



Taking action for a living planet

WWF-UK

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WWF-UK Responses to the UK Climate Change Programme Review Consultation Paper (CCPR 2005)

Introduction

The need for an effective response to the threat of climate change is now accepted across the political spectrum in the UK. Yet the current mix of policies and political decision-making fails to meet the urgency of the threat. Some scientists now suggest that we have a window of opportunity of only 10 years to act if we are to ensure that the rise in global temperatures stays below 2°C above pre-industrial levels.

The Prime Minister has stated that climate change is the single most important environmental issue facing humankind. He has promised to lead global progress on climate change during 2005. He has also said that the government is “absolutely” wedded to the long-term objective of keeping global temperature rises below 2°C above pre-industrial levels, as agreed by the EU Council. These ambitions are welcome. The Climate Change Programme Review now needs to meet these expectations, to end speculation that UK targets will be missed, and to put in place specific policy commitments that demonstrably add up to deliver the UK’s stated commitments.

WWF calls on the government to build its Climate Change Programme around six principles:

1. **Re-state the commitment to reduce CO₂ emissions by 20% by 2010, and show how this target will be delivered over the next 5 years.** This was stated as a clear commitment – a target – in the 1997 Labour Party Manifesto. When ministers talk of this as an “aspirational” target, which might not be achieved, they undermine business confidence that it is worth investing in renewable energy and efficiency measures: the government is seen to be wavering. If the UK is currently off track, this is because of policy decisions made since 1997 which have failed to deliver the necessary emissions reductions. The Climate Change Programme Review offers the opportunity to end uncertainty about the government’s bottom line on climate change, and to put in place the necessary policy corrections.
2. **Frame the analysis behind the policies adopted in terms of the benefits to society of a stable climate, and the costs of doing nothing.** The Climate Change Programme is not just a set of policies; it provides the framework for month-to-month political decision-making on climate change measures. Political decisions – on the emissions trading cap, on fuel duty, and on aviation for example – have too frequently worked against the government’s own targets. A clear, positive rationale for the policy choices made within the CCP will provide a firmer basis for consistent decision-making and harmonised approaches across government departments.

3. **Pre-empt competitiveness concerns in the balance between the different policy instruments chosen to deliver the 20% by 2010 target.** By making these choices up front within the CCP Review, there will be fewer openings for particular industry lobby groups to undermine the competitiveness of businesses investing in renewables or efficiency measures. The decision to weaken the UK's EU ETS cap in 2004 damaged the competitiveness of UK industry: other policy instruments, which are less economically efficient, are now needed to make up for the extra emissions and keep to UK targets.
4. **State the planned percentage contribution of each sector to meeting the 20% by 2010 target.** This will improve overall transparency and end the opportunity for different sectors and government departments to seek to pass on responsibility to others. It will also restore confidence in the 2010 target, sending a clear signal to businesses investing in renewable energy and energy efficiency that their strategies are not threatened by the government retreating to the position that "our Kyoto target is good enough", which began to be articulated towards the end of 2004.
5. **Set interim targets to put the UK on track to reduce CO₂ emission by 60% by 2050.** The CCPR should set annual emissions reductions targets. This will improve transparency and will offer a clear rationale for contingency measures that may be needed if emissions reductions slip off track. Interim targets for the policy measures that will deliver these annual reductions should also be set. In particular, there is a need for time-bound targets for reducing UK energy demand, and a firm target to meet 20% of the UK's energy needs from renewable sources by 2020.
6. **Do not base the National Allocation Plan for Phase II of the EU Emissions Trading Scheme on emissions projections.** Projections are full of uncertainties and inaccuracies; they are very sensitive to input assumptions; and they can be shaped by politics and subject to inflation and revisions. The National Allocation Plan should be based upon percentage emissions reductions from an agreed fixed, historical baseline.

Chapters 1-4

Q1) What lessons have been learned since we published the Climate Change Programme in 2000?

For WWF-UK, five key lessons have been learned since 2000 when the first CCP was published:

- Commitments and assurances are not enough. The government's tough rhetoric needs to be matched and substantiated with equally tough and meaningful policies. There is currently widespread uncertainty about whether the government remains committed to its 1997 Labour Manifesto promise to reduce CO₂ emissions by 20% from the UK 1990 baseline by 2010. In 2003, UK annual CO₂ emissions actually increased by 1.3%.
- Therefore, all targets in climate and energy policy must be made a legal duty (be legally binding) in order to ensure the achievement of those targets. Mechanisms must be introduced to ensure that the duty is complied with.
- UK energy demand and the rate of growth in energy demand are both far too high at present. The government needs to do much more to reverse this trend, especially in the residential and commercial buildings sectors.
- At present, the power sector is the biggest producer of CO₂ emissions in the UK and globally (with approximately third of emissions). The UK power sector can do nine times more to reduce CO₂ emissions compared to what it has been asked to achieve in the UK NAP of the first phase EU ETS.
- The transport sector is not far behind and is the second biggest polluter. However, the transport sector does not as yet have any substantial emissions reductions obligations set up, despite it being the fastest growing sector in terms of emissions. The revised CCP (2005-2020) needs to do much more to achieve significant CO₂ emissions cuts urgently from the transport sector.

Q2) How well are existing measures to reduce emissions working? How might these be improved? Should any of these measures be dropped?

The existing UK policy measures to reduce CO₂ emissions are not working sufficiently well to meet the UK domestic target of 20% CO₂ emissions reductions by 2010. Please refer to the answers provided in Questions 11-53 for WWF-UK's main concerns and views on how existing policies might be improved for the revised CCP (2005-2020).

Q3) Do you agree with the overall analysis of projections and impact of existing measures?

WWF-UK opposes analyses that are based primarily on emissions projections, and therefore fundamentally disagrees with the current analysis. Projections are wrought with uncertainties and inaccuracies; they are very sensitive to input assumptions; and, as seen in the UK, they can be influenced largely by politics and subject to inflation and revisions. This is a flawed approach for setting greenhouse gas emissions abatement measures, and is inconsistent with the basis upon which overarching national, EU and international targets are set (including Kyoto targets, for which the EU ETS was established). All of these targets are based on a percentage emission reduction from an absolute level in a base year.

To maximise environmental effectiveness and consistency with other abatement instruments, and to meet government targets, it is critical that policies such as the EU ETS UK NAP are based upon percentage emissions reductions from an agreed fixed, historical baseline.

Q4) Sectoral targets can reduce flexibility but may help motivate action. What are the advantages and disadvantages of setting sectoral targets?

It would be very useful to set sectoral emissions reductions targets for the UK power sector. The power sector has the capacity to reduce emissions by considerably more than their obligations within the NAP for the first phase of the EU-ETS. Analysis by ILEX shows the UK power sector could actually reduce emissions by 60% by 2020. Setting a sector target would help companies have a clear idea of where the government is going. For industry, certainty about the direction of government policy is essential to underpin long term investments.

