

Ireland at the climate crossroads

Five tests for the Annual Transition Statement and the draft National Mitigation Plan

December 2016

Will the Government close the gap between commitments and action, or seal Ireland's reputation as a climate laggard?

Under the <u>Climate Action and Low Carbon Development Act</u>, which became law on December 10th 2015, the Government must present an "<u>annual transition statement</u>" to each House of the Oireachtas not later than 12 months after the passing of the Act. The transition statement is <u>now scheduled</u> to be delivered by Minister Denis Naughten TD in the Seanad at 3.30pm on Wednesday 7th December, and in the Dáil on Thursday 8th, between 1.30 and 3.30pm.

It is also expected that the Minister will publish a draft climate action plan in the coming days, for public consultation. Under the climate law the Government is obliged to adopt a National Mitigation Plan by June 2017, on how Ireland will reduce its climate pollution. The Plan must take into account the National Policy Position on Climate Action.

These developments come in the context of the Paris Agreement, the landmark climate deal adopted by 195 countries on 12th December 2015, which came into force on 4th November 2016. On the same day, Minister Naughten hand-delivered Ireland's ratification instrument to the UN in New York to ensure Ireland was on board from the start.

Stop Climate Chaos, the broad civil society coalition that campaigns for Ireland to do its fair share to tackle climate change, has identified "5 tests" to help evaluate whether or not the transition statement and the draft plan amount to credible climate action.

5 Tests for Ireland's climate action plans

- 1. Does the new plan add up to doing our fair share?
- 2. Does it start the phase out of fossil fuels?
- 3. Does it ramp up renewable energy and kick-start community ownership?
- 4. Does it put agriculture on a path to carbon neutrality?
- 5. Does it realign transport investment to reduce emissions?

The Paris Agreement <u>commits Ireland</u> and all the other parties to the treaty to hold: "the increase in the global average temperature to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels."

International action, however, is currently failing to achieve these aims. A report from the UN Environment Programme on the "emissions gap" <u>projects warming of 3°C</u> even if all current pledges are implemented. Unfortunately, Ireland is a persistent laggard – not a leader. According to <u>latest figures</u>, Ireland's current emissions are 6.6% *above* 1990 levels,

and emissions increased by 3.7% in 2015. Ireland, with the 8^{th} highest emissions per person in the OECD, is <u>one of only two countries</u> in the EU which will overshoot its 2020 targets for emissions reductions.

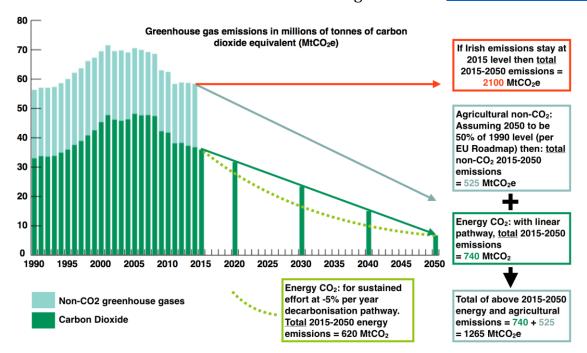
Ireland needs to immediately embark on a rapid and just transition to a carbon-free future. Both the EPA and the new Climate Change Advisory Council describe what is required as "a major societal and economic transformation". Ireland's last action plan on climate was launched in 2007 –by the then Minister for the Environment, Dick Roche – and expired in 2012. The Advisory Council is clear the new National Mitigation Plan should not just focus on our EU targets for 2020 and 2030 but "should outline the roadmap to achieve the 2050 national objective". That objective, set out in the National Policy Position on Climate Action, is an 80% aggregate emissions reduction between the buildings, energy, and transport sectors, and carbon neutrality in agriculture.

