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Re: Consultation on Ireland's Draft National Energy and Climate Plan 2021-2030

To whom it concerns,

The Environmental Protection Agency (EPA) welcomes the opportunity to respond to this Consultation on Ireland's Draft National Energy and Climate Plan, prepared to meet the requirements of the Governance of the Energy Union and Climate Action Regulation (Regulation (EU) 2018/1999). The EPA notes that the consultation process aims to gather the views of stakeholders and interested parties which will inform the development of the final plan and also notes the recommendations of the European Commission following their assessment of the draft plan.¹

The Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report which was completed in 2023 provides a clear message on the scale and pace of climate action required to avoid the worst impacts of climate change.

"Deep, rapid and sustained mitigation and accelerated implementation of adaptation actions in this decade would reduce projected losses and damages for humans and ecosystems, and deliver many cobenefits, especially for air quality and health ". "Delayed mitigation and adaptation action would lockin high-emissions infrastructure, raise risks of stranded assets and cost-escalation, reduce feasibility,

¹ <u>Commission Recommendation, Assessment (SWD) and Factsheet of the draft updated National Energy and</u> <u>Climate Plan of Ireland - European Commission (europa.eu)</u>

and increase losses and damages". It also highlights the necessity to reach net-zero Carbon Dioxide emissions globally around the middle of this century in order to limit warming to 1.5°C.

As consumption of fossil fuels for energy is the main source of CO₂ emissions, this provides a key framing for action which is reflected in the outcomes from the first global stocktake under the Paris Agreement which called for "*Transitioning away from fossil fuels in energy systems, in a just, orderly and equitable manner, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science*".

Immediate and sustained transformative mitigation and adaptation actions are likely to yield substantial benefits for health, wellbeing and biodiversity in Ireland while reducing vulnerability to the adverse impacts of climate change. It is recognised that world class infrastructure takes significant time and investment from conception to implementation. However, the time horizon for achievement of national and EU commitments is getting ever shorter.

"Ireland's Climate Change Assessment"² (ICCA) report published in January 2024 for the first time provides a comprehensive and authoritative assessment of the state of knowledge around all key aspects of climate change, with a central focus on Ireland. The assessment, which should be considered in the update of the NECP, echoes previous EPA reports finding that more action is needed to meet Ireland's legally binding emissions targets including large-scale and immediate emissions reductions across the energy system, which is currently heavily dependent (86%) on fossil fuels. A net zero energy system can significantly reduce Ireland's imports of fossil fuel for our energy needs, from 70% to less than 5% in the future.

Ireland is currently experiencing the impacts of climate change and needs to be resilient to ongoing and future climate change impacts. ICCA highlights that current implementation of adaptation is too slow and fragmented, doing better requires financing, working with people and nature, monitoring and evaluating outcomes, and increasing public and private sector involvement.

The second wave of the EPA's Climate Change in the Irish Mind³ survey published in February by the EPA in support of the National Dialogue on Climate Action shows that, consistent with the previous study, there is widespread agreement within the Irish public on many climate change attitudes and strong majority support for climate action. The findings indicate that 89 per cent of people report that

² <u>https://www.epa.ie/our-services/monitoring--assessment/climate-change/irelands-climate-change-assessment-icca/</u>

³ <u>https://www.epa.ie/publications/monitoring--assessment/climate-change/climate-change-in-the-irish-mind-wave-2-report-1.php</u>

climate change is important to them personally and 79 per cent say climate change should be either a "very high" or "high" priority for Government, with high overall support for a range of climate action policies. Irish people think that climate action will increase economic growth and create jobs (56 per cent), and actions to reduce climate change will improve quality of life in Ireland (74 per cent).

The EPA's most recent State of the Environment Report highlighted that in Ireland's changing climate: *"mitigation and adaptation action that is planned, coordinated and prioritised is required to build the resilience of society and the economy in the face of current and projected climate change impacts"*. A strengthened National Energy and Climate Action Plan must as a minimum reflect the most up-to-date climate action plans and policies if it is to meaningfully support achievement of this transformation.

The EPA's purpose reflects our three core roles – as an environmental regulator, as a key source of trusted scientific evidence and knowledge, and as a voice for the environment through our leadership and advocacy. We are committed to collaborating and partnering with others to deliver better environmental outcomes.

Our statutory responsibilities include the following areas:

- Licensing of industrial, agricultural, water, waste and energy activities
- National Environmental Enforcement
- Climate Science & Climate Change
- Administering EU Emissions Trading System
- EU Carbon Border Adjustment Mechanism
- Circular Economy and Waste Management
- Water Management
- Environmental Monitoring & Assessment
- Chemicals in the Environment
- Environmental Research and Development and
- Radiological Protection

The following observations and recommendations reflect these wide-ranging statutory responsibilities. As with previous National Energy and Climate Plans the EPA will continue to provide data and contextual input to your Department including the latest EPA Greenhouse Gas Inventories and Projections and other matters as required.