Q5) We expect to achieve the emission levels needed to meet our Kyoto commitment through action to reduce emissions in the UK. Although it would be open to the UK to make use of the Kyoto project mechanisms to contribute to the commitment, current emission levels and our projections suggest that we will comfortably achieve the 12.5 per cent reduction in greenhouse gas emissions below base year levels by 2008-12 through national action. What views do you have on this?

We believe it is unnecessary to consider the possibility of using the Kyoto Protocol project mechanisms to contribute to the commitment. The UK domestic target of reducing CO₂ emissions by 20% by 2010 must be met through domestic action and the EU ETS.

Q6) The EU Emissions Trading Scheme will be a significant measure in moving us beyond our Kyoto commitment towards our more ambitious national goal to reduce emissions of carbon dioxide by 20 per cent below 1990 levels by 2010. Participants in the EU scheme are able to make use of credits from project mechanisms for compliance in the scheme. These credits can relate to projects which involve reductions of both carbon dioxide or the other greenhouse gases. How should we

reconcile the inclusion of credits for non-carbon dioxide greenhouse gases with our carbon dioxide emission reduction goal?

The UK should not count non-CO₂ credits purchased for the EU ETS towards the UK national CO₂ target.

Q7) How should we describe our domestic emission reduction goals in future? Should they be expressed as a percentage reduction averaged over a number of years, in the same way as targets are described under the Kyoto Protocol, or as a percentage reduction in a specified year?

The government should describe UK domestic emissions reductions targets as a percentage reduction in a specified year. This makes the message much clearer, is easier to monitor and leads more directly to action.

Q8) What new measures for reducing carbon dioxide emissions might be considered?

Many new measures for reducing CO₂ emissions have been proposed and recommended to the UK government departments (including DTI, DfT, Defra and Treasury) over recent years by many stakeholders, including WWF, FOE, GP, RSPB, Transport2000, GreenAlliance, ACE, BWEA and research institutes.

For instance, in 2004, to test the validity of WWF-UK's main goal for Climate Change mitigation, WWF commissioned ILEX Energy Consulting to undertake new research to investigate exactly how much scope existed in the UK power sector for further CO₂ emissions reductions. ILEX also analysed which *existing* and *future* government policies could deliver emissions cuts by 2020. The ILEX research is presented in a report: *The Power to Save Our Climate*, and provides a powerful case for pursuing major reductions in CO₂ emissions from the UK Power Sector. It confirms the need for urgent action on the part of government and industry.

The research conclusions are striking and hugely significant. With *minor extensions to current policies* and *additional aspirations* from the Energy White Paper (EWP), the UK power sector could cut its CO₂ emissions by 60% from 1990 levels between now and 2020. Investing in policy delivery now could save the government around £4billion in the long run. The analysis also proved it is important to significantly reduce UK *energy demand growth*.

Q9) -----

Q10) What should the UK do with its expected surplus, and what considerations should inform our decision? When would it be sensible for us to take a decision?

WWF-UK recommends the expected UK surplus in the Kyoto commitment period (2008-2012) should not be sold abroad, as such a move would undermine any additional environmental benefit offered by the UK's 20% target. WWF would support the retiring of the surplus from the market, delivering real environmental benefits and offering a good example of global leadership on climate change.

Chapter 5 – EU Emissions Trading Scheme

Q11) Through this consultation we would welcome feedback on whether the UK should consider expanding the Scheme to include other sectors and/or gases at a national level. In particular, do you think the Scheme should be expanded in the following ways:

Inclusion of process emissions from sectors whose combustion emissions may already be covered (e.g. the chemicals, food and drink, aluminium and engineering and vehicle sectors)

Expansion of the scheme to other sectors?

Inclusion of emissions of greenhouse gases other than carbon dioxide?

Pending outcomes of further analysis, WWF's view is that an expansion to cover process emissions and other non-CO₂ gases is not desirable at this stage of the scheme. For Phase II, it is too soon to add further complications into a system that is already tested by complexities demanding resolution. Furthermore, the reliability and standardisation of emission data is currently uncertain: this should be rectified before any inclusion of other non-CO₂ emissions can be effectively implemented.

Other robust and targeted domestic measures in the Climate Change Programme should effectively cover the more dispersed downstream sectors (such as heating in offices and households, SMEs, services and transport). WWF recommendations for improvements to these measures are addressed in the other sections of this submission: please refer to sections 8 and 9.

The UK government should research the different options and consider whether a closed separate emissions trading scheme may be preferable initially. A closed system could directly incentivise reductions in the sector through flight optimisation, technical efficiency and flight avoidance. As the aviation industry causes not only CO₂ emissions but also NO_x emissions, the system should address both greenhouse gases. The issue of contrails and other climate change effects (e.g. radiative forcing) of the sector also make it necessary to develop a sound and functioning system before opening it to other market actors in the ETS. A trial phase from 2008 to 2012 could be used to generate experiences within a separate isolated cap and trade system for the aviation sector, with a view to linking it to other sectors and the EU ETS after 2012.

In parallel, the UK government should coordinate all policies across all relevant government departments that relate to the aviation sector, so that a consistent and uniform approach is taken to address climate change impacts appropriately. For example, the expansion of airports as envisaged by the Aviation White Paper must be revised in line with national climate change targets so that the forecast rise in passenger demand is constrained.

Q12) While harmonisation may be desirable, the Commission may not bring forward proposals for amending the Directive. We would welcome views on whether the UK government should then consider unilateral inclusion or joint expansion with other States?

To ensure stronger and more challenging NAPs are set for Phase 2, the UK should demonstrate leadership in adopting expansion measures in collaboration with other Member States. It should also initiate conversations regarding changes in the future. This early progressive move will help the UK to deliver on its national targets, as well as facilitating stronger political relations with other collaborating Member States. A powerful joint approach by key economies in the Scheme could also facilitate changes to the Scheme by the Commission in future years. In such a case, the UK government and its companies will have a leading competitive position.

Joint work across Member States could build on co-operative efforts already underway, such as the recent UK-German bilateral cooperation on climate change which began in November last year, as well as the strong relationships the UK holds with other Member States. Dialogue should begin now with key Member States, such as Germany, France and Spain, on possible options and support for expansion measures for future years.

DETERMINATION OF CAP for PHASE 2

Q13) The Government has stated that the overall number of allowances to be allocated for phase 2 should be consistent with the trading sector's contribution to the achievement of our goal to reduce CO₂ by 20% below 1990 levels by 2010. How should this contribution be determined? How should this contribution be distributed between the different sectors covered by scheme?

The revised UK CCP must state clearly how much the traded sectors will contribute to delivering the national 20% target through the EU ETS, alongside contributions by other sectors in the economy. This should include a reference to the percentage contribution of the UK's National Allocation Plan for Phase I, and how Phase II will deliver the additional emissions reductions from the Emissions Trading Scheme to meet the domestic target. The CCPR should also indicate how subsequent phases will deliver on future 2015 and 2020 targets to put the UK on track to deliver on the 60% reductions target in 2050.

