of climate justice.**
- **The 2030-2035 Carbon Budget must deliver on climate justice and be consistent with Paris principles of equity, common but differentiated responsibilities and respective capacities. A review of the 2026 – 2030 carbon budget should also be scheduled to address these issues**
- **As the first budget is very likely to fall short on climate justice and fair share, it should be accompanied by other measures like new, additional, climate funding.**

The Balance between the Two Budgets:

- The Carbon Budgets as currently proposed are extremely 'backloaded' with far more emphasis on emission reduction in the 2nd carbon budget 2025-2030 budget than on emission reductions in the current budget.
- Procrastination increases risk and pressure on the second budget period, particularly since additional environmental, policy and international variables may emerge which could require further sharp cuts during the 2026 - 2030 period.
- One argument for backloading is that some areas of investment may take a while to deliver results. However, while some good things may take a while to start, we also need to stop doing harmful things.
- Emergency actions will be needed in the next 18 months, for example ending Ireland's derogation from the nitrates directive, placing a temporary moratorium on new datacentres or strict new rules to limit demolition and the release of embodied energy.
- Ireland's roadmap to end payment of €2.4 billion per year in fossil fuel subsidies must be published in 2022 not in 2024 as currently planned.
- Methane, as an accelerant to global warming, should be subject to particularly stringent and early measures.
- Sectoral ceilings which comply with the Carbon Budgets should be treated as a minimum and each Department or Sector should also be required to propose a "stretch target" of greater ambition, which if achieved, could ease pressure on each subsequent budget.
- There is also a strong economic case for earlier action. Countries which act early will lead, and the current suspension of EU fiscal rules and access to low or no interest finance mean that if we act now Ireland can afford both long term public investment and urgent supports for sectoral change.
- A Just Transition can and should be both fast and fair.
- **The Minister should reconsider the backloading between budgets, take full advantage of current macroeconomic opportunities to deliver a fast and fair just transition and take urgent actions to ensure emission reductions in first 18 months.**

What's Included

- One very large elephant in the room in terms of Ireland's carbon emissions is the question of aviation and shipping emissions. Experts estimate these at about 40

MtCO₂eq. We need to take responsibility in this area and it is likely that in the near future EU policies may require countries to account for and regulate these emissions. It would have been prudent to include these emissions when developing the budgets and at a minimum they should have been given very strong

- Given the challenges and urgency of achieving the necessary emission reductions as set out in the final carbon budgets, it is important that a 'precautionary principle' be applied in relation to policies or activities which risk adding new or additional pressure to the carbon budget space. Tools such as temporary stays or moratoriums may be needed in certain areas while the implications are fully considered
- consideration when designing the scope and balance of the two budgets. For example, the fact that we may well be required to include these emissions in the second budget period will create additional pressure in that period and this is a strong argument against backloading. It is also another argument for early publication of the roadmap for an exit from fossil fuel subsidies and in particular steps to reduce the 600 million paid each year in subsidies for jet kerosene.
- Another area which needs better reflection and inclusion is military emissions. Ireland, along with a number of other countries, do not report any data regarding military emissions to the UNFCCC. It is widely accepted that military activity is a large emitter, therefore Ireland should begin reporting military emissions and the Minister should examine the potential for their inclusion in the 2026 – 2030 budget and subsequent carbon budgets.

Forward Counting:

- Carbon Budgets are in MtCO₂eq amounts because they relate to the real physical reality of Greenhouse Gas Emissions which as we know have very real impacts. When those emissions occur also matters, particularly if we consider cumulative temperature gain and tipping points which may be irreversible.
- Because climate change is a shared challenge on a shared planet, it is very important that every country is very clear and factual in relation to carbon budgets. This is essential in terms of the science and in terms of public trust.
- **It is essential that the MtCO₂eq amount in each Carbon Budget relates only to emissions and removals measurable within the time period of that budget. Any emission reduction or removals which may occur after that time period must not be included when calculating or assessing achievement of that carbon budget.**
- While the Ministerial regulations on the CCACs initial development of Carbon Budgets did not include this kind of "forward counting", there is need for a hard guarantee that such accountancy tricks will not be used when assessing Ireland's compliance with those budgets.
- A clear commitment is needed because over the last few months there have been some ambiguous signals in the National Climate Plan and elsewhere, around potential 'forward counting' on forestry.
- Done properly and with "the right tree in the right place", forestry can play a key role in climate action. The CCAC have been clear that trees planted now will mainly deliver carbon sequestration after 2030. Given the long-term nature of this kind of investment, it is appropriate that additional early supports and subsidies be given to encourage planting. However, **this must not include any premature counting of**

potential future removals in current Carbon Budgets. We cannot and must not seek to adjust planetary facts to suit economic interests or incentives. If after 2030, trees are still there and have started to sequester or remove carbon, then that can be appropriately and usefully included in the 2030-2035 budget.