STATES OF JERSEY



CARBON NEUTRAL ROADMAP (P.74/2022): AMENDMENT

Lodged au Greffe on 7th April 2022 by the Environment, Housing and Infrastructure Scrutiny Panel Earliest date for debate: 25th April 2022

STATES GREFFE

2022 P.74 Amd.

CARBON NEUTRAL ROADMAP (P.74/2022): AMENDMENT

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Insert a new paragraph (c) as follows;

- (c) to request the Minister for the Environment (or if created following the successful adoption of paragraph (b), the new Minister for Energy and Climate Change) to
 - i. establish an independent, scientific Climate Council for Jersey with a composition, scope and focus that is proportionate to Jersey's size, the full terms of reference and membership of which should be agreed by the States following a detailed proposal brought forward by the Minister before the end of 2022;
 - ii. bring forward a budget proposal for the Climate Council, to be agreed by the States before the end of 2022, and reviewed every 4 years to ensure that the Council is provided with appropriate funding;
 - iii. present to the States, on behalf of the Climate Council, an annual report prepared autonomously by the council which reports on and evaluates the Government of Jersey's progress on reducing carbon emissions and the climate change policy initiatives being delivered by the Carbon Neutral Roadmap;
 - iv. ensure that the membership of the Climate Council shall not include members of the States and must include:
 - (a) an odd number of members.
 - (b) a Chair chosen by the membership.
 - (c) one member with expertise in the field of Energy.
 - (d) one member with expertise in the field of Economics.
 - (e) one member with expertise in the field of Climate Technology; and
 - v. ensure that the focus of the Climate Council includes (but is not necessarily limited to):
 - 1. providing independent science-based advice on setting and meeting carbon budgets and preparing for climate change.
 - monitoring progress in reducing emissions and achieving carbon budgets and targets and recommending actions to keep Jersey on track.
 - 3. conducting independent analysis into climate change science, economics and policy.
 - 4. engaging with a wide range of organisations and individuals to share evidence and analysis.

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Insert a new paragraph (d) as follows –

(d) the Carbon Neutral Roadmap should be further amended in such respects as may be necessary consequent upon the adoption of paragraph (c).

ENVIRONMENT, HOUSING AND INFRASTRUCTURE SCRUTINY PANEL

Note: After this amendment, the proposition would read as follows –

THE STATES are asked to decide whether they are of opinion –

- (a) to refer to their Act dated 2nd May 2019, in which they agreed that there existed a climate emergency likely to have profound effects in Jersey and, in order to respond to the climate emergency, to approve the Carbon Neutral Roadmap for Jersey as set out in the Appendix to the report accompanying the proposition; and
- (b) to recommend that, at the start of the next Assembly, the Chief Minister considers creating a new ministerial portfolio for Energy and Climate Change.
- (c) to request the Minister for the Environment (or if created following the successful adoption of paragraph (b), the new Minister for Energy and Climate Change) to
 - i. establish an independent, scientific Climate Council for Jersey with a composition, scope and focus that is proportionate to Jersey's size, the full terms of reference and membership of which should be agreed by the States following a detailed proposal brought forward by the Minister before the end of 2022;
 - by the States before the end of 2022, and reviewed every 4 years to ensure that the Council is provided with appropriate funding;
 - present to the States, on behalf of the Climate Council, an annual report prepared autonomously by the council which reports on and evaluates the Government of Jersey's progress on reducing carbon emissions and the climate change policy initiatives being delivered by the Carbon Neutral Roadmap;
 - iv. ensure that the membership of the Climate Council shall not include members of the States and must include:
 - (a) an odd number of members.
 - (b) a Chair chosen by the membership.
 - (c) one member with expertise in the field of Energy.
 - (d) one member with expertise in the field of Economics.
 - (e) one member with expertise in the field of Climate Technology; and

- v. ensure that the focus of the Climate Council includes (but is not necessarily limited to):
 - 1. providing independent science-based advice on setting and meeting carbon budgets and preparing for climate change.
 - monitoring progress in reducing emissions and achieving carbon budgets and targets and recommending actions to keep Jersey on track.
 - 3. conducting independent analysis into climate change science, economics and policy.
 - 4. engaging with a wide range of organisations and individuals to share evidence and analysis.

(d) the Carbon Neutral Roadmap should be further amended in such respects as may be necessary consequent upon the adoption of paragraph (c).

