

Climate Change Bill

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Schedule 1 – Sectoral annual target figures
Schedule 2 – Government targets relating to climate change

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TO

Combat climate change by setting annual targets for the reduction of carbon dioxide emissions until 2050; to place duties on the Prime Minister regarding the reporting on and achievement of those targets; to specify procedures to be followed if the targets are not met; to specify certain functions of and provide certain powers to Members of Parliament with regard to ensuring carbon dioxide emissions are reduced; to set sectoral reduction targets and targets for energy efficiency, the generation of energy from renewable sources, combined heat and power and microgeneration; and for connected purposes.

BE IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 National annual target for reducing carbon dioxide emissions

- (1) It shall be a duty of the Prime Minister to take steps to ensure that United Kingdom emissions of carbon dioxide in any one year do not exceed the national annual target figure for that year, for every year from 2010 to 2050.
- (2) In this Act the “national annual target figure” shall be—
 - (a) for 2010, 126 MtC, and
 - (b) for each subsequent year, three per cent below the value in the preceding year.
- (3) In this Act “MtC” means million tonnes of carbon equivalent.

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2 Sectoral targets for reducing carbon dioxide emissions

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- (1) It shall also be a duty of the Prime Minister to take steps to ensure that the sectoral targets for emissions of carbon dioxide in any one year do not exceed the sectoral annual target figures for that year, for every year from 2010 to 2050, for each of the sectors listed in Schedule 1.
- (2) In this Act the “sectoral annual target figures” shall be—
 - (a) for 2010, the values specified in the table in Schedule 1, and

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- (b) for each subsequent year, the values specified in the strategy referred to in section 3, or in any subsequent revisions to that strategy.
- (3) Schedule 1 (which specifies sectoral annual target figures) shall have effect.
- (4) The Secretary of State may by regulations made by statutory instrument define the sectors listed in Schedule 1. 5
- (5) Regulations under subsection (4) are subject to annulment in pursuance of a resolution of either House of Parliament.

3 Strategy and reports

- (1) The Prime Minister shall lay before Parliament, within one year of the commencement of this Act, a strategy to achieve the reductions in United Kingdom carbon dioxide emissions which are required to meet the national annual target figure and the sectoral annual target figures. 10
- (2) The strategy referred to in subsection (1) shall include—
- (a) policies intended to reduce United Kingdom carbon dioxide emissions;
 - (b) an analysis of the performance of policies previously implemented with the intention of reducing United Kingdom carbon dioxide emissions; 15
 - (c) an analysis of the impact of Government taxation and expenditure policies on United Kingdom carbon dioxide emissions; and
 - (d) an assessment of steps which could be taken to reduce United Kingdom carbon dioxide emissions according to the “polluter pays” principle. 20
- (3) It shall be the duty of the Prime Minister to make a motion for a resolution approving that strategy in the House of Commons.
- (4) It shall be the duty of a Minister of the Crown to make a motion for a resolution approving that strategy in the House of Lords. 25
- (5) The Prime Minister shall, one year after the publication of the strategy, and annually thereafter, lay before Parliament a report on progress in implementing the strategy and any revisions to the strategy he proposes to make.
- (6) It shall be the duty of the Prime Minister to make a motion for a resolution approving in the House of Commons every report before Parliament under subsection (5). 30
- (7) It shall be the duty of a Minister of the Crown to make a motion for a resolution approving in the House of Lords every report before Parliament under subsection (5). 35
- (8) The Comptroller and Auditor General shall, within 30 days of the publication of the strategy and any subsequent report on the strategy, lay before Parliament a report assessing the validity of the assumptions which underpin the strategy and any subsequent report on the strategy and the statistical information they contain. 40
- (9) In this section “the “polluter pays” principle” is, in relation to carbon dioxide emissions, the principle that persons responsible for generating carbon dioxide emissions should make a financial contribution to the cost of measures implemented to reduce such emissions, whether by taxation or otherwise,

commensurate with the scale of the carbon dioxide emissions for which they are responsible.

4 Action to be taken in the event of the national annual target figure being exceeded

- (1) If, in any one year, United Kingdom carbon dioxide emissions exceed the national annual target figure for that year, the report laid before Parliament under section 3(5) shall additionally include –
 - (a) an assessment of the reasons why the national annual target figure for that year was exceeded; and
 - (b) a revision or revisions to the strategy required to achieve the national annual target figure for the next and subsequent years.
- (2) If, in any one year, United Kingdom carbon dioxide emissions exceed the national annual target figure for that year by more than five per cent, the report laid before Parliament under section 3(5) shall be referred to a select committee of the House of Commons which may consider the report and recommend revisions to the strategy intended to ensure that the national annual target figure for the next year and subsequent years is achieved.
- (3) The motion made in the House of Commons under section 3(6) must enable the House of Commons to reach a decision on any recommendations made under subsection (2) and (4).
- (4) If, in any one year, United Kingdom carbon dioxide emissions exceed the national annual target figure for that year by more than ten per cent then, in addition to the measures provided for in subsections (1), (2) and (3), the select committee referred to in subsection (2) shall consider whether the salary of the Prime Minister for the financial year in which the report laid under section 3(5) was laid should be reduced by up to 10 per cent, and shall make a recommendation concerning the Prime Minister's salary.