WWF acknowledges that governments may wish to discriminate between sectors in terms of the emission reductions that they are required to deliver, to avoid clashes with other policies, and on the grounds that some sectors may find it easier and cheaper to make cuts than others. Setting different targets for different sectors may therefore be appropriate, provided they add up to the overall target that needs to be achieved.

Contributions of the traded sectors should be determined on the basis of potential capacity of sectors to reduce emissions. This is consistent with the Directive (Annex 3)¹. They should also consider sectors' actual contributions to UK CO₂ emissions overall. The power generation sector should continue to bear the bulk of responsibility for emissions reductions, as the power sector accounts for 37% of UK's total emissions and it is least affected by competitiveness concerns. As our research has shown, it has the capacity to reduce its emissions significantly below a "business as usual" scenario, at relatively low cost compared to other sectors of the economy. Research WWF commissioned from ILEX² last year indicated that the power sector can in fact deliver up to nine times the amount which had been initially stipulated for Phase 1, i.e. deliver 48.2Mt CO₂ reductions, compared to 5.5MtCO₂.

Recent independent analysis undertaken by ILEX³ for WWF for power sector emissions in Phase II shows that under the most likely scenario⁴, the UK power sector has the potential capacity to make up to 20% CO₂ reductions from projected "business-as-usual" (BAU) levels, contributing to over 40% of the reduction needed from a 2000 baseline or 2010 BAU level to reach the 20% national target. Moreover, this contribution increases to up to 60% where there is low fuel price sensitivity⁵. These reductions are based on switching to gas and renewable energy, delivering on 2010 CHP targets and energy demand reductions.

Where there is a low carbon price scenario (€/tCO₂), as could happen under a weak ETS, the contribution of power sector reductions to the overall target shrinks. This invariably leaves other sectors and other government measures in the economy to carry the greater, more costly burden of delivering the emissions reductions required (e.g. within the transport, domestic and commercial sectors).

Q14) How should emissions projections be used in considering the level of the total allocation or allocations at sector level?

WWF strongly opposes any allocation of allowances that is based primarily on emissions projections. Projections are wrought with uncertainties and inaccuracies; they are very sensitive to input assumptions; and, as seen in the UK, they can be influenced largely by politics and subject to inflation and revisions. This is a flawed approach for setting greenhouse gas emissions abatement measures, and is inconsistent with the basis upon which overarching national, EU and international targets are set. All of these targets are based on a percentage emission reduction from an absolute level in a base year.

¹ Annex 3 of the Directive states: 'Quantities of allowances to be allocated shall be consistent with the potential, including the technological potential, of activities covered by this scheme to reduce emissions.'

² The WWF-ILEX note can be made available, upon request

³ Completed Nov 2004. Executive summary can be made available, upon request.

⁴ Central Business-As-Usual (BAU) scenario at €10/tCO₂ carbon price; based on May 2004 UEP data, as some DTI data (e.g. revised emissions factors) had not yet been released.

⁵ i.e. high coal: gas price ratio

To maximise environmental effectiveness and to meet government targets, it is critical that the National Allocation Plan is based upon percentage emissions reductions from an agreed fixed, historical baseline. If allocations are based on future emissions, participants have an incentive to increase or at least maintain their emissions to ensure higher levels of allowances. Averaged data for around 2000 may be the most appropriate basis, as data are available for the bulk of installations that will be covered.

The government should ensure appropriate transparency and full consultation (i.e. on methodology for data) to avoid the situation that is occurring at present, in which the DTI has steadily revised projections upwards over time, leading to increasing allowances, after the Plan has already been submitted to the Commission. All data should be made publicly available at the earliest time to ensure appropriate transparency and full consultation

WWF is willing to explore with Defra and DTI how best to engage stakeholders with the government on appropriate allocation methodology, including the DTI's proposed Projections Advisory Group.

Q15) Should a national limit be set on the extent to which credits generated from the Kyoto mechanisms (CDM and JI) can be used by UK companies to meet their EU ETS targets? If so, what limit would be appropriate?

The use of overseas credits from CDM and JI projects should be restricted, but not necessarily in quantitative terms. Instead a qualitative requirement must be set, in which only emissions credits from Gold Standard projects would be allowed. The Gold Standard is an independent best-practice benchmark scheme set up to ensure that JI and CDM deliver credible projects with real environmental benefits and, in so doing, give confidence to host countries and the public that projects represent new and additional investments in sustainable energy services. Projects are accredited based on a set of robust environmental criteria. For more information, visit

http://www.panda.org/about_wwf/what_we_do/climate_change/our_solutions/business_industry/finance_investment/gold_standard.cfm.

Q16) Given the Climate Change Programme Review will be published a year in advance of deadline for submission of the UK's NAP, what should the Government say in the revised programme about the contribution it is expecting from phase II from installations within the existing scope of the Scheme? Should the revised programme announce the overall number of allowances to be allocated?

As outlined in Q13, the revised programme must state the level of contribution (percentage) that the EU ETS is making to deliver on the UK's overall national domestic targets. This should include the level of contribution by the UK National Allocation Plan (NAP) for Phase 1, and what contribution the government intends that the NAP for Phase II will make to meeting the overall 20% target in 2010, and how this would be distributed across all traded sectors. This should be balanced with a clear stated strategy and quantitative assessment of how each other climate change policy and/or sector will be contributing alongside the EU ETS.

Defra must also set out a clear timeline and process of stakeholder consultation for developing future NAPs, especially for Phase II, which allows for timely input into the decision-making process. WWF understands that Defra has already set up an ETS group which largely covers business and industry interests. Input from other stakeholders, such as NGOs, should be formally recognised within the consultation process.

Q17) Do you have views on whether the government should push for further harmonisation of any other elements of the scheme (i.e. other than expansion covered by other questions above)?

WWF offers the following recommendations for other elements of the scheme to be adopted by the UK for Phase 2 and for possible harmonisation.

a) Baseline methodology for allocations:

The UK government should work to harmonise emission allocation methodologies for each Member State, where availability of data allows. This should follow the recommended approach of setting a percentage emissions reduction from a base year for Phase II and future phases, as detailed in the response to Q14.

Member States have also used a multitude of scenarios for defining 'business-as-usual' emission scenarios. To increase consistency and transparency in the ETS, the UK and Member States should make an effort to agree on one methodology for defining emission scenarios, so that an objective judgement about the environmental effectiveness of the national system is made possible.

b) Incentives for existing plant closures:

Member States in the first round of trading have been free to determine their own rules for how to manage closures of existing installations. Consequently different rules have been applied, and a greater degree of harmonisation needs to be adopted in future phases. Currently in the UK, if an installation closes, the company will not receive their allocation of allowances for that station for the next full year after closure. If that company wishes to open a replacement installation they are required to apply for a free allocation of allowances from a reserve of allowances that have been set aside for new entrants. These rules offer an incentive to companies to keep dirty coal-fired power stations operating, thereby discouraging low-carbon investments such as renewable technologies within the fuel mix.