REPORT

Summary

Resultant of the Environment, Housing and Infrastructure Scrutiny Panel's (hereafter 'the Panel') review of the Carbon Neutral Roadmap, the Panel has identified that no independent oversight process has been established for P.74/2022 - Carbon Neutral Roadmap. The Panel has undertaken desktop research to consider best practice in relation to climate policy governance within other jurisdictions. Considering the outcomes evidenced through its research, in accordance with the terms of reference for its review, the Panel is proposing this amendment to P.74/2022 to address the gap which has been identified. The Panel's amendment seeks to enable the creation of an independent, scientific council; the membership, composition and size of which would be determined by the Government of Jersey (GoJ) as a proportionate undertaking for Jersey as a small island.

The independent, scientific council will enhance the governance and oversight of the long-term delivery of the Carbon Neutral Roadmap through providing weight and accountability to climate policy processes. It will enhance the governance framework already proposed by P.74/2022 to further the commitment and accountability of the Roadmap over the long-term. Fundamentally, it will assist in keeping the GoJ on track to meet its climate objectives and to hold the GoJ accountable.

Background and context

P.74/2022 proposes the high-level carbon reduction policies for the next four years (2022-2025) and a pathway between 2022-2050 for Jersey's journey to net-zero carbon emissions by 2050.

Considering the extended timeline for the Carbon Neutral Roadmap workstream; the development, implementation and delivery of policies will expand multiple Government terms. Moreover, policies will need to be coordinated across different layers of Government, as well as across the public and private sectors. During this time, climate technology¹ will continue to advance and the policies and delivery plans will need to be continually updated in line with scientific and technological advancements, as well as Jersey's societal and economic commitments.

The policy systems developed and implemented must aim to reconcile short-term mitigation actions with long-term goals, while tracking progress to remain on course. Moreover, to be ultimately effective, the ongoing policy decisions must not only be based on the up-to-date scientific knowledge but should also allow for public and stakeholder participation to enhance transparency and societal support for what is an economy-wide undertaking.

Technologies that we use to address climate change are known as climate technologies. Climate technologies that help us reduce GHGs include renewable energies such as wind energy, solar power and hydropower. To adapt to the adverse effects of climate change, we use climate technologies such as drought-resistant crops, early warning systems and sea walls. There are also 'soft' climate technologies, such as energy-efficient practices or training for using equipment.

¹ What are climate technologies?

In light of the above, many jurisdictions have implemented:

- 1. **framework climate laws** climate laws formalise government processes, often enshrining iterative cycles for policy-making, planning and progress monitoring, and assigning responsibilities to new or existing institutions.
- 2. **national advisory bodies** broaden the scope of stakeholder consultation and, especially in the case of independent, scientific councils, inject evidence-based input into policy formulation.

Types of national advisory bodies

A commissioned 2021 report² by the European Environment Agency (EEA) provides a comprehensive mapping of 57 national climate change advisory bodies in its 32 member countries, including in the United Kingdom, and provides analysis of their national governance contexts. All 57 advisory bodies can be grouped into four types based on their composition and connections to government:

- 1. **Independent, scientific councils** (are autonomous and consist solely of scientific experts).
- 2. **In-house scientific advisory bodies** (are formal governmental bodies that engage/employ scientific experts to advise).
- 3. **Stakeholder engagement platforms** (are independent stakeholder engagement and advisory forums and provide opportunity for input from civil society, private sector and government).
- 4. **Stakeholder and/or inter-ministerial roundtables** (are positioned within or connected to government and therefore are not a fully independent or autonomous function).

It's the Panel's understanding that Jersey has utilised, and will continue to utilise within its proposed governance structure, some of the functions attributed to the abovementioned bodies. The Panel has already observed this through the Climate Conversation and Citizens' Assembly on Climate Change process, to date. Whereby, an independent, Expert Advisory Panel on Climate Change was established to facilitate the process, as well as through the utilisation of numerous methods to involve stakeholder and civic engagement. Notwithstanding this, the Panel has observed that the governance framework for the long-term development and delivery of the Roadmap's climate policies does not propose any form of continued independent, scientific oversight or involvement.

Composition and focus of national advisory bodies

While the research of the EEA identifies that almost every European country has a national advisory body on climate change policy, these may differ greatly, in terms of composition and focus.

By May 2021, twelve countries had established independent scientific climate councils to varied degrees including the United Kingdom (typified as a truly independent, scientific climate advisory body), Denmark, Estonia, Finland, France, Greece, Ireland, Luxembourg, Netherlands, Norway, Sweden, Germany and Switzerland.

² <u>European Environment Agency (EEA) – Climate Governance Systems in Europe: the role of national advisory bodies</u>

The size and available resources also vary across the independent scientific councils, with members ranging from 4 to 15, however, most councils purposefully encompass an odd number of members to mitigate deadlock of opinions. In addition, annual budgets vary significantly from EUR 200,000 to EUR 4 million.

