

ENERGY, INFRASTRUCTURE &  
NATURAL RESOURCES

# 12 Questions about NI Climate Change Law

Northern Ireland is in the process of consulting on both a new energy strategy (in particular on renewable energy) and also on new climate change legislation.

*In this publication we look at 12 questions and answers to explain the current position.*

5 MIN READ





**1. Don't the UK net zero climate change targets already apply to NI?**

No. This is a devolved matter and Northern Ireland is the only part of the UK and Ireland which does not have legally binding climate change targets. The NI Assembly declared a climate emergency in February 2020 and committed to implementing climate change law, but MLA's have been divided on how high to set the bar.

**2. Wasn't there a climate change bill published this year?**

Yes, actually there are two competing bills. The first is a private member's bill sponsored by Claire Bailey from the Green Party and the second is a bill from Agriculture Minister Edwin Poots from the DUP. At this stage the Green party bill is further progressed but neither seems likely to be passed this year.

The Green Party bill seems to have gathered good cross party support from Sinn Fein, UUP, SDLP, Alliance and People Before Profit, but the DUP bill is sponsored by a Minister. It also tracks the existing UK law more closely. Both bills went to public consultation fairly recently and the responses are still being considered by the Assembly's Committee for Agriculture, Environment and Rural Affairs (AERA).

**3. Don't they just cover the same thing?**

No. The Green Party bill calls for NI to reach "net zero" by 2045, which is a 100% reduction on greenhouse gas emissions from the 1990 baseline. To achieve this, the bill calls for the executive to produce a climate action plan and revise it every five years. A

report on progress should then be put to the Assembly each year, with an independent "Climate Commissioner" appointed to review progress. Finally the bill contains a "non-regression" clause which says that targets can only be revised upwards.

The DUP bill sets a lower target and calls for NI to achieve an "at least" 82% reduction in its "emissions account" from the baseline by 2050. There is quite a bit more detail in this bill, in particular reference to the baseline and emissions account, which breaks down different greenhouse gasses with different baseline years. The bill also provides a mechanism for DEARA to change any of the targets later. Separately there is a concept of a "carbon budget" every five years and an obligation that the "emissions account" does not exceed it.

By contrast, the UK Climate Change Act 2008 (amended in 2019) requires the UK to reach "net zero" by 2050, with the net UK carbon account to be at least 100% lower than the 1990 baseline. In the sixth carbon budget the UK set the world's most ambitious target of cutting emissions by 78% by 2035 compared to 1990 levels.





#### 4. **They still sound pretty similar, what's the big deal?**

The devil is in the detail. The DUP bill sets lower targets than the Green Party bill (and also the UK law). If the DUP bill were succeed then NI would be legally committed to reducing greenhouse gasses by less than the UK generally, which means other parts of the UK would need to cut emissions by more than 100% to pick up the difference.

Supporters of the DUP bill have defended this approach on the basis that the UK Climate Change Committee has stated that “an 82% reduction in all greenhouse gases in Northern Ireland represents equivalent effort and a fair contribution to the UK Net Zero target.” This is largely on the basis that NI is a net producer of food for the rest of the UK and so has higher emissions from agriculture relative to its size (Wales had a 92% recommendation for the same reason).

Opponents have pointed out that the UK Climate Change Committee has also recommended a “stretch” target for NI of 94% greenhouse gas reductions by 2050.

They have also made the point that the DUP bill has no end date for NI to reach net zero, which in theory would put NI behind China which has publicly committed to 2060.

#### 5. **Does 18% really make that much difference?**

Apparently yes it does. Lord Deben of the Climate Change Committee has said that even a 50% fall in meat and dairy production in NI by 2050, combined with significantly greater levels of tree planting on the land freed up from agriculture, would not be enough to get to “net zero” by 2050. This would clearly have a big impact on farming.



**6. When will this be law?**

The consultation on the DUP bill only closed on 30 September 2021 and so it will take some time to work through the responses. Nevertheless, the UK is due to host the COP26 conference in November this year. It seems inconceivable that NI would not have made some announcement on a climate change law before then. Given that there are two competing bills, a more realistic timeframe for passing a new law could be before the May 2022 elections.

**7. What does this mean for businesses in NI?**

Its potentially good and bad. It will bring huge opportunities in the so called “green recovery” but it may also bring new risks and regulations that businesses need to manage.

The NI Assembly will be legally required to take steps to decarbonize the province. This means encouraging things like renewable energy, energy efficiency and better waste management.

It also creates the possibility that campaigners could challenge projects on

the grounds that they are inconsistent with climate change law. This has already happened with the challenge to the third runway at Heathrow, which was ruled to be illegal as it breached the Paris climate agreement to cut emissions. A similar appeal has recently been brought in Ireland against planning for a new Amazon datacenter.

**8. Doesn't NI already support renewable energy?**

Not really. NI is the only part of the UK and Ireland (and possibly Europe) which has no financial support for new renewable energy. Hopefully this will change soon as the NI Assembly is consulting on a new energy strategy.

**9. When will we know the result?**

The consultation only closed on 2 July 2021. It was over 150 pages long and asked 79 questions so it will take some time for the Department for the Economy to work through the responses. As with the climate change bill(s) it seems very unlikely that some kind of response would not be published before COP26 (although it may require more consultation).





### 10. What are the trends coming out of the consultation?

Difficult to say at this stage as the responses are not yet public. Based on the consultation responses from industry that we have been involved in it seems like that the following will be key areas of focus for government policy:

- More grid: Spending on new electricity grid infrastructure. SONI and NIE are both consulting on this but it will take a lot of money to get the grid where it needs to be to connect new wind farms and electric cars.
- More wind farms: New large scale renewable energy development (probably onshore wind and solar first). This may include new projects, redevelopment of existing old projects and a move towards off-shore wind.
- Renewable support: Probably a contract for difference scheme similar to GB, rather than a new subsidy.
- Retrofits: Incentives for energy efficiency for homes and businesses. This will encourage energy efficiency in new buildings, as well as retrofitting old buildings which could be a real growth area.
- Electric vehicles: Decarbonisation of transport, including cars and public transport. We expect to see a rapid move towards electric and hydrogen/ biomethane vehicles in the next few years.
- Green gas: Development of a green gas strategy, in particular biomethane and hydrogen. Probably a longer term goal, but Boris Johnson has previously committed to generate 5GW of low carbon hydrogen by 2030 and the UK recently published an ambitious hydrogen strategy.
- Planning policy: Changes to planning policy to encourage new renewable energy projects.





### 11. Great, so we could have a new renewable energy CfD by November?

Sadly no. NI has a chequered history in designing renewable energy support schemes so it seems unlikely that a new scheme of this size would be rushed. Even assuming NI copies the GB CfD scheme, or is admitted to a special ringfenced part of the GB scheme, it could still take a year or more to work out the details. The Irish government recently introduced a similar scheme which took well over a year to design and implement.

### 12. So what happens next?

COP26 will undoubtedly lead to governments making more ambitious climate change commitments and the UK is clearly committed to being a leader. We would therefore expect to see strong policy incentives for renewable energy development and greenhouse gas reduction. The recent energy crisis will also lead to more calls for renewable energy development to reduce reliance on imported fossil fuels. Likewise, businesses are coming under commercial pressure to be more sustainable and we see this as a real growth area in the near term.





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