In contrast, in Germany, companies which close their installations can maintain their full allocation of allowances either for sale or for use at a new replacement installation until the end of the traded period. A smaller new entrants reserve is in place for genuinely new entrants to the market.

We call on the UK government to introduce closure rules that incentivise early closure of carbon-intensive power plants for Phase II and subsequent phases.

c) New entrants provisions:

New entrants provisions should be harmonised across the EU to avoid distortions from 2008 onwards. A system of 100% auctioning for new entrants is applied for Phase II and future phases. The system of new entrants provisions should be cancelled and new entrants should buy allowances on the market. This would give immediate incentives to entrants to opt for low carbon technologies. It would be fuel and product neutral and is therefore a way of solving potential problems with state aid and trade distortions caused by differing national new entrants provisions. Ring-fencing provisions, in terms of exclusion from auctioning or benchmarking methodology, should be granted for CHP, in proportion to the government target of 10GW CHP by 2010.

d) Future auctioning of allowances for existing installations:

In conjunction with following the historic baseline methodology as described in Q14, the UK government should introduce partial-auctioning at the maximum level in the second phase (10%), with a move to a 100% auctioned allocation system for subsequent phases. Future auctioning would provide far greater transparency and could eventually result in the application of the 'polluter pays' principle. The UK government could use the revenue collected from auctioning to effectively deal with negative impacts of carbon-intensive activities and climate change, e.g. flood defence measures, or recycled into renewables and energy efficiency investments.

Chapter 6 – Energy Supply

Q18) What scope is there for additional emissions reductions from the energy supply sector (aka power sector) to 2010 and 2020?

WWF-UK believes that there is considerable scope still to be tapped into for additional CO₂ emissions reductions from the UK Power Sector.

The UK Power Sector

To test the validity of our main goal for Climate Change mitigation, in 2004 WWF commissioned ILEX to undertake new research to investigate exactly how much scope existed in the UK power sector for further CO₂ emissions reductions. This research also analysed which existing and future government policies could deliver emissions cuts by 2020. The ILEX research is presented in a report: *The Power to Save Our Climate*, and provides a powerful case for pursuing major reductions in CO₂ emissions from the UK Power Sector. It confirms the need for urgent action on the part of government and industry.

The research conclusions are striking and hugely significant. With minor extensions to current policies and the additional aspirations from the Energy White Paper (EWP), the UK power sector could cut its CO₂ emissions by 60% from 1990 levels between now and 2020. The analysis also proved it is very important to significantly reduce UK energy demand growth and that these greater CO₂ emissions reductions from the UK power sector can be achieved:

- At low estimated cost, and in many cases lower than costs of continuing in 'business as usual' scenario;
- With a likely net saving of more than £4 billion in new investment;
- With savings on electricity bills, where energy efficiency measures are implemented;
- Without resorting to nuclear power;
- Without the need for development of new technologies or radical policy shifts.

Q19) What further initiatives might the Government consider at the EU, national, regional or local level to deliver further carbon savings to 2010, and to 2020? In particular, what cost effective steps can Government take to promote the wider uptake of micro-generation (such as micro-CHP and embedded renewables)?

What would be a realistic level of CHP capacity by 2020 and how should the Government set about achieving it?

UK Green Energy Tariff Accreditation Scheme

In order to encourage more electricity consumers to switch to a green energy supply, increase renewable energy development and reduce CO₂ emissions further, the government should fund and task one of its departments, along with EST or OFGEM, to set up and manage a voluntary Green Energy Tariff Accreditation Scheme for the UK, to show which UK tariffs are additional. *Additionality* is the key issue in the voluntary green energy market. Many of the green tariffs that are marketed as being "green" actually provide no additional benefits above those already required by existing legislation promoting renewable energy, such a guaranteed price for renewables or obligations placed on energy suppliers.

During previous meetings in 2004 at the UKBCSE, WWF-UK recommended to Defra, DTI, EST and OFGEM that the *Eugene Standard* already exists for such voluntary green energy tariff Accreditation Schemes. The *Eugene Standard* offers a simple but effective additionality test which can be adapted to national rules and markets. It has been developed in co-operation with experts in energy supply and trade. Therefore, WWF-UK strongly recommends that in the revised CCP, the UK commits to creating and managing a credible UK green energy accreditation scheme, and that the Eugene Standard is more seriously considered.

Micro-Generation (Embedded Generation, CHP and Renewable Energy)

WWF-UK believes that schemes, such as 'Clear Skies' supported by the Department for Trade and Industry (DTI), have been successful in starting to deliver exemplar projects, which are now helping prove the viability of embedded renewable energy generation in the UK. However, the current uncertainty around the future of the

Clear Skies programme, and the lack of clarity on what type of scheme will replace it, could have a detrimental effect. This uncertainty is now in stark contrast with ODPM Planning Policy Statement 22, which has given local authorities the power to require "a percentage of the energy to be used in new residential, commercial or industrial developments to come from on-site renewable energy developments." Although this now sets a firm policy framework for local authorities to require embedded renewables, the reality is that the market is still failing to provide cost-effective technology options.

Embedded renewables are still in the proving grounds and will continue to need government funding to mainstream their use in construction. Without continued and increasing grant schemes from government, local authorities will fail to achieve the planning gain that PPS22 allows. The DTI must provide a long-term future for substantial grants schemes, like Clear Skies, with increased funding year-on-year to enable certainty for developers, communities and local authorities. This would ensure that each year more exemplar projects are brought on-line, raising both profile and experience in delivery.

In addition, please see the answers provided to Questions 38, 46, 47, 50, 52 and 53 for more information on WWF's views on CHP and regional and local level policies and contribution to the UK 2010 and interim 2020 CO2 emissions reductions targets.

Q20) What additional measures might the Government introduce to support existing policies to deliver carbon savings to 2010? In particular, what further cost effective measures could we take to promote CHP through the revised Climate Change Programme, to make achieving our 2010 target of 10GW more likely?

Please see the answer given to Question 38 regarding the UK 2010 CHP target, ESCOs, micro-CHP and the CEP funds.

Q21) What more should the Government be doing to ensure new technologies are available to maximise further cost effective carbon savings for the energy supply sector up to 2020?

Renewables Obligation (RO)

In a new survey and report; Business Action on Climate Change, by the Green Alliance, the Renewables Obligation (RO) was among one of the main UK policies examined during interviews and was considered by the participants (including WWF-UK) to be one of the most effective UK instruments. The reasons given for the success of the RO are that it sets clear targets, is relatively long term in focus therefore providing investor confidence, and has been successful in stimulating investment in a few types of renewable energy. However, in its present form, it only benefits a narrow band of technologies (primarily wind). There is also a lack of policy instruments to encourage the development of technologies that are less able to compete commercially in the current electricity market. Therefore, there is a need for other measures to be introduced to benefit these technologies, including wave, solar and biomass.

