STATES OF JERSEY



CARBON NEUTRAL JERSEY: IN-COMMITTEE DEBATE

Presented to the States on 15th July 2021 by the Minister for the Environment

STATES GREFFE

REPORT

1. Introduction

- 1.1. Jersey has a good record of tackling its contribution to global climate change. On-Island carbon emissions¹ have fallen by over a third since 1990 and the island takes its global responsibilities seriously, acting in accordance with ratified international treaties on climate change.
- 1.2. Jersey has lower per capita carbon emissions than many jurisdictions of a similar size, and the lowest of all jurisdictions in the British Isles. From this base, the States Assembly, in May 2019, voted to declare a climate emergency (P.27/2019, as amended). In February 2020, the Assembly agreed a Carbon Neutral Strategy (P.127/2020, as amended).
- 1.3. The Carbon Neutral Strategy (CNS) adopted by the States Assembly rejects the view that, because of its small size, it is not worth Jersey becoming carbon neutral when other countries have not committed to do the same. Instead, the Assembly, in agreeing the CNS, recognised that the strongest moral and legal responsibility is to the generations of Islanders that will live in and look after Jersey in the future. This responsibility is not lessened because others fail to act; it still falls to the current generations of islanders to improve Jersey's air quality, protect and enhance its natural environment, create the infrastructure to lead healthier lives and replace polluting technologies for the longer-term.
- 1.4. Representatives of all age groups from those in their late teens to those in the early nineties were drawn together through random selection, to offer their views and recommendations on this most significant of public issues. The report of Jersey's Citizens' Assembly on Climate Change is unequivocal, and its ambition reflects and validates that which ministers, and members of the States Assembly have shown to date.

2. Background and purpose of the report

- 2.1. In agreeing the Carbon Neutral Strategy (P.127/2020, as amended) members of the States Assembly agreed a mandate to establish a Citizens' Assembly. That mandate included requires that an in-committee debate be held to discuss the recommendations of the Citizens' Assembly.
- 2.2. In line with the participatory approach being taken to develop policies to tackle the Climate Emergency, which will be set out in the Carbon Neutral Roadmap lodged later this year, this in-committee debate provides all States Members with an opportunity to discuss, and to express their initial views about, the work and recommendations of the Citizens' Assembly. Members may also wish to discuss a range of wider issues related to the transition to a carbon neutral Jersey.

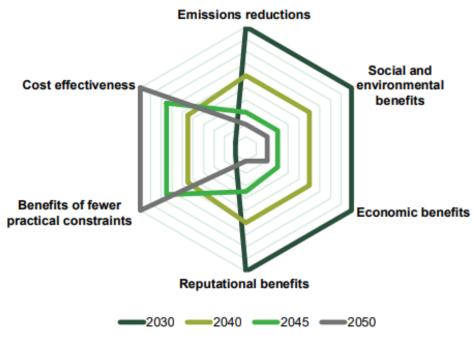
¹ Carbon emissions is used throughout to refer to the bundle of six greenhouse gasses as defined in <u>Carbon Neutral Strategy (gov.je)</u>

- 2.3. This report accompanies the report of the Citizens' Assembly (enclosed at Annex A) and provides information to support the in-committee debate, as follows:
- Section one of the report reflects at a high-level on the costs and benefits of the carbon neutral transition and sets out a short set of structured questions to help frame States Members' discussion.
- Section two of the report provides a concise summary of the recommendations of the Citizens' Assembly and additional relevant information. This is in addition to the full report and recommendations of the Citizens' Assembly that are also circulated.
- Section three provides a summary of the people-powered process followed to date; signposts to the existing and developing evidence base, including the evidence submitted to the CA; and provides a summary of the forward process to develop a Carbon Neutral Roadmap.

