



Northern Ireland
Assembly

Committee for The Executive Office

OFFICIAL REPORT (Hansard)

Climate Change Bill: Ms Clare Bailey MLA;
Climate Coalition Northern Ireland

15 September 2021

NORTHERN IRELAND ASSEMBLY

Committee for The Executive Office

Climate Change Bill: Ms Clare Bailey MLA; Climate Coalition Northern Ireland

15 September 2021

Members present for all or part of the proceedings:

Mr Colin McGrath (Chairperson)
Mrs Diane Dodds
Mr Trevor Lunn
Mr George Robinson
Mr Pat Sheehan
Ms Emma Sheerin
Mr Christopher Stalford
Ms Clare Bailey

Witnesses:

| | |
|------------------|------------------------------------|
| Ms Bailey | MLA - South Belfast |
| Mr Philip Carson | Climate Coalition Northern Ireland |
| Mr Anurag Deb | Climate Coalition Northern Ireland |

The Chairperson (Mr McGrath): I welcome Clare. This is a good opportunity for us to meet you, Clare, to discuss the Climate Change Bill. We know that these issues are much bigger than many of the other issues that we often discuss at this Committee. It is bigger than flags and protocols. It is something that we need to deal with immediately. I think that we are, collectively, moving in the right direction, in the sense that we do not have the same levels of climate denial that we once had, but I think that some could stand accused of climate procrastination. That is just not good enough, and this Bill is certainly timely and necessary. The targets that we will get a presentation on today are ambitious, but, at this stage, we have no alternative; we need to be ambitious. We need to reach as far as we possibly can because this is, literally, a fight for lives. We very often say that something can be a fight to save our planet, but this really is a fight to save the planet. We need to do all that we can. I urge all members to give their full attention to Clare and her colleagues as we get engagement today on the Bill.

Clare, do you want to start by giving us a general oversight of the Bill and its aims? Members will be aware that, in essence, we need to focus on the core parts of the Bill that relate to the functions of the Executive Office so that we can form an opinion and forward it to the relevant scrutiny Committee. I pass over to you, Clare.

Ms Clare Bailey (Northern Ireland Assembly): Thank you very much, Chair. Thank you so much for the invite to speak to you today — it is greatly appreciated — and for your acknowledgement of the climate crisis that we face. Given that the Intergovernmental Panel on Climate Change (IPCC) put out a recent report declaring a code red for humanity, time is not on our side. Action is absolutely critical at this stage.

In case members are not aware, I am the lead sponsor of the Bill. There are also sponsors from most other political parties in the Assembly; it is being supported with sponsorship from Sinn Féin, the SDLP, the UUP, the Alliance Party, several independent Members and People Before Profit.

With me today is Mr Anurag Deb. Anurag is a barrister and the lead drafter of the Bill. He will be able to answer or address more in-depth questions on any legal aspects of the Bill that you have. Phil Carson is here today as well. He is the land use policy officer for the RSPB in Northern Ireland. He is also a steering group member of Climate Coalition Northern Ireland, which is the body that commissioned the Bill. I am more than happy to spend a few minutes giving members an overview of the Bill and insight into the clauses contained in it, including the Executive Office powers, if you feel that that would be useful.

The Chairperson (Mr McGrath): Yes, please. That would be great.

Ms Bailey: OK. Well, listen, there are five main aims contained in the Bill. They are: to declare a climate emergency and establish this as a mandate for climate change mitigation and adaptation in Northern Ireland; to ensure that Northern Ireland makes net zero carbon emissions by 2025; to mandate the Executive, within three years of the Bill passing, to prepare five-yearly climate action plans (CAPs) to ensure that Northern Ireland meets the targets; to make provision for climate governance and advice, including the establishment of a Northern Ireland climate commissioner and a Northern Ireland climate office; and, lastly, to guarantee non-regression in Northern Irish law from existing climate and environmental protections contained in EU law as it applied before the end of the Brexit transition period.

This is primary legislation, so it is not prescriptive. It is a framework Bill setting out the legislative basis on which to build future climate policy. The Bill sets out a sustainable pathway to achieve decarbonisation for Northern Ireland, ensuring transparency and democratic oversight at every stage and guaranteeing independent monitoring so that this democratic oversight can be effective. The Bill is divided into three parts. It is made up of 17 clauses and two schedules. I am more than happy to run through a brief on each clause and include the Executive powers contained within that.

Clause 1 relates to the climate emergency. That provides for the declaration of a climate emergency from the date of Royal Assent. In declaring an emergency, we acknowledge that climate change exists and that the measures taken up to this point have not been enough to address it. We recognise the role that governments have to play in introducing measures that will help climate change. This state of climate emergency will outlive successive Assembly terms. Its annulment requires Assembly approval and must be on the basis of verifiable proof from a relevant body that local temperature thresholds defined in the Paris agreement or any subsequent agreements have been met. The Assembly can redeclare a climate emergency at any time.

Clause 2 relates to the creation of climate action plans. Climate action plans will be policy documents that detail steps that will be taken to address the challenges of climate change in Northern Ireland. The plans must be approved by the Assembly, and they must achieve the overriding climate objective: the establishment in Northern Ireland of a net zero carbon, climate-resilient and environmentally sustainable economy by 2045. Each climate action plan will be prepared by the Executive Office and laid before the Assembly for approval. The first climate action plan must be laid within three years of the Bill being enacted, and others every five years thereafter. Clause 2 also defines aspects of the overriding climate objectives, such as being net zero and climate resilient, and lists seven greenhouse gases that must be included in the net zero target.