WWF-UK supports the recommendations provided recently by the BWEA in the report 'In to the Blue' by Climate Change Capital. The report concludes that urgent government action is needed to kick-start the UK's wave sector to ensure the country does not miss out on becoming a world leader.

The study examined the level and type of financial support that the sector needs to move it forward from its current research and demonstration phase and shows the benefits if the government were to provide an additional 'marine performance fund' (£75million) for the first 50 MW of wave projects. This is needed to bridge the funding gap that exists between the demonstration and pre-commercial stage of UK renewable development at present and offer the tax payer best value for money. WWF-UK believes BWEA's Marine

Performance Fund (MPF) is a very useful new measure that the government should adopt in the revised CCP, in order to improve the competitiveness and hence the cost effectiveness of, for example, wave power and other proven marine renewable energy technologies other than offshore wind.

Renewable Heat Obligation (RHO)

There is a strong case for new policies to be implemented by the government in the new CCP in order to improve the competitiveness of biomass energy schemes, such as energy crops, and to realise the potential for carbon savings from biomass which still remains untapped in the UK. For example, creating and including a Renewable Heat Obligation (RHO) and accompanying RHO percentage targets for 2010 and 2020, similar to the RO, for the UK in the new CCP would be very welcome. These would increase the use of renewables in the delivery of heat to consumers, as the current RO applies only to electricity. This new policy would also further stimulate uptake in CHP, ES, Bio-energy and solar thermal technologies.

CHP, Energy Services and ESCOs

Please see the answer provided for Question 38 below regarding the UK 2010 CHP target, ESCOs, micro-CHP and the CEP funds.

Embedded Generation

Please see the answer provided for Question 19 above for WWF's recommendations on how to increase the uptake of micro-renewables and embedded generation in the UK.

Marine Renewables

WWF-UK welcomes the recent announcements by the DTI of increased funding for the Marine Renewables sector, through the Marine Research Deployment Fund. Sensibly sited marine renewable energy technologies, especially wave and offshore wind energy technologies, need to play an increasingly important part of the UK energy mix up to 2020. In addition to BWEA's MPF as mentioned above, these technologies are currently at a crucial stage in pre-commercial development. There is an urgent need to increase the opportunities for demonstration projects that will test their market viability.

However, the long-term viability of the marine renewables industry also depends on having an efficient 'route to consent'. As with other offshore developments, consent is dependent on the SEA process, which since 2003 has been combined with strategic oil and gas interests. While supporting the need for robust SEAs, WWF fears that the way in which they are being determined does not give the industry the certainty required for long-term planning. WWF thinks that the DTI should review the way in which SEAs are determined, giving priority to the longer-term needs of the renewables industry, and ensuring that 'consent' issues do not hamper their future contribution to delivering carbon-saving in the power sector to 2020.

One way in which the government could help this process is to prioritise the passing of a Marine Bill. WWF is currently calling on the government to streamline marine legislation into a single, all encompassing Marine Act, and has recently published a draft Bill to stimulate debate on this issue.

In addition, WWF-UK believes that it is vital that the internal workings between the different government departments during the contents application process are urgently reviewed. The process needs to be streamlined and simplified for developers. For example, a single unit or working group should be responsible (and clearly 'signposted' as such) for reviewing and issuing all the consents needed to build a new or pilot marine renewable energy generating scheme.

Biofuels Transport Obligation

Please see the answer provided for Questions 28-33 regarding new policies proposed to cut CO2 emissions from the UK Transport Sector.

Q22) What contribution can Renewable Heat make to our emission reduction goals and how?

Please see the answer provided as part of Question 21 above for WWF's recommendations on how to meaningfully increase the uptake and contribution Renewable Heat and related renewable and low-carbon technologies towards the UK's 2010 and 2020 emissions reductions targets.

Chapter 7 – Business

Q23-27) -----

Chapter 8 – Transport

Questions 28-33)

The Transport Sector in the UK and globally is responsible for approximately a third of CO₂ emissions and it is a rapidly growing sector. Some studies show the emissions from transport surpassing those from the power sector during the decade, due to rapidly increasing road and aviation growth. Therefore, the government must act now to reduce demand. The government's current policies are failing to achieve this, with very few emissions cuts sought from the UK transport sector at present.

The main causes of the rise in transport emissions are our growing use of cars and air travel. Road traffic continues to grow by around 2 per cent a year, while aviation is predicted by the government to double or even triple by 2030. The UK government should commit to and achieve deep cuts in emissions from road transport and aviation, by constraining demand and not simply allow the projected increases in vehicle journeys (and hence emissions) over the next three decades to take place.

Both the transport and power sector, being the biggest CO₂ emitters, should be legally obliged to reduce their emissions in proportion to their levels of pollution, in line with the 'Polluter Pays' principle.

The UK needs to encourage the use of electric vehicles for regular journeys over short distances and implement new policies to support biofuels for rural transport, such as a new Biofuels Transport Obligation in the UK. WWF believes that the new CCP should commit to this and set meaningful 2010 and 2010 targets for such an Obligation. This principally implies setting tough targets for the uptake of low emission vehicles, backed by higher fuel prices and differentiated road and company car taxes, but should also involve incentives for fuel cell powered fleet vehicles.

The UK government should coordinate all policies across all relevant government departments that relate to the road transport and aviation sector (such as DfT, DTI and Treasury), so that a consistent and uniform approach is taken to address climate change impacts appropriately. For example, the increased spending and expansion of airports as envisaged by the Aviation White Paper must be withdrawn and amended in line with national climate change targets, so that the forecast rise in passenger demand is constrained.

The UK government needs to look more openly at the transport sector in the UK and must set new, tough emission reduction policies and targets for the UK transport sector. It needs to secure far more than the few carbon savings originally proposed in the failed 'Ten Year Plan' in the CCP 2000.

Chapter 9 – Household Energy Efficiency

Q34) What further measures could be introduced to stimulate further carbon savings from improving energy efficiency in households in the period through to 2010?

Stamp duty

In line with the recommendation of the Sustainable Buildings Task Group, WWF-UK believes that the single most effective measure the government could introduce to improve energy efficiency in households would be stamp duty relief for homes meeting high energy efficiency standards. With the introduction of mandatory energy performance certificates for houses as part of the Home Information Pack, the necessary information for new and existing homes will be readily available.

WWF-UK believes that new energy efficient homes (for example those that meet a minimum standard of EcoHomes 'Very Good' standard / Code for Sustainable Buildings) should attract stamp duty relief. For existing stock, the occupants who carry out remedial energy efficiency work on their property within a period after moving in should also attract stamp duty relief.