During the Panel's review hearing with the Minister for the Environment, concern was raised by the Ministerial team regarding the cost impact of implementing such a council for Jersey.³ However, as previously mentioned, it is plausible to establish and operate such councils on varied budgets depending on their scope and size. As a result, when scoping an independent, scientific council for Jersey this can be factored in as a proportionate response relative to Jersey's small size. This approach has already proven possible through the establishment of the Expert Advisory Panel for the Citizens' Assembly on Climate Change which had a 6-member membership. The expert advisory panel to the Citizens' Assembly on Climate Change cost £22,000 (based on payments of £500 per day to 5 members of the expert panel)⁴.

It is noted in the EEA report that the establishment of an independent, scientific council does not make any existing stakeholder platforms and/or inter-ministerial roundtables obsolete. As a result, many jurisdictions have established numerous bodies with overlapping competencies. However, the research has revealed that independent, scientific councils do provide unique added-value for evidence-based policy making and accountability.

The Panel notes that Jersey's Roadmap proposes the establishment of a Carbon Neutral Network (previously the Carbon Neutral Alliance) to facilitate further stakeholder engagement and policy development work which will be implemented by the Minister for the Environment upon the Assembly's agreement of the Carbon Neutral Roadmap. Therefore, as evidenced within the research, the establishment of an independent, scientific council for Jersey will provide added value, while the proposed Carbon Neutral Network will maintain its relevance and function for stakeholder engagement.

Why Jersey should establish an independent, scientific council

The EEA's research identified that beginning with the Climate Change Committee⁵ in the United Kingdom in 2008 and accelerating in the lead-up and years following the adoption of the Paris Agreement, independent, scientific climate councils are increasing across Europe.

Independent, scientific climate councils, are composed solely of scientific experts in a range of topics, including climate science, economics and political and behavioural science. The work of these independent scientific councils is conducted outside government and viewed as fully autonomous; they are often mandated specifically to serve an oversight role.

Based on their mandates, independent scientific climate councils appear to serve three key functions in a governance context:

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³ Transcript – Review Hearing with the Minister for the Environment – Pg.20 -25

⁴ Public Accounts Committee Report 'Use and Operation of Citizens' Panels, Assemblies and Juries in Jersey' [P.A.C.1/2022]

⁵ The United Kingdom's Climate Change Committee

- 1. **Watchdogs**: act as policy monitors, adding weight and accountability to climate policy processes through policy evaluation and targeted quality checks.
- 2. **Advisors**: seek to improve climate policy by providing scientific guidance and making concrete policy recommendations.
- 3. **Convenors**: engage stakeholders and/or private citizens through formal or informal channels to broaden climate policy discourse.

Benefits of independent, scientific councils

Evidence suggests that of the four types of advisory bodies, independent, scientific councils provide tangible advantages including the following:

- ➤ the provision of **reliable**, **evidence-based recommendations**.
- > there may be a **greater perceived objectivity of policy assessments** conducted by scientific councils compared to advisory bodies that include government officials or stakeholders with private interests.
- working outside government, they are often viewed by civil society as credible monitors of progress towards a country's climate aims (a check on government action or inaction).
- > generally **observed in countries having more robust climate governance systems** overall, in most cases enshrined in overarching framework laws.
- > can be positioned to enhance the accountability of a national governance system.
- there is a high potential for **cross-border coordination and exchange**.
- ➤ there is a large appetite for **continued good practice exchange** as advisory bodies begin to take on additional responsibilities and roles against the backdrop of EU-level developments.
- advisory body representatives emphasised the potential value of a continuous dialogue on evaluation methodologies, pooling resources and data as well as the weight and added legitimacy that a European network of climate advisors would have in EU policy circles.

Barriers to effectiveness of independent, scientific councils

The Panel is mindful that barriers to the effectiveness of an independent, scientific council also exist and raises awareness that the evidence suggests that this is only as strong as the associated governance context allows. Therefore, to achieve the benefit of such councils, the following barriers must be understood and accordingly addressed by the GoJ:

- **Effectiveness depends on several factors**, including its composition, mandate, capacity and overall visibility in the climate policy discourse.
- ➤ **Resource constraints** were found to be one of the primary barriers to policy impact.
- ➤ The **level of funding** directly influences the size of the supporting staff, operating capacity, depth of analysis carried out and capacity to engage with stakeholders.
- Numerous climate councils are **unable to provide the quantitative detail** they would like when it comes to policy evaluations and assessment of projected policy impact, both of which require in-depth analysis or modelling.