You are also referred to recent submissions made by the EPA in response to other consultations in the preparation of the NECP. These include:

- EPA submission to the Call for Evidence in advance of preparation of the 2024 Climate Action Plan, 31st July 2023⁴
- EPA submission on Ireland's Long-term Strategy for GHG Emissions Reductions, 20th September 2023⁵
- EPA submission on the National Adaptation Framework, 19th February 2024.

1. Climate change mitigation and reducing greenhouse gas emissions

EPA greenhouse gas Inventory and Projections inform the monitoring of Ireland's climate action performance on a sectoral level. These data and evidence, published in 2023, have highlighted the challenges that Ireland faces in achieving the scale and pace of greenhouse gas emissions reductions required to stay within the first two carbon budgets and reduce emissions by 51% relative to 2018.

The <u>EPA greenhouse gas inventory 2022</u>⁶ shows that National total emissions (including LULUCF⁷), in 2022, were 68.07 Mt CO2 eq, 2.7 per cent below the 2018 reference year. 47 per cent of Ireland's Carbon Budget for 2021-2025 has been used in the first 2 years. If Ireland is to stay within the first carbon budget, an extremely challenging annual emissions reduction of 12.4 per cent is required for each of the remaining years.

Almost all sectors are on a trajectory to exceed their national sectoral emissions ceilings for 2025 and 2030, including Electricity, Transport, Agriculture and Industry. A continued lack of delivery of largescale practical actions to decarbonise activities in all sectors will see us exceed our carbon budgets. The time horizon for achievement of national and EU commitments is getting ever shorter. <u>EPA</u> <u>greenhouse gas projections 2021-2040</u>⁸ indicate that the first two carbon budgets (2021-2030), which aim to support achievement of the 51 per cent emissions reduction goal, are projected to be exceeded by a significant margin of between 24 per cent (With Additional Measures - WAM scenario) and 34 per cent (With Existing Measures – WEM scenario).

⁵ <u>https://www.epa.ie/publications/corporate/submissions--position-papers/epa-submission-public-</u> consultation-on-the-department-of-the-environment-climate-and-communications-irelands-long-term-<u>strategy-for-ghg-emissions-reductions-epa-ref-epac-0923.php</u>

⁴ <u>https://www.epa.ie/publications/corporate/submissions--position-papers/epa-submission-call-for-expert-evidence--climate-action-plan-2024-epa-ref-epac-1023.php</u>

⁶ <u>https://www.epa.ie/publications/monitoring--assessment/climate-change/air-emissions/irelands-greenhouse-gas-emissions-projections-2021-2040.php</u>

⁷ Land Use, Land Use Change and Forestry covers the following categories; Forest land, Cropland, Grassland, Wetlands, Settlements, Other land and Harvested Wood products.

⁸ <u>https://www.epa.ie/publications/monitoring--assessment/climate-change/air-emissions/irelands-greenhouse-gas-emissions-projections-2021-2040.php</u>

You are also referred to "Ireland's Climate Change Assessment" (ICCA) report⁹, synthesis and Volume 2 of the report on Achieving Climate Neutrality by 2050 which explores the current best understanding of how to mitigate climate change with a central focus on Irish literature seeking to inform the pathway to a climate neutral Ireland.

The EPA notes that the draft NECP includes the projected impact of the WEM (With Existing Measures) measures scenario from the EPA Projections but does not include the higher ambition included in the WAM (With Additional Measures) scenario. The EPA agrees with the Commission's recommendation that the final NECP should set out additional policies and measures to bridge the projected gap to 2030 targets. The EPA is currently preparing the 2024 Greenhouse Gas projections which will consider the actions set out in the 2024 Climate Action Plan and which will be available for inclusion in the final NECP.

In compiling the greenhouse gas emission projections, it is not possible to include some policies and measures where there is insufficient information on the implementation pathway. One example of this is Carbon Capture Utilisation and Storage (CCUS) which is not included in the projections given a lack of information. The Commission recommended that Ireland takes action to identify the amount of CO₂ emissions that could be captured annually by 2030, including the source and how the captured CO₂ will be transported. However, this measure won't be included in the projections until further information is provided in relation to when and where CCUS measures are anticipated to be implemented.

The final greenhouse gas Inventory for 2022 is currently being prepared by the EPA for submission to the EU and UN to meet Ireland's reporting commitments and should also be used for the final NECP submission. The final Inventory incorporates revisions to the Provisional Inventory published by the EPA in July 2023, including updates to the Land Use, Land Use Change and Forestry (LULUCF) sector emissions reflecting the latest science.

Finally, the current draft NECP requires updating to reflect changes to the regulatory framework and climate action delivery mechanisms that have happened since the previous NECP, for example in section 3.1.1.1.

2. Climate change adaptation and resilience

The European Commission assessment of the draft NECP notes that *"On adaptation to climate change, the plan does not consider relevant climate vulnerabilities and risks, and this may put the achievement*

⁹ <u>https://www.epa.ie/publications/monitoring--assessment/climate-change/irelands-climate-change-assessment-volume-2.php</u>

of energy and climate mitigation objectives at risk." Associated with this observation the Commission then recommends the provision of additional analysis on the relevant climate vulnerabilities and risks and also recommends seeing out additional adaptation policies and measures.