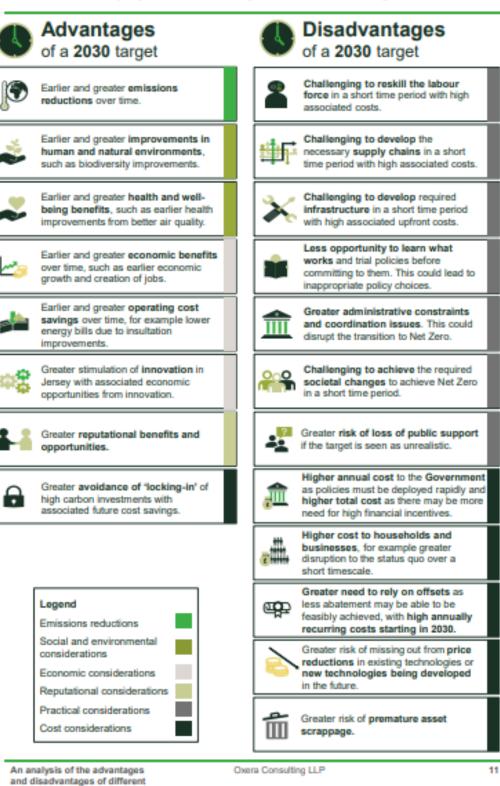
Section 1 – the in-committee debate

3. A major transition

- 3.1. The transition to carbon neutrality is a significant macro-economic challenge, which presents a complex range of costs and benefits, some of which are more easily quantified than others. Accordingly, the Carbon Neutral Strategy recognises that whole Island ownership of addressing the issue is critical to success.
- 3.2. The Citizens' Assembly, in line with the States Assembly, has recommended a transition to carbon neutrality by 2030. The diagram below, given as evidence to the Citizens' Assembly, shows that there are potential environmental, economic and reputational benefits if this can be achieved, relative to other decarbonisation pathways. The table on the following page gives more detail about these different costs and benefits.



Note: The outer edge of the diagram represents the maximum benefit that can be achieved in the different considerations across the different Net Zero targets, and the centre of the diagram represents the smallest benefit that can be achieved across the different Net Zero targets. For example, a Net Zero target of 2030 leads to the maximum social and environmental, economic, reputational, and emissions reductions benefits compared to all other Net Zero targets; however, it entails the least benefits from fewer practical constraints and is likely to be the least cost-effective Net Zero target.



Carbon neutrality by 2030: advantages and disadvantages

Net Zero targets for Jersey

4. Suggested areas for discussion

- 4.1. Drawing on the report of the Citizens' Assembly and reflecting on the briefing that States Members received from the Participants on 28 May.
- 4.2. This debate is an opportunity to for Members to express their initial reaction to the detailed work undertaken by the Citizen's Assembly. Member's high-level comments are requested in line with the following issues and questions, but a wide ranging and open debate would be welcomed.
- 4.3. It is recognised that the recommendations from the Citizens' Assembly are detailed and extensive and Members will need longer to fully consider them and form detailed opinions.
- 4.4. Nevertheless, the initial views of States Members, as expressed in this debate and through on-going involvement, will be very helpful. They will be considered during the development of the Carbon Neutral Roadmap (see section 8) and used to identify aspects which are important to Members in setting priorities.
 - A. With regard to the report and recommendations of the Citizens' Assembly (as summarised in section 2 and set out in detail in the accompanying report), do States Members:
 - Welcome the Citizens' Assembly's ambitious recommendations to become carbon neutral?
 - Have initial views on the extent to which the recommendations will deliver the ambition to become carbon neutral by 2030?
 - Feel that they would have wished to hear recommendations on other issues or matters that were not addressed in the report of the Citizens' Assembly?
 - B. With regard to the implementation of the recommendations of the Citizens' Assembly, and other policies to be set out in the Carbon Neutral Roadmap and accepting that carbon neutral policies, overall, should not increase income inequality do States Members:
 - Have thoughts about the phasing and emphasis that might be given to certain recommendations, relative to others?
 - Recognise that all islanders and local businesses will be required both to change certain behaviours and bear direct financial costs to transition to lower carbon lifestyles?
 - Recognise the wider environmental, economic, and social benefits that carbon neutrality will bring to the Island and have views about the relative value of these?
 - C. With regard to the challenge of funding the transition away from polluting technologies and behaviours, towards lower carbon alternatives, do States Members:

