What does Brexit mean for UK climate policy?

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Vice Chair Committee on Climate Change
Chair Adaptation Sub-Committee
Member of the House of Lords European Union Select Committee
Brexit and UK Climate Policy

Brexit does not mean...

- The UK’s climate goals have changed
- No new policies are needed – still a policy gap irrespective of Brexit

Brexit means...

- Some policy previously set at EU level should be preserved & strengthened in future in the UK
- UK should take opportunities to improve on some EU approaches
Mitigation: reducing UK CO$_2$ emissions

- Strong UK legislation: Climate Change Act 2008

- *But* important action at EU level

  - Emissions Trading: EUETS
  - Standards – eg energy efficiency of products
  - HFCs
  - Forest and Agricultural emissions
  - Renewable Energy Directive
  - Transport emissions
  - Waste and Landfill Directives
  - EU Internal Energy Market
  - ...
Carbon budgets provide stepping stones to the 80% 2050 target.

Notes: 2050 target allows for emissions from international aviation and shipping, not currently in carbon budgets.
Policies agreed at the EU level have provided policy direction...

EU agreed policy objective, Member State implementation

<table>
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<th>EU direction</th>
<th>UK policy</th>
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<td>Large Combustion Plant &amp; Industrial Emissions Directives</td>
<td>Landfill Tax</td>
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...and others have provided delivery too

EU policies providing both direction and delivery

- **EU Emissions Trading System**: Caps emissions from power & industry
- **New car & van CO₂ regulation**: Mandatory targets for fuel efficiency
- **Product standards & labelling**: Standards for energy consumption of household products
- **F-gas Regulation**: Limits sales of F-gases & HFCs across EU
- **Common Agricultural Policy**: Funds afforestation
Policies agreed by the UK at EU level have helped reduce emissions...

EU level policies made a significant contribution to the UK’s 38% reduction in GHG emissions since 1990

- Renewable Energy Directive
- Waste Directive
- EU ETS
- New car CO$_2$ standards
- Product standards

...and save consumers money

Lightbulbs in UK homes

Electricity consumption in a typical dual-fuel household has fallen 18% since 2004

Source: CCC (2017) Energy Prices and Bills – impacts of meeting carbon budgets
Continuing UK emissions reductions after leaving the EU

- 5th carbon budget: 57% reduction from 1990 to 2030
- Brexit: action required across all sectors
  - Much EU policy will need to be transferred/replicated
  - In many cases clear advantages from coordinated action
  - Need to avoid risk of dumping of inefficient products on UK
  - New UK policies where EU policies no longer apply or are weakened
  - Opportunities to improve on/go beyond EU approaches
The policy gap to the fifth budget could widen after Brexit

We estimate EU-level policies could have contributed around 55% of the total required emissions reduction in 2030

Sources:
CCC (2016) Meeting Carbon Budgets – Implications of Brexit for UK climate policy
CCC (2018) An independent assessment of the UK’s clean growth strategy
EU-level policies could have contributed around 55% of required 2030 reduction

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<th>2030 UK emission savings covered by EU-level policies</th>
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Other EU-level policies are important enablers of decarbonisation in the UK

**Single energy market**

Interconnection: EU Internal Electricity Market - electricity traded across national borders (7% UK electricity in 2015): lower prices; security of supply; flexibility; decarbonisation

**Innovation funding**

UK receives funding from EU ETS, LIFE fund & for low-carbon research (e.g. Horizon 2020)

**Infrastructure**

EIB has loaned €37bn since 2000 for UK energy infrastructure (€6bn for low-carbon projects)
UK should take opportunities to improve on EU approaches

- Government will need to decide the level of ambition where EU policies no longer apply
- Opportunity for the UK to develop bespoke policies
- For example, CAP:
  - This does not directly target GHG reduction in agriculture
  - UK policy framework should link farming support to actions to reduce emissions, and deliver other eco-system services (e.g. biodiversity and soil health) to increase resilience to climate change
Adaptation: living with a changing climate

- UK legislation less robust
  - CCC *sets* targets and reports on progress
  - ASC *advises* on progress against Government objectives

- **Substantial** proportion of UK environmental legislation from EU
  - Nature and biodiversity – Birds and Habitats Directives
  - Marine and coastal environment
  - Soil quality
  - Water resources and quality
  - Clean air
  - Urban environment
  - ...

- EU monitoring and enforcement
- Principles: precautionary principle, polluter pays...in recitals and preambles of EU legal instruments
- Devolution: environment is a reserved competence
Preserving Single Energy Market
- North-South interconnector vital
- Common regulatory regime?
- Additional devolved powers to NIA?

Food and animal health standards
- Cross border supply chains: sheep, cattle, milk...

Environmental standards