Clause 3 states that the CAPs will be made up of two parts: targets and measures. The targets will be for greenhouse gas emissions, biodiversity, water and soil quality. That is because climate change is caused by greenhouse gas emissions but manifests itself in declining biodiversity and water and soil quality. Any climate action plan must therefore consider those key areas as key performance indicators. The measures will look at how targets will be implemented. Measures in the Bill include carbon budgets, nitrogen budgets and sectoral plans across the Northern Ireland economy. It also sets out what must be taken into account when setting targets. Targets are set after obtaining advice from the relevant expert body and must take certain things into account, including international law and the impact that the target will have on the environment, public health and well-being, and Northern Ireland-specific economic and social circumstances. That is key to ensuring that targets that are set are fair and do not disproportionately impact on one group, while simultaneously ensuring that the Bill is effective and achieves its overriding objective.

Other provisions in clause 3 include details of what must be taken into account when setting carbon budgets and nitrogen budgets, such as the requirement to take into account transboundary impacts; the requirement for DAERA to create a scheme to track carbon usage and the purchase of carbon units; details of which sectors must be included in sectoral plans; and the just transition principles that those plans must be subject to. The inclusion of the just transition principles in the Bill are an important part of ensuring that the change to a net zero carbon society will mean a better and fairer society for all. They are a guarantee enshrined in law that no sector will be left worse off as a result of climate action. Sectoral plans, therefore, must support jobs and the growth of jobs that are climate resilient and environmentally and socially sustainable; support net zero carbon investment and infrastructure, create work that is high value, fair and sustainable; reduce inequality as far as possible; and reduce, with a view to eliminating, poverty and social deprivation. That is a big clause.

Clause 4 deals with reporting on climate action plans and provides for implementation reports to be laid before the Assembly each year for the duration of the climate action plan. It sets out how those reports should be set and what they should contain. That includes whether the annual target has been met, reasons for failure to meet targets that have not been met, progress on each sectoral policy, the likelihood of full policy implementation and the likelihood of the overriding climate objective being achieved.

I will join clauses 5 to 10, which look at the Northern Ireland climate office and the Northern Ireland climate commissioner. Clauses 5 to 10 and schedules 1 and 2 establish the Northern Ireland climate office and the Northern Ireland climate commissioner and outline the climate commissioner's powers and functions. The climate commissioner will provide independent scrutiny and oversight of the Act, particularly to the Public Services Ombudsman. The climate commissioner will not be under the direction of any Department or Minister, the Assembly, the Assembly Commission or any local authority. The manner of the appointment of the climate commissioner, by the Crown on nomination by the Assembly, is to allow for maximum independence from government. The climate commissioner will not have enforcement powers, but, like independent climate bodies in other jurisdictions, will have the power to make recommendations and raise issues that the Executive will then be mandated to address. The commissioner will have two main functions: to monitor the implementation of climate action plans and make annual reports to the Assembly on the issue; and to produce, at least once per Assembly term, an independent review report on the function and effectiveness of the Act and recommend any amendments considered necessary to achieve the overriding objective. These functions create important statutory discourse that allows climate action plans to be flexibly rooted in independent science.

Clause 11 is on the alteration of climate action plans. It relates to the alteration of the action plans following any climate commissioner's annual report. Following the laying of the annual report by the climate commissioner, the Executive Office must prepare its response, including any proposed alterations to targets or measures. In altering the CAP, the Executive must not either directly or indirectly lower targets or standards. The alterations then have to be approved by the Assembly.

Clause 12 provides a duty not to regress on environmental standards that were in place when Northern Ireland left the EU. That is already a condition of the withdrawal Act, and nothing in the Bill will override an Act of Parliament.

I will now look at the Executive Office powers under the Bill. The Bill confers several duties on the Executive Office. The Executive Office will be responsible for preparing climate action plans and publishing them for public consultation before laying them before the Assembly. The Executive Office will also be mandated to respond to the annual report by the climate commissioner, including any proposed alterations to targets or measures.

There are several delegated powers in the Bill. A detailed delegated powers memorandum exists, and I would be happy to provide that to the Committee if you would find it useful. Clause 2(8) confers a power on the Executive Office to amend the net zero year that is specified in the Bill. The year that is currently set in the Bill is 2045. The Bill allows the year to be brought forward only, and only on the advice of the UK Climate Change Committee (CCC). The power to bring the net zero year forward allows the climate change adaptation to be more ambitious. That power also enables climate change adaptation to be responsive to developments in climate change and the scientific understanding of it. The power to bring forward the net zero year is subject to affirmative resolution, because amending the year would have considerable effects on the rest of the Bill's provisions. For example, an accelerated net zero target would need to be supported by amended climate action plans. An amendment such as that would require significant involvement from Departments and the Assembly. The affirmative resolution procedure is appropriate to account for that considerable effort.

Lastly, the second power that is conferred on the Executive Office is under clause 14(4). It gives the Executive Office power to add authorities to schedule 2 to the Bill. Schedule 2 lists authorities that the climate commissioner cannot simultaneously be employed by. That is to ensure the commissioner's independence. Regulations under the power will be made by negative resolution after consultation with both the commissioner and the public authority that is to be added to schedule 2.

Thank you for listening to the presentation. I am more than happy to take any questions that members may have.

The Chairperson (Mr McGrath): Thank you very much, Clare, for that detail and for your work on that. I have a private Member's Bill that has one clause, and I know the work that has gone into that, so I can just imagine the effort and time that has gone into producing one that has 14 clauses. Thank you once again for bringing that to us.

