

# FROZEN: UK CLIMATE CHANGE POLICY IN THE AGE OF BREXIT

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# Early UK climate change action

**2001:** Climate Change Levy launched to tax fossil fuel energy used by businesses

**2002:** One of the first emissions trading schemes covering multiple industries

**2002:** Electricity suppliers required to secure power from wind, solar or other renewable energy sources

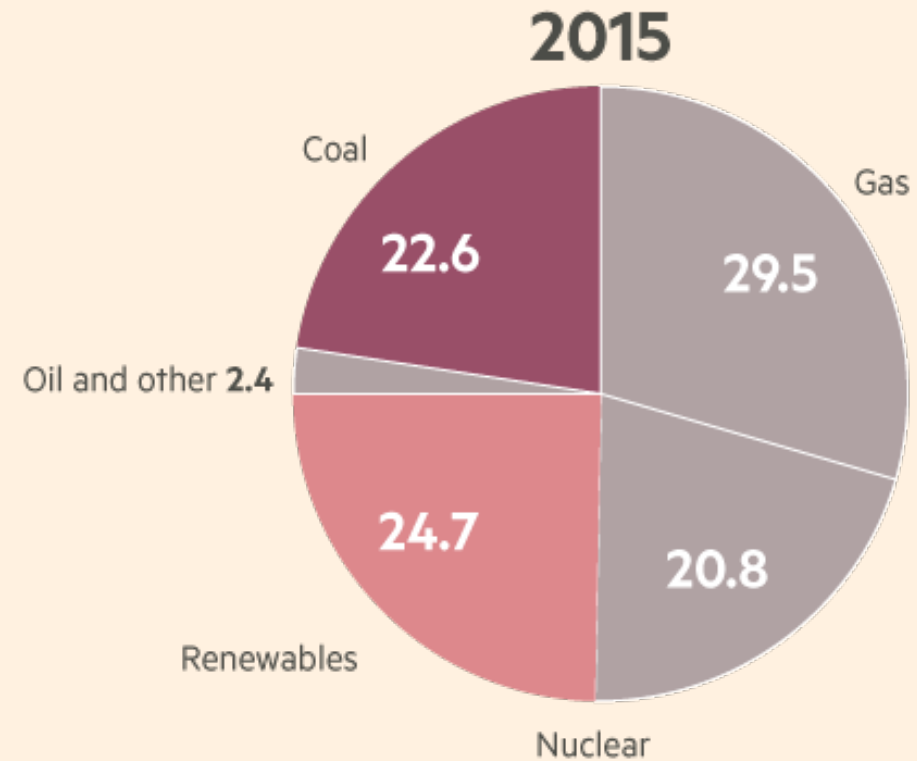
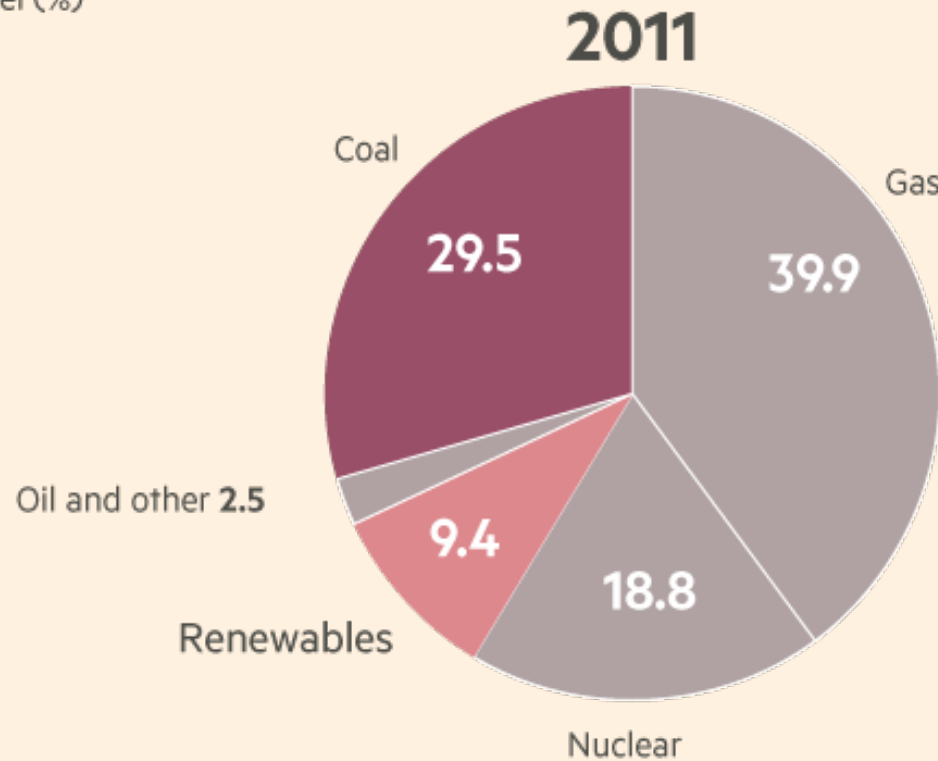