Code for Sustainable Buildings

The Code for Sustainable Buildings should be based on the existing BREEAM / EcoHomes standard, and the minimum level should be set at EcoHomes 'Very Good' standard. The Code must be a mandatory requirement on all publicly funded new homes. Recent research by the UK Environment Agency has demonstrated that there are financial benefits to householders of building new homes to higher levels of resource efficiency. For example:

- A 25 percent improvement in resource efficiency (energy, water and waste) has a maximum extra capital cost of £800 per home.
- These improvements deliver savings to residents through reduced utility bills of approximately £138 a year. The *total* benefits of resource efficiencies are likely to be much greater than this if the wider effects on the environment, health, etc were quantified.
- The extra cost of a home built to higher levels of resource efficiency is unlikely to mean more expensive homes.
- Even if costs were passed on to the house buyer, only up to £4 per month would be added onto a typical £100,000 mortgage. Therefore, more efficient homes can be more affordable overall, particularly for those on low incomes who spend a higher proportion of their income on bills.

The UK government should also, as soon as possible, set out a strict timetable to bring existing public housing stock up to the level of the Code, beyond the Decent Homes standard.

Building Regulations

WWF-UK welcomes the proposed 25% carbon improvements through the revised Part L of the Building Regulations and strongly believes that this target should not be watered down. WWF also believes that enforcement of the new regulations is of critical importance, especially given that a recent sample testing exercise to verify air-tightness standards in new build revealed that 65% of the homes failed the air-tightness test. WWF-UK fully supports, therefore, the proposal to require developers to carry out sample pressure testing of their newly built homes, and we would urge the government not to be swayed from this intention. It is also vital that the government invests in the necessary training and resources for Building Control Officers to enable them to adequately enforce the new requirements.

WWF-UK is of course delighted that the Secure and Sustainable Buildings Act received Royal Assent last September, and believes the government should act to use the new powers provided as soon as possible.

Q35) What more could we do to support existing policies or overcome the barriers that remain to the take-up of energy efficiency measures by households?

Much more is needed to be done to improve energy efficiency in all economic sectors of the UK and reduce energy demand growth by 0.2%/yr, if the possible 60% reduction in CO₂ emissions from the UK power sector is to be achieved by 2020. However, current UK energy policy measures are not sufficient to provide the required carbon savings to meet the 60% long-term emissions reduction target from the whole UK economy by 2050.

Therefore, with regards to increasing take-up of household energy efficiency, WWF-UK welcomes the current intention to extend the requirements of Part L to cover more work in existing homes, and believes the new powers given under the Secure and Sustainable Buildings Act will further enhance this process. WWF-UK also welcomes the introduction of the landlord energy saving allowance and the green landlord scheme, new initiatives funded by government in consumer education to change behaviour and promote increased energy efficiency in households and transport. The new prime time TV adverts by EST and large billboard poster adverts at major UK train stations by the CT that have appeared in early 2005 are a good start.

But much more needs to be done by central government to enable major changes in practices on the ground. Central government and the Local Government Agency Commission in Westminster must do more to support local and regional authorities across the UK to ensure they deliver the required CO₂ emissions reductions.

Q36) Given that many householders benefit directly from energy efficiency measures through lower bills, how can the Government best encourage or incentivise them to improve their own homes?

Please see the answer given above regarding Stamp duty and extending reductions in VAT on energy efficient products/measures and community/micro renewables.

Q37) -----

Q38) Can the environmental and economic benefits of community heating be delivered other than through the Community Energy programme?

Over recent years the growth in new Combined Heat and Power (CHP) plants in the UK has been adversely affected by the low price for wholesale electricity. The government's CHP strategy, published by Defra in April 2004, provides measures which are supposed to support the growth of CHP capacity needed to meet the UK CHP target. However, this strategy must be reviewed in the CCPR in order to ensure that the policies properly incentivise renewed uptake in CHP. In 2004 the government admitted the UK was off-track by a fifth (around 2,000MWe) in achieving its CHP target of 10,000MWe installed capacity of good quality CHP by 2010.

WWF-UK believes it is important that the UK 2010 CHP target is met. For every 1 MW of CHP installed, carbon emissions are cut by around 1250 tonnes, as well as providing lower cost energy to keep people warm and to make factories more competitive. Reaching the government's target of 10 GWe of CHP would realise further carbon savings of six million tonnes (6 MtC) each year. This saving is more than 25% of the current shortfall required to achieve the UK's domestic target of a 20% reduction in CO₂ emissions by 2010.

Whilst the UK government has not determined the probability of these emissions reductions being achieved, it is clear that those reductions attributable to CHP are both proven and reliable. Greater emissions reductions from CHP can be gained from providing a stable framework for the growth of an existing industry. A report for the DETR estimated 10,000 to 17,000 MWe potential in the commercial and industrial sectors (although this did not

include either the emerging technology of CHP with cooling, which has significant potential, nor the scope for domestic CHP).

Also, in January 2004, EST published the UK Potential Study for Community Heating. The report maps out the very substantial potential for CH existing in areas across the UK, a potential much more than the 10,000MWe 2010 target; again, the vast majority of this has not been realised. So a significant opportunity for further reduction of carbon emissions still exists by increasing the uptake of community/district heating and CHP.

In addition, WWF-UK supports the EWP's pledges that the government should support field trials in micro-CHP, should work with OFGEM to ensure there is a level 'playing field' for smaller generators, including CHP and renewables, and should set and achieve targets for government departments and the public sector (including local authorities) to install and use CHP generated electricity.

This rationale was summarised by the Advisory Committee on Business and the Environment, who stated in their report to the Prime Minister in 2002: *"In the short term the greatest potential ...to help meet the 2010 (carbon) targets lies in CHP..."*.

Therefore WWF-UK believes that there is a large potential of the many different types of CHP schemes (public, residential to industrial sector, and district heating to smaller scale embedded/micro-CHP) still untapped, far greater than the UK's current 2010 CHP target. Although some CHP schemes have been recently helped by funding from the CEP, as studies have shown, CHP has the potential to deliver far more CO₂ emissions reductions than is currently being sought. Thus, WWF strongly recommends that in the new CCP the government includes new, robust policies to increase the number of ESCOs and Energy Services schemes delivering energy to consumers across the UK.

One option would be to set a meaningful Energy Services obligation percentage target for 2010 and 2020 and provide more funding to do so, in order to motivate electricity generators, suppliers and estate owners to provide energy services and improve the energy efficiency of their customers' premises.

Q39) To what extent could EU and international product standards and industry agreements deliver carbon savings?

In line with the SBTG's recommendation, WWF-UK believes that the Construction Products Association and the DIY suppliers in consultation with the government's Advisory Committee on Consumer Products and the Environment (ACCPE), should look at the feasibility of introducing an Environmental Product Declaration scheme for sustainable construction products and materials, which is applicable to both the consumer and professional market and is relevant at both project and building level. The government should also introduce incentives (e.g. reduced VAT) to encourage uptake by customers.

Sustainable Communities Plan

In addition to the questions and answers above relating to UK Households and energy efficiency, WWF-UK is concerned that in paragraph 9.40, the government states that through the Sustainable Communities plan it will 'aim to ensure that these housing developments respect the principle of sustainable development and address potential impacts on the environment alongside social and economic goals'.