I will start with a couple of questions. The first may be more Committee-orientated. When people think about the climate emergency, climate change and Bills, maybe they do not necessarily think of the Executive Office as being involved in that. DAERA and its Committee are the ones that come to mind. You have put a couple of key responsibilities in there for the Executive Office. Can you detail what the thinking was for laying those responsibilities with the Executive Office?

Ms Bailey: The Executive Office will be required to produce the five-yearly climate action plans and to respond to the climate commissioner's annual CAP implementation report. A lot of the responsibility currently lies with DAERA, but, as you have already mentioned in your opening comments, climate change mitigation and action is all-pervasive. It does not lie within one Department. It will take considerable effort, so those are very much cross-cutting powers. That level of joined-up working has to be embedded. It is really for those types *[Inaudible]* nature contained within what we are required to do. As I say, the Bill is a framework Bill. It will mandate action across all sectors and Departments, but is not prescriptive, so the policy that follows on from it will be ever-evolving, ever-developing and always monitored. I hope that that explains the rationale as to why the Executive Office was included, but not solely; this has to come from everybody right across every level of society.

The Chairperson (Mr McGrath): Have you had a chance yet to consult the Executive Office and ask what its thoughts are on the Bill? Have you had any feedback from it at this stage?

Ms Bailey: I do not think that we have, Chair, to be honest with you. I could be wrong on that. Anurag, are you aware of that communication having been made? As I said, it is a huge Bill. I am quite a new MLA and am learning very quickly how the process works. If that is required, I have no problem at all with doing it and will make sure that that is done.

The Chairperson (Mr McGrath): The point is that, if the Department is going to have to pick up some responsibilities as a result of the Bill, getting your view of what you expect those to be might help it to form its view of what needs to be put in place. I could be speaking out of turn in saying this, but I think that the Executive Office is a particularly Civil Service-type Department, whereas other Departments have more expertise. For instance, there are more agricultural, fisheries and environmental experts in DAERA, but a lot of the expertise and experience in the Executive Office is more about a coordinating role. It would probably be very useful for officials to get your view on how you see your Bill being enacted within the Department.

Ms Bailey: *[Inaudible.]*

The Chairperson (Mr McGrath): There was another strand that I was thinking about. There are lots of different clauses throughout the Bill that place responsibilities on various bodies, and there are references to various organisations, but local government is not overly acknowledged or mentioned. After the review of public administration, we have these 11 big organisations in the North that increasingly deliver larger amounts of the public purse and funding. They have large fleets and large reach into community groups and organisations. Do you think that there could be a role for local government, or maybe some more duty on it and more compulsion to be a wee bit more prescriptive about what it is doing? That might give local councillors an opportunity to be part of a formalised submission that a council could make that would give some local accountability and buy-in to a local action plan that a commissioner could be compelled to receive. We would then be making sure that, as well as Departments, those 11 councils would be acting in unison in producing plans and setting

targets. It would be right up there on their agenda. Do you think that that would be useful, or is it something that would get in the way?

Ms Bailey: You have raised excellent points, Chair. I commend you for spotting that; well done. It is something that we have noticed. I am going to bring in Anurag, if that is OK, to explain where we are with that one. I agree 100% with everything that you said.

Mr Anurag Deb (Climate Coalition Northern Ireland): Thanks very much, Clare, and thank you, Chair. I am very pleased to be invited here.

On the reach of the Executive Office and the climate action plans, there is no explicit role in the Bill, as it stands, for local government. The intention, at least, of the climate action plan policy — an analogy can be drawn with local development plans under the Planning Act — is that an overarching climate policy is drafted at Executive level, approved by the Assembly and then implemented throughout the jurisdiction. Certainly, local government is incredibly important to delivering that policy, so it is key that we consider a role — perhaps an expanded role — for local government input. There are three avenues of input into climate action plans under the Bill. One, obviously, is the Assembly and the public consultation process, as is outlined in the Bill. Also, given the breadth of the contents of the climate action plans, there should be input from the entire Executive because, as Clare mentioned, a lot of the sectors are cross-cutting; they affect every single sector in the economy. Given that this is within the remit of the Executive Committee under section 20 of the Northern Ireland Act, there would have to be considerable Executive input into the climate action plans before they were put out for public consultation and laid before the Assembly. I hope that that clarifies the intention.

The Chairperson (Mr McGrath): OK. Thank you. I will now open it up to members.

Mr Sheehan: Clare, thank you and your colleagues for coming to the Committee. As we know, the AERA Minister, Edwin Poots, is bringing forward his own Bill, and there are clearly significant differences between his Bill and yours. First, can you explain the main differences? Secondly, have you had any discussions with Edwin, and has there been any meeting of minds on bringing forward just one Bill.

Ms Bailey: Thank you very much for your questions, Pat. Yes, as you are aware, DAERA's Bill has not reached its Second Stage — I think that that is scheduled for this month — and we were not involved in its drafting. Therefore, it would be a wee bit premature to comment on its detail while it is still going through all of that. Generally, DAERA's Bill contains a much less ambitious target for emissions reduction by 2050. It also does not contain many of the elements that are in our Bill, such as certain targets and measures, the Northern Ireland climate commissioner, a just transition or any of the principles. On the face of it, some might say that the Department's Bill is a low-carbon Bill, as opposed to one that deals holistically with climate change, the ecological crisis and societal transition to a low-carbon economy.

The answer to the second part of your question is yes: I have met the Minister. He requested a meeting. It was great to have that, and I subsequently met his officials. There has been no agreement on a way forward or on whether there will be one Bill, and we are certainly not content to remove our Bill. We are happy to continue talking, and those talks need to happen.