> The specific (or unspecific) nature of the **mandate influences the degree of influence** that councils have in policy formulation, as well as their overall effectiveness in keeping governments on track and holding them accountable.

Notwithstanding the barriers noted above, it has been evidenced throughout jurisdictions that through establishing a specific mandate, with concrete tasks, reporting requirements, and timeframes within which to provide science-based input - that an independent, scientific council can have an impactful role in the climate policy process.

Jersey's proposed approach to governance

P.74/2022 proposes that internal steps will be taken for governance and accountability of the Roadmap over the long term. However, the Panel is not aware of any independent oversight, monitoring and reporting being proposed. Though, the following is being proposed within the Roadmap to enhance commitment and accountability:

- ➤ the establishment of a Ministerial Portfolio with responsibility for Energy and Climate change to oversee the planned energy market review, which will need to ensure Jersey's statutory and regulatory framework remains fit-for-purpose in a new energy future to balance energy affordability, sustainability, and security of supply issues.
- ➤ a new Standing Scrutiny Panel on Energy and Climate Change is recommended to underpin commitment to the Carbon Neutral Roadmap.
- revised programme governance and management arrangements will be in place. This includes a new Programme Office in SPPP and a review planned for 2026.
- ➤ a Carbon Neutral Network will be created which will be coordinated by the Programme Office to facilitate further stakeholder engagement and policy development.

The Carbon Neutral Roadmap outlines the following structure for improving commitment to the process:

Committing to the Carbon Neutral Roadmap			
Transparent Reporting	International commitment	Leadership from Government	Strengthening civic voice
Greenhouse gas emissions published annually with commentary on progress against trajectory	Extension of the UK's ratification of the Paris Agreement on Climate Change to Jersey	Establish a Ministerial portfolio with responsibility for Energy and Climate Change	Establish a mechanism to take a representative snapshot of citizens' views about progress in delivering the Roadmap, no later than 2028 and at least once a decade until 2050
Improved sustainability reporting for Government and public sector agencies	Continued compliance with existing international agreements	Commitment to meet the identified milestones and take the preparatory steps needed to meet future milestones, and to publish a projection of progress	Invest in building civic and business capacity and leadership on decarbonisation
Commitment to high quality Environmental Social and Governance reporting by Jersey businesses	Extension of other relevant treaties (including Kigali amendment to Montreal Protocol)	Commitment to publish an updated delivery plan after each general election	Introduction of a small grants scheme to invest in grassroots action to tackle climate change
Underpinned by a new Standing Scrutiny Review Panel on Energy and Climate Change			

Figure 11: Summary of proposed commitment devices required for the Carbon Neutral Roadmap

Purpose of the Panel's amendment

On reviewing the proposals for governance in the Roadmap, the Panel raises concern that no formal framework for independent, scientific oversight is being proposed for the complete term of the Roadmap, therefore it appears that the GoJ will be 'marking its own homework' in respect of this aspect of the delivery of the Roadmap's objectives between 2022 -2050.

The Panel is of the opinion that for effective governance to be achieved, benchmarking is fundamental to that process. This should involve the comparison of Jersey's governance framework (structures and processes) with best practice in other jurisdictions. The EEA's report provides an overview of each jurisdiction's governance systems (Pg.54 of EEA's Report) and the full typology of national climate change advisory bodies (Pg.62 of EEA's Report). This research could be a useful baseline on which to benchmark Jersey's existing or proposed governance structure with best practice. The Panel notes that the United Kingdom's Climate Change Committee has been typified within the research as a truly independent, scientific climate advisory body. Essentially, it is regarded as the gold standard for independent, scientific councils on which other jurisdictions are founding their councils, however, with a scope and focus that is proportionate and appropriate for their jurisdiction.

On observing the Citizens' Assembly on Climate Change process, the Panel highlights that the process undertaken to date to develop the Carbon Neutral Roadmap has involved an independent, Expert Advisory Panel, which would not be dissimilar to the type of independent, scientific council that the Panel is proposing through its amendment to P.74/2022. The Panel highlights the importance of maintaining the same level of scientific contribution and oversight going forward, considering that with the Assembly's approval of the Carbon Neutral Roadmap, Jersey's transition to net-zero will effectively only be the start of a long journey. As such, the same level of commitment, expertise and oversight should be afforded over the long-term to ensure as robust a governance framework as possible.