- Agree that, on a principle of inter-generational fairness, it is appropriate for current generations of islanders to address, substantially, these costs rather than leaving this legacy for future generations?
- Have initial views on the appropriate balance that polluter-pays charges, direct and in-direct taxation and public borrowing might play in funding the transition to carbon neutral?
- D. With regard to the importance of securing commitment to carbon neutrality over the long-term, do States Members:
 - Recognise that the decisions made in agreement the Carbon Neutral Roadmap in 2022, will need create funding requirements to be met in successive Government Plans?
 - Have early views about how best the commitment of future States Assemblies to deliver the Carbon Neutral Roadmap might be appropriately secured?

Section 2 – recommendations of the Citizens' Assembly

5. The Citizens' Assembly

- 5.1. The Citizens' Assembly on Climate Change ran from mid-March to mid-May 2021, when 45 randomly selected members of the public were brought together to consider the question 'How should we work together to be carbon neutral?'
- 5.2. The 45 Participants from all ages, backgrounds and views on climate change met for 15 professionally facilitated online sessions. The content of the sessions was overseen and approved by an expert Advisory Panel. Further information on the Advisory Panel and minutes from their meetings is available at Advisory Panel Jersey Climate Conversation.
- 5.3. Assembly Participants were presented with background fact sheets and listened to 31 expert speaker presentations (all factsheets and presentations are available to view on <u>www.climateconversation.je</u>). They had the chance to pose the speakers questions and discuss what they'd heard as a group.
- 5.4. The Minister for the Environment, on behalf of Council of Ministers and all members of the States Assembly, would like to expressly thank the Participants in the Citizens' Assembly for the remarkable contribution of over 1500 hours of their collective time and effort. The high quality and diligence of the considerations clearly demonstrates the level of commitment they brought to the task. Islanders can be proud of the manner in which they were represented through this process.
- 5.5. In early June 2021 the Citizens' Assembly published a report on their recommendations which they asked the States Assembly to consider. This report is available to read in full at <u>r.95-2021.pdf (gov.je)</u>.

6. Context for recommendations

- 6.1. The Citizens' Assembly content focused on the two largest emissions sectors for the Island transport, and heating, cooking and cooling. After speaker presentations, members agreed seven priority areas for action under each and split into working groups to work up detailed recommendations supported by underlying actions.
- 6.2. All 7 recommendations for both sectors where circulated to all Assembly Participants who had a chance to comment on and suggest amendments to them. All 14 recommendations were approved by the Assembly as a whole.
- 6.3. The recommendations are based on the evidence presented to the Assembly Participants, the questions and answers posed of speakers and the group discussions and debate. All of this information is available on www.cliamteconversation.je.
- 6.4. Ministers will respond to the recommendations of the Citizens' Assembly in their preferred strategy, to be published in late September (see section 3,

below). This will provide sufficient time to undertake initial, high-level analysis of the recommendations and to test these against ministers' preferred strategic direction.

7. Recommendations

- 7.1. The Citizens' Assembly voted for 2030 as the date that Jersey should become carbon neutral.
- 7.2. The Citizens' Assembly came up with seven recommendations for transport emissions and seven recommendations for heating, cooling and cooking emissions. They also voted on the order in which they should be prioritised. The recommendations are presented below in their overall order of priority. Note that the detailed actions that sit under each recommendation can be viewed in the full report <u>r.95-2021.pdf (gov.je)</u>.
- 7.3. In addition to the detailed recommendations on transport and heating, cooking and cooling the Citizens' Assembly made high level statements around Sustainable Finance which can also be viewed in the full report.