As Minister Naughton makes his Annual Transition Statement and previews the draft National Mitigation Plan, here are **5 key questions** we need to ask:

1. Does the new plan add up to doing our fair share?

Like the <u>2007 climate strategy</u>, the National Mitigation Plan should have an overall carbon budget for its 5-year timeframe and allocate the available emissions and reduction effort between sectors to achieve continuous, substantial and sustained decarbonisation when totalled across the whole economy. The mitigation plan needs to:

- a) Indicate the extent to which it closes the gap between progress to date and Ireland's 2020 and 2030 EU targets. The Environmental Protection Agency has stated consistently that current plans and policies are insufficient to bring Ireland in line with its 2020 targets. Despite a very soft deal from the EU on our 2030 targets, our current pathway would still expose us to non-compliance costs of up to €6 billion.
- b) Be consistent with the national 2050 objective of an 80% cut in net emissions. This will require year-on-year cuts of 5% per annum starting in 2017 (see graph below).
- c) Demonstrate the capacity to enhance climate action further to achieve the Paris Agreement goals, in line with science and equity. This requires all countries to review and increase their efforts under the Agreement's "ratchet mechanism".



The above graphic is an annotated version of a graph presented in the Climate Change Advisory Council's <u>first report</u>. The solid green line highlights the linear pathway to achieve the 2050 national mitigation objective of a reduction in CO_2 emissions to 80% below 1990 levels. The blue line is a linear pathway for non- CO_2 emissions from agriculture to 50% of 1990 levels (50% is EU Roadmap value for total EU agri-emissions).

As shown, the solid green linear pathway back-loads the heavy lifting to later years, with the first decade seeing only a 20% reduction from a very high base whereas the last decade would require a 60% cut from a much lower base. Stop Climate Chaos prefers the consistent-effort pathway of 5% reductions every year (dotted green line), which evens out the relative effort while also reducing total emissions (the area under any given curve).

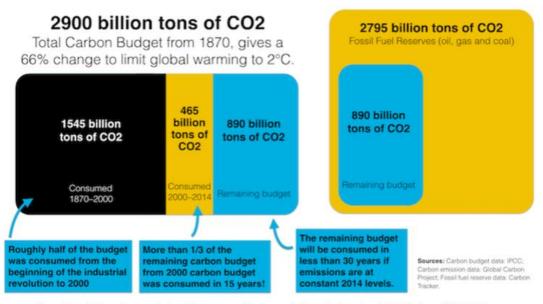
Every year of delay in reaching the 5% annual reduction rate increases the required rate, reflects an absence of intent to international partners, and drives up the cost of transition.

The landmark <u>Stern Review on the Economics of Climate Change</u> estimated in 2006 that it would be up to 20 times cheaper to prevent further climate change as opposed to dealing with the economic costs of inaction. A 2015 London School of Economics <u>study</u> concluded that the emission reductions required to keep within a 2°C temperature rise can have national economic benefits that outweigh the action costs. Scaling up the level and pace of climate action in Ireland could boost the domestic economy. In many cases, what would be required is not new exchequer resources, but elimination of incoherent policies, the recalibration of incentives and re-allocation of existing resources. <u>Research</u> conducted in 2014 for the Irish Corporate Leaders on Climate Change also <u>indicated</u> that ambitious climate action has the capacity to create 90,000 jobs in Ireland.

During Budget Day 2017, Minister Noonan described climate change as "the global challenge of this generation". The draft National Mitigation Plan will demonstrate if the Government is serious about rising to that challenge.

2. Does the Plan kick start the phasing out of fossil fuels?

The head of the Environmental Protection Agency has said the 'fossil fuel age is over'. The evidence is clear internationally. We need to keep 80% of all known fossil fuel reserves in the ground if we want to remain within the temperature limits agreed in the Paris.



Graphic: https://www.futurelearn.com/courses/climate-leadership/1/steps/105157

The National Mitigation Plan needs to demonstrate how Ireland is shifting policy and finance flows to bring our fossil fuel dependence into swift decline, in a steady and just manner that protects workers, and economically vulnerable sections of Irish society.

