

IBEC opening statement to the Oireachtas Joint Committee on Environment, Culture and the Gaeltacht, Friday 5th July 2013

Good afternoon Cathaoirleach. I would like to thank you and your Committee colleagues for this opportunity to answer questions on IBEC's recent submission concerning the Outline Heads of the Climate Action and Low Carbon Development Bill 2013. Although it is not the only business representative organisation in Ireland, IBEC is by far the largest one, and we consider that the submission reflects a broad consensus within the business community.

As you will be aware from that submission, I am Neil Walker and I have headed up IBEC's Energy and Environment Policy Unit for the past three years. The unit's mandate is to advocate, where possible, the common policy interests of IBEC member companies - of which there are several thousand - across diverse sectors of industry and commerce as well as third level institutions and not-for-profit organisations. I am accompanied today by representatives from two of our larger member companies, Audrey O'Shea from Glanbia Ingredients Ireland Ltd and Jill Murray from Bord Gais Energy. Both of them are long-standing participants on IBEC's Climate Change Working Group. The Group's Chair, Dr John Reilly (Bord na Mona Power) would have liked to have joined us today, but unfortunately he is unable to do so because of a prior overseas commitment and he sends his apologies.

Given the spread of our membership, we do not seek advantage for any particular sectoral vested interest. Rather, our primary concern is to ensure that national climate policy, and any associated Oireachtas legislation adheres to three key principles, namely:

- being based on scientific evidence and robust economic analysis;
- being consistent with the evolving EU energy/climate policy framework; and
- creating opportunities for sustainable development and job creation.

Over the past 18 months we have been closely following, and assisting where appropriate, the continuing efforts of the DECLG and NESC to develop a legislative approach that respects these principles. The resulting Outline Heads, although currently lacking in detail, provides the basis for a national climate law that could command widespread support. It is certainly a huge improvement on previous attempts at national legislation which, in our view, would have worked against, rather than alongside EU policy. Had they succeeded, the outcome would have been environmentally ineffective and would arguably have hindered Ireland's transition to a vibrant low-carbon economy. For this reason, we would be deeply concerned about any proposed amendments to the Outline Heads aimed at re-introducing certain elements of that previous draft legislation. Although such proposals may be well-intentioned, their principal effect would be carbon leakage (and job losses) rather than genuine greenhouse gas abatement.

Our submission to the Joint Committee does include a number of recommendations that, in our view, would make the policy framework for greenhouse gas reduction somewhat more accountable and democratic. However, these are not intended as a criticism. Indeed, we would like to commend the Department on its willingness to engage in proper consultation with the Oireachtas Joint Committee as well as other stakeholders across civil society.

Briefly, we would like to see more detail on the following issues:

1. How will the proposed Expert Advisory Body operate, how will it be resourced, and will it be able to draw effectively on the support of external stakeholders?
2. How will the Government interact with this new Expert Body?
3. Should a single supervisory body be envisaged for the new institutional arrangements, given that its remit could well span several Oireachtas Committees?
4. What safeguards are needed to ensure that the legislation will not lead to Ministerial directions subsequently being issued without proper cost-benefit assessments?

In conclusion, we look forward to engaging with the Committee over the coming months as this framework progresses towards becoming law. My colleagues and I would now be happy to take any questions that you may have.