<u>Transport</u>

- 7.4. The recommendations made by the Citizens' Assembly in relation to transport are as set out below.
- 7.5. Decarbonise the current public transport in Jersey by 2025, as well as making it more accessible and affordable, so that more people use public transport as their primary mode of transportation on the island.
- 7.6. Encourage walking and cycling by making Jersey a safe and enjoyable environment for cyclists and pedestrians through investment in infrastructure and education. We want legislation to ensure a walking and cycling first transport model.
- 7.7. An immediate and just transition to low-carbon transport by 2030 that ensures financial support for both low income households and small businesses.
- 7.8. The Government should introduce and financially support currently available new carbon reduction technologies for all modes of transport immediately. All Jersey appropriate future transport carbon reduction technologies should also be introduced immediately as they become viable.
- 7.9. Phase out fossil-fuelled private cars and reduce overall car use through the provision of safe, convenient, affordable alternative modes of transport for all.
- 7.10. A change in mindset and culture causing a reduction in the demand for travel particularly commuting, car usage, air travel and freight.
- 7.11. Jersey will achieve a phased transition to (all) green transport, with no new registration of fossil fuel vehicles after 2025.

Heating, cooking & cooling recommendations

- 7.12. The recommendations made by the Citizens' Assembly in relation to heating, cooking and cooling are as set out below.
- 7.13. Ensure Building Standards and Planning Law specify carbon neutral standards for all buildings by 2023.
- 7.14. Government to develop a strategy for retrofitting of residential buildings to ensure optimal energy efficiency and share their recommendations with islanders by the end of 2022. This will include financial options, education programmes and incentive schemes, prior to enforcement commencing in 2030.
- 7.15. Appointing a Minister for Energy as soon as possible but no later than 2022 (when new Government is installed), advised by an independent expert panel, to take overall responsibility for the transition to becoming zero-carbon by 2045 or sooner and with biofuels having a temporary role until we can achieve this with the help of a variety of local renewable energy sources.
- 7.16. All new and existing government and commercial properties to become carbon neutral by 2030, with the government leading the way immediately through the introduction of legislation, standards and practical assistance.
- 7.17. To educate and support Jersey consumers and Island suppliers to transition to carbon neutral ways of studying, living and working so Jersey and its environment are protected and improved by 2030.
- 7.18. Reduce carbon emissions from rental properties, both residential and commercial, by implementing a system of Energy Performance Certificates by the 1st of January 2025.
- 7.19. Government to enable and empower communities to become carbon neutral by creating policy and funding frameworks for communal power generation and energy efficiency measures related to heating, cooling and cooking. This will be underpinned by an island-wide feasibility study and energy audits.

Section 3 – In-committee debate

8. The Carbon Neutral Strategy

- 8.1. The States Assembly, in February 2020, agreed the Carbon Neutral Strategy (CNS) (P.127/2020, as amended). The CNS forms the preparatory work to enable a firm and binding decision of Jersey's roadmap to carbon neutrality. In particular, the CNS establishes:
 - A people-powered **process**, summarised in diagram below, that should be followed to develop a long-term climate action plan for Jersey (now referred to as Jersey's Carbon Neutral Roadmap)
 - A **definition** of carbon neutrality, established in five principles (enclosed at Appendix 1 below)
 - High-level analysis of **policy options** to reduce carbon emissions in Jersey's highest polluting sectors.



The people powered process to develop a Carbon Neural Roadmap

- 8.2. The CNS also established the mandate for Jersey's Citizens' Assembly on Climate Change. This included provision for members of the Environment, Housing and Infrastructure Scrutiny Panel to observe the process; the Panel have subsequently prepared a report based on their insight into the process.
- 8.3. In early 2021, Jersey's Climate Conversation began, involving a wide-ranging exploration of islanders' views and suggestions about climate change (the

'explore' phase described above') as well as a detailed and representative Citizens' Assembly. (the 'deliberation' phase described above').