The Climate Council <u>identifies</u> the termination of peat-firing of power stations as an obvious step. These stations provide just 9% of our electricity but produce 27% of our emissions from electricity generation. Moreover, peat-firing is subsidised to the tune of €120 million a year. Shifting these subsidies into other policies and sectors is essential to progress a sustainable approach to energy poverty, provide retraining and alternative jobs to replace those that must be phased out, and renewable based energy security.

Given the moral imperative to shift public money out of the causes of climate change and into the solutions, Stop Climate Chaos has called for the divestment of the Ireland Strategic Investment Fund's €133 million holdings in fossil fuel companies. Instead, the money should be invested in renewable energy as a clear statement of intent on building a fossil free future. Over 50 TDs and Senators have backed this call so far. You can read their letter to Minister Noonan here. Offloading fossil fuel investments in favour of climate solutions also makes financial sense as fossil fuels are viewed as an increasingly risky investment. The ISIF would have been financially better off by €22m in 2015 and by €100m over the last three years if it had been invested in climate solutions rather than fossil fuel companies.

3. Does the Plan ramp up renewable energy and kick-start community ownership?

The overarching vision of Ireland's energy policy is to become zero carbon, with a concrete target of 80-95% reduction in greenhouse gas emissions from the energy sector by 2050. The 2015 White Paper recognises the scale of the challenge of transitioning our energy system to zero carbon, and in particular, recognises the importance of citizen and community participation in the transition process.

However, today, Ireland relies on imported fossil fuels for about 85% of our energy needs. Within the electricity sector, about 75% of our electricity is generated using coal, gas and peat. While in recent years there has been a significant increase in renewable generation, less than 0.3% of this is owned by local citizens or communities. As a comparison, 1.5 million Germans generate solar electricity on their roofs, and over 50% of all renewable energy in Germany is owned by communities and households. In the UK, 10 GW of solar power has been deployed since 2010. In Ireland, where a solar panel will perform as well as in the UK or Germany, there is only 2 MW of solar electricity installed. Hence, the UK has 5000 times more solar power installed than Ireland.

It's time to kick-start community ownership and reset the public debate on renewable energy. Key steps include a fair price for rooftop solar electricity supplied to the grid, measures to enable community-led projects such as simplifying grid access, and a Danish-style shared ownership scheme mandating that developer-led projects offer 20% of the equity to local people.

Solar power offers a unique opportunity for citizens and communities to take part in the renewable transition and to provide diversity for our electricity generation. The roofs of our homes, our farm buildings, our schools, our community centres, our sports halls can all become locally-owned power plants. Households and communities could be reducing their

demand for fossil fuel electricity, lowering their energy bills, and generating an income from the excess clean energy they produce. But not if they have to give the electricity they don't use themselves away for free, as they do now. Without a guaranteed payment for micro-generation, including solar, this "rooftop revolution" will not happen in Ireland.

So far, <u>over 60 TDs and Senators</u> have <u>written to Minister Naughten</u> backing a fair price for micro-generation and solar electricity.

4. Does the Plan put agriculture on a path to carbon neutrality?

The national objective is that total annual emissions from agriculture in 2050 will be no more than what is absorbed annually by our carbon sinks (forests, peatlands, grasslands). The Mitigation Plan needs to lay out what a sustainable level of carbon sink is and chart a pathway down to that level for agricultural emissions from their current 20 MtCO $_2$ e per annum. Stop Climate Chaos <u>has argued</u> that Ireland's current agriculture and land-use policy is neither 'climate-smart' nor sustainable.

5. Does it realign transport investment to reduce emissions?

Transport is the only sector to have increased its share of emissions since 1990. In fact, emissions have doubled since 1990, to one fifth of Ireland's total emissions. Actual total transport emissions rose 4% in 2015.

In 2009, the Government adopted 'Smarter Travel' as national policy. The policy included the following targets to be met by 2020:

- The transport sector making a meaningful contribution to Ireland's EU climate change commitments by reducing greenhouse gas emissions;
- 500,000 more people taking alternative means to commute to work so that the total share of commuting by car drops from 65% to 45%;
- Walking, cycling and public transport rising to 55% of total commuter journeys to work;
- The total kilometres travelled by car not increasing significantly from 2009 levels.

