Ireland and the Climate Change Challenge: Connecting 'How Much' with 'How To'

**Executive Summary** 

Final Report of the NESC Secretariat to the Department of Environment, Community and Local Government

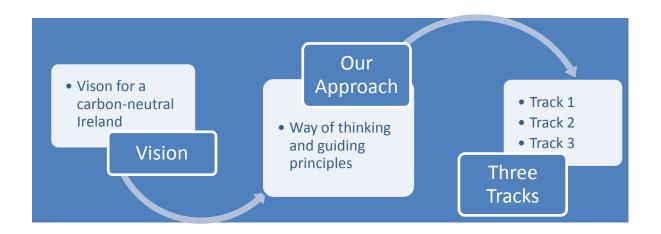
December 2012



**An Chomhairle Náisiúnta Eacnamaíoch agus Shóisialta** National Economic & Social Council

## **Executive Summary**

This report sets out the NESC Secretariat's vision for Ireland in 2050, and the key building blocks that can underpin it. It outlines a way of thinking about the challenges—of climate-change policy and the global resource crunch—and proposals for a pragmatic approach involving simultaneous action along three tracks.



**Our Vision** is that Ireland will be a carbon-neutral society by 2050, based on an approach to economic development that is socially and environmentally sustainable.

**Three Ideas** inform our transition to a carbon-neutral economy and society:

- Climate-change policy is a loop not a line—in which there is a dynamic relation between 'how much' emissions reduction and policy action governments commit to and their understanding of 'how to' achieve decarbonisation;
- It is necessary to balance the policy emphasis on 'how much' emissions reduction to target with more focus on 'how to' achieve decarbonisation of the economy and society; and
- The transition to a carbon-neutral economy and society must engage actors at all levels and in all sectors, through a governance system that animates, learns from and pushes networks of firms, public organisations and communities to ever-greater decarbonisation.

At both national and international level, there is need for a multi-level experimental approach to address the challenge of climate change and resource scarcity.

**Five Guiding Principles for Climate Action** should underpin Ireland's strategy to become a carbon-neutral society. These are:

- Economic prosperity, recovery and social development;
- Incremental and permanent decarbonisation;
- Responsibility, integrity and leadership;
- Reform of public institutions and governance; and
- Societal engagement.

**Our Three-Track Approach** captures the need for action on many fronts if a more ambitious and effective Irish response to climate change is to be created:

- **Track 1: Strategic and Institutional**—including Ireland's engagement with the UN and EU climate policy processes, new institutional structures and five strategic building blocks;
- Track 2: Exploration and Experimentation—to consciously build policy and organisational networks in specific areas and push these to evergreater decarbonisation; and
- Track 3: Design and Implementation—focuses on where early action makes sense and is feasible, and measures to meet Ireland's 2020 targets.

**Five Strategic Building Blocks** of transition to a carbon-neutral Ireland can be identified. To achieve carbon neutrality by 2050 we must act now to create:

- An energy system built on wind and other renewables, using a smart grid and integrated into a clean EU energy system;
- An energy-efficient society that uses renewable forms of energy for heating;
- A sustainable transport system which serves economic, societal and environmental needs;
- A world-class agri-food sector working within a carbon-neutral system of agriculture, forestry and land use; and
- An approach to resource management that provides a competitive and comparative advantage in international trade and factor flows.

Our strengths in these areas will help secure the development of the Irish economy, but also position Ireland in the vanguard of efforts to address climate change and work in a resource-constrained world.

## Six 'Track 2' Exploratory Projects are outlined:

- Working Towards Carbon-Neutral Agriculture;
- Smart Grid;
- Electric Vehicles;
- Electrification of Heat;
- Biomethane and Anaerobic Digestion; and
- Carbon Capability

## Effective Institutions to Drive Ireland's Transition to Carbon Neutrality

In order to progress this agenda, government needs to undertake a number of political and institutional steps:

- Embed the transition to carbon neutrality, and particularly the five strategic building blocks, within the core agenda of economic recovery and development, ensuring that the allocation of resources reflects these new priorities and imperatives;
- Create and direct a new process and entity—with a government-led steering and oversight board and a small technical secretariat—to monitor progress on the main carbon neutrality building blocks and project areas, organise disciplined joint exploration of successes and failures and drive agencies and their networks to push the boundaries of knowledge and practice on 'how to' achieve decarbonisation;
- Create a transparent process of periodic review of Ireland's progress towards carbon neutrality, involving relevant departments, agencies and the Joint Oireachtas Committee on Environment, Culture and the Gaeltacht.

Ireland has an opportunity to be a real leader by building an institutional architecture suited to the nature of the climate-change policy problem and the major ways in which progress on 'how to' achieve decarbonisation is made.