

Reflection of the Advisory Division of the Council of State on the first Climate Plan of the Dutch government

Summary

On 1 September 2019, the Climate Act came into force. In order to implement this Act, the Minister of Economic Affairs and Climate Policy drafted the first-ever 'Climate Plan'. This first Climate Plan encompasses the main points of the climate policy that is to be implemented in the Netherlands until and including 2030. The Climate Act dictates that the Advisory Division of the Council of State must be 'heard' – consulted – in regard to the Climate Plan. This reflection on the Climate Plan is the Division's first step in the implementation thereof.

At first glance, the draft Climate Plan appears to be a strong climate policy; it is expected to lead to a considerable reduction in greenhouse gas emissions. However, the Netherlands Environmental Assessment Agency (PBL) does not expect the objective of the Climate Act, to achieve emissions reductions of 49% by 2030 relative to 1990, to be achieved. Due to the urgent importance of the climate and energy transition, it is important to establish the Climate Plan this year, to implement the key measures it describes – such as the CO₂ levy on industry – in the near future, and to decisively and methodically implement the agreed climate policy. In enforcing this policy, the government must also respond to a failure to achieve the targets by taking additional measures to reduce emissions.

The Climate Act describes the emission reduction target for 2030 (49%) as an interim goal, an objective. The Climate Act sets out the ultimate target of a 95% reduction in greenhouse gases by 2050. Such a reduction, which is as necessary as it is drastic, will require not only a great many individual measures, but also the restructuring of production and consumption in every sector of the economy and society. The draft Climate Plan does not sufficiently reflect that realisation, and does not place the measures leading up to 2030 clearly enough within the perspective of targets for 2050. This and future Climate Plans must also offer greater insight into when each measure will be taken, and how they are to be implemented in the years leading up to 2030 and 2050 respectively.

Building up and strengthening a broad support base will be crucial to the success of these major changes to the economy and society. Partly in that light, it is very important to identify the benefits of the energy and climate transition, to distribute costs and benefits equally, and to ensure a cost-efficient strategy in both the short and the long term. Although the benefits of this approach may be hard to quantify, there are undoubtedly benefits to be had. They include not only limiting the damage that climate change is inflicting on a global scale, but also improving the quality of nature and the environment, protecting health, preventing floods and droughts, and taking advantage of the opportunities presented by technological and economic innovation in the Netherlands. In terms of costs,, the climate policy will have a limited effect on incomes, expenditure and growth spread out over the entire period up to 2030. However, government bodies, businesses and citizens may all take a different view based on their own experiences. The reasons for this could include uncertainty about the content and

timescales of measures taken, as well as the possibility that the costs for individual households and for small and medium-sized enterprises may not be spread out over a longer period, but may instead come all at once.

This highlights the importance of the proper implementation of both current and future climate-related measures, to ensure that the costs to citizens and businesses are both achievable and manageable and, in a more general sense, to maintain sufficient public support for the policy and the measures. The successful implementation of the climate policy will require commitment from the whole of