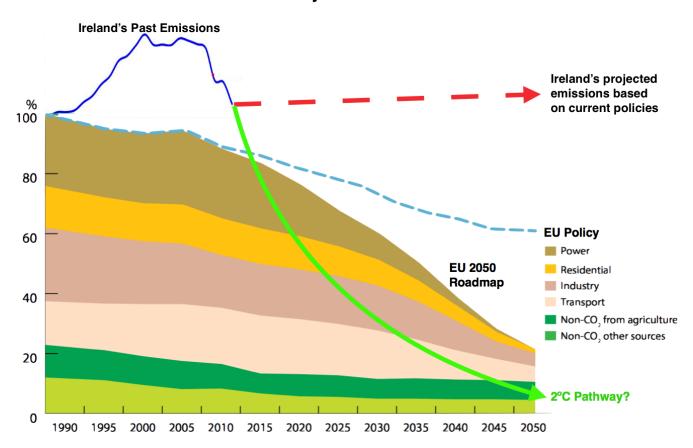
None of these targets is being met. An increased transport budget is not required to achieve these goals. Rather the Mitigation Plan needs to rebalance existing funding from roads and prioritise investment in walking, cycling and clean public transport, with many benefits for public health, better air quality and improved public spaces, as well as cutting emissions. So far, this realignment has the backing of <u>almost 60 TDs and Senators</u>. You can <u>read their letter to Minsiter Ross here</u>. The plan also needs to commit the new national spatial strategy to facilitating low-carbon mobility.

Conclusion

Nobody is asking Ireland to do more than its fair share, however we expect Ireland to do its fair share – and up to now it is not, by a long shot. 60 million people across the world are currently in need of food aid, under current climate impacts. The <u>IPCC has stated</u> that impacts are likely to manifest increasingly over the next 10-15 years: 'Continued emission of greenhouse gases will cause further warming and long-lasting changes in all components of the climate system, increasing the likelihood of severe, pervasive and irreversible impacts for people and ecosystems.'

Ireland's emissions remain extremely high, in direct contradiction of our proud, longstanding tradition of support for the eradication of global poverty and hunger. Failing to up Ireland's game in response to the commitments made in Paris in December 2015, would completely undermine our moral responsibility, and our commitments to the international community. It would also leave Ireland lagging behind in terms of the economic benefits that can be derived from positioning ourselves at the centre of the inevitable transition that has already begun. The Mitigation Plan will show whether the Government is serious about rising to the challenges and grasping the opportunities of a fossil free future. Delay is not a safe option; action is.

Ireland and EU Relative Percent Emission Change Past and Projected 1990 to 2050



The blue line is Ireland's historical emissions, the dotted red line is Ireland's current emissions pathway, and the green line is the sensible emissions reduction pathway to achieve the Government's national transition objective.

Stop Climate Chaos is a coalition of 30 civil society organisations campaigning for Ireland to do its fair share to tackle climate change. Launched in 2007, it is the largest network of organisations campaigning on climate change in Ireland, and was central to the campaign for a climate law. The members include development, environmental, youth and faith-based organisations: Afri, BirdWatch Ireland, Christian Aid Ireland, Comhlámh, Community Workers' Cooperative, Concern, Cultivate, Cyclist.ie, Dublin Friends of the Earth, Eco Congregation Ireland, ECO UNESCO, Feasta, Friends of the Earth, Gorta, Jesuit Centre for Faith and Justice, Just Forests, Kimmage Development Studies Centre, Latin America Solidarity Centre (LASC), Liberia Solidarity Group, Methodist Church of Ireland – Council of Social Responsibility, Mountmellick Environmental Group (MEG), National Youth Council of Ireland, Oxfam Ireland, Peoples Climate Ireland, Presentation Ireland, Sustain West Cork, Trócaire, An Taisce, VITA and V.O.I.C.E.