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## Eamon Ryan T.D.

Minister for the Environment, Climate and Communications
Tom Johnson House, Haddington Road, D04K7X4

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(Sent via EMAIL only)

## 10th December 2024

Dear Minister Ryan,

Ireland has committed to transition to a climate resilient, biodiversity rich, environmentally sustainable and climate neutral economy by 2050 (the 'national climate objective'). In accordance with the 2021 Amended Act<sup>1</sup>, not less than 12 months prior to the expiry of the first carbon budget the Climate Change Advisory Council is required to prepare and submit proposed amendments to Carbon Budget 3 (CB3: 2031-2035) and propose a provisional Carbon Budget 4 (CB4: 2036-2040). The Council has considered the most recent scientific evidence and determined pathways consistent with the national climate objective as the basis for the proposed Carbon Budgets, whereby Ireland is no longer contributing to the increase in global temperatures by 2050.

The Council's proposal is for a Carbon Budget 3 (CB3: 2031-2035) of 160 Mt CO<sub>2</sub>eq and a provisional Carbon Budget 4 (CB4: 2036-2040) of 120 Mt CO<sub>2</sub>eq. An annual reduction of at least 6.3% on average year on year to 2040 is required to remain within the carbon budgets. The provisional Carbon Budget 3 (CB3: 2031-2035) was a linear extrapolation to meet net zero in GWP<sub>100</sub> by 2050. Updated analyses of mitigation options were used for the new proposal, whereby the council considered temperature neutrality pathways rather than constraining Ireland to meet net zero emissions in GWP<sub>100</sub>. This has resulted in a 9 Mt CO<sub>2</sub> eq increase in the Council's final proposal for Carbon Budget 3.

The carbon budgets proposed here set Ireland on a pathway consistent with furthering the achievement of our national climate objective and the specific reasoning supporting the Council's proposed carbon budgets are outlined in the Council's Carbon Budget Proposal Report (attached). Our carbon budget proposals are as follows:

	Carbon Budget 3:	Provisional Carbon Budget 4:
	(2031-2035)	(2036-2040)
Carbon Budget (Mt CO2eq)1	160	120
Total Emissions reduction relative to 2018 <sup>2</sup>	57%	67%

Climate change is now contributing to increasingly frequent, flooding, droughts, and coastal damage with significant and costly consequences for people, communities and nature across Ireland. Ireland's urgent response to this global crisis will require the most significant change since the foundation of the State. As an absolute imperative, fossil fuels must be phased out as early as 2039 (i.e. in 15 years). To date, we have not risen to this challenge and are set to miss the agreed carbon budgets out to 2030. We know that if we do nothing, there will be profound costs to the Irish economy and to the people of Ireland. There is no doubt that this transition will be highly disruptive, initially expensive and the burden not equally shared. It will be necessary to manage this transition carefully and in an inclusive manner which ensures that potential impacts on people, communities and nature are properly addressed. The transition however presents Ireland with an opportunity to achieve a more sustainable society, a cleaner environment and improve people's health and well-being. The transition also provides an opportunity to deliver energy independence and price stability, to maintain Ireland's competitive economy in a low carbon world, and to build greater resilience to the impacts of climate change.

What we have proposed is feasible with today's technologies, but it represents a significant political and social challenge for the country. It will require difficult policy choices and substantial investment that will have a profound impact on our economy. We will require strong political leadership to ensure that Ireland can collectively achieve a climate neutral and biodiversity rich society and that no one is left behind.

<sup>&</sup>lt;sup>1</sup> Emissions are evaluated using the GWP<sub>100</sub> from IPCC AR5

<sup>&</sup>lt;sup>2</sup> The total emissions reduction relative to 2018 in 2035 and 2040 respectively.

There is a role for everyone in society in making this transition, but Government must take the lead. To demonstrate this, Government must urgently commit to making the necessary investment, taxation and policy decisions. It needs to prioritise investment and resources now to save people and businesses money by phasing out fossil fuels to avoid future fines and compliance costs, maintain competitiveness in a low carbon world and enhance resilience to climate change. Sufficient financial supports must be put in place by Government to enable people, households, urban and rural communities, and impacted sectors to take action at the speed and scale required. Government needs to accelerate the implementation of strategies to upskill people and businesses for new technologies and practices, while reskilling those sectors impacted by the transition. It is critical that lead Government departments, State agencies and Local Authorities must be aligned to achieve the national climate objective. Finally, the Council's Annual Reviews have consistently and repeatedly called for all areas of government and society to significantly increase their efforts to deliver on the necessary ambition in the current decade as the requirement to carry over exceedances of carbon budgets now looks increasingly certain. Government must urgently consider the implications of this over-run and implement the necessary corrective action.

The Council established the Carbon Budgets Working Group (CBWG)<sup>2</sup> in early 2023 and tasked the group with assisting the Council in the development of an evidence base for the proposed carbon budgets. The CBWG outputs report (attached) provides a detailed overview of the key outputs of the working group and provides links to the relevant reports. The Council would like to take this opportunity to thank the members of the CBWG and other contributors to the work of the group for their excellent scientific support in the preparation of this proposal.

As referenced in the Annual Review<sup>3</sup>, the Council considers that a scheduled technical reassessment of carbon budgets based on methodological changes to the national inventory should be a routine undertaking on foot of the conclusion of each carbon budget period, i.e. on a 5 yearly basis. The first such opportunity for reassessment will arise in April 2027 when the inventories for 2021-2025 are finalised and such a review should be programmed to occur every

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<sup>&</sup>lt;sup>3</sup> Climate Change Advisory Council (2024), Cross-sectoral Review: Annual Review 2024 <a href="https://www.climatecouncil.ie/councilpublications/">https://www.climatecouncil.ie/councilpublications/</a>

five years thereafter. Similar reviews should also be considered in the event of very significant changes in the baseline data in any given finalised set of annual inventories.

The Council looks forward to providing any further assistance or advice for Government in furthering the achievement of the national climate objective.

Yours sincerely,

Marie C. Donnelly

Chairperson

Climate Change Advisory Council

Harie C. Donnelly