

Declan McAleer MLA Chairperson, Committee for Agriculture, Environment and Rural Affairs

Mike Hedges MS Chair, Climate Change, Environment and Rural Affairs Committee Welsh Parliament Cardiff Bay Cardiff CF99 1SN

12th October 2020

Dear Mr Hedges

Common Framework on a UK Emissions Trading Scheme.

As Chairperson of the NI Assembly Committee for Agriculture, Environment and Rural Affairs I am contacting you in connection with the Common Framework on a UK Emissions Trading Scheme. I am aware that this Common Framework is also being considered by sister Committees in the other legislatures. I therefore, thought it would be useful to share what consideration the AERA Committee has undertaken on this matter to date.

To date we have taken receipt of

- Draft Statutory Instrument & associated documents The Greenhouse Gas Emissions Trading Scheme Order 2020; and
- UK ETS Common Frameworks summary note (<u>here</u>); and
- A Research Briefing on Emission Trading Schemes (<u>here</u>)

The Committee took oral evidence from Department of Agriculture, Environment and Rural Affairs (DAERA) on 17th September 2020 and felt that it may be useful to share the Hansard of that session with you. (<u>here</u>)

In its consideration of the proposed UK ETS, the AERA Committee noted that the power generators located in this jurisdiction and which account for

some 80% of the Greenhouse Gases regulated under the current EU ETS, will under the terms of the Ireland / Northern Ireland Protocol, remain in the EU ETS. The implications of the Internal Market Bill upon this arrangement and indeed upon the proposed UK ETS remains an area that therefore requires some clarity.

The AERA Committee has indicated that it would welcome any update that you wish to provide it with, on your approach and work on the proposed UK ETS, as well as issues that may be of concern.

Yours Sincerely

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Declan McAleer Chairperson, Committee for Agriculture, Environment and Rural Affairs