# Bipartisan support for climate policy

- **2006:** HM Treasury Stern report on economics of climate change
- **2008:** Climate Change Act sets legally binding emissions target and carbon budgets
- **2010:** Liberal Democrats run Department of Energy and Climate Change
- **2012:** £3.8bn committed to Green Investment Bank
- **2012:** £1bn set aside for Carbon Capture and Storage competition
- **2013:** Energy Bill provides long term contracts for renewable power generators
- **2013:** Carbon Price Floor set
- UK has more offshore wind installed capacity than the rest of the world combined
- Foreign Office climate change division promotes UK policy abroad

# The rise of renewables in UK power generation

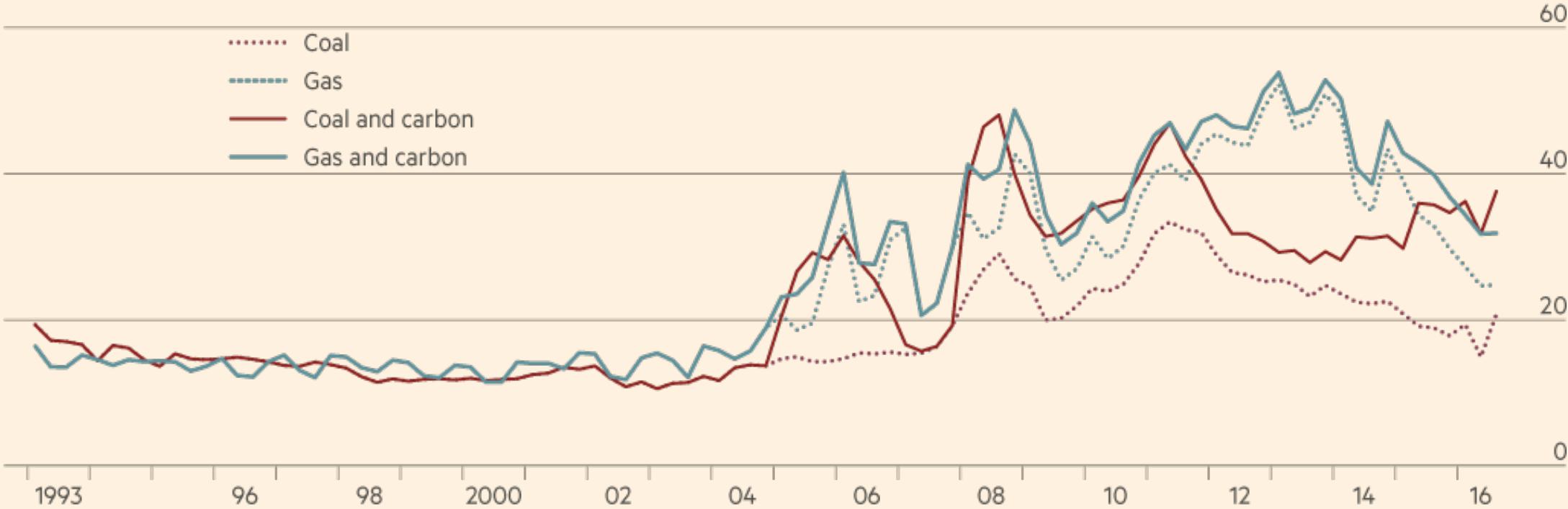
Electricity generated  
By Fuel (%)