I can give you an absolute assurance that everybody wants to see the most ambitious, high-achieving climate Bill for Northern Ireland being passed by the Assembly in this mandate. Everybody is focused on that. We can continue to hash out the details and to talk and work together as much as possible, but I am very hopeful that, regardless of any outcome, Northern Ireland will see a climate Bill. However, I cannot give you any guarantees on what it will contain.

Mr Sheehan: OK. Thanks for that. I do not think that too many people are hopeful that there will be enough willingness on the part of the AERA Minister to compromise on his Bill and set the higher targets that all of us know are needed if we are to push ahead with making significant improvements to climate change.

Will you go over the just transition principles that are enshrined in the Bill, Clare? Given its importance, would you like to see a just transition clearly mentioned in the Bill and its meaning clearly defined?

Ms Bailey: Yes. That is really interesting. The Scottish Climate Change Act established a Just Transition Commission. If our Bill passes, I would hope that some of the work that went into the commissioner's office there could be linked.

First, it is really important to understand what "a just transition" means. The term is often used as a buzzword, but it is about ensuring an effective and inclusive transition to a climate-resilient society, with low greenhouse gas emissions and involving all social partners to promote high employment
[Inaudible owing to poor sound quality.]

The Chairperson (Mr McGrath): OK. Hopefully, we will get Clare back on again to —.

Mr Sheehan: Her connection is a bit ropey.

The Chairperson (Mr McGrath): Hopefully, she is coming back on. Can we keep an eye out for Clare coming back in, if she logs on again? Do either of the other two guests want to pick up from where she left off, if they feel that it is appropriate to continue detailing what she was explaining?

Mr Deb: I can explain a bit about the drafting of the principles. The just transition principles are, as you rightly pointed out, very important. They are very important because they lay out sectoral plans in the climate action plans and how various climate mitigation strategies can be implemented to cover the entire jurisdiction. We have to have an equitable transition into a climate-resilient economy. We have to have measures in place to ensure that the most vulnerable and those who require the greatest support have the support that they need in order to transition. That is a huge project, and it will continue over many years.

On the role that the just transition principles play, they focus on the measures to be implemented in the climate action plans. As for whether they should be called "just transition", as in having a specific clause that defines the phrase and then lists out the eight principles to particularise it, we did not put that specific term in because the substance of "just transition" is in the Bill. If the Committee were to suggest including that in the text of the Bill, from a drafting perspective, I would see absolutely no problem with that.

Mr Sheehan: Thanks for that, Anurag.

The Chairperson (Mr McGrath): That was perfect timing as Clare is back on again. We will move on to Trevor's questions.

Mr Lunn: Thanks, Clare and the others, for your presentation. As you probably realise, I wish you well with the Bill. I am one of the listed sponsors. I congratulate you on your progress so far.

What the Minister majors on is the effect of your Bill on the beef and dairy industries. He has issued dire warnings about what it could do. That is not really what I want to ask you about. The other three jurisdictions — Scotland, England and the Republic of Ireland — already have legislation. What is their experience of the effect of the legislation on particular sectors? How long have they had their legislation? Does your legislation — our legislation — effectively mirror what is in place in Scotland, England and the Republic of Ireland?

Ms Bailey: Thanks for that, Trevor, and thanks for your support as a sponsor of the Bill. Hopefully, the gremlins will not come and get me this time, but if that does happen, I will pass over to Phil, who can pick up on this for me.

There is a UK climate Act. That became law in 2008, so the UK has already established in law that it wants to achieve net zero by 2050. Within that, there are regional specifics that need to be addressed, and each devolved Administration has to address its own specific context. To back up what you are saying, it is important to note — it is really important to get this across — that, in 2019, Northern Ireland accounted for just 4% of UK emissions. The UK has reduced emissions by 44% between the base year and 2019. Of that 44% reduction, 45% was achieved by Scotland, 44% was achieved by England, 31% was achieved by Wales and only 18% was achieved by Northern Ireland.

Northern Ireland has a very specific context, and that was identified by the Climate Change Committee when it was here. We are the only place across these islands without our own specific legislation that will enable us to achieve the best outcomes for our circumstance. I will defer to Phil, if that is OK. You

mentioned the agri-sector specifically. If you want to go into a few more details on that, I think that Phil is well placed to give you any information that you need.

Mr Philip Carson (Climate Coalition Northern Ireland): No problem. In terms of the differences between each of the countries that you mentioned, we have seen reductions in greenhouse gas emissions in the agriculture sector in England, Scotland and Wales since 2008. There have probably not been reductions at the same level and scale as in other sectors of the economy, but compare that to here: we have not seen any measurable reductions in greenhouse gas emissions from the agriculture sector since 1990. They have actually increased since that base year, so there is a real need to get a move on and start looking at targeted reductions for that sector. We have an opportunity for that through developing our own agriculture policy and being able to target support and investment to deliver more climate-friendly farming techniques and really focus on how we build the capacity of our land to become a better carbon sink and to repurpose some of the money that we put in to agriculture at the moment, which is over £300 million a year, to deliver those outcomes and align with the Bill. That is really important.

It is also important in the other places that you mentioned. You start to see agriculture policy aligning with climate objectives. The Welsh target is for net zero by 2050. They were initially advised by CCC to go for a 95% reduction target, but one of the key reasons that they are able to deliver more ambition is that they are implementing an agriculture policy that is focused on paying for climate mitigation and supporting farmers to transition to more nature-friendly and climate-safe farming practices.