9. Explore phase

- 9.1. The Explore phase was a six-week campaign running from 1st February, leading up to the first Citizens' Assembly meeting. This provided a chance for all islanders to get involved and share their views, learn from their peers, and act. Each of the weeks focused on a specific topic allowing knowledge and understanding to build as the issues are explored.
- 9.2. Each week consisted of a number of activations to generate interest and engage the public and media on the specific topic. These directed people to an online platform where each week a new question was asked which people were invited to comment or suggest ideas on.
- 9.3. The comments and ideas collected via the online platform over the six weeks of the Explore phase of the Climate Conversation are summarised in the graphic enclosed at Appendix 2.

10. Citizens' Assembly

10.1. The form, content and recommendations of the Citizens' assembly are set out in Section 2 of this report.

11. Evidence base

- 11.1. A detailed evidence base is being developed alongside the people-powered process. This will ensure that the development of carbon neutral policies based both on islanders' views and aspirations and an accurate technical understanding of the opportunities and challenges that face Jersey in its transition to carbon neutrality.
- 11.2. The currently available evidence base, including reports that have informed both the development of the Carbon Neutral Strategy and the Citizens' Assembly, can be found at <u>www.gov.je/climateemergency</u> and a list is enclosed at **Appendix 3** to this report.

12. Conclusion and next steps

- 12.1. Taking meaningful and sustained action to address climate change is a big issue and one that brings challenges but also the potential of significant benefits. In taking a people-powered approach to planning for the island's response, the States Assembly have recognised that such a response must be broadly owned and based on hearing informed views and advice from across our community.
- 12.2. Following this debate, the government will review the existing evidence and the outputs of the recommendations of the CA and consider the initial views of the States' Assembly in developing carbon neutral policies and resourcing

plans. These will be set out in the Carbon Neutral Roadmap published by the end of January 2022.

- 12.3. Prior to the publication of the CNR, a 'preferred strategy' will be published that sets out the ministers' position on the foundational aspects of the CNR. This strategy is expected to include:
 - the intended date for, and an emissions pathway towards, carbon neutrality in Jersey
 - a summary of the intended focus of policies, and specific responses to the recommendations of the Citizens' assembly
 - an initial allocation, in support of this policy direction, of the resources held in the Climate Emergency Fund (brought forward in parallel with the Government Plan 22-25)
 - governance and engagement considerations, including an approach to promoting island-wide business and community leadership; and opportunities to long-term buy-in from future partners and decision makers, and
 - an outline of the strategic choices for securing and funding carbon sequestration and offsets.
- 12.4. Publishing a preferred strategy is intended to clarify the government's strategic intent; maintain momentum in the debate about carbon neutrality; and set out a clear policy platform to support Jersey's engagement at the COP26 conference in Glasgow in November.
- 12.5. The overarching timescale for this policy development process is set out in the diagram above.
- 12.6. In keeping with this broad based and participatory approach to developing the Carbon Neutral Roadmap, the purpose of this in-committee debate is to provide all States Members with an opportunity to discuss, and to express their initial reactions and views about the work and recommendations of the Citizens' Assembly, as well as a range of wider issues related to the transition to a carbon neutral Jersey.
- 12.7. The views of States Members, as expressed in this debate and through on-going involvement, will be taken into account and reflected in that work.



R.120/2021

Appendix 1 Defining Principles of the Carbon Neutral Strategy

3.1 Principle 1

We will adopt a strategic focus on all emissions

This carbon neutral strategy, and the long-term climate action plan that we will develop together in 2020, will recognise and have a strategic focus on Jersey's scope 1, 2 and 3 emissions¹⁶.

It is important that we understand the impact our local choices have across the world, including recognising the impact that Jersey based businesses can have.

3.2 Principle 2

We will work within a definition of carbon neutrality

Carbon neutral is defined as balancing the scope 1 and 2 emissions we produce against any activity that captures, absorbs or reduces global emissions so that they are equal. By including scope 2 emissions we are exceeding our international legal obligations.

