PLANNING AND ENVIRONMENT

JERSEY'S RATIFICATION OF THE KYOTO PROTOCOL

Purpose of the Report

This report sets out the case for the Kyoto Protocol (the Protocol) to be extended to Jersey.

Although a signatory to the UN Framework Convention on Climate Change Jersey has maintained a position that whilst supportive of the Protocol it did not wish to have it extended on the Island's behalf (latest correspondence 12th August 2005) as it was unable to comply with obligations within the Protocol. However, with a number of initiatives planned or in place, Jersey is now in a position to ask for extension of ratification.

Climate change will be the main topic of discussion at the BIC Summit in July 2006. Jersey should put itself in a strong position to show positive action. Other BIC members, including Guernsey, have already extended the Kyoto Protocol.

Extension of ratification would contribute to two aims within the revised Strategic Plan 2006-2011. Strategic Aim Four: We will maintain and enhance the natural and built environment, in particular:

• 4.3 An energy policy for Jersey.

And, Strategic Aim 5.3: Continued development of the Island's international constitutional position and international profile, in particular:

• 5.2.8 Over the period 2007-2010; meet, where possible, international standards set through the extension of international treaties and conventions

Tackling climate change was also identified as one of the key challenges facing Jersey within the State of Jersey Report 2005.

Background

Over a decade ago, most countries, including Jersey, joined an international treaty, the United Nations Framework Convention on Climate Change (UNFCCC), to begin to consider what can be done to reduce global warming and to cope with whatever temperature increases are inevitable. Recently, a number of nations approved an addition to the treaty: the Kyoto Protocol, which has more powerful (and legally binding) measures. The UK ratified the Kyoto Protocol on 31st May 2002 and it came into force on 3 February 2006.

The UK submitted its 2006 Greenhouse Gas (GHG) Inventory in January 2006, to comply with the EU Greenhouse Gas Monitoring Mechanism Decision (280/2004/EC). The UK's assigned amount of GHG will be determined for the purposes of the Kyoto Protocol and this assigned amount will incorporate the UK's emission reduction targets of 12.5%.

The UK has included Jersey's emission within the assigned amount, following indication from Jersey that it would be likely to wish ratification to be extended to the Island. However, a formal letter is required through official channels, confirming that the UK has no formal expectation of Jersey either setting or achieving a GHG emissions reduction target as part of the ratification process. (Please see below).

Discussion

What are Greenhouse Gases?

The targets set within the Kyoto Protocol cover emissions of the six main greenhouse gases. The table below sets out each of the gases and the main sources in Jersey. Carbon dioxide, methane and nitrous oxide are of most concern in Jersey.

Greenhouse Gases	Main source in Jersey
Carbon dioxide (CO2)	Energy production (especially domestic and
	commercial heating), waste, transport emission,
	industrial processes
Methane (CH4)	Agriculture (especially ruminant livestock), sewage
	treatment works, landfills
Nitrous oxide (N2O)	Transport emissions, energy production, waste,
	use of certain fertilizers
Hydrofluorocarbons (HFCs)	Air conditioning and refrigeration units
Perfluorocarbons (PFCs)	Principle production is as a by-product of
	aluminium smelting. Unlikely to occur in significant
	quantities in Jersey.
Sulphur hexafluoride (SF6)	Used as insulator for circuit breakers, switch gear,
	and other electrical equipment. Unlikely to occur in
	significant quantities in Jersey.

Indication of the general trend in future GHG emissions

The Statistics Unit – Jersey Energy Trends 2004 states that "Energy related carbon emissions increased by 3.6% between 2003 and 2004 but are 30% lower than in 1990 due to decline in on-island oil fired electricity generation."

The largest sources of energy related emissions in Jersey are road transport (34%) and domestic and commercial energy use (59%), which includes marine transport. The remaining 7% is from electricity generation.

Policies in line with the objectives of the climate change programme

To achieve their targets, signatories to the Protocol must put in place domestic policies and measures to help mitigate climate change and promote sustainable development. The specific aims are outlined in the table below.

