

Summary Paper | UK Climate Change Act

December 2008

The UK Climate Change Act became law on 26 November 2008. The Act:

1. Establishes a UK national emissions reduction target of **80% by 2050**, relative to a 1990 baseline¹.
2. Sets an interim target of 26% for 2020 (for CO₂ only). However, provision has been made for this target to be revised upwards, and to include the other Kyoto gases, following advice from the Committee on Climate Change (CCC – see below, point 5).
3. Requires the Government to publish **five yearly carbon budgets** as from 2008 (for the period 2008-2012, 2013-2017 and so on) alongside a report on policies and programmes for meeting budget targets. Annual reports must set out net emissions for the UK and the role of international carbon credit in this.²
4. Legislates to **include international aviation and shipping**, with the Government to determine *how* they are to be included by 31 December 2012.
5. Creates an independent **Committee on Climate Change**. (The CCC has in fact already been established, with Adair Turner as Chair.)
6. Requires the Committee on Climate Change to advise the Government on the levels of carbon budgets to be set, on the balance between domestic emissions reductions and the use of carbon credits and on the UK's approach to adaptation.
7. Places a duty on the Government to assess the risk to the UK from the impacts of climate change (adaptation) in five yearly reports.
8. Provides **powers to establish trading schemes** for the purpose of limiting greenhouse gas (GHG) emissions – i.e. the legal underpinning for the Carbon Reduction Commitment³ and future schemes.
9. Tasks the Government with making regulations under the Companies Act 2006 to **require companies to report their GHG emissions** as part of their directors' reports by 6 April 2012.
10. Obliges the Government to publish guidance (or commission the publication of guidance) for company GHG reporting by 1 October 2009.
11. Tasks the Government with reporting to Parliament on corporate GHG reporting and conducting a review of how it can contribute to UK national objectives.

1 For CO₂, N₂O and CH₄, a 1990 baseline is to be used; for the other Kyoto gases, a 1995 baseline.

2 Parliamentary amendments have removed a provision that would have required at least 70% of emissions reductions to have been achieved by domestic efforts (i.e. limiting international carbon credits to 30% of the total).

3 For more information on the Carbon Reduction Commitment (CRC) please see the Ecometrica summary paper on the CRC.

12. Confers powers to create waste reduction pilot schemes.
13. Obliges the Government to report annually on progress towards improving the efficiency and sustainability of the UK civil estate.
14. Enables Government to make regulations about charges for single-use carrier bags.
15. Amends the provisions of the Energy Act 2004 on renewable transport fuel obligations (the main changes are to the legal identity, role and functions of the Administrator).