Source: Department of Energy and Climate Change

# How the UK's carbon price floor is crushing coal

Generation cost  
£/MWh

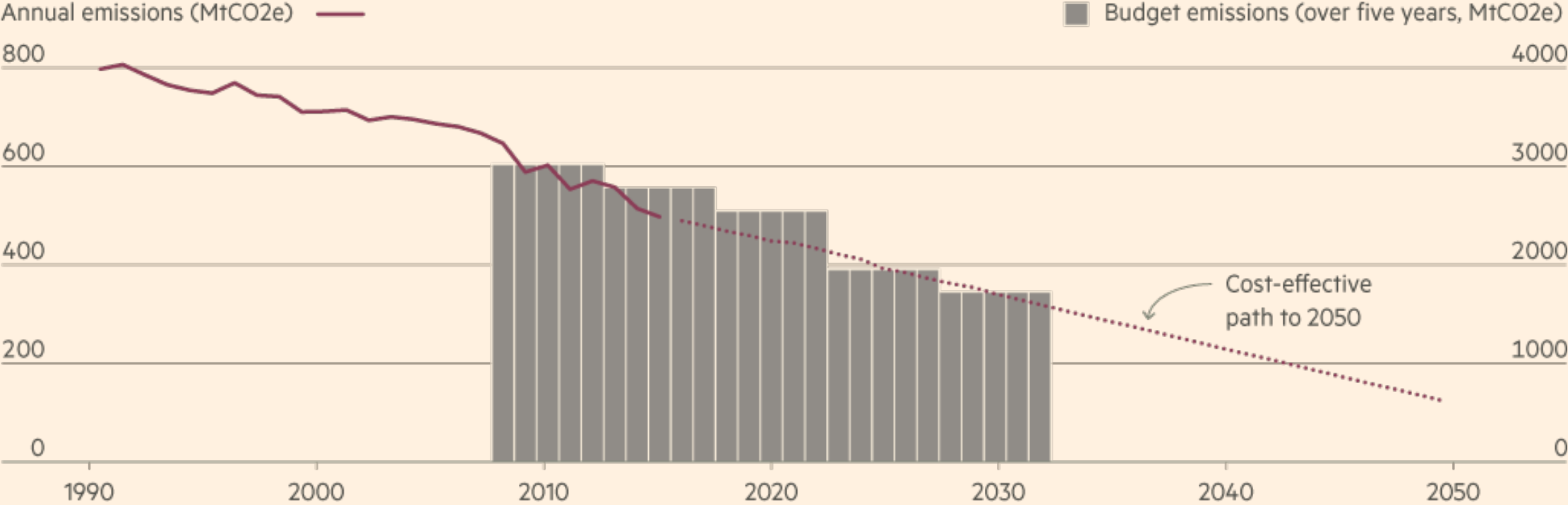


Source: Iain Staffell, Electric Insights Quarterly (2016 Q3)



# UK emissions down 38% since 1990

The fifth carbon budget continues the historical rate of emissions reduction



Source: CCC (2015) The Fifth Carbon Budget: the next step towards a low-carbon economy

**Figure 1.** The fifth carbon budget continues the historical rate of emissions reduction

# Court battle threat hangs over climate change law

ClientEarth urges ministers to introduce tougher policies to cut greenhouse gas emissions