Three recent policy developments in Jersey have the potential to further reduce energy related carbon emissions:

<u>Solid Waste Strategy</u>: this was approved by the States of Jersey in July 2005 and included a commitment to replace the existing municipal waste incinerator, a full programme of recycling (32%) and the composting of green waste.

Integrated Traffic & Transportation Strategy: The Council of Ministers approved the Strategy as lodged in the States in September 2005 as a high level framework at the end of January 2006. Transport and Technical Services is now working on an Action Plan which should be taken back to the Council of Ministers by the end of April 2006. The Strategy contains a commitment to reducing the impact of traffic in Jersey by using less fuel, less polluting types of fuel and more efficient vehicles and by reducing congestion through traffic management and traffic reduction – by promoting more sustainable means of travel such as walking and cycling, and puts forward the following specific proposals, which will be considered within our environmental tax proposals.

- Exemptions from fuel duty: Exempting alternative, less polluting fuels from duty or reducing the amount of duty levied for these fuels may encourage their uptake for road transport.
- Introduce a vehicle tax linked to emissions and size of vehicle to replace Vehicle Registration Duty.
- To greater encourage the purchase and use of more fuel efficient or less polluting vehicles. Exempting vehicles powered by alternative, less polluting fuels from such a tax may also encourage their use for road transport.
- Incentivise car sharing: Encouragement of car sharing, particularly for commuters, can reduce the number of vehicle trips made, thus reduce emissions and ease congestion.

If approved, the implementation of environmental taxes on transport will contribute to the reduction in emissions of transport related carbon dioxide and nitrous oxide emissions.

<u>Energy Policy</u>: the Planning and Environment Minister is charged with developing an Energy Policy for Jersey during 2006. A Scoping Report, agreed by the then Environment & Public Services Committee on 18th August 2005 and the Council of Ministers on 6th April 2006, includes a clear commitment to tackle energy related carbon emissions. This work will inform the development of environmental taxes with proposals being brought forward in 2006. As almost two thirds of emissions are from energy related sources, this is a crucial piece of work in reducing Jersey's GHG emissions.

In addition to these three major policies, components promoted within the <u>Countryside Renewal Scheme</u> will also contribute to reducing GHG emissions, for example, giving rise to more permanent pasture, woodland leading to reduction in fertiliser inputs; energy audits and resulting remedial measures; grants to install slurry stores replacing synthesised fertilisers.

Taking the necessary steps to meet the Protocol's obligations:

The following table sets out our understanding of the Protocol's key obligations, the local action/mechanism in place to meet these obligations, the additional work required and an assessment of Jersey's status for compliance.

Key Obligations	Local Action / Mechanism	Additional Work Required	RAG Status for compliance ¹
Enhancement of energy efficiency in relevant sectors of national economy.	Existing JEC energy efficiency measures. Building Control Regulations 2005 include more stringent energy efficiency requirements.	Development (by end 2006) and implementation of Energy Policy, as stated within Strategic Plan 2005-2010. (SP Ref. 5.3.3)	
Protection and enhancement of sinks and reservoirs of greenhouse gases not controlled by the Montreal Protocol.	Protection of sinks (e.g. woodlands, mature grasslands, heathland, productive oceans) through SSI site designation. Designation of Ramsar sites, preserve ocean sink of CO ₂	Designation of additional SSIs (SP Ref 5.4.2), [Dependent on coming into force of Planning & Building Law 2002] Implementation of habitat and species conservation measures identified under biological / ecological and marine / coastal MEA ² s.	
Promotion of sustainable forms of agriculture in light of climate change considerations.	Climate Change considerations are included within Countryside Renewal Scheme (see above)	Ongoing support for schemes that include climate change considerations.	
Promotion, research, development and increased use of new and renewable forms of energy.	La Collette Power Station activities almost completely replaced with 80%/20% nuclear/ hydro power via the French Link.	Scope of Energy Policy paper to include further research and consideration of renewable forms of energy.	
Progressive reduction and fading out of incentives, tax and duty exemptions and subsidies in all greenhouse gas emitting sectors.	The States Fiscal Strategy includes provision for the creation of environmental taxes for motoring, waste and energy. This also creates the opportunity to look at packages of measures where the tax receipts are used to fund e.g. grant schemes or other positive incentives.	Include consideration of this within Energy Policy, Sustainable Traffic and Transportation Strategy and the Waste Strategy.	
Encouragement of appropriate reforms in relevant sectors aimed at promoting policies and measures, which limit or reduce emission of greenhouse gases not controlled by the	Partially covered by replacement of the MWI and replacement of crematorium.	Implementation of the proposed local action in the Air Quality Strategy. Undertake feasibility studies identified in Strategy. Development, approval	
Montreal Protocol.		and implementation of Energy Policy. Implementation of the Solid Waste Strategy	

