



Guide to climate change legislation - 2009

Climate Change Act

On 26th November 2008 the climate change bill was given royal assent. The act is a world first: introducing a long-term, legally-binding framework to tackle the dangers of climate change.

The act sets ambitious targets for reducing the UK's green house gas emissions as well as addressing the causes and consequences of climate change. The act gives the government additional powers to achieve the targets, creates a framework to tackle climate change, enhances the UK's ability to adapt to climate change and improves accountability and reporting.

Targets

26% reduction in CO₂ emissions by 2020 *

80% reduction in GHG emissions by 2050 *

*on a 1990 baseline

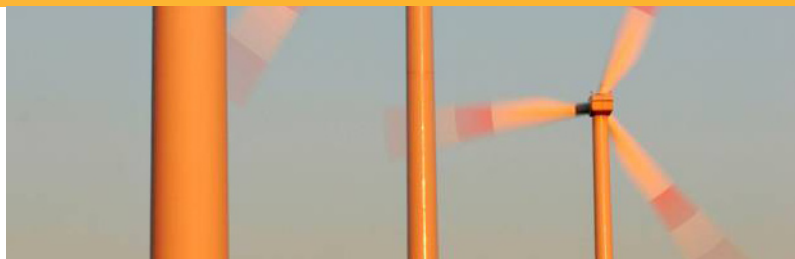
The committee on climate change (CCC) has been set up to advise the government on how to reach their targets, in particular on five-yearly carbon budgets, binding legal limits on CO₂ emissions. CCC will also advise on the 'appropriate balance' of international credits to be counted towards UK emission reductions. Additional focuses will be adaptation, reporting and risk assessments.

The CCC released their first report on 1st December 2008. It called for stronger targets and the inclusion of all greenhouse gas in the 2020 target. The stronger targets were 34% reduction by 2020* increasing to 42%* once a global deal to reduce emissions is achieved

Carbon Reduction Commitment

The carbon reduction commitment (CRC) is a emissions trading scheme aimed at non-energy intensive organisations.

The commitment's targets are to reduce CO₂



emissions by 0.5 million tonne by 2015 and by 1.2 million tonnes by 2020.

CRC will affect your organisation if your 2008 electricity usage is over 6000 MWh and you have at least one meter settled on the half-hourly market.

An organisation includes office-based corporations, supermarket chains, schools, government departments and is aimed at the highest level of a business, so parent companies will report for any subsidiaries.

To avoid overlap CRC only includes emissions that are not already covered by the EU Emissions Trading Scheme (EU ETS) or Climate Change Agreements (CCAs).

Although participation in the scheme is decided only by electricity usage, in practice CRC will cover CO₂ emissions from all energy sources - electricity, gas, coal, oil, LPG - except transport fuel. And, to begin with at least, CRC will only cover direct and indirect CO₂ emissions, no other greenhouse gases.

CRC Time Line

2008		Qualification Period
2009	July	Environment Agency send out registration packs to all half hourly billing points
2010	April	1 st compliance year begins
	Apr-Sep	Registration period
2011	April	2 nd compliance year begins 1 st allowances sale: unique double sale for 2010/2011 and 2011/2012
	July	Footprint and 1 st annual report due. Allowances surrendered
	October	1 st recycling payment
2012	April	3 rd compliance year begins 2 nd allowances sale: 2012/2013
	July	2 nd annual report due. Allowances surrendered
2013	October	2 nd recycling payment
	April	Start of the capped phase

Carbon Glossary

Kyoto Protocol

Agreed upon in December 1997 and entered into force on 16 February 2005, the protocol is "...an agreement under which industrialised countries will reduce their collective emissions of greenhouse gases by 5.2% compared to the year 1990." The European Union greenhouse gas reduction target is 8% below 1990 levels. As part of this target the UK has committed to a reduction of 12.5% by 2012.

United Kingdom Climate Change Programme

Launched in November 2000, the programme aims to go beyond the UK's Kyoto commitment and cut emissions by 20% from 1990 levels by 2010.

Actions taken to implement the strategy include the Climate Change Bill, Renewables Obligation, Housing and community grants, Carbon Reduction Commitment and (unofficially) the Nottingham Declaration.

Climate Change Levy (CCL) and Climate Change Agreements (CCAs)

CCL is added to the cost of energy to encourage organisations to improve energy efficiency and reduce emissions of greenhouse gases.

CCAs were introduced alongside the levy to protect the competitiveness of energy intensive sectors. They provide an 80% discount on the levy if challenging targets are agreed and met.

EU Emissions Trading Scheme (EU ETS)

Introduced to help meet the EU's Kyoto Protocol targets.

Countries have to submit emission allocation plans and cap emissions covered by the scheme.

Installations covered by EU ETS are then required to buy and surrender enough allowances to cover their emissions. If an installation reduces their emissions and has a surplus of allowances they

can then sell them on to those who do not have sufficient allowances to cover their emissions.

Energy White Paper

Published on 23 May 2007, it sets out the Government's international and domestic energy strategy to respond to changing circumstances and address the long term energy challenges.

Climate Change Act

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Carbon Reduction Commitment (CRC)

UK emissions trading scheme aimed at large, non-energy intensive organisations.

Carbon Trust Standard

Certifies that an organisation has genuinely reduced its carbon footprint and is committed to making further reductions year on year. It provides guidelines for measuring, reducing and managing an organisation's CO₂ emissions.

PAS:2050

A publicly available specification for the assessment of the life cycle greenhouse gas emissions of goods and services.

The standard gives companies the tools to analyse a product's life cycle and assess "embedded" greenhouse gas emissions, from sourcing raw materials, through to packaging and distribution and even includes consumer use and disposal impacts.

