Draft Order laid before Parliament under sections 6(5), 11(6), 30(2) and 91(1) of the Climate Change Act 2008, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

# 2009 No. XXXX

# **CLIMATE CHANGE**

The Climate Change Act 2008 (2020 Target, Credit Limit and Definitions) Order 2009

| Made   | -    | -     | - | - |   | 2009          |
|--------|------|-------|---|---|---|---------------|
| Coming | into | force | 2 | - | - | 31st May 2009 |

A draft of this instrument was laid before and approved by a resolution of each House of Parliament, in accordance with sections 6(5), 11(6), 30(2) and 91(1) of the Climate Change Act 2008 ("the Act")(1).

Before the draft was so laid, the Secretary of State-

- (a) obtained and took into account the advice of the Committee on Climate Change, in accordance with section 7(1)(a) of the Act;
- (b) took into account representations made by the Scottish Ministers, the Welsh Ministers and the Department of the Environment in Northern Ireland, in accordance with section 7(1)
   (b) of the Act(2);
- (c) took into account the advice of the Committee on Climate Change under section 34(1)
  (b) in relation to the 2008–2012 budgetary period in accordance with section 11(7)(a) of the Act; and
- (d) consulted the Scottish Ministers, the Welsh Ministers and the Department of the Environment in Northern Ireland in accordance with section 11(7)(b) of the Act.

The Secretary of State considers that there have been significant developments in scientific knowledge about climate change since June 2000, and in European law, which make it appropriate to amend the percentage specified in section 5(1)(a) of the Act.

Accordingly the Secretary of State, in accordance with the duties imposed by section 11 of the Act and in exercise of the powers conferred by sections 6(1)(a) and (4), 11(4) and (5), and 30(2) of the Act, makes the following Order:

<sup>(1) 2008</sup> c. 27.

<sup>(2)</sup> See the definitions of "national authority" and "the relevant Northern Ireland department" in sections 95 and 96 of the Act.

## Citation and coming into force

**1.** This Order may be cited as the Climate Change Act 2008 (2020 Target, Credit Limit and Definitions) Order 2009 and comes into force on 31st May 2009.

### Amendment of the Climate Change Act 2008

2.—(1) Section 5 of the Climate Change Act 2008 is amended as follows.

- (2) In subsection (1)(a), for "26%" substitute "34%".
- (3) Omit subsection (4).

### Limit on the net amount of carbon units

**3.**—(1) The limit on the net amount of carbon units that may be credited to the net UK carbon account for the 2008–2012 budgetary period is zero carbon units.

(2) The following carbon units do not count towards the limit in paragraph (1)—

- (a) carbon units credited to or debited from the net UK carbon account in accordance with regulation 6 of the Carbon Accounting Regulations 2009(**3**); and
- (b) European Union allowances which are both-
  - (i) acquired by the administrator of a trading scheme established in accordance with Part 3 of the Climate Change Act 2008; and
  - (ii) credited to the net UK carbon account in accordance with regulation 5 of those Regulations.

(3) In paragraph (2), "European Union allowance" has the meaning given by regulation 2 of those Regulations.

#### Definition of international aviation and international shipping

**4.**—(1) This article sets out what is to be regarded as international aviation and international shipping for the purposes of section 30(1) of the Climate Change Act 2008.

- (2) International aviation consists of—
  - (a) the whole of any flight which—
    - (i) begins at an aerodrome in the United Kingdom and ends at an aerodrome outside the United Kingdom, or
    - (ii) begins at an aerodrome outside the United Kingdom and ends at an aerodrome in the United Kingdom,

regardless of whether the flight includes one or more interim stops at aerodromes in the United Kingdom; and

- (b) the whole of any flight which begins and ends at aerodromes outside the United Kingdom.
- (3) International shipping consists of the whole of any navigation by ship which-
  - (a) begins at a harbour in the United Kingdom and ends at a harbour outside the United Kingdom;
  - (b) begins at a harbour outside the United Kingdom and ends at a harbour in the United Kingdom; or
  - (c) begins and ends at harbours outside the United Kingdom.
- (4) In this article—

"aerodrome" means any area of land or water designed, equipped, set apart or commonly used for affording facilities for the landing and departure of aircraft and includes any area or space, whether on the ground, on the roof of a building or elsewhere, which is designed, equipped or set apart for affording facilities for the landing and departure of aircraft capable of descending or climbing vertically;

"harbour" includes estuaries, navigable rivers, piers, jetties and other works in or at which ships can obtain shelter or ship and unship goods or passengers; and

"ship" includes every description of vessel used in navigation.

Name Minister Department of Energy and Climate Change

Date

# **EXPLANATORY NOTE**

### (This note is not part of the Order)

This Order, which comes into force on 31st May 2009, does three things.

Article 2 amends section 5 of the Climate Change Act 2008 (c. 27), by altering the percentage amount in subsection (1)(a) and by repealing subsection (4). That alteration has the effect that the Secretary of State may only set a budget for the 2018–2022 budgetary period which is equivalent to a 34% reduction in the net UK carbon account in 2020 (rather than 26%). The repeal of section 5(4) has the effect that compliance is to be calculated by reference to emissions of all targeted greenhouse gases (rather than just carbon dioxide).

Article 3 sets a limit on the net amount of carbon units that may be credited to the net UK carbon account for the 2008–2012 budgetary period of zero carbon units. Carbon units credited to and debited from the net UK carbon account under regulation 6 of the Carbon Accounting Regulations 2009 (S.I. 2009/[]) (those units credited and debited as a result of the operation of the EU Emissions Trading Scheme) are excluded from the level of the limit, as are allowances under the EU Emissions Trading Scheme that are acquired by the administrator of a trading scheme established under Part 3 of the Climate Change Act 2008 and credited to the net UK carbon account under regulation 5 of those Regulations.

Article 4 defines what are to be regarded "international aviation" and "international shipping" for the purposes of section 30(1) of the Climate Change Act 2008.

An impact assessment has been produced on the EU Climate and Energy package, the revised EU Emissions Trading System Directive and meeting the UK non-traded target through UK carbon budgets. It can be obtained at the website of the Department of Energy and Climate Change: www.decc.gov.uk.