¹ Red: No progress and no resources; Amber: In progress but no funds yet committed; Green: able to meet obligation

Key Obligations	Local Action / Mechanism	Additional Work Required	RAG Status for compliance ¹
Measure to limit and/or reduce emissions of greenhouse gases not controlled by the Montreal Protocol in the transport sector.	Sustainable Traffic & Transportation Strategy	Approval and implementation of proposed Sustainable Traffic & Transportation Strategy.	
·	Energy Policy	Development, approval and implementation of Energy Policy.	
Limitation and/or reduction of methane through recovery and use in waste management.	Liquid waste plant includes methane recovery Solid Waste Management Strategy approved by States of Jersey in July 2005.	Replacement of MWI requires approval of funding and will be subject to Environmental Impact Assessment, which will include consideration of emission of greenhouse gases.	
Reduction of overall emissions of gases in Annex A of the convention by at least 12.5%* per cent below 1990 levels in the commitment period 2008 to 2012.	La Collette Power Station activities almost completely replaced with 80%/20% nuclear/ hydro power via the French Link leading to one-off 30% reduction in CO ₂ emissions.	Establish sources and feasibility of monitoring of Annex A gases to ensure a reduction (CO ₂ , CH4, N2O, HFCs, PFCs, SF6). Additional reduction measures may be required. *An appropriate target	
		needs to be set for Jersey.	
Have in place, no later than one year prior to the start of the first commitment period, a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol.	Available information assessed by AEA Technology as adequate.	NETCEN indicated that can be met with existing data.	
Annual reporting on sources and sinks of greenhouse gases not controlled by the Montreal Protocol, and compliance on commitments.	Available information assessed by AEA Technology as adequate.	Report required. This is possible using existing data.	

² Multi-lateral environmental agreement

Conclusion

Benefits of ratification

- Internationally: demonstrating Jersey's commitment to tackling the global issue of climate change. Thereby contributing to Strategic Aim Five (5.2.8) of the revised Strategic Plan 2006-2011.
- <u>Nationally</u>: supporting the UK's drive to secure wide international commitment to the Protocol (especially the USA).
- Domestically: inclusion with the overall UK emissions figure. Provides additional impetus to delivering targets set out in States' policies. Provides a sense of local pride in the Island of tackling issue of climate change at a local level.

Consequences of non-ratification

- The UK has indicated strongly that it wishes ratification to be extended to all devolved administrations.
- Jersey may be perceived by the international community as taking an irresponsible attitude to its global environmental responsibilities.

Resource implications of ratification

The costs of meeting the obligations, which will result from extension of ratification, will be based around the costs of meeting the policies set out within the Integrated Traffic & Transportation Strategy and Energy Policy. It is proposed that environmental taxes will be put in place to meet these costs.

The replacement of the Energy from Waste plant is a cost that the Island is committed to meeting for reasons other than meeting obligations under the Protocol.

The reporting requirements can be met within existing resources.

Confirmation has been received from Defra that the UK has no formal expectation of Jersey either setting or achieving a GHG emissions reduction target as part of the ratification process. A draft letter is attached. An official copy will be requested through the appropriate official channels if the Minister decides to move forward with ratification

Recommendation

The Minister is asked:

- To support the extension of the ratification of the Kyoto Protocol to Jersey.
- To request that the Chief Minister consider this request and take the necessary steps to request extension.

Written by: Sarah Le Claire, Policy Manager

Approved by: Chris Newton, Environment Director

Attachments: Draft letter from Defra

Decision Summary reference: DS Environ MD-PE-2006-0047 5th April 2006