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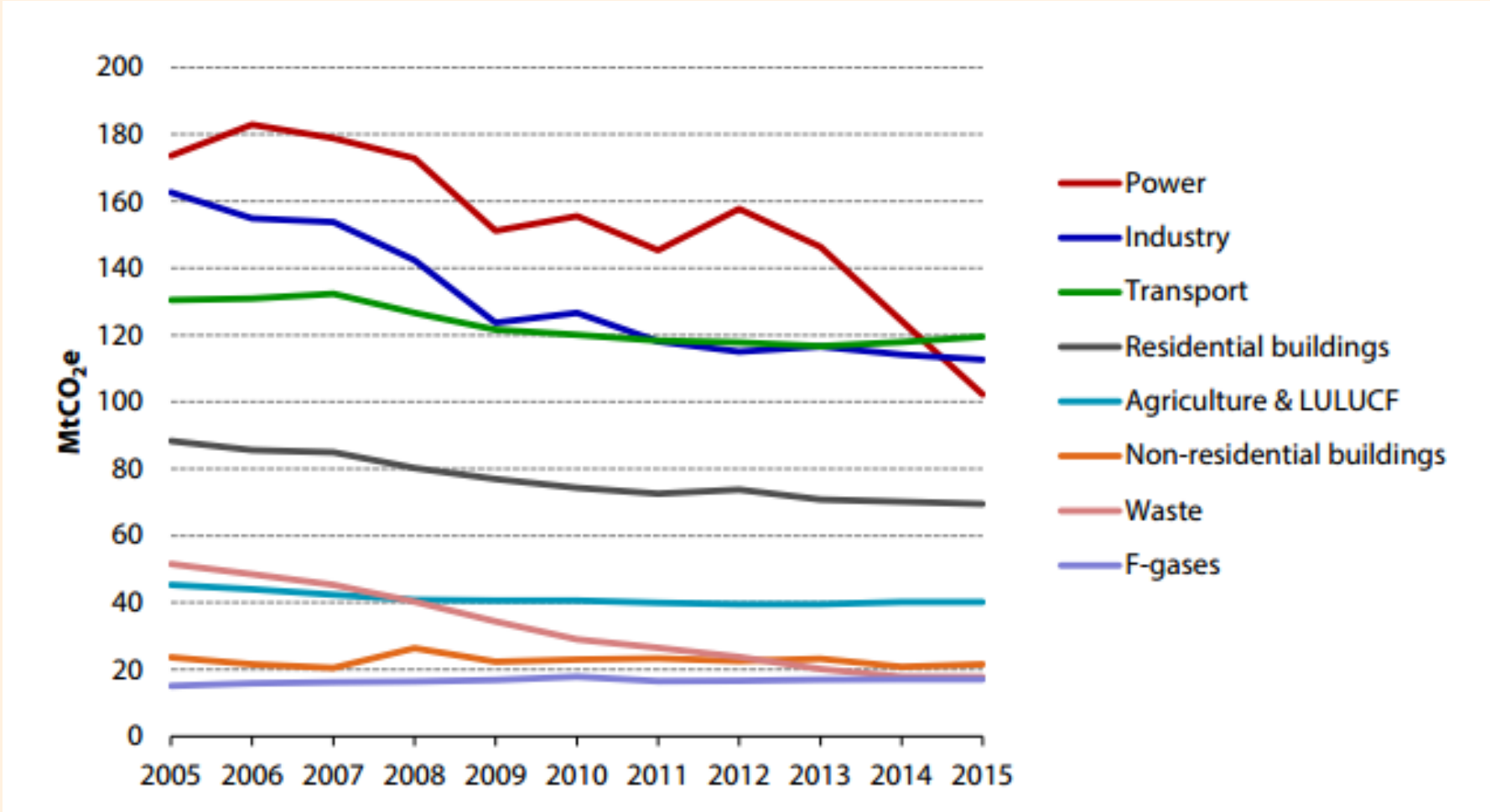
OCTOBER 11, 2016 by: **Pilita Clark**, Environment Correspondent



