

19-21 Broad Street | St Helier Jersey | JE2 4WE

Connétable Mike Jackson Chair, EHI Panel BY EMAIL

23 November 2020

Dear Mike

Re: Government Plan 2021-24 - Possible amendment to Climate Emergency Fund

Further to your questions received on Thursday 19 November, please see below.

1) How was it determined by the CoM that the initiatives seemingly unlinked to climate change would be encompassed in the proposed funding bid?

The Minister does not agree that the first test for projects is as defined by the Panel who suggest that initiatives need to be 'directly linked to climate change'.

Instead the Minister refers to the first purpose of the Climate Emergency Fund (expanded below) which is to support initiatives that 'respond to the climate emergency' as below:

(a) to support initiatives that respond to the climate emergency, as declared in P.27/2019, and initiatives that reduce carbon emissions, in line with adopted future plans or strategies for, inter alia, energy use and management, carbon reduction, sustainable transport approved by the States Assembly including as part of an approved Government Plan: and

The Minister believes that biodiversity initiatives legitimately respond to the climate emergency and thus fulfil the principles of the fund, specifically i.e.:

- They respond to the climate emergency by protecting and enhancing natural eco-habits and biodiversity including by ameliorating or building resilience against the negative impact that climate change has on eco-systems (in parallel with other detrimental factors including land-use change, species exploitation and the invasion of non-native species – the latter sometimes being driven or exacerbated by climate change) and /or
- Natural healthy local diverse ecosystems themselves form an important mitigating response to the climate emergency through emission reduction by acting as carbon sinks (carbon sequestration).

Furthermore, the principle of using CEF funding for biodiversity was agreed by the Assembly in the Government Plan 20-23. Proposals were approved in 2019 to 'strengthen environmental protection' consisting of the following projects (further details are provided in the Appendix to the Government Plan):

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- Species and habitat protection
- Invasive and non-native species
- Marine environmental research

Following agreement of the above expenditure in the Government Plan these projects were later re-iterated in the Carbon Neutral Strategy, which was adopted by the States Assembly in February this year<sup>1</sup>.

Given that the principle has been established and nothing has changed since last year, the current proposal, in GP21-24, is to spend a further £0.5M on strengthening the protection of the natural environment as described on pg 79 and as outlined in the businesses cases we believe Scrutiny has seen.

## **Background context**

The initial report by the Council of Ministers - Tackling the climate emergency (published on 24 Jul 2019<sup>2</sup>), was published alongside the Proposed Government Plan 2020-2023. It provided additional information on the how the Council of Ministers propose to:

- tackle the declaration of a climate emergency (originating from P.27/2019);
- the preparation of a plan to aim to be carbon neutral by 2030 by the end of the 2019 (ultimately lodged in December as P.127/2019 the Carbon Neutral Strategy 2019 and adopted unanimously in February 2020) and;
- the proposed creation of a climate emergency fund. The report also proposed Terms of reference for the Climate Emergency Fund (Appendix B) which were agreed by virtue of the adoption of the Government Plan.

In the report, Tackling the Climate Emergency, the importance of local biodiversity and habitats were recognised as having a crucial role, that could perhaps be enhanced, in local carbon sequestration i.e. the absorption of carbon through primarily photosynthesis in onisland eco-systems.

It was also noted that 'well designed policies have the co-benefit of enhancing existing habitats and creating new natural habitats. These can protect biodiversity and contribute to 'nature's recovery'. This co-benefit is an important policy principle in this unprecedented period of human-driven biodiversity losses<sup>3</sup>, as recently outlined in the United Nations Global Assessment Report on Biodiversity and Ecosystem Services'.

The United Nations Global Assessment report key message B is that Direct and indirect drivers of change have accelerated during the past 50 years and list climate change as the 3rd most impactful rate of global change in nature in reducing biodiversity.

