

Standing Committee on the Environment and Energy  
Australian Parliament  
PO Box 6021  
Parliament House  
Canberra ACT 2600

27<sup>th</sup> November 2020

**Climate Change (National Framework for Adaptation and Mitigation) Bill 2020**

Climate Change Committee  
151 Buckingham Palace Road  
London SW1W 9SZ

w [theccc.org.uk](https://theccc.org.uk)

Dear Mr O'Brien,

I am writing to you as Chief Economist of the UK's Climate Change Committee (CCC) regarding the Climate Change Bill 2020 currently under inquiry by your Committee. I understand that the Bill is based closely on the UK's own Climate Change Act (2008) and that your Committee is interested in receiving submissions on the UK's experience with the Act. The UK CCC has recently published a set of briefings on exactly that subject, which I am attaching alongside this letter, which picks out particular points that I hope will be of use to your Committee.

The world will need to reduce emissions of CO<sub>2</sub> (and other long-lived greenhouse gases) to Net Zero to stop global warming. An increasing number of countries, now covering around half of global emissions, are adopting Net Zero targets for mid-century or soon after, in line with the objectives of the Paris Agreement. Over-arching climate legislation such as the proposed Climate Change Bill and the UK's Climate Change Act can provide the frameworks for meeting those targets at least cost while adapting to the further climate impacts that cannot be avoided. They provide clear signals to investors, help build political consensus and navigate political challenges, and encourage an evidence-based approach to climate policy. The UK Act has been strongly supported by the business community.

The proposed Climate Change Bill includes several elements that are also in the UK Act which have been particularly instrumental in the UK's progress, namely:

- The requirement to conduct a national climate change risk assessment (Part 2) every five years will support planning across public and private sectors for adaptation to climate change. When the UK Climate Change Act was passed, it allowed three years for the first assessment to be completed and our experience has shown that it takes approximately three years to conduct the assessments each time.

- The requirement for a National Adaptation Plan (Part 3) and to report regularly on progress is vital for maintaining action on adaptation. In the UK, progress is reported every two years, although the effectiveness of adaptation measures is not always seen within this time period so indicators continue to be monitored over longer time frames as well.
- The adoption of a statutory 2050 Net-Zero emissions target (Part 4) will contribute to the delivery of the Paris Agreement. Our experience in the UK has been that setting a legal Net Zero target for 2050 has greatly clarified what is needed and mobilised greater engagement and ambition across businesses, local government and civil society. It has been widely welcomed and supported by the UK business community.
- The use of emissions budgets (Part 5, Division 1) to provide stepping-stones to the long-term target will help to ensure that near-term actions are taken that are consistent with the long-term goal. With decade or longer lifetimes of our vehicles, heating and cooling systems, and multi-decade lifetimes of our infrastructures, the pathway to Net Zero must lay the groundwork now to enable a cost-effective and well-managed transition.
- The requirement for the Government to develop and publish policy plans (Part 5, Division 2) will help to ensure that there is a delivery mechanism for the budgets and 2050 target. Businesses and individuals will take the actions to reduce emissions, but Government must provide the leadership and policy to drive the change.
- The creation of an independent Climate Change Commission (Part 6) will help to ensure that the 2050 target, emissions budgets, climate risk assessments as well as the policy to meet and respond to them are evidence-based. The monitoring requirement on the Commission ensures that the Government can be held to account on delivering progress towards the targets agreed by Parliament and that unforeseen circumstances can be responded to. Our experience is that clear independence, an evidence-led approach, and proper resourcing, sufficient to have internal specialist analytical capability, is key to fulfilling our advisory and monitoring roles effectively.

While the UK Act has been broadly effective, our experience has highlighted several areas for improvement, which you might find helpful in considering the Climate Change Bill, most notably:

- Progress on adapting to climate change has been slower and suffers from a lack of attention and resourcing. Analysis of the effects of adaptation on reducing risks and conducting cost-benefit exercises for taking action can help to articulate the business case for action and increase support for adaptation. Further, it may not be necessary to publish a progress report in years when there is a new climate change risk assessment, which could help to conserve limited resources and simplify messaging.
- From our experience, mitigation and adaptation are quite different analytical disciplines and having a separate adaptation committee (with its own 5-7 members) has maintained focus on adaptation and ensured the right expertise for adaptation is present. It may be beneficial for the proposed Commission to include a separate

adaptation Commission or to require specific adaptation expertise of Commission members.

- There remains a policy gap to deliver Net Zero, partly because timelines and requirements for Government policy development are not clearly defined under the UK Act. Delayed, incomplete or ineffective policies have stifled emissions reduction in key sectors such as buildings and transport, whereas strong and consistent policies have accelerated decarbonisation of the power sector.

The UK CCC have recently published further information on the key lessons learned from our experience as the UK's independent advisor on climate change under the UK Act in the set of 'Insights' briefings attached alongside this letter. I would be happy to provide further evidence to the Committee on the UK Act if helpful or as proposals develop further.

Yours sincerely,



Mike Thompson, Chief Economist