Ms Bailey: Our Bill is not sector-specific. It does not mandate anything specific from any targeted sector. It is really important to note that there are sectors that are quite critical of the Bill because they believe that it does not go far or deep enough and they need a wee bit more. I use the example of the energy sector, which initially wanted renewable targets set of, I think — I am happy to be corrected — 40% by 2018. Back when we were trying to establish and facilitate that, there was a lot of discussion about it not really being possible and that we could not achieve it and that, if we did, it would lead to an increased cost to the consumer. Of course, by the time that we reached those targets and deadlines, we saw that not only was it possible but we more than achieved the 40% target and actually reduced costs to the consumer. Other sectors can do a lot of the heavy lifting at the start while we continue to monitor any progress, update databases and begin to embed the baselines for rolling it out in future decades.

Mr Lunn: Thanks for that again. If our Bill passes as it is presently drafted — I fancy that a few amendments will be made to it, but let us assume that it goes ahead on the present basis — would it bring us broadly into line with the other jurisdictions, particularly the Republic of Ireland?

Ms Bailey: We are going for net zero by 2045. The UK target is for 2050. That is the current level that was set in the UN Conference of the Parties (COP) agreement back in 2016, which was predicated on the global warming temperatures of 1.5%. At COP in 2016, the states, including the UK, signed up to that. I assume that what you are getting at is whether the other UK jurisdictions have targets as ambitious as net zero by 2045.

Mr Lunn: No. I know that various sectors are involved and that it is not all about agriculture, but would the effect on those various sectors caused by our Bill be broadly similar to the effect that is already being experienced by the other jurisdictions and their particular sectors?

Ms Bailey: In agriculture in particular?

Mr Lunn: If you like, yes.

Ms Bailey: No, because of our specific circumstances. Our economy is based on our capacity, and the CCC report very rightly pointed out that Northern Ireland is economically over-reliant on its agri-sector. That would not be the same for Scotland, but we are a wee bit more comparable with Wales, for example. The South of Ireland has a very similar agricultural picture and links with the economy, yet it just passed equally ambitious net zero targets into legislation. It is about looking at our specific circumstances and building pathways and baselines on which we can build pathways into a sustainable future.

Phil, do you want to come in on anything there? I know that your expertise is in land use.

Mr Carson: Yes. No problem at all. On where we are in comparison to other parts of the UK and the Republic of Ireland and where we need to go, my key point is that, regardless of the target, it will require a significant transformation in how we manage our land and what we use it for. That will be comparable, not just locally or within the islands but across Europe and the world. We will need to make major transformations to our food and farming systems.

That will require a range of different things, many of which have not yet been done. For example, we will have to invest quite a significant amount of money in peatland restoration in Northern Ireland, which we have great potential for. About 12% of the land is covered in peatland. Similar interventions would also be required in the South. We also need to expand our areas of woodland. All those sorts of interventions will be required everywhere.

Regardless of the target, it is more about that direction of travel and the changes that need to be made and made quickly. It is broadly comparable, not just in the UK and the Republic but anywhere where there is agriculture and land use. Land use will be really important in addressing the nature emergencies and the climate emergency. The long-term direction of travel will require some big changes to be made.

Mr Lunn: OK. Thanks very much for all of that.

Ms Sheerin: Thank you all for your presentation. My question segues neatly from Trevor's.

Mr Lunn: Segways? *[Laughter.]*

Ms Sheerin: It is about agriculture and the impact that people might expect. It comes from my background and the area that I represent. My question is about the Bill.

Clare, you referred to the fact that the targets in the Twenty-Six Counties are more ambitious than the targets in this Bill. The farming landscape in the Twenty-Six Counties is incredibly similar to the North, given that we share one island, have the same climate and have the same sorts of production. Not for the first time, I heard the Agriculture Minister making remarks in the Chamber yesterday. A lot of what he said — some in the industry have latched on to it — could probably be described as scaremongering and an attempt to try to whip certain sectors into a frenzy. Farmers in my constituency have contacted me, and they are worried that the Bill will impact on their livelihoods, when, in reality, many of them are hill or sheep farmers who are already sequestering carbon and will not be impacted at all.

What are the provisions for safeguarding the agricultural industry? We in Sinn Féin are co-sponsors of the Bill. Given everything that Phil said about the changes that will need to be made in the long term in agriculture, what can we do to allay the fears and reassure our farmers and farming families?

Ms Bailey: Thanks for that, Emma. There is so much to what you said. I will bring Phil in again, but, before I do, I want to make it really clear that there is nothing in our Bill that will harm the agriculture sector. Along with every other sector, agriculture is listed as an area that needs to reduce its emissions. Nothing in the Bill mandates any *[Inaudible owing to poor sound quality]* changes to the agri-sector, nor is it prescriptive in any way. It is just like every other sector.

The climate action plan, with its carbon budget over five years, has been designed so that no specific reduction targets will be allocated to individual sectors. Some sectors, for example, infrastructure, transport and energy, to name but a few, are ready to move immediately. They need to be enabled to do that and can do the heavy lifting over the first few years while other sectors, including agriculture, can make a much more gradual transition. It is possible. We have seen a project in the Republic called Farm Zero C, which aims to make 5,000 dairy farms carbon neutral within the next five years. That is *[Inaudible owing to poor sound quality]* and innovation, and is being driven by a really strong net zero target. The Bill ensures that fairness will be built into any measures that are introduced. Sectoral plans would create high-value, fair work and reduce poverty and inequality. We need to look at Northern Ireland farming and its future economic and social sustainability. Phil, have you anything to add on that one?