The Panel raised the importance of an independent, scientific body for Jersey to receive expert advice, monitoring and reporting for the delivery of the Carbon Neutral Roadmap during its public review hearing with the Minister for the Environment and explored further whether any consideration had been given to the merits, or otherwise, of implementing an independent, scientific body for Jersey to oversee this workstream. From the evidence observed during the hearing it appears that the Minister for the Environment is satisfied with the governance structure as proposed within the Carbon Neutral Roadmap; whereby a new Ministerial portfolio for Energy and Climate Change, underpinned by a new standing Scrutiny Panel is proposed to hold the Government to account on the long-term delivery of the workstream.

The Panel is not discounting that Ministers, Government departments (including Strategic Policy, Planning and Performance), as well as Scrutiny, will indeed have a key role to play in oversight of the continued policy development and delivery of the Carbon Neutral Roadmap. However, it notes that a standing Scrutiny Review Panel will likely not encompass the expertise of a specially established scientific oversight body such as the Climate Change Committee in the UK, and indeed would have its own very different role to play, in any case.

⁶ <u>Transcript – Review Hearing with the Minister for the Environment – Pg.20 -25</u>

Therefore, a separate, independent, non-political body comprising the relevant expertise will instead enhance the overall governance and accountability of the process over the long-term policy cycle. Particularly, given that the nature of the long-term policy ambition will stretch over multiple political terms of government, arguably making ongoing, scientifically-orientated and independent oversight difficult or inconsistent if the oversight body was wholly political in its membership. In addition to this, due consideration would need to be given to the resourcing of a new standing Scrutiny panel which in any case would need to consider States Member availability and associated increases in staffing and Scrutiny budget.

Taking on board the above considerations, and without certainty in respect of resourcing, the Panel is unconvinced that reliance on the Scrutiny function as the only form of independent governance and oversight is neither sufficient, nor appropriate, in this circumstance.

Research has identified that together with framework climate legislation, an autonomous group of experts can help guide mitigation and adaptation planning. It has been recognised that despite the barriers highlighted within this report that independent, scientific climate councils add unique value to national governance of climate action. Moreover, in many jurisdictions, independent, scientific councils have proven to enhance transparency and accountability of existing government structures.

Conclusion

The Panel emphasises that through its amendment to P.74/2022 to create an independent, scientific climate council for Jersey, the transparency and accountability of Jersey's existing governance structure can be enhanced.

As previously mentioned, it is important to note that research has identified that the effectiveness of an independent, scientific council is only as effective as its governance context allows. Therefore, its effectiveness will depend on numerous factors including its composition, mandate, capacity and overall visibility in the climate policy discourse. In addition, available resources and funding will influence the council's capacity and resultant impact. This must be understood and accordingly addressed by the GoJ, should the Assembly choose to support and adopt this amendment.

Financial and manpower implications

The manpower implications in accepting this amendment will involve commissioning Government Officials to determine options for establishing an independent, scientific climate council that is proportionate to Jersey as a small island.

The financial implications of establishing such a council for Jersey will be dependent on the scope and focus of the council including its membership, composition and size. In addition to the financial implications to fund the membership of the council, further secretariat resource would be required to facilitate the council's work.

As explored earlier in this report, the budget for an independent, scientific council need not be an overly costly undertaking, if implemented in a proportionate manner. The expert advisory panel to the Citizens' Assembly on Climate Change cost £22,000 (based

on payments of £500 per day to 5 members of the expert panel)⁷. Although, it is accepted that the scope and operating context of a newly formed scientific council would be slightly different to that process, the Panel considers that establishing such a robust and independent governance framework would nevertheless bring considerable benefit to justify the additional cost.

As a result of revisions that were made to the proposed policy package for 2022-2025, the Vehicle Scrappage Incentive scheme will not be taken forward during 2022-2025 which has resulted in £410,000 available funding for that term. The Minister has advised⁸ the Panel this funding has been reallocated to policies HT3 ('Energy Performance Certificates'), TR1 ('Speeding up adoption of electric vehicles), and TR3 ('Supporting transition fuels'). However, the Panel is of the view that consideration could also be given to whether there is scope to reallocate the funds (at least in part) to the establishment of a climate council. Should this not be achievable, the Panel proposes that the Minister for the Environment seeks to secure additional funding from revenue allocated to the Climate Emergency Fund, and/or by raising a further funding bid in the next Government Plan 2023. It being noted that, if successful in its adoption, this amendment would also require a budget for the climate council to be approved by the States Assembly, in the first instance.

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⁷ Public Accounts Committee Report 'Use and Operation of Citizens' Panels, Assemblies and Juries in Jersey' [P.A.C.1/2022]

⁸ Minister for the Environment – Response to Written Questions – 28 March 2022