5 Action to be taken in the event of a sectoral annual target figure being exceeded

- (1) If, in any one year, any of the sectoral annual target figures for that year has been exceeded, the report laid before Parliament under section 3(5) shall additionally include –
 - (a) an assessment of the reasons why a sectoral annual target figure or figures for that year was exceeded; and
 - (b) a revision or revisions to the strategy required to achieve the sectoral annual target figures for the next and subsequent years.
- (2) If, in any one year, any of the sectoral annual target figures for that year has been exceeded by more than five per cent, the report laid before Parliament under section 3(5) shall be referred to a select committee of the House of Commons which may consider the report and recommend revisions to the strategy intended to ensure that the sectoral annual target figures for the next and subsequent years are achieved.
- (3) The motion made in the House of Commons under section 3(6) must enable the House of Commons to reach a decision on any recommendations made under subsection (2) and (4).

- (4) If, in any one year, any of the sectoral annual target figures has been exceeded by more than ten per cent then, in addition to the measures provided for in subsections (1), (2) and (3), the select committee referred to in subsection (2) shall consider whether the salary of the prescribed Minister of the Crown for the financial year in which the report laid under section 3(5) was laid shall be reduced by up to 10 per cent, and shall make a recommendation concerning the Minister's salary. 5
- (5) The Prime Minister shall, for the purposes of subsection (4), prescribe which Minister of the Crown has responsibility for each of the sectors listed in Schedule 1. 10
- 6 Duty of Members of House of Commons to publish annual reports relating to climate change**
- It shall be the duty of each Member of the House of Commons, within one month of the first anniversary of their election to the House of Commons, and annually thereafter, to publish an annual report specifying, for the period covered by the report— 15
- (a) how they have voted in divisions in the House of Commons relating to climate change;
- (b) any action they have taken to hold Ministers to account for policies relating to climate change; and 20
- (c) any other action they have taken to help prevent climate change.
- 7 Duty of Prime Minister relating to other climate change targets**
- (1) It shall be a duty of the Prime Minister to take steps to ensure that each of the targets listed in Schedule 2 is achieved.
- (2) Schedule 2 (which lists certain government targets relating to climate change) shall have effect. 25
- (3) The Secretary of State may, by order made by statutory instrument, add to the list of targets in Schedule 2.
- (4) An order under subsection (3) is subject to annulment in pursuance of a resolution of either House of Parliament. 30
- 8 Expenses**
- There shall be paid out of money provided by Parliament—*
- (a) *any expenditure incurred by a Minister of the Crown or by a Member of the House of Commons by virtue of this Act;*
- (b) *any increase attributable to this Act in the sums payable out of money so provided under any other enactment.* 35
- 9 Short title and extent**
- (1) This Act may be cited as the Climate Change Act 2006.
- (2) This Act extends to— 40
- (a) England and Wales,
- (b) Scotland, and
- (c) Northern Ireland.

SCHEDULES

SCHEDULE 1

Section 2

SECTORAL ANNUAL TARGET FIGURES

<i>Sector</i>	<i>Annual target figure</i>	
Power stations	37.4 MtC	5
Refineries	5.5 MtC	
Residential	20.5 MtC	
Services	7.5 MtC	
Industry	31.6 MtC	
Road transport	34.5 MtC	10
Other transport	4.0 MtC	
Land use change	2.5 MtC	
Afforestation	-0.7 MtC	

SCHEDULE 2

Section 7

GOVERNMENT TARGETS RELATING TO CLIMATE CHANGE

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|---|---|----|
| 1 | Domestic energy efficiency to improve by 20 per cent from 2010 levels by 2020. | |
| 2 | Non-domestic energy efficiency to improve by 7.9 MtC by 2010, and by a further 4.0 MtC by 2020. | |
| 3 | Ten per cent of electricity to be generated from renewable resources by 2010, and 20 per cent by 2020. | 20 |
| 4 | The strategy published in pursuance of section 82 of the Energy Act 2004 (c. 20) (microgeneration) to be implemented. | |
| 5 | Ten gigawatts of combined heat and power to be generated by 2010. | |
| 6 | 5.75 per cent of transport fuel to be produced from renewable resources by 2010. | 25 |

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Presented by Mr Michael Meacher

supported by

*Mr Tim Yeo, Norman Baker, Mr John Gummer,
Robert Key, Vera Baird, Joan Ruddock,
Emily Thornberry, Tony Lloyd, Andrew George,
Mr Martin Horwood and Mr Mike Weir.*

*Ordered, by The House of Commons,
to be Printed, 13th July 2005.*

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PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS

LONDON — THE STATIONERY OFFICE LIMITED

Printed in the United Kingdom by

The Stationery Office Limited

£x.xx