Mr Carson: Yes. The big thing there is the long-term investment to make those changes, and for farm businesses to make changes to how they manage their land and their business practices. Emma, you mentioned upland farmers. There are changes that they could make and benefits that they could get from climate action. A fair bit of work has been done to look at the link between output and profitability

in certain farming situations. It focused specifically on upland farms. It found that, once you go past a certain point of production, it actually starts to eat into your profit because you are spending money on inputs — for example, for food, fertiliser and things like that — that actually start to impact negatively on your bottom line. It found that actually reducing your output to a certain level, in line with your land's natural carrying capacity, can deliver greater profit and make your business more robust. Advice and knowledge transfer on that approach could be really important.

Otherwise, there is that long-term investment in land management. You mentioned peatland areas. There are areas of species-rich grass in the uplands as well. Those farms have a great opportunity to deliver for the climate, biodiversity and all those things. If we have a policy that suits that and can deliver public money for those benefits, that benefits the farm system and the environment.

Another big thing that we have not really thought about is the need for private investment in land management. There is already a move to look at how investment in land management from the private sector can help it to meet climate ambitions. There are opportunities for that, especially with regard to peatland restoration. Through channelling that investment and giving that support, farmers can benefit from that land management.

We have done a bit of work to look at a peatland site in north Antrim. We have found that, yes, there would be a reduction in grazing pressure over a period to get the site into good condition from a climate and biodiversity perspective, but, in doing so, there would be no net losses to agricultural jobs. There would actually be an increase in jobs in the area, and there would be support for that management as well. That is really important. It gives a vision of some of those areas and what they could achieve with ambitious action and investment.

Ms Bailey: We cannot forget that the agri-sector is the most heavily subsidised sector that we have, and rightly so. If we follow the "public money for public good" model, that is right. Farmers are economically incentivised by government or Executive policy in how they do their business. We really need to start looking at what economic incentives we can provide to farmers in order for their farms to be profitable in carrying out environmental and climate-friendly practices for everybody's benefit.

Ms Sheerin: Your final comment epitomises some of the problems that we now see with the agriculture policy that is going forward and the fact that the Minister has moved back to encouraging production-based, intensive, large-scale farming, as opposed to the more-sustainable methods that we had seen for a couple of years, when payments were based on more environmentally friendly farming methods and a fairer system for everyone. I agree with you that the Bill will work hand in hand with that sort of support, as opposed to encouraging people to build big cattle houses and *[Inaudible owing to poor sound quality]* which is not sustainable in the long term for anybody.

Ms Bailey: Yes. It is a wee bit worrying that we still have those types of projects in the planning system, so we are still heading in that direction. It is about providing the policy and economic incentive for better practice.

Mrs Dodds: Thank you, Clare, and everyone for the presentation on the Bill. It is a hugely important issue that we cannot not deal with. I share your concern about what is happening now. I would like to go a bit further into some elements of the Bill. I have to confess that I am not an expert on the Climate Change Bill, but I am sure that I will learn to be. Perhaps you can help us all to understand how you see some of this playing out, which is very important.

You mentioned the target to achieve 40% of our energy needs from renewables by 2018. I remind the Committee that the person who set the target was, of course, the now AERA Minister, Edwin Poots. It is absolutely excellent that we have exceeded that target. Apart from a couple of months in the summer when we did not seem to have enough wind, we now get almost 50% of our energy from renewable sources. That is a really brilliant step forward. We now need to get on with decarbonising heat and doing lots of other things in the energy sphere.

I would like you to explain a couple of things to me. Why do you see the commissioner reporting to the Executive Office, which has a more general oversight role, and not to the Minister who is responsible for the environment etc, which is where the expertise really lies?

Ms Bailey: I will pass over to Anurag in a second, but it is really about looking at the principle of maintaining public confidence and having independence, scrutiny and accountability. I hope that that

sets the trajectory. Anurag will give you more detail on the powers that would be conferred to that office and how that was arrived at.

Mr Deb: Thank you, Clare, and thank you, Diane, for the question. I am a little confused. Do you mean the annual reports to the Assembly that the commissioner would be empowered —

Mrs Dodds: Forgive me, but I am just asking what I think are the questions that every layman out there will ask. In Northern Ireland, we have a Department of Agriculture, Environment and Rural Affairs and we have an Executive Office, which is a general oversight Department that seems to gather up a lot of things but does not have specific expertise within it. Why do you think that it is more important that the commissioner would present his plans and reports to the Executive Office than to DAERA?

Mr Deb: The first point is that, under clause 4, the commissioner will report to the Assembly on the effectiveness of climate action plans. Clause 4 is effectively arming the Assembly with as much information as possible to scrutinise the work of all the Departments and Ministers in implementing climate action plans and sectoral measures and targets and, ultimately, to achieve the overriding climate objective of the Bill in clause 2.

The Executive Office would be the nodal agency for climate action plans rather than DAERA for two reasons. First, there is the breadth of the climate action plan. Self-evidently, even without going into the text of the Bill, the climate action plan will cover every aspect and every sector of the economy throughout the jurisdiction. The breadth of it will necessitate Executive involvement and agreement. That is a given under section 20 of the Northern Ireland Act. The First Minister and deputy First Minister are joint chairs of the Executive. As you said, Diane, the Executive Office provides oversight, if you like, of the functioning of the Executive. Therefore, it was felt that the Executive Office is a more appropriate nodal agency to bring the plan forward. The way in which the plans are structured and the way in which the Executive function by no means suggest that it is solely the responsibility of the Executive Office to deliver climate action plans. The content of the plans has to be agreed at Executive level, so there will need to be input from every other Executive Department. I hope that that goes some way towards clarifying the intention behind the provisions.

