

# ENVIRONMENT (WALES) ACT 2016

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 2 - Climate change**

#### ***Section 50 –Advice about proposed regulations relating to targets and budgets***

205. This section makes provision about how the advisory body must respond to requests under section 49 for advice on proposed regulations.
206. Subsection (1) requires that in relation to proposed regulations changing the 2050 emissions target or setting or changing interim emissions targets, the advisory body's advice must include its opinion on whether the Welsh Minister's proposed target is the highest achievable target and if not, what the body considers is the highest achievable target.
207. Subsection (2) requires that in relation to proposed regulations setting or changing carbon budgets, the advisory body must advise on the levels at which carbon budgets should be set and on the extent to which budgets should be met by reducing the amount of net Welsh emissions or by the use of carbon units credited to the net Wales emissions account. The advisory body must advise on the respective contributions towards meeting carbon budgets that should be made by sectors of the Welsh economy covered by trading schemes (taken as a whole) and by other sectors not covered (taken as a whole). The advisory body is also required to advise on sectors of the Welsh economy in which there are particular opportunities for contributions to be made towards meeting carbon budgets through reductions in emissions of greenhouse gases.
208. A 'trading scheme' for the purposes of this section is the meaning given by section 44 of the Climate Change Act 2008. Section 44 of that Act defines trading schemes as schemes which either:
- limit activities that consist of the emission of greenhouse gases or that directly or indirectly lead to such emissions (for example, "cap and trade schemes" which cap emissions from a particular set of activities and allow trading of emissions within the cap), or
  - encourage activities that consist of, or that directly or indirectly lead to, reductions in emissions of greenhouse gases or the removal of greenhouse gases from the atmosphere.
209. Subsection (3) requires the advisory body when advising the Welsh Ministers on making regulations that will change the 2050 emissions target or set or change an interim emissions target or a carbon budget to have regard to the matters listed in section 32(3) of the Act.