



Framing the work of the Wales Net Zero 2035 Challenge Group

Net zero 2035 and the CCC's balanced pathway

The IPCC has warned that stopping climate system breakdown will not be possible without widespread societal and industrial transitions happening at an urgent pace, in every nation and at all scales. The CCC's balanced pathway represents the most comprehensive, detailed effort to understand and describe what such transitions could entail for Wales. Without being prescriptive about policy choices, it draws on a wide range of data and evidence to establish how an emissions neutral Wales in 2050 could be achieved.

The resulting net zero scenario imagines coordinated action at all levels – from Government to individuals – and involves large-scale and transformational change within the next decade, with two thirds of emissions reductions being achieved by 2035.

And since the CCC produced this advice in 2020, the context has changed in a way that makes this task harder. Conflict in Europe, with consequent disruption to international energy and food markets, and the effects that this has had on an already weakened UK economy, mean that the resources available to tackle the challenge of achieving net zero are scarce. The time, money and headspace available to individuals, businesses, and government is focused on addressing the immediate crises and their impacts, with the risk that the transformational change imagined in the balanced pathway is further delayed.

Despite this, the Welsh Government has made net zero a priority, and is already active in seeking to lead and mobilise others to realise the changes needed. It is not wholly within its gift to shape the policy and fiscal environment in the way it might want to given its ambitions, but it nonetheless has a vital role to play in achieving net zero.

It is against this backdrop that the Welsh Government had asked the Wales Net Zero 2035 Challenge Group to provide advice on how to accelerate the pace of change. This note reflects on what this might mean for how the Group directs its work. The key question would appear to be how to prioritise: if the ambition is to do more, and to move quicker, where can the Welsh Government add most value given the context, and its locus of agency?

Accelerating progress against the balanced pathway

The CCC advice highlights a small number of key areas of focus in Wales and for the Welsh Government:

- Supporting changes in a range of individual behaviours (principally travel and diet);
- Accelerating take up of low carbon solutions both at a household level (for heat and energy), and across a range of sectors (especially agriculture and manufacturing);

- Large scale infrastructure investment in transport (for EVs and to support modal shift), and in electricity generation and supply; and
- Changing the way that the land and marine environment are managed.

The Welsh Government is already pursuing policy agendas in each of these areas, but is there scope to do more? Or to add to or change its approach? Are there areas where it could deprioritise in order to release capacity to focus on the areas with the potential for greatest impact? And if it were only able to increase its efforts in one area, which should it be?

Or might it be better to focus on providing advice on accelerating the delivery? Even where the Welsh Government may have identified the best possible policy intervention, the successful implementation of this is not guaranteed, and accelerating progress may require the policy to be redesigned. As none of the areas identified are ones where the Welsh Government can act alone, it will need to orchestrate actions across Welsh society, and offer challenge and support to encourage this; something all governments struggle to do effectively. Are the mechanisms needed for this in place? Are there areas where the delivery of its plans is at risk? How can it overcome some of the structural challenges it faces (e.g., the lack of a vibrant Welsh media landscape through which to communicate with the public)?

Widening the lens beyond CCC advice

The CCC advice is rooted in an analysis of the sources of emissions (the emissions inventory), with the result that it looks sector-by-sector at the possible approaches to reducing emissions. While this is essential in understanding how to reach net zero, the analysis does not (and nor does it claim to) consider in any depth the interconnections and cross-cutting issues that flow from trying to achieve net zero. These include both potential risks, such as actions leading to a deepening of existing inequalities. As well as the need for cross-cutting actions (e.g. on finance, or on public involvement and engagement), and the potential for more innovative or radical solutions. With the work of the Group being framed by the Wellbeing of Future Generations Act, its approach needs to take a wider focus than the analysis of the emissions inventory allows for.

Some have criticised the CCC's balance pathway for not being ambitious enough. To be clear, achieving the balanced pathway would lead to profound changes in the way that all of us behave, at home, at work, and in the community. But, in building its pathway the CCC has had to make assumptions that are open to challenge. To give two examples:

- The balanced pathway assumes that the earliest possible date for the phase-out of sales of new gas boilers in Wales is 2033. This is based on the need to scale up heat pump markets and supply chains from existing low levels, establish a skills base, and complete an extensive retrofit programme to prepare Wales' housing stock for the transition to low carbon heating. This does not mean that an earlier date for ending the sale of new gas boilers in Wales is not, theoretically, possible. And could a 'scrappage' scheme encourage people to replace gas boilers before they fail and need to be replaced?
- The CCC modelling emphasises the use of technological measures over behavioural and societal measures to deliver emissions reductions; with over 70% of emissions savings in the pathway driven by technological solutions, compared to 16% achieved through reducing demand for emissions-intensive activity and efficiency improvements. This reflects assumptions about how much societal and behavioural change is plausible (and, to an extent, desirable) in the timeframe. But can we envisage, for example, going further than the assumed maximum of 35% reduction in meat and dairy consumption by 2050? Or is there scope to achieve a greater shift away from private car use than the CCC imagines?

The second of these touches on a deeper debate about whether our current economic model (as well as the social and political systems that interact with and support it) is consistent with achieving net zero. Should we be radically redesigning our way of life to promote human and planetary wellbeing?

Navigating the complexity

So, to return to the question posed earlier about how the Welsh Government should prioritise. The complexity of the issues the Group is being asked to work on belies the apparent simplicity of this question. And this is, therefore, the first task of the Group – to decide how to navigate the complexity.

I offer three thoughts in the hope that they will aid the discussion:

- The time horizon that is baked into the remit of the Group is one way to focus its work. By the time the work of the Group is concluded, 2035 will be a little over a decade away, and the Welsh Government will be into the last 24 months of its electoral term. It is right to frame the issue in relation to the wellbeing of future generations, but the Group should be providing advice on immediate steps that the Government could be taking to accelerate long-term change.
- In thinking about how to advise any government, it is worth thinking about how you interact with its existing agenda. What are the opportunities coming up – plans to develop policy or legislation – that are worth targeting? How does pursuing this agenda interact with (and ideally support) other government priorities?
- While the preceding text suggests a choice between the balanced pathway and taking a wider lens, these are not mutually exclusive. The detailed work that has gone into the balanced pathway can and should inform any wider consideration of the issues. Perhaps a more helpful framing is to consider looking at the challenges of achieving net zero systemically: using tools and insights from systems thinking to identify dependencies and potential leverage points or key enablers without which other changes cannot occur. The advice and analysis that the CCC has provided would be invaluable in pursuing this, not least in helping to frame and inform questions about the right mix of policies and their delivery

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