Mrs Dodds: I still think that it is a bit of an anomaly that we bypass the Department in which many of the experts are. I accept that the target will be an Executive target and that the outworking will be whole Executive responsibility for how each Department goes forward in trying to reach the targets, but it just seems to me that the natural home for this is DAERA, because that is where those who have most experience and most expertise on these issues lie. From my time in Government, I know that there are lots of occasions on which three Ministers meet to work out a policy and to make sure that that policy is enacted and working. Just throwing it into the Executive Office is not always the answer, because it does not have the expertise.

Sorry; I have a number of questions on the Bill. Is it OK to go ahead, Colin?

The Chairperson (Mr McGrath): Yes, of course. Go ahead.

Mrs Dodds: That was my first question/observation.

The target in the Bill is 2045. That is five years before the target set by any of the other jurisdictions in the United Kingdom. Have we done any assessment of the investment and infrastructure needed and the cost to, for example, energy consumers if that target were adopted at the end of this process?

Ms Bailey: Thanks for that one; you are right to raise it. What we have to do is look, on balance, at all the costs of not doing this. As you say, the 40% renewables target for the energy sector was set by the then Environment Minister, Edwin Poots. That was deemed as highly ambitious and was quite controversial back in the day. However, it was not only achieved but produced positive price drops for the consumer. The target of 2045 reflects a general legislative trend towards stronger climate legislation. That is within the proven context that we are living in an interconnected climate and ecological emergency and that urgent action is needed to limit global temperature increases to prevent runaway climate change.

Mrs Dodds: Clare, let me interrupt you for a second. I apologise for that, but this is really important. I know all the buzz words around the climate emergency, the need for solutions etc. However, I need to know, and people listening to the Committee will want to know, whether an assessment has been

done of the cost, the infrastructure requirements and even the cost to consumers of our going for this five years before, and travelling at a faster pace than, the rest of the United Kingdom. Has there been that assessment? Do we understand what it means for infrastructure? I understand all the high-level arguments — those are fine — but, going into the detail of it, do we understand, and have an assessment of, the cost and the infrastructure needs of this?

Ms Bailey: I can give you a very short and personal answer, which is that I doubt that we understand that. Given your experience coming from Government, your input would be really valuable. Do we really understand exactly how far and how deep we need to go and how fast we need to move in order to mitigate what we are facing? Scotland has moved its target to 2045 — *[Interruption.]*

Mrs Dodds: I am not saying that we do not need to move and that we do not need to move quickly. Climate change is a massively important issue for our communities and for everything, but it is really important that the proposers of the Bill understand the implications, regarding the infrastructure needs and the cost, of trying to push this on as fast as we can. I want this to be a conversation; I do not want it to be confrontational at all, but I take from that response that we do not understand the infrastructure needs and the cost. That is work that needs to be done.

Can I just ask Phil —

Ms Bailey: Diane, before you move on to Phil, I will just try and round that up for you. A business case is being drafted for the Bill — that is all being worked on — but the immediate cost associated with the Bill will be the setting up of the NI climate office, which includes those for the commissioner and the staff. The costs behind the Bill will be mainly salaries and pensions for that office. We have the Finance Minister's recommendation for the setting up of the commissioner, and we are in the process of writing up that business case. It is important that the funding for the office comes out of the Consolidated Fund. The intention is that the position of climate commissioner will be permanent. More broadly, the climate action plans will have financial implications — I think that that is where you are going there — but those go way beyond the immediacy of the Bill.

Achieving net zero in Northern Ireland will involve significant investment; you are, of course, well aware of that. There are huge economic opportunities involved in unlocking green investments and green jobs. For example, the national grid has said that the UK will need to recruit over 400,000 people just to build the net zero energy workforce, and that 13,700 of those jobs can be in Northern Ireland.

We also have to consider the cost of inaction, which I started with. Damages avoided by climate action must be compared with the cost of meeting targets. The cost of action has been estimated at between 1% and 2% of GDP, whereas inaction has been estimated at 10% by 2050. This week, US President Biden announced that the cost to his economy of dealing with extreme weather events last year was \$99 billion. If mitigation and *[Inaudible owing to poor sound quality]* measures are not invested in, that figure will rise exponentially. Dealing with the root causes will eventually save the public purse and bring a sustainable outcome.

Mrs Dodds: I would have expected you to make those arguments, Clare — and those are fine — but I am really interested in the detail. You said that the only immediate cost of the Bill will be the cost of the commissioner and the staff, but setting a target for net zero by 2045 will come at a considerable cost. The target sets the cost. The target and how quickly we reach the target will determine how quickly we actually get to the cost. I do not think that the only cost in the Bill is a commissioner's salary or the salary of somebody who is answering the phones or producing climate plans. I am just appealing for people to think about all the areas in the Bill.

I find the topic fascinating. I absolutely agree that we need to move. I agree with Clare about the opportunity for the green economy. It is an amazing opportunity for the green economy. We only have to look at the hydrogen economy in Northern Ireland, how it will open up and provide all kinds of opportunity, and at the innovation in the Northern Ireland hydrogen economy. I absolutely agree with you.

Phil, you seem to be the one who is targeted with all the agriculture questions. I have an abiding interest in all things rural. Have we done any assessment of the impact of the target on rural communities and agriculture?

Mr Carson: A rural needs impact assessment has not been done for the Bill. Different bits of research have looked at the costs that are needed for environmental land management, for example. I spoke earlier about agri-environment schemes and what would be needed to deliver not just climate objectives but biodiversity objectives. That was done a couple of years ago. It looked at current spend compared to needed spend. It found that we are underspending about eight times over in that regard. That demonstrates the investment that is needed there.