# Climate change action dips ahead of Brexit

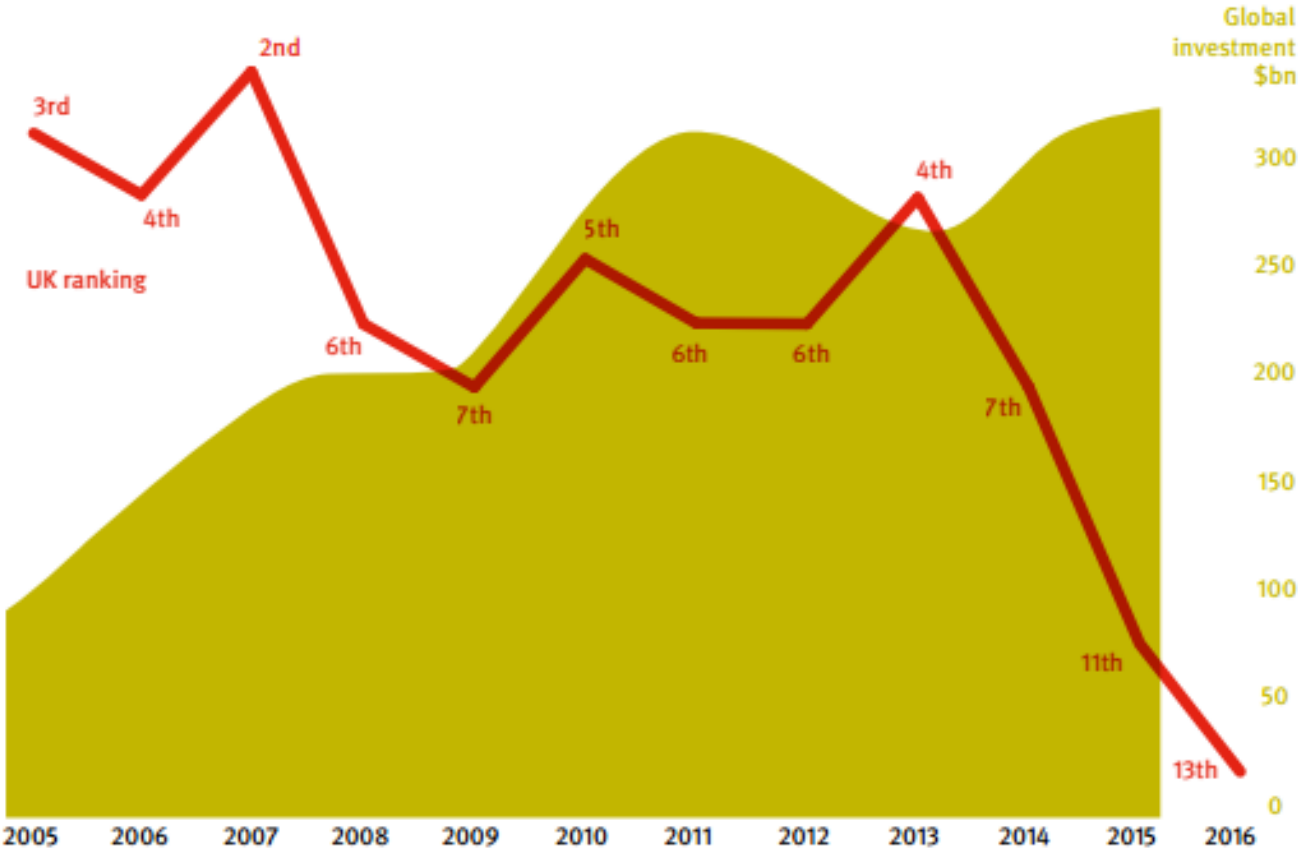
- Onshore wind power subsidies ended early
- Wind farm planning rules tightened
- Solar power support scaled back
- Support for fracking increases
- £1bn carbon capture and storage contest scrapped
- Tax exemptions for green energy generators ended
- Green Deal home energy saving program de-funded
- Zero carbon standards for new buildings abandoned
- Plans to privatise Green Investment Bank

# Power sector drives most of the UK's emission reduction



# Renewable energy investors cool on the UK

UK ranking in the EY renewable energy country attractiveness index vs global investment in renewables<sup>14</sup>



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# Waiting for Theresa May's next steps





# Any questions?

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