

Climate Analysis Summary 2023

At present, it is far from certain that the targets in the Dutch Climate Act will be achieved. To reach the climate target of a 55% reduction in emissions by 2030, all policy intentions the PBL Netherlands Environmental Assessment Agency was able to calculate would have to be implemented in full and on time, and have a maximum impact. That is not realistic. The effectiveness of many policy intentions depends on uncontrollable, external factors, such as the weather and the electricity market.

Furthermore, it is precisely in the implementation that there are major bottlenecks related to a shortage of people, resources and materials. The government is working on plans and programmes to solve these and other bottlenecks, but as yet, not enough progress is being made in the shift from theory to practice. It is now a question of making the bottlenecks manageable. That is the only way to ensure timely implementation of climate policies and for the 2030 reduction target to be within our reach with sufficient certainty.

Achieving climate targets also requires clear political decisions. Indeed, failure to take those decisions will have major consequences for the policy to be implemented, for the translation of policy into legislation and for its timely implementation - and thus for achieving the targets. It is important that decisions are taken expeditiously, that they are implemented consistently so that direction is also provided for achieving a climate-neutral Netherlands by 2050. The Climate Act makes it obligatory for the government and the House of Representatives to elaborate and implement climate policy. Delaying decisions jeopardises achieving climate targets.

Furthermore, all the aspects involved have to be conducive, including uncontrollable external factors, to meet the energy savings target for end use energy consumption arising from the European Energy Efficiency Directive. That is not realistic. The target for primary energy consumption is still out of reach. The target for cumulative energy savings is within reach, however, provided the implementation of climate plans leads to maximum impact and monitoring is organised in an orderly manner so that energy savings can be justified when reporting to the European Commission. Achieving Europe's stricter renewable energy targets requires decisive action by the government.

In the opinion on the draft 2024 Budget Memorandum, the Advisory Division of the Council of State offers guidance for a climate-inclusive budgetary framework. This allows for the integral consideration of climate and other government policies. But that is not enough. It is also important to bear in mind the integrality between climate policy and other policies when compiling a new long-term strategy and a new Climate Plan in 2024. The transparency, efficiency and effectiveness of policy and thus integral considerations can be enhanced if tax and expenditure related to climate policy - for mitigation, as well as for adaptation and damage - are transparent.

Therefore, the Advisory Division recommends developing a methodology for defining and classifying all climate taxes and climate expenditure. Transparency regarding the use and allocation of resources can be improved if the considerations and decisions that form the basis of the total package of climate measures are made explicit. It is also necessary to align the cycle of the Climate Act more effectively with the budget cycle and to improve the way the integrality of climate policy is reflected in the Climate Act.

What's more, the Advisory Division recommends - also taking into account European developments - including a national interim 2040 target in the Climate Act.

The draft Climate Memorandum does not address the relationship between central government and local and regional authorities in achieving climate targets. The Advisory Division recommends doing so, as cooperation between the state, provinces, municipalities and water boards is crucial to achieve the climate targets. The legislator will have to take decisions. Nevertheless, municipalities, provinces and water boards play an important role in the consultation, deliberation and implementation phases. The Advisory Division recommends that bottlenecks related to financial resources, expertise and powers should also be addressed in the context of the relationship between the state and local and regional authorities.