Some work has looked at meeting climate objectives through certain types of land management, such as hedgerow creation. It found that every £1 invested in that to meet targets under a climate change Act would return about £4 in benefits and that it would create up to 25,000 jobs. There are bits and pieces in there. It is about having a strategy for land use, where we are going next and what we will do where. It will not be a one-size-fits-all approach. There will need to be a different approach for the different sectors: for the hills compared to the lowlands, for example. That needs to be worked out, designed and put forward as a direction of travel.

Mrs Dodds: Do you see the future of rural economies as being in managing land or producing food?

Mr Carson: It is a bit of both. It depends on the land that you have. My vision is managing the land in a way that produces sustainable, nature-friendly food and links those. There are opportunities there. Can you manage the land and get public reward or private investment for it? Can you get better return for the food that you produce as well, because it is doing that in tandem? There are farmers in certain areas in Northern Ireland who are demonstrating that that is possible: they are profitable as a result of that and are getting better market return.

It is about looking to the future, too. Clare made the point about the changes that will be needed in 20 years' time. We also have to look at what people will want then. If consumers want to have food that delivers climate benefits or has as low an impact as possible, we will have to be able to demonstrate how we manage our land to produce our food and that we are doing that. Consumer preferences will change. The demand for what we are producing will, potentially, change as well. We have to be able to adapt to that and make those changes.

Mrs Dodds: For what it is worth, my view is that consumer preference will change only if food is affordable. That is a huge issue. I have spent years talking about the need to support local food and local industry, and the impact of food miles on our food. What happened recently in the Australia trade deal talks is really quite reprehensible. They have opened up the market and ignored the issues — while hosting COP, which is very strange. I come from Upper Bann, which is a very large agri-food manufacturing constituency. Thousands of jobs are related to the agri-food industry in Northern Ireland. We really need to understand the balance of what we are doing and how we are doing it. That is my only comment on that.

May I just ask one last energy question? Does anybody want to —

The Chairperson (Mr McGrath): Sorry, we are having a lot of conversations about agriculture. I fear that we are going down a rabbit hole as a result. We are supposed to be —

Mrs Dodds: It is about energy.

The Chairperson (Mr McGrath): OK.

Mrs Dodds: Again, do we have an analysis —

The Chairperson (Mr McGrath): Order. Thank you. I am just making the point that we should stick as closely as we can to the elements of the Bill that relate to the Executive Office, or certainly try to —

Mrs Dodds: Chair, be fair. I started there.

The Chairperson (Mr McGrath): Go ahead. I think that you are coming to your final question, so go ahead.

Mrs Dodds: I am absolutely captivated by it, so you are OK.

On energy costs, I would like to see an energy strategy for Northern Ireland that moves us to the decarbonisation of heat and builds our renewables capacity. I set a target of not less than 70% of all energy used coming from renewable sources by 2030. I passionately want to see that, but I also want to see a balance, with fairness to consumers. We have seen huge rises in energy prices over the last number of weeks; everybody is announcing a rise in energy prices. How do you see that being balanced?

Ms Bailey: I think that we are getting to the nub of what would be in departmental climate action plans. You are so over that brief having spent the past few years as the Economy Minister, so you know fine well the extent of the work that needs to be done. You also know about the potential for job growth in this sector; you mentioned hydropower, for example.

Look at our rural communities in particular. Northern Ireland is mostly just an amalgamation of small rural community networks. We need get into housing stock, we need to look at our energy supplies and we need to retrofit. That will have to come with a huge job creation plan. We need to look at the production of energy and energy security so that we are not continually dependent on importing supplies and gas networks from outside. We have the capacity across the island to be energy secure, and I am more than happy to listen to your thoughts on that. Building that energy security comes with a need to reduce the cost of living, tackle fuel poverty and the cost to each household, and invest in our further and higher education sectors to make sure that we upskill and redeploy people into the industries where the work is needed. That is all about the rural impact and that job creation strategy, and it really gets to the heart of why we have tried to build the just transition principles into the Bill. In coming up with the climate action plans, Ministers and Departments will have to be cognisant of, and come up with plans for, job creation strategies. That is not just about energy; it is how it will all roll together.

I hope that that addresses where you were going with your question. If not, please come back to me, but I suspect that you know an awful lot more about the detail of the energy sector than I ever will.

Ms Dodds: Thank you. I will not test the Chair's patience any further. *[Laughter.]*

The Chairperson (Mr McGrath): Diane, I thoroughly enjoyed your opening remarks, when you said that you did not know very much about the topic. You have shown us that you have an excellent knowledge of the issue. Thank you again to our panel for supplying responses.

As a courtesy, I will check in with George Robinson. George, would you like to ask the panel anything? *[Pause.]* I think that you are saying that you do not, George. Your microphone is not on.

Mr Robinson: Chair, I think that my colleague Diane has asked all my questions. Thank you.

The Chairperson (Mr McGrath): OK. There we go. You can have an internal party dispute about Diane asking all the questions.

Mr Robinson: Exactly.

The Chairperson (Mr McGrath): That is grand.

I thank the panel — Clare and her colleagues — for coming to the Committee. The Committee has not had a huge amount of legislation passing through it, so it has been great to take some time to look at the Bill and its impact on the Department. We wish you well with the progress of the Bill and thank you for taking the time to explain what each part of it means. Thank you very much indeed.

Ms Bailey: It was an absolute pleasure. Thank you for your time and *[Inaudible owing to poor sound quality.]*

The Chairperson (Mr McGrath): Thank you.