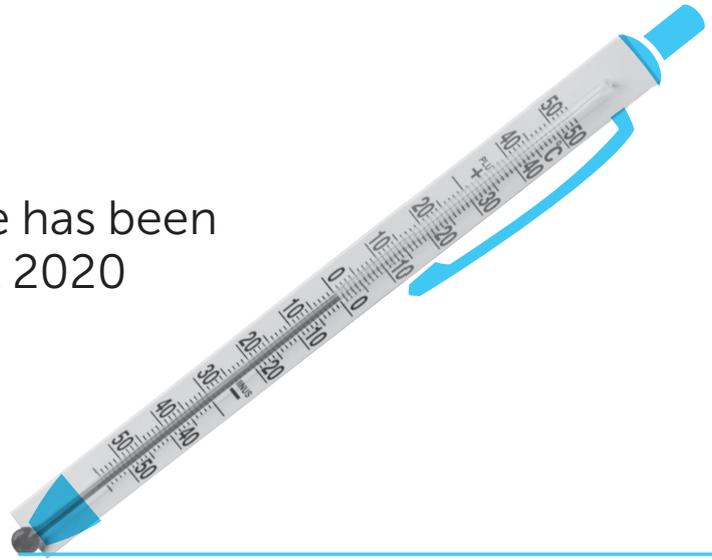


## Pen to paper

How climate change has been addressed in Budget 2020



Following on from the ambitious Climate Action Plan published in June 2019, the government has incorporated the need for climate action into Budget 2020, as published on 8 October 2019.

Below are some of the key elements of Budget 2020 as they relate to climate change:

### Carbon pricing

- The government are committed to increasing the price of carbon to €80 per tonne by 2030 in accordance with the advice from the Climate Change Advisory Council. Budget 2020 will see a €6 increase in the price of carbon. The government is planning small increases year on year to give people time to plan and to avoid a big hike in any one year.
- The carbon tax will be ring-fenced to support climate action (eg. new greenways and urban cycling pathways, pilots for sustainable agricultural measures and an increased contribution to the Green Climate Fund) and protect those most vulnerable (eg. by increasing the Fuel Allowance and supporting energy poverty efficiency upgrades). The Department of Communications, Climate Action and Environment's press release (see link below) includes a table setting out the measures being funded by the ring-fenced revenues.

### Transition to electric vehicles

- €36m has been allocated in 2020 (compared €18m in Budget 2019) to further incentivise electric vehicle uptake. Along with the further rollout the nationwide network of on-street chargers, the government aims to double the number of home chargers installed and double the fast charger network 2020.

- Electric Vehicle Purchase Grants of €5,000 for individuals purchasing electric cars and €3,800 for businesses purchasing an electric van will continue through money allocated in Budget 2020 and from the ring-fenced Carbon Tax revenues. However, the government is ending the €3,800 incentive for companies to buy an electric car on the basis that the 'whole life' costs of EVs are still attractive enough to keep companies buying these cars.

### Energy efficiency and warmer homes

A number of announcements have been made in this area, including:

- In 2020, an allocation of €146m (€29m increase on 2019) will be used to upgrade 24,000 homes and businesses. A new Retrofitting model will focus on upgrades to large groups of houses at the same time to drive down cost (with a programme targeting social houses in the Midlands).
- €52.8 million (including €13 from ring-fenced Carbon Tax revenues) is being made available to retrofit the homes of people living in or at risk of energy poverty through the Warmer Homes Scheme.
- The income of households who get the Fuel Allowance will increase by €2 per week which means an annual increase of €56.

### Waste

The government has committed to developing a radical new waste strategy in 2020. Increased funding for anti-dumping initiatives will be maintained, with €3m from the environment fund ring-fenced to help communities tackle illegal dumping. A further €12m is being allocated in 2020, including a significant landfill remediation project.

## Decarbonising our energy supply

€3.7m has been allocated to support installation of solar panels on homes, with €9.7m to support emerging technologies which harness the power of the Ireland's ocean resources and research into how we can move away from fossil fuels, while ensuring energy security. €5m has been allocated to support the uptake of alternative fuels such as biomass in the heat sector.

## Protecting the environment

€59.4m has been allocated to support the sustainable development of Ireland's natural and inland fishery resources.

## Just transition

In line with the commitment in the Climate Action Plan to support a transition away from carbonisation that is fair, the government has appointed a Just Transition Commissioner and announced the following measures:

- €6m Just Transition Fund targeted at the Midlands. This funding will support retraining and reskilling workers and assist local communities and businesses in the Midlands to adjust to the low carbon transition.
- €5m for bog restoration and rehabilitation which will restore bogs to their natural habitat and become sinks that absorb carbon. This programme will support the National Parks and Wildlife Service (NPWS) to restore 1,800 hectares of bog in 7 counties, resulting in 28m tonnes of carbon stored over the next 5 years. It aims to create 70 jobs in year one rising to 100 as the programme develops.
- €20m to deliver new model to group housing upgrades together as set out in the Climate Action Plan. Targeted at the Midlands, this aims to support an estimated 400 jobs directly and indirectly, as well as significantly upgrading the social stock in the region during 2020.

More details can be found in the Department of Communication, Climate Action and Environment's press release which can be found [here](#).

The Climate Action Plan is the government's plan to ensure Ireland reaches the 2030 emissions targets, putting us on a trajectory to be net zero emissions by 2050. It is available [here](#).

The Climate Action Plan contains an accompanying annex of actions, also available [here](#). This annex of actions is to be fully implemented by 2050.

## Key contacts



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