Scope 3 emissions are recognised, and the long-term climate action plan will include policies and programmes to support people, businesses and government to make more sustainable choices that reduce Scope 3 emissions created on our behalf across the world, but Scope 3 emissions do not form part of the baseline for carbon neutrality.

3.3 Principle 3

We will require high standards in the use of carbon offsetting

- A. It is appropriate to use carbon offsetting where emissions cannot be abated, but offsets on their own are not a route to carbon neutral and should only be used where they are accompanied by a robust and ambitious measures to reduce emissions.
- B. As a responsible and ambitious jurisdiction any offset arrangements that Jersey enters into will be of the highest recognised standards.

3.4 Principle 4

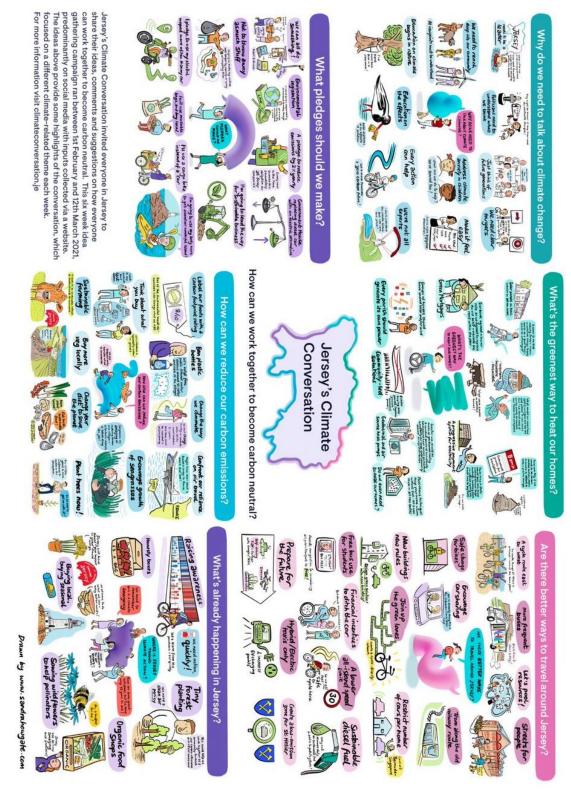
We will make sure that everyone can play their part

Whole Island ownership of the climate challenge is critical to its success. Government will use all available options to deliver the long-term climate action plan, but government action must form part of a wider, collaborative approach.

3.5 Principle 5

We will make sure that carbon neutrality policies do not overall increase income inequality.

The impacts of all carbon neutral policy options will be assessed to ensure a just transition to carbon neutrality. A quantification of the economic impact assessment of the policy proposals will be carried out as part of the process of developing the long-term climate action plan.



Appendix 2 Graphic representing the outputs of the Explore phase

Appendix 3 List of evidence base reports

Evidence base item
Aether - Analysis of Future Jersey indicators that are at high risk from climate change
Aether - Carbon sequestration and the role of soil and crops
Aether - Considering the Channel Islands' indirect GHG emissions
Aether - Development of an emission factor for imported electricity
Aether - GHG emissions from Waste – A guide for Jersey
Aether - GHG Emissions model – impact assessment
Aether - GHG inventory
Aether - Guide to Jersey's Greenhouse gas inventory
Aether - National emissions of fluorinated gases in Jersey
Biodiversity Crisis – series of reports
Carbon Neutral Strategy
Report of Jersey's Citizens Assembly on Climate Change
Explore phase - dialogue summary and other social media commentary
Oxera - Analysis of trade-offs of different dates for carbon neutrality
Oxera - Carbon Neutrality by 2030 – policy identification
Oxera - Quantitative analysis of carbon neutrality by 2030
Pathway 2050: An Energy Plan for Jersey
Rural Economy Strategy 2017 to 2021; Towards Sustainable Farming
Shoreline Management Plan
Sustainable Transport Policy
Tackling the climate emergency
Young people and the climate emergency