



**Chambers  
Ireland**  
Advancing business together



## Chambers Ireland opening statement to the Joint Oireachtas Committee on Environment and Climate Action

January 2022

Chambers Ireland has, since the publication of the 2019 Climate Action Plan, been calling on Government to integrate Carbon Budgeting within the decision-making process of all State agencies.

If we are to be serious about our 51% reduction targets for 2030, and our net-zero aspirations for 2050, the State has to incorporate the carbon impact of its actions and its policies into its decision matrices, or else the long-term climate costs will continue to be deferred against short term fiscal incentives.

Our 2018 greenhouse gas emissions, which our 2030 targets are based upon, mean that we must be emitting no more than 33.5 million tonnes of CO<sub>2</sub> equivalent by the end of this decade.

Collectively the State, though its wide range of agencies, is the primary player when it comes to CO<sub>2</sub> emissions. The State is the largest energy consumer in the country, but even more importantly, its decisions shape the environment that the rest of us, the business community and the public, navigate in our daily lives.

Nationally, our track record to date on emissions reductions has been extremely poor with our benchmark 2018 emissions being almost 10% higher than our 1990 levels – our emissions in 2022 will be still higher than they were in 1990.

Chambers Ireland is generally supportive of the Carbon Budgeting proposal that was published by the Climate Change Advisory Council. Carbon Budgeting is a useful tool for ensuring appropriate public policy making because ultimately it is the activities of the State that bind us to our current behaviour and limit the range of our potential activities.

However, if, instead of being a mechanism to direct state policy, a Carbon Budget is used as a mechanism for allocating CO<sub>2</sub> emissions between different sectors in society, it will do no more than act as a multiplier on the existing carbon taxes.

If we in the business community, and all of us in our wider society, are to be able to transition to less polluting alternative energy sources, we need the State to have laid the groundwork to ensure that those alternatives are available. There's little point trying to send out market signals through the price mechanism if more environmentally sustainable substitutes are not available.

Across successive Governments, the State's response to greenhouse gas emissions, and climate crisis in general, has been characterised by inactivity.

Inaction around the CO<sub>2</sub> emissions consequences of policies are just as damaging to our environment as actions that actively pollute.

When communities are planned without integrated public transport networks and active transport links, the State relies on people using cars to fill in the gap where those services ought to be. When housing estates are built with no pedestrian access to shops and schools, that is the State locking in decades of transport associated CO<sub>2</sub> emissions.

Inactivity has caused the long delay in creating regulatory and planning certainty for offshore renewable energy. While we greatly welcome the recent passing of the Marine Area Planning Bill the problem shouldn't have taken fifteen years to progress, this has meant that that we have not been able to develop a clean offshore wind energy industry. A lack of action which has locked in decades of fossil fuel emissions.

The main benefit to introducing Carbon Budgeting is that it will no longer allow administrations to defer action as the rolling five-year budgets require immediate action, and to this end it needs to become a key element of both the planning process, and the planning programmes of Government.

This decade will see an enormous investment in the built fabric of our country, between the National Development Plan infrastructure, and the hundreds of thousands of housing units that we so desperately need, a huge amount of 'extra' CO<sub>2</sub> is going to be released, even as we are attempting to curtail emissions. An effective Carbon Budgeting mechanism should accelerate the delivery of projects that will decrease our CO<sub>2</sub> consumption. Carbon Budgeting incentivises us to take the bigger, harder actions first. Commencing difficult tasks is never an easy political move, but early action will be rewarded by a Carbon Budgeting system. And, in the longer run, taking impactful action immediately will afford us more options and greater flexibility as time progresses and our timelines to net-Zero are inevitably brought forward.

It is vital that all elements within the State consider not only the carbon output of the decisions that are being taken, but also the associated second order effects that those decisions cause in the public through shaping our behavioural responses.

This is the reason why Chambers Ireland has been calling on Government to consider Carbon Budgeting within their decision making. The 300,000 housing units that will be built over the next few years as part of "Housing for All" will, in general, stand for at least a hundred years.

Where they are located, what services are available to them within a fifteen-minute walk, will determine what a century of emissions will look like.

Given that our members are based in cities and towns across Ireland, we found it heartening that the Climate Change Advisory Council have a sense that on transport

“liveable cities are the ‘easy’ bit”. We do however have to say that, if making city and town centres attractive places to live and work is the easy part of this process of transition to a decarbonised economy then the vast majority of people are going to be shocked by the enormity of the task we have ahead of us.

Even very small movements towards reactivating vacant and underutilised property are happening at a pace that suggests we will not have made much ground by 2030. The prioritisation of various transport projects echoes the same. And the lack of urgency around offshore renewable energy speaks to a lack of coherence in the State’s overall approach to the decarbonisation of our society.

Chambers Ireland hopes that Carbon Budgets will be the tool that finally spurs us into action.