From Rt Hon Norman Lamb MP, Chair

Rt Hon Claire Perry MP
Minister of State for Energy and Clean Growth
Department for Business, Energy and Industrial Strategy
1 Victoria Street
London, SW1H 0ET

20 March 2019

Dear Claire,

Flexibilities for Carbon Budgets
As you know, section 17 of the Climate Change Act 2008 allows the Government to carry forward any outperformance of a carbon budget to the following budget period. The final statement for the second carbon budget (2013–2017) period states that the UK outperformed its emissions target by 383.9 MtCO₂e.¹ This is a welcome achievement. The Government now has until 31 May to decide whether or not to carry forward any of this surplus budget into the next carbon budget period (2018–2022). As Chair of the House of Commons Science and Technology Committee, which is currently holding an inquiry into ‘technologies for meeting Clean Growth emissions reduction targets’, I urge you not to carry forward any carbon emissions to the next carbon budget. I outline the reasons for this below.

Firstly, as highlighted by the Committee on Climate Change:

- future carbon budgets were set in accordance with advice from the Committee on Climate Change that assumed overachievements in previous budgets would not be carried forward;
- the overachievement of the second carbon budget was attributable mostly to accounting changes in the EU Emissions Trading System and the lasting effects of the recession rather than Government policies, many of which did not meet the targets set by the Committee on Climate Change’s key indicators; and
- the carbon budgets are already less stringent than would be delivered by taking the most cost-effective path to meeting the UK’s emissions target for 2050.²

Secondly, in 2015 the states party to the United Nations Framework Convention on Climate Change agreed that they would seek to restrict the increase in the global average temperature to “well below 2°C above pre-industrial levels” and pursue “efforts to limit the temperature increase to 1.5°C above pre-industrial levels”.³ The

² Letter from Lord Deben to Rt Hon Claire Perry MP, 15 February 2019
Intergovernmental Panel on Climate Change (IPCC) has since published analysis emphasising the benefit of meeting the target of restricting warming to 1.5°C compared to 2.0°C. This target goes beyond the aims that formed the basis of the overall emissions reductions target underpinning the UK’s legislated carbon budgets. I know that in asking the Committee on Climate Change for advice following the IPCC’s report, you said that existing carbon budgets were out of scope of your request. Nevertheless, seeking to dampen ambition for the next carbon budget now would be inconsistent with the strengthened ambitions implied by an aim to restrict global warming to within 1.5°C.

Finally, my Committee’s request not to dilute the Government’s ambition over the next carbon budget period is in keeping with evidence that the Science and Technology Committee has heard from several witnesses during the course of our inquiry.

I would be grateful if you could respond to this letter by 5 April indicating when you intend the Government to make this decision, and I look forward to discussing Clean Growth emissions reduction targets more broadly when you appear before the Committee next month.

Rt Hon Norman Lamb MP
Chair

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4 Intergovernmental Panel on Climate Change, ‘Global Warming of 1.5°C: Summary for Policymakers’ (2018)
5 Committee on Climate Change, ‘Building a low-carbon economy—the UK’s contribution to tackling climate change’ (2008), Part I
6 For example, see: Greenpeace (CGE0022), para 2; Carbon Capture and Storage Association (CGE0023), para 8; Drax Group plc (CGE0029), para 30; E.On (CGE0036), paras 12–13; Royal Academy of Engineering and allied Institutions (CGE0055), para 9; Royal Society (CGE0056), para 4