WWF believes it is essential that new communities in the Thames Gateway and other growth areas achieve zero carbon emissions standards. As well as delivering the highest standards of energy efficiency in the homes and buildings themselves and renewable energy supplies, government must ensure that the necessary infrastructure to reduce the overall *carbon footprint* of the new developments is delivered. As advocated in the new PPS1 statement, the new communities must ensure walkable access to green transport options (public transport, car clubs etc) and local amenities. If the government is serious about delivering real carbon savings and tackling

climate change, it is essential that the planned new communities reach new emissions standards of, for example, zero carbon emissions from new developments.

Chapter 10 – Agriculture, Forestry and Land Use

Q40-44) -----

Chapter 11 – Public Sector

Q45) What more should the Government be doing through the management of its own estates, procurement and operations to provide a lead and contribute to emissions reductions?

The UK government must lead by example. Great strides have already been made in increasing the government's consumption of energy from renewable sources. Both the number of premises and amount of electricity supplied to those premises has increased and this is welcome. Government should set a target of being entirely powered by renewable sources by say 2015. For instance, WWF Northern Ireland regards government as having a crucial role in providing encouragement in the reduction of carbon and greenhouse gas emissions through leading by example. WWF Northern Ireland strongly urges the DETI and Northern Ireland executive to take a lead and fully comply with Recommendation 16 of the ETI Committee "Report On The Energy Inquiry" which says

" The Executive, the Assembly and local authorities should continue to audit rigorously their own energy consumption and take the lead in radically reducing energy consumption and striving to be powered entirely by renewable energy."

This is especially important given that, according to the greenhouse gas emissions figures for all the devolved administrations, in the report quoted on pages 88 and 89, Northern Ireland has the unfortunate distinction of being the only country in the UK to have greenhouse gas emissions in 2002 higher than in 1990.

Q46) How can greater synergies be delivered between activity at local, regional and national levels?

Regional Strategy; Local Delivery

Better monitoring of projects and actions is required. WWF-UK believes the English Regions are well placed to form an effective strategic bridge between the government's longer term policy commitments, as set out in the EWP, and delivery at a local level. However, there is a need for a clearer framework that outlines and clarifies the roles of different tiers of government, and their agencies, in guiding the delivery of climate change objectives.

Some regions, but not all, have produced Regional Energy Strategies or are in the process of including energy policies in the RSS. These vary in scope, time-frame and quality, and not all are aligned to the EWP. In addition, Local Authorities are also producing strategies, while also focussed on local delivery. This plethora of activity should be welcomed, but unfortunately it does also pose problems when defining lines of accountability and ensuring effective delivery.

If greater synergies are to be maximised, and resources not wasted, then there is a need to bring clarity to the numerous strands of activity at a regional and local level. Lines of accountability must be made clearer for all institutions and agencies which are involved in delivering climate change objectives, including the Regional Assemblies, government Offices, RDA's, and Local Authorities. Delivery at the sub-regional level should then

be reviewed and resources re-aligned to ensure that the focus is on delivery, rather than repeating regional, national or international policy.

Also, in Northern Ireland for example, the strategic planning of actions to counteract climate change and the setting of local and regional targets, which reflect and contribute to the achievement of national targets, would involve the development of a long term energy strategy with hard and fast targets which map out how we will move to a low carbon/renewables based economy by 2050 at least, and how such a move will reduce the levels of our greenhouse gas emissions.

***Q47) Can local and regional bodies contribute more to UK climate change objectives in 2010 and 2020 in terms of driving further significant, cost effective emissions reductions?
What measures could the Government put in place to deliver these savings?***

Yes. For example, in Northern Ireland, setting regional targets could help to ensure that the regions fully contribute to national targets while acting as a driver for action on a local/regional scale. However, there are no targets beyond 2012 in the 2004 Northern Ireland Energy Strategy, for example, and this is not good enough. Therefore, a longer term vision is again needed.

As this consultation document highlights, Regional Development Agencies (RDA), in partnership with Local Authorities, have significant opportunities to contribute to the governments climate change objectives, by using flagship regeneration projects and new development opportunities to demonstrate best practice, as well as by providing business advice services. However, while good exemplar projects can be found across the country, WWF believes that much more can be done to mainstream best practice.

One of the major obstacles facing RDAs is that the target framework set out by the treasury and DTI doesn't require they meet these best practice criteria. Despite the RDAs having a statutory purpose to 'contribute to sustainable development', the present target framework makes it possible for RDAs to meet their targets and allocate funding in ways that do not contribute to climate change objectives. As the government is now advocating on the international stage that economic growth and climate change mitigation are not mutually exclusive, WWF believes that it is well within the RDAs remit to demonstrate how best this can be done. Making this role clearer to RDAs is essential if they are to help deliver on climate change objectives. WWF suggests the following measures are introduced:

RDAs should be required to report on how they are contributing to regional and national climate change objectives at least one RDA target should make *explicit* reference to climate change objectives; and every flagship regeneration project should be *required* to incorporate energy efficiency measures and embedded renewables as standard.

Chapter 12 – Adaptation

Q48-51) -----

Chapter 13 – Devolved Administrations

Q52) What more can devolved administrations contribute to UK climate change objectives?

Scotland

Alongside WWF-UK's response to the DEFRA's UK CCP review consultation, WWF-Scotland is also making a specific response to the Scottish Executive's Scottish Climate Change Programme.

Important progress has been made at the devolved level. In particular this includes the Northern Irish commitment to stabilising energy demand, the Scottish Executive's two renewable electricity targets and the Welsh Assembly Government's renewable energy target. However, in general little emissions reduction has resulted from the Programmes in devolved countries and much more need to be done to make the Programmes effective over the next five years.

A forthcoming WWF Scotland review of the Scottish Climate Change Programme concluded:

“while the intentions of the Scottish Executive have been laudable, the outcomes suggest a lack of practical control or indeed any strategic overview of the actions in Scotland (and their economic and environmental cost) that will reduce greenhouse gas emissions to a greater or lesser degree.”

“the Scottish Climate Change Programme was long on aspiration, but short on quantifiable targets.”

“although a lot of political activity has taken place, emissions outcomes have been extremely disappointing”

“It is worth emphasising that the quantified Scottish savings in the Scottish Programme ... equates to about 0.21MtC ... however, the potential for reducing emissions from Scottish policies, such as effective waste, transport and land use management, are likely to be orders of magnitudes higher than this.”

The UK government needs to work with the devolved administrations to jointly negotiate the appropriate levels of emissions reduction which can be produced in each sector in each area, and to facilitate action on emissions reduction and adaptation in devolved areas by co-operating where changes to reserved matters would be helpful.

Wales

The Welsh Assembly could do more to contribute to UK climate change mitigation objectives by; reducing energy demand particularly in buildings and how they are used by increasing standards; invest in RE generation, particularly R&D for new offshore, micro-renewables, small scale and building integrated solutions for various technologies at point of use; set-up refurbishment and replacement programmes of older housing stock to improve energy performance; and give higher priority to sustainable transport solutions, integrating rail and road networks.

