STATES OF JERSEY



CARBON NEUTRAL STRATEGY 2019 (P.127/2019): AMENDMENT (P.127/2019 Amd.) – COMMENTS

Presented to the States on 21st February 2020 by the Minister for the Environment

STATES GREFFE

2019 P.127 Amd.Com.

COMMENTS

Background

Deputy K.F. Morel of St. Lawrence lodged an amendment (<u>P.127/2019 Amd.</u>) on 3rd February 2020 to <u>P.127/2019</u>.

Comments

The Minister does not support this amendment

The Minister for the Environment notes that the Carbon Neutral Strategy already states on page 20 that 'We will reduce income inequality and improve the standard of living...'. Therefore, it is believed that the essence of the amendment is already considered. The Minister recognizes the importance of the essence of the proposed fifth principle but does not support the proposed wording of the amendment.

Specifically, the Minister comments on 3 elements in Deputy K.F. Morel of St. Lawrence's report as follows –

- 1. With regards to the alleged impact of the introduction of fuel duty on the less well off. The Deputy provides no evidence for his claims of this impact and does not recognize the fact that the introduction of fuel duty was debated and agreed though the Government Plan debate in December 2019. The debate around the increase in fuel duty was supported by an economic assessment that did not demonstrate the Deputy's assertions about potential impacts on the least well off in society.
- 2. I have received advice that the approach outlined in the Deputy's report could limit the assessment of the proposed carbon neutral policy package. In that it would be inflexible to apply in practice and likely to complicate and overly restrict the citizens assembly at the very beginning of policy development before their ideas were even formulated. It is recognised that policy recommendations arising from the citizens assembly will need to be subject to economic impact evaluation, which can be done successfully once policy preferences are developed.

Moreover, it is important to note that the Assembly will be presented with countermeasures to offset any perceived inequality which may be generated by carbon neutral measures to allow the island to achieve booth carbon neutrality and reduce income inequality. Accepting the amendment would restrict analysis to a simple in/ out assessment of the proposed policies and would not account for positive social policy interventions. The danger of accepting this amendment is that consideration cannot be made of potentially innovative decarbonization solutions that bring overall benefits to society due to the limited nature of the proposed approach.

3. The Minister would draw attention to the commitment in the carbon neutral strategy to ensuring a just transition and assures the Assembly that the economic impact and quantification will be assessed as part of the action plan development process using appropriate tools.

Statement under Standing Order 37A [Presentation of comment relating to a proposition]

These comments were submitted to the States Greffe after the noon deadline as set out in Standing Order 37A due to administrative delay.