In seeking to include a consideration of climate vulnerabilities and risks in the final NECP, the EPA refers you to Ireland's Climate Change Assessment Report and previous submissions made by the EPA with regard to the National Adaptation Framework, specifically the EPA submission on National Adaptation Framework, 19th February 2024.

The NECP should reference the National Climate Change Risk Assessment (NCCRA) as described in the 2023 Climate Action Plan. This assessment, led by the EPA, will provide a prioritisation of risk at a national level that should be taken into account in the GHG emission reduction planning and delivery processes. The updating and further development of guidance will move towards a standardisation of risk assessment approaches, including cascading and systemic risks under the coordination of the EPA. This will ensure that the new data sets are used in a standardised way to achieve both mitigation and adaptation objectives.

In assessing Ireland's climate risks within a European context, you are also referred to the European Climate Risk Assessment¹⁰ (EUCRA), published by the European Environment Agency on 11 March 2024. It will help to identify policy priorities for climate change adaptation and for climate-sensitive sectors.

3. Regulatory implications

Some of the measures set out in the NECP may have licensing or permitting requirements. An example of this is the measure to expand the indigenous biomethane sector through anaerobic digestion. The EPA is the statutory authority for granting licences to installations undertaking industrial activities listed in Annex I of the Industrial Emissions Directive (IED) and to facilities carrying out waste disposal/recovery operations listed in the Third and Fourth Schedule of the Waste Management Act 1996 as amended.

EPA licensing requirements, and the environmental considerations required by Best Available Techniques (BAT), need to be considered early in the planning process. Further information in relation to the licensing process is available on the EPA's website¹¹. Information on BAT applicable to these installations can be found on the European Commission website¹².

¹⁰ <u>https://www.eea.europa.eu/publications/european-climate-risk-assessment</u>

¹¹ <u>https://www.epa.ie/our-services/licensing/industrial/industrial-emissions-licensing-ied/</u>

¹² <u>https://eippcb.jrc.ec.europa.eu/reference/</u>

The EPA is committed to working constructively and collaboratively with all stakeholders in determining licensing requirements and providing timely assessments based on application prioritisation procedures and available resources. For further information on the regulatory implications of biomethane production via anaerobic digestion, you are directed to the EPA's response to the Public Consultation on Ireland's draft Biomethane Strategy.¹³

4. Water quality

The protection and improvement of water quality in all waterbodies is a statutory requirement under the Water Framework Directive and it is important to ensure that the policies and measures outlined in the National Energy and Climate plan do not adversely affect the environment, or human health. It is important to emphasise that compliance with decarbonisation targets should not happen at the expense of other statutory requirements such as those stipulated in the 5th Nitrates Action Programme.

The Agency welcomes opportunities to reduce inorganic fertiliser use on land, as described in Chapter 3 on Policies and Measures, but any replacement nutrient source should not lead to the potential increase in nutrient loss to surface or ground water. It is also noted under the Nitrates Directive, that biofertilisers are included as part of the allocation of organic nutrients on farms. It is important the new activities, associated with decarbonisation measures, don't in themselves lead to an increase in farm intensification such as the increased use of chemical fertiliser which can ultimately impact on water quality.

5. Air pollution and Air quality

The NECP measures in relation to electrification of the road transport fleet, taking action in relation to chemical nitrogen fertilisers, improving the energy efficiency of our homes and reducing our reliance on solid fuels can also provide for improvements in air quality, reducing emissions of air pollutants such as nitrogen oxides, ammonia and particulate matter.

The plan should ensure that the integration of air pollution controls, noise mitigation measures and climate action, for example in transport management, is put in place. This approach can ensure that multiple co-benefits are achieved for the environment and public health.

6. Strategic Environmental Assessment and public consultation process

The NECP should fully consider the requirements of the Strategic Environmental Assessment (SEA) Directive, its implementing regulations (S.I. 435 of 2004, as amended) and the Habitats Directive.

¹³ <u>Submissions & Position papers | Environmental Protection Agency (epa.ie)</u>

The EPA is one of the statutory environmental authorities under the SEA Regulations. In our role as a statutory environmental authority we have received a notification in relation to the scoping for the SEA in parallel to this public consultation on the draft NECP. A separate submission will be made to DECC in relation to the SEA scoping for the NECP.

However, it should be noted that in terms of the process for SEA, it is best practice to complete the SEA (and other environmental assessment processes, e.g. Appropriate Assessment) in parallel with the development of the plan or programme. This ensures that the findings of the SEA are fully integrated into the NECP. It is clear that this process is not being followed for the preparation of the NECP. This raises a question as to whether the likely significant environmental effects will be fully assessed and incorporated, as appropriate. It is important to also note that the SEA legislation requires public consultation to be undertaken on the draft plan, alongside the SEA environmental report, after the completion of the SEA scoping process. It will be important to clearly document the influence that the SEA has had on the overall development of the NECP.

The EPA is happy to discuss all aspects of this submission and looks forward to continuing work with DECC on developing the final NECP.

Yours sincerely,

Mary Frances Roch Paral

Mary Frances Rochford Programme Manager