

New UK Climate Change Legislation November 2006

London, 30 October 2006 - Climate change legislation will form a fundamental part of the UK 's strategy to tackle climate change and address the issues raised by the Stern Review, Environment Secretary David Miliband announced today.

The Stern Review sets out the economic case for action on climate change, and concludes that the cost of inaction will be far higher than tackling climate change now.

Mr Miliband said the UK had already set out significant steps to strengthen the domestic programme on climate change through the Climate Change Programme and the Energy Review.

He added the legislation will put in place a credible long-term goal and framework for emissions reductions which will provide a firm basis on which business could plan ahead.

Mr Miliband said:

“This legislation will enable the UK to benefit economically by becoming a leading low carbon economy ahead of our competitors.

“The legislation will also demonstrate the UK 's commitment to taking action at home and so strengthen our ability to be global leaders in developing a future global climate change framework.

The climate change legislation will comprise four key elements:

- It will put the Government's long-term goal to ****reduce carbon dioxide emissions by 60 per cent by 2050 into statute**. How the target is defined and set, and how we measure and report on our progress, are fundamental issues that we are still considering. We will also consider appropriate interim targets.
- It will establish an independent body – the ****Carbon Committee** – to work with Government to reduce emissions over time and across the economy. Its advice will be open, transparent, equitable and mindful of sectoral and competitiveness impacts, including the need to secure energy supplies at competitive prices.
- It will create enabling powers to put in place new emissions reduction measures needed to achieve our goals.
- It will improve monitoring and reporting arrangements, including how the Government reports to Parliament.

Mr Miliband added: “Taken together these represent an ambitious and coherent package. We are determined to enhance Britain 's competitive position and believe that business in particular will benefit from the long-term framework that is so important for effective investment decisions.

“The legislation will be introduced as soon as parliamentary time allows. We are also determined to promote the widest possible debate across the country and in Parliament about the contents of the Bill.”

Notes to editors

1 The [Stern Review report on the Economics of Climate Change](#) can be found on the Treasury website at www.hm-treasury.gov.uk/

2 The Government also published today, for discussion with stakeholders, a vision statement on the future of the EU's Emissions Trading Scheme, which makes it clear that emissions trading is the Government's main preferred instrument for pricing carbon in the economy, and sets out some issues which need to be tackled as the scheme is further expanded, improved and linked to other international carbon trading schemes. In particular, and building on points raised in the Stern Review, it emphasises the importance of providing businesses with early certainty on the future carbon constraints they will face, and argues for an early EU commitment to achieve a 30 per cent reduction in greenhouse gas emissions by 2020.

The [report](#) can be accessed on the Treasury website at www.hm-treasury.gov.uk
[Text of David Miliband's oral statement to Parliament](#)
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