

*These notes refer to the Climate Change Act 2008 (c.27)
which received Royal Assent on 26th November 2008*

CLIMATE CHANGE ACT 2008

EXPLANATORY NOTES

THE ACT

Part 1: Carbon Target and Budgeting

6. This Part of the Act gives the Secretary of State a duty to reduce the net UK carbon account for the year 2050 to at least 80% below the level of net UK emissions of targeted greenhouse gases in 1990. The term “targeted greenhouse gas” is defined in section 24, the term “net UK carbon account” is defined in section 27 and the term “net UK emissions” is defined in section 29.
7. It also requires the Secretary of State to set “carbon budgets” representing UK emissions for five year periods beginning with the period 2008–2012, taking account of any “carbon units” which are credited or debited to the net UK carbon account under a system of “carbon accounting”. Part 1 of the Act includes a duty on the Secretary of State to report UK emissions levels to Parliament, and to report on the measures the Government will take to meet the carbon budgets in Part 1.
8. [Part 1](#) makes further provision relating to the target and to budgets, including provision on how to calculate whether the target for 2050 has been met and how carbon budgets are to be set. It requires that the carbon budget for 2018–2022 is set in a way that is consistent with the Government’s target to reduce emissions of carbon dioxide by at least 26% by 2020, against 1990 levels. It requires the Secretary of State to have regard to the need for UK domestic action on climate change when considering how to meet the 2050 target and each carbon budget. It also makes provision for the amendment of certain aspects of Part 1 of the Act in certain circumstances, and imposes a duty to make regulations about how carbon units are to be used to ensure that the net UK carbon account is within budget.

Part 2: The Committee on Climate Change

9. [Part 2](#) and Schedule 1 establish a new independent non-departmental public body, the Committee on Climate Change (“the Committee”).
10. [Part 2](#) gives the Committee duties to advise the Secretary of State on a review of the 2050 target, on the levels of carbon budgets and on the apportionment of effort between reductions in domestic emissions levels and the use of carbon units. The Committee must also advise on emissions from international aviation and international shipping and on the amount of effort to be made by sectors of the economy in trading schemes, and other sectors of the economy. The Committee is required to publish this advice as soon as reasonably practicable after giving it.
11. The Committee is also given a function of making an annual report to Parliament and the devolved legislatures on the progress that is being made towards meeting the objectives in Part 1 of the Act. After the end of each budget period, the Committee must include in its annual report its views on the way in which the budget for the period was or was not met and action taken during the period to reduce net UK emissions of targeted greenhouse gases.

12. **Part 2** also gives the Committee the powers it needs to deliver its advisory and reporting functions, and the Secretary of State and the devolved administrations are given powers to make grants to the Committee and to issue guidance and directions to the Committee. Schedule 1 sets out the Committee's constitution.

Part 3: Trading Schemes

13. **Part 3** and Schedules 2, 3 and 4 provide the Secretary of State and the devolved administrations with powers to set up trading schemes relating to greenhouse gas emissions through secondary legislation. Trading schemes may limit activities that lead, directly or indirectly, to emissions of greenhouse gases (for example, by capping emissions from a particular set of activities and allow trading of emissions within the cap), or they may encourage activities that directly or indirectly lead to a reduction in greenhouse gas emissions or the removal of greenhouse gases from the atmosphere.
14. Before making regulations to establish a trading scheme the Secretary of State and/or devolved administration concerned must seek and take into account the advice of the Committee on Climate Change, and must consult those likely to be affected by the regulations.

Part 4: Impact of and adaptation to climate change

15. **Part 4** places a duty on the Secretary of State to carry out an assessment of the risks to the UK from the impact of climate change; the first report must be made within three years, with subsequent reports at least every five years. Each risk assessment must be followed by the publication of a Government programme of adaptation measures. There is a parallel requirement on the relevant Northern Ireland department to publish an adaptation programme in Northern Ireland.
16. The Committee on Climate Change is given two functions under Part 4. First, it must advise the Secretary of State on his report on the risks to the UK from the impact of climate change. Secondly, it must report to Parliament on the progress being made in implementing the programme of adaptation measures.
17. **Part 4** also gives the Secretary of State and the Welsh Ministers the power to issue guidance and directions to persons or bodies with functions of a public nature and statutory undertakers on: assessing the risks of climate change, the preparation of reports setting out policies and proposals for addressing those risks and assessing the progress made towards implementing those proposals and policies.

Part 5: Other provisions

18. **Part 5** contains the following measures to reduce emissions:
- Waste reduction schemes: the provisions amend the Environmental Protection Act 1990, allowing waste collection authorities designated by the Secretary of State to introduce pilot waste reduction schemes. Following the operation of pilot schemes, the Secretary of State must carry out a review and report to Parliament. After the review of and report on the pilot schemes, the provisions allow the Secretary of State to extend provisions for use by other waste collection authorities (with any necessary amendments) or to repeal the provisions. Provision is also made about receptacles for the collection of household waste;
 - Charges for single use carrier bags: the provisions introduce enabling powers to make regulations about charging by sellers of goods for the supply of single use carrier bags. The regulations may also require records relating to the charges to be kept and made publicly available. The provisions also include powers to create civil sanctions in the form of fixed monetary penalties and discretionary requirements for breaches of the regulations;

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- Renewable Transport Fuel Obligations: the provisions amend Chapter 5 of Part 2 of the Energy Act 2004 which provides for the Secretary of State by order to set up a renewable transport fuel obligations scheme. The amendments will introduce a new power to replace the Administrator with a new Administrator, who may be the Secretary of State, and to transfer functions accordingly; amend the provisions which determine how sums received by the Administrator are to be dealt with; give the Secretary of State a power to issue written directions to the Administrator; impose a duty on the Administrator to promote the supply of sustainable fuel which has a beneficial environmental effect; and set up an information gateway to allow disclosure of information by Her Majesty's Revenue and Customs to the Administrator;
- Carbon emissions reduction targets: the provisions amend the Gas Act 1986, the Electricity Act 1989 and the Utilities Act 2000 to allow for the introduction of a community energy saving programme;
- Reporting requirements in Wales: the Welsh Ministers are to publish from time to time a report on their objectives, actions and priorities in relation to greenhouse gas emissions and the impact of climate change in Wales. The provisions also make amendments to the Climate Change and Sustainable Energy Act 2006, transferring to Welsh Ministers the responsibility for publishing guidance for local authorities in Wales on climate change (currently a UK Government responsibility);
- Reporting of emissions: the provisions require the Secretary of State to issue guidance to companies and other persons wishing to report their emissions, in order to increase the consistency and comparability of reported figures. The Secretary of State is also required to conduct a review of the contribution that reporting can make to achieving the Government's objectives in relation to climate change. Finally, the Secretary of State is required to introduce mandatory reporting of emissions by companies by 6th December 2012 or to lay a report before Parliament explaining why he has chosen not to do so;
- Report on the civil estate: the Treasury is placed under an obligation to make annual reports to Parliament on the progress that has been made towards improving the efficiency and contribution to sustainability of buildings on the civil estate;
- Offsetting: the provisions give the Government and the devolved administrations the power to offset greenhouse gas emissions by acquiring units representing emissions reductions, units representing removals of greenhouse gases from the atmosphere, or units in schemes which cap emissions levels. Those bodies are also allowed to acquire interests in units;
- Making a minor amendment to section 105(2) of the Clean Neighbourhoods and Environment Act 2005 to enable an increase in fines for pollution offences.

Part 6: General supplementary provisions

19. This part defines the territorial scope of provisions in the Act, sets out requirements for making orders or regulations under the Act, and defines terms used in the Act.