

Climate Policy in Ireland – progressive?

Workshop - Coordinating the next wave of EU climate policies
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Ambitious Targets for 2030

Climate Action Plan 2019 targets

(per cent reductions in 2030 compared to 2030 pre-NDP projections)

Key Sectoral Targets		Carbon Pricing & Cross-cutting Policies
Electricity	50-55%	<ul style="list-style-type: none">▪ Carbon tax of €80 per tonne▪ Mobilise 26.8mt CO2 credits from land use▪ Reform Public Spending Code to increase the shadow price of carbon▪ Mobilisation of finance▪ Capacity & Capability building in research and development
Transport	45-50%	
Built Environment	40-45%	
Enterprise	10-15%	
Agriculture	10-15%	

Challenges

I BREXIT

“A nation is a group of people united by a common dislike of their neighbours, and a shared misconception about their ethnic origins”
Edward Mortimer

II FAILURE TO MEET ESD AND RENEWABLES TARGETS FOR 2020

Challenges 2

III Agriculture DOMINATES EMISSIONS – 34% of total and 46% of ESD

- 1) Rates of growth in efficiency lower than rates of growth in output.
- 2) No Technical Fix for methane emissions (~60% of total)
- 3) Huge dependence of rural economy on cows and construction
- 4) CULTURE Most famous battle in Ireland was in 1st century AD, over a stud bull

Rural-Urban Tension means political tension

QUESTIONS POSED BY CONVENOR

Key Source: Irish Government's *Climate Action Plan – to tackle Climate Breakdown*, July 2019

Q1. Main driver of reform? – in order of priority

1. **Legal and Financial:** Compliance with EU effort sharing regulation
2. **Political Cover:** Citizens Assembly recommended carbon tax followed by Parliamentary Committee
3. **Fear:** Rise in the green vote
4. **Embarrassment:** Pressure to avoid being labelled as a laggard
5. **Admiration mixed with Apprehension:** Greta Thunberg and Extinction Rebellion
6. **Climate Change Attribution**
7. **Respect:** Findings of the Climate Change Advisory Council (declaration of interest)
8. **Need money** (Carbon tax)

Q2. Which sectors are being addressed?

TWO BIG STEPS FORWARD

1. All sectors have been given *targets* for 2030 – and *associated actions* (183 in all) and who is responsible for carrying them out are specified
2. **Governance and Accountability** (*Climate Action Plan*, pp. 36-40).
Potentially very powerful changes

Q3. instrument mix being pursued?

Carbon Tax

Innovation (embryonic)

Subsidies

Regulation

Carbon Tax

“To tax and to please, no more than to love and be wise, is not given to men“, Edmund Burke

PLAN “To meet the required level of emissions reduction by 2030, we will implement a carbon tax of at least €80 per tonne by 2030, accompanied by a trajectory of increases over successive annual budgets.”

- ACTION In Budget 2019, the first step was taken, an increase from €20 to 26 per tonne.

Why did it happen? Impacts

Why?

Imprimatur of Citizens Assembly, cross-party parliamentary committee support for carbon tax and constant pressure from Climate Change Advisory Council (declaration of interest)

Impacts

Big role in driving decarbonization of heat, but not road transport

Allowance Price in 2018 was sufficient to shrink emissions from Coal by 44% in 2018

Revenue of €0.5 billion annually

BUT

No price on methane emissions

Impact on road transport per se is very limited by the fact that excise duties already de facto €228 per ton of CO₂

INNOVATION DEFICIT – THE SECOND MARKET FAILURE

R&D and Innovation – methane reduction from grass land systems in agriculture will require innovation

Common Agricultural Policy (CAP) as source?: Agriculture Knowledge and Innovation Systems (AKIS)?

Q5. Is the national climate policy strategy bound to (a) be integrated into and (b) influence EU climate policy?

Integration – YES

Influence – perhaps as regards:

1. Process

Citizens assembly as enabler

Allocation of responsibility

Sanctions and incentives for (lack of) per

2. Driving emissions abatement in ruminant farming

3. Carbon tax – solid citizen rather than influencer

Progressive?

B+ - many pieces of the policy jigsaw in place

But will take luck, talent and persistence to deliver.

Kahneman's Favourite equation:

Success=talent + luck

Great success = a little more talent + a lot of luck

Thank you