Although energy is a reserved Westminster matter, there are limited powers via the planning system for the Assembly Government to address the challenges posed by climate change. Wales has no tax-raising powers (as in Scotland) and has no published energy strategy (as in Ireland) but a little known Energy Statement released by Cabinet Minister Andrew Davies to follow the UK White Paper in February 2003. Energy Saving Wales (October 2004) attempts to address energy efficiency and mentions buildings and small scale renewables.

Despite mention of an Energy route-map an energy strategy is still not forthcoming. Plans are afoot for a micro-renewables strategy (which WWF has been called in to help formulate.) The target of 4MWh (10%) renewable energy by 2010 has focussed on the need to generate wind capacity onshore (within the planning framework of Technical Advice Note 8). Offshore, different planning consent routes have illustrated how difficult it is to resolve matters of energy policy, particularly as the Scarweather Sands application was decided upon by a Planning Committee of selected Assembly members.

The division of responsibilities between the Assembly and Westminster on transport matters also hampers a truly integrated approach to public transport, particularly rail. The recently published Transport strategy from Andrew Davies goes against the grain including as policy options expansion of existing and setting up of air links between North and South Wales.

Northern Ireland

There is and has been little demonstrable co-operation between government departments in Northern Ireland on almost all levels. The claim that work is proceeding to ensure maximum co-operation across Northern Ireland departments in mitigating emissions is hard to reconcile with the realities of the situation on the ground, for example the figures on page 89 which show that emissions in Northern Ireland have increased since 1990.

There are a number of problems in terms of tackling climate change in Northern Ireland, the most significant of which is the absence of any long term energy strategy to combat climate change and resolve the energy problems facing Northern Ireland. The most important action for the Northern Ireland administration to take would be to develop and implement a long term energy strategy, looking forward to 2050 at least, with;

- long term hard targets for reduction in energy demand
- long term targets for reduction of greenhouse gas (GHG) emissions, especially Carbon Dioxide (CO₂)
- long term targets for the reduction of Northern Ireland's use of fossil fuels for energy production and their replacement by renewable energy sources
- appropriate milestones for example every 10 years, for each of the above must be established and communicated to all other government departments who must incorporate such targets into their plans (joined up government)

The precise status of the Energy Strategy published in June 2004 remains vague and unclear, i.e. this document is not presented as the policy of the Northern Ireland administration, but rather as a document that serves only to give guidance. The lack of hard and fast targets in this document is its most severe and obvious flaw and effectively makes this document irrelevant.

One of the few firm targets in the energy strategy is for a 1% decrease in energy consumption through energy efficiency from 2007 – 2012. While this is welcome, it is unclear why a target to reduce energy consumption, which is fundamental to reducing our emissions of greenhouse gases, does not start until 2007. No logical reason for this starting date, nor for the finishing date, is provided. WWF Northern Ireland believes that this target should not only start earlier, i.e. 2006 but should be extended beyond 2012.

However, even worse than the setting of very weak targets, is the complete absence of targets in some very important areas, most notably long term targets. WWF regards this failure to provide a long term vision as to how Northern Ireland, for example, will meet its energy needs and tackle climate change as an unacceptable omission, as it leaves Northern Ireland totally unprepared for the future beyond 2010. This abdication of responsibility must be corrected as soon as possible.

Q53) Should the devolved administrations have their own targets for measuring progress in delivering greenhouse gas emissions reductions and, if so, what form should these take?

Yes, devolved administrations should set their own targets in line with UK targets, as this should ensure these targets are met. (e.g. a 20% reduction in Northern Ireland emissions by 2010). Otherwise, for example, Northern Ireland is likely to have the unfortunate distinction of being the only country in the UK to have rising greenhouse gas emissions, as in 2002.

As suggested above, one key part of any strategy to reduce emissions should be to set targets which show how much each devolved administration will do in contributing to the UK's 12.5% and 20% emission reduction targets. Many sectors from hospitals to schools have targets and the current UK and devolved targets for renewable energy have been very successful in stimulating that industry. Devolved administration targets for climate change emissions would help drive activity flowing from an enhanced version/s of the devolved Climate Change Programmes. We have no doubt that progress on emissions would have been better and national and devolved policies more integrated if devolved country emissions reduction targets for 2010 had been set in the 2000 Programmes.

It has been argued that it would be too hard to set a target for the devolved countries of the UK because many of the controls needed to reduce emissions are in the hands of the European Union, the UK government or even private businesses. However a large fraction of UK emissions are now dependent on the EU Emissions' Trading Scheme, yet the UK government is still talking about its 12.5% target and 20% 'goal' for 2010. Similarly Europe's smaller nations are subject to similar external influences, yet are still working to national targets. Devolved administration targets would be a combination of (a) a best estimate of what each administration can achieve within its powers if Europe and the UK government behave as they say they will and (b) a statement of the scale of each administration's aspiration to do its bit.

The UK government can assist by being clear on what it will do nationally, convening the necessary joint discussions and dealing with the issue of inter-regional electricity exports.

In addition to the Devolved administrations, the English Regions should also be required to set their own CO₂ reduction targets in line with government targets. For example, Yorkshire and Humber have recently adopted such an approach as part of their Regional Spatial Strategy (RSS).

CO₂ targets should also be based on consumption, from a CO₂/Climate Change perspective, and there should be two comparable indicators (with appropriate targets), such as;

- Greenhouse Gas Emissions of Consumption: 11.3 t/cap, Greenhouse gas Emissions of Production: 10.3 t/cap

The interrelationship between the two shows how much the UK is burden shifting (from a CO₂ perspective) and provides a clearer understanding of how the UK can achieve and go beyond Kyoto targets, and reduce the global environmental burden of the UK.

The English Regions should also be required, at least, to meet the government targets for renewables. Through Reviews of Regional Planning Guidance (RPG) some regions have produced Energy Strategies and others are addressing renewables through the RSS. In any event, the context for these policies should be climate change mitigation, with clear targets for renewables, because in some regions, such as the South East, current targets are disappointingly low.

Renewables targets should be based on consumption rather than capacity or generation. Targets based on electricity capacity give a distorted picture of what is actually being achieved. One could install a renewable technology and meet the target because the capacity is there, but then if the technology does not operate at full capacity 100% of the time a much lower target for production will be met. Targets based on consumption would more accurately reflect the impact of electricity use. PPS22 is unhelpful here in that it requires regions to express targets in terms of capacity, though it does state that '[targets] may also be expressed in terms of the percentage of electricity consumed'.

Finally, WWF-UK believes responsibility should be taken for reducing our ecological footprint at all levels: individually, as institutions, at government and business levels with leadership from the UK Devolved administrations and English Regions, showing how both lifestyle and policy changes can affect climate change, biodiversity loss and other ecological impacts.

For further information on WWF-UK's response to the UK CCP Review, please contact:

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