POLICY NOTE

THE CARBON ACCOUNTING SCHEME (SCOTLAND) AMENDMENT REGULATIONS 2015

SSI 2015/189

The above instrument is made in exercise of the powers conferred on the Scottish Ministers by sections 13(5), 20(1) and 96(2)(a) of the Climate Change (Scotland) Act 2009[1] and paragraph 1A of Schedule 2 to the European Communities Act 1972[2] all other powers enabling them to do so. The instrument is subject to negative procedure.

Policy Objectives

This Order amends The Carbon Accounting Scheme (Scotland) Regulations 2010 to include a scheme for carbon accounting to monitor compliance in 2013 with the annual targets for greenhouse gas emissions set in secondary legislation under the Climate Change (Scotland) Act 2009.

As part of the accounting scheme, a methodology for handling the operation of the EU Emissions Trading System (EU ETS) was established. The intention of this regulations is to replace "actual" emissions resulting from EU ETS operations with Scotland's share of the EU ETS cap so that such emissions reduce over time in line with reductions in the cap.

Background

This Regulation specifies the relevant amounts to be debited or credited to the 2013 net Scottish emissions account (NSEA) in relation to the operation of the EU ETS.

Achievement of Scotland's statutory annual climate change targets is measured against the net Scottish emissions account. Section 13 of the Climate Change (Scotland) Act 2009 establishes the net Scottish emissions account as the aggregate amount of "net Scottish emissions" (emissions minus "removals" such as carbon sequestration by woodland), reduced or increased by "carbon units" credited or debited in accordance with regulations made under section 13(5). Carbon units are defined in section 20(4) of the Act.

Participants in the EU ETS are required to "surrender" carbon units (which they have been allocated for free or have purchased) to cover their emissions for each calendar year.

Since January 2012, aviation emissions have been included in the EU ETS. This covers the vast majority of emissions from aviation (both domestic and international) arriving at and departing from EU airports.

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[1] 2009 asp 12.

[2] 1972 c.68. Paragraph 1A of Schedule 2 was inserted by section 28 of the Legislative and Regulatory Reform Act 2006 (c.51) and relevantly amended by Part 1 of the Schedule to the European Union (Amendment) Act 2008 (c.7) ("the 2008 Act").

Consultation

There is no statutory obligation to consult on this Order. However, Scottish Ministers sought advice on the methodological approach to accounting for the operation of the EU ETS from the UK Committee on Climate Change (CCC) and the UK Department of Energy and Climate Change.

Impact Assessments

No equality impact assessment has been prepared for this instrument as there are no equalities impact issues.

Financial Effects

A Business and Regulatory Impact Assessment (BRIA) is not required as the instrument will not, in itself, impose new regulatory burdens on businesses, charities or the voluntary sector.

Scottish Government
Energy and Climate Change Directorate
May 2015