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<sup>&</sup>lt;sup>1</sup> See Appendix 4: - 'Strong start: delivery plan 2020' section on 'Ensuring resilience and adaptation of natural capital'

<sup>&</sup>lt;sup>2</sup> https://www.gov.je/government/pages/statesreports.aspx?reportid=4762

<sup>&</sup>lt;sup>3</sup> Intergovernmental Science - Policy Platform on Biodiversity and Ecosystem Services - https://www.ipbes.net/system/tdf/ ipbes 7 10 add-1- advance 0.pdf?file=1&type=node&id=35245



2) Is Japanese knotweed the only example of an initiative that does not meet the Terms of Reference of the CEF? Or are there others? If so, please could you provide further details

It is argued above that the biodiversity initiatives in respect of non-native and invasive species are in line with the principles of the Fund. The body of investment was agreed by the Assembly and begun in 2020 and proposed for 2021 was intended to respond to the climate emergency by supporting work on the ground to 'hold the line' and prevent further advancement and establishment of non-native and invasive species as well as develop a new strategic approach to these challenges.

Japanese knotweed, although long established on the island, disrupts natural eco-systems by nature of its smothering growth pattern. Its impact is to reduce the natural resilience of eco-systems and /or eradicate them entirely. This can, and has, occurred at broad scale. The erosion or loss of these naturally functioning local eco-systems reduces their ability to absorb carbon as well as diminishing or eradicating their intrinsic biodiversity.

Japanese knotweed although explicitly mentioned is one of a number of non-native invasive species for which funding would be used. It is however easily identified and is readily visible and so its progression across the local landscape illustrates the extensive impact that non-native species can have on our Island. Therefore, it is often cited as a 'cautionary tale' in respect of invasive non-native species, others of which are less easily identified or observed. Such cautionary tales can serve as educational tools bringing the potentially damaging impacts of INNS to the public consciousness.

3) Please could a detailed breakdown / apportionment of the figures be provided for any proposed initiatives that are not linked to climate change i.e. what proportion of the funding makes up the proposed spend in this area?

As stated in response to the first point, it is considered that the proposed initiatives <u>are</u> all in line with the principles of the Fund.

4) What impact would a potential amendment to reduce the funding in this area have and what other suitable funding mechanisms were considered?

The impact of an amendment to reduce the £0.5M of proposed new funding to 'strengthen protection of the natural environment' would be to prevent these work streams commencing in 2021.

The Panel has heard evidence on numerous occasions from the Environment Minister that there has been a substantial and sustained cut in base budgets and staffing within the Department and the wider environment portfolio. On that basis, it was not considered possible to fund these projects from within existing budgets hence a growth bid was developed and entered into the Government Plan process.



5) Why was it considered not viable to propose an increase to the Departmental Budget or to seek an additional revenue bid to cover these initiatives?

Initially the initiatives under discussion were part of a departmental additional revenue bid. They sat alongside other proposed important initiatives prioritised by the Natural Environment Directorate e.g. work around the island's water pollution challenges and resources needed to address Brexit.

Once individual departmental additional revenue bids across Government were brought together and added to the plan it presented a significant increase in expenditure. With income reductions as they are forecast and extraordinary levels of expenditure agreed in order to deal with the pandemic this year, the increase in expenditure would lead to higher levels of borrowing than the Ministers were able to agree to. As a result of that, Ministers agreed to revisit their requests, prioritise appropriately and look for alternative funding mechanisms. These proposals for individual Ministers were discussed with The Chief Minister, Minister for Treasury and Resources and the Assistant Chief Minister resulting in an acceptable level of expenditure.

It was suggested that consideration was given to any projects that could be funded within the terms of reference of the Climate Emergency Fund in order to reduce the size of the requirement from the wider spending envelope. On this basis, the projects referred to in point 1 were proposed to be funded from the Climate Emergency Fund, as they were a continuation of related work that was agreed by the Assembly, in GP2023.

The remaining proposed new expenditure e.g. in respect of work to understand and address water pollution especially PFAS was ultimately put forward as Government Plan bids. The details of all the projects are available in the Business Cases that we believe Scrutiny have already seen.

I hope the above is of use to the Panel and please do not hesitate to contact me if you require anything further.

Yours sincerely

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