WLGA Response to the Consultation on the Green Paper for a 2030 Framework for Climate and Energy Policies

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INTRODUCTION

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales. The three national park authorities and the three fire and rescue authorities are associate members.

2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh local government and the communities they serve.

3. The WLGA welcomes the European Commission's early preparation for a 2030 Framework for Climate and Energy Policies in the Green Paper, and the chance to respond. We will not be responding to all of the questions set out in the Green Paper but will answer those most important to Welsh local authorities.

General

1. Which lessons from the 2020 framework and the present state of the EU energy system are most important when designing policies for 2030?

1.1 Currently, there is a disparity between Member States when it comes to achieving their individual targets. It will be imperative to identify the factors that have enabled some Member States to achieve or exceed their targets, and the reasons others have not. These must then be shared.

1.2 We welcome the decision by the EU to produce guidance on support schemes for the dissemination of information on good and bad schemes. Likewise, there may be other good practice beyond the financial support schemes that could, and should be shared.

1.3 A general point the WLGA would like to make is on the size of documents. While we recognise that there is a need to have supporting data to inform the decision making process, in our opinion, certain past documents have been too lengthy to be of use to individual Member States (e.g. The Renewable Energy and Biofuels Sustainability Report, which was 450 pages long). The documents also tend to use a lot of terminology, which is not introduced, on the assumption that all readers are familiar with the acronyms in the field. All acronyms should be clearly explained in the document.

Targets

2. Which targets for 2030 would be most effective in driving the objectives of climate and energy policy? At what level should they apply (EU, Member State or sectoral)?, and to what extent should they be legally binding?

2.1 An overall target at EU level that is evidence based (in terms of a best estimate of what is needed to achieve a level of CO2 reduction that will avoid dangerous climate change) can provide a useful signal of the scale of the challenge we face. It should then be left to Member States to decide how they achieve that target, and to consider the resource implications of different approaches to achieving it.

2.2 The Green Paper highlights that different Member States have made different levels of progress towards achieving their 2020 targets (and therefore the 2030 targets) and that if targets are not legally binding, there is limited scope to enforce them. However, legally binding targets will not give the flexibility needed in the current economic climate. Therefore the WLGA considers that targets for 2030 should not be legally binding.

3. Are targets for sub-sectors such as transport, agriculture and industry appropriate, and if so, which ones? For example, is a renewables target necessary for transport, given the targets for CO2 reduction for passenger cars and light commercial vehicles?

3.1 It should be up to individual Member States to consider which sub-sectors it is most cost-effective for them to concentrate on, e.g. one Member State may find, given its particular circumstances, that it is more cost-effective to reduce agricultural emissions, whereas another might be best focusing on transport. Giving both Member States the same sub-sector target may constrain their freedom on this. The WLGA therefore does not support targets for sub-sectors at EU level.

3.2 However, we also acknowledge that it would not be good enough for a Member State to decide to focus on a couple of areas, but do nothing in another. If the overall EU target is high enough, this would probably not be a problem, as all sectors will need to make a contribution. However, to ensure this is the case, each Member State could set its own targets for each sector. Member States could then provide an annual progress report, with the flexibility to adjust targets over time in light of evidence/technological advances. This suggestion however, would present issues for Wales as it would mean the UK Government setting targets for Wales. We would therefore argue for 'sub-regional' targets where there is devolved government. This would then enable links to be made from the climate change strategy for Wales to the UK/EU targets.

3.4 This having been said, we would still highlight the issue of data reliability. Whilst there are established methods for converting things like distance travelled to carbon emissions, we would question if the quality of the data is robust enough at national level to present an accurate picture of change. Any attempt to make targets mandatory, with fines for non-compliance, would therefore be likely to end up in protracted and expensive court cases with both sides having to find evidence to support their arguments.

4. How can targets better reflect the economic viability and the changing degree of maturity of technologies in the 2030 framework?

4.1 Targets should be set as the minimum standard to achieve, rather than the goal itself, with incremental incentives for exceeding the minimum target.

4.2 It should also be noted that by reducing the energy consumption by Member States whilst still pursuing the generation of energy through renewables will result in a positive impact on the achievement of the % of energy being from renewable sources.

5. How should progress be assessed for the other aspects of EU energy policy, such as security of supply, which may not be captured by the headline targets?

5.1 As there has been development towards a global energy market, the security of supply is vital to ensure that the EU is sustainable and not leaving itself open to being 'held hostage' by changes in the global climate or economics.

5.2 The targets must reflect (and reward) renewable energy sources from within Member States and within the EU, ahead of sources from the wide global market place.

Instruments

6. Are changes necessary to other policy instruments and how they interact with one another, including between the EU and national levels?

6.1 There has to be understanding and recognition that the resolution to the problems associated with climate change are for *all* departments in Member States to address (e.g. the planning process can determine the energy efficiency of buildings and where and how they are built, which in turn can impact on GHG emissions; the infrastructure of roads and rail networks and programmes to protect and improve habitats and biodiversity can also contribute to the reduction of GHG).

7. How should specific measures at the EU and national level best be defined to optimise cost-efficiency of meeting climate and energy objectives?

7.1 By expanding on the approach outlined above, ensuring that consideration is being given to the achievement of climate change objectives *together* with the achievement of objectives within other departments and disciplines within the same projects.

8. How can fragmentation of the internal energy market best be avoided, particularly in relation to the need to encourage and mobilise investment?

8.1 The sharing of best practice in developing the grid and infrastructure between Member States will facilitate the internal market.

8.2 It should be noted that energy companies already operate across Member State boundaries and the approach of including caveats to these contracts to impress on these energy companies some obligations to contribute towards the development and expansion of the infrastructure should be considered.

Competitiveness and security of supply

9. How should uncertainty about efforts and the level of commitments that other developed countries and economically important developing nations will make in the on-going international negotiations be taken into account?

9.1 The lack of commitment from other developed countries should not be a reason for not taking action. The concept of 'reducing' carbon emissions within a Member State by 'off-setting' with economically important developing countries does not illustrate the commitment to GHG reduction on a global scale (it implies that it is still acceptable for someone else to contribute to GHG so long as our Member State is not seen to contribute). If contracted to a non-EU state, it should be a requirement to declare the net carbon emissions effect of the action and a negative impact would incur financial penalties.

Capacity and distributional aspects

10. How should the new framework ensure an equitable distribution of effort among Member States? What concrete steps can be taken to reflect their different abilities to implement climate and energy measures?

10.1 It is recognised that different Member States have different economic circumstances, populations and capacities and this should be taken in to account when the framework is established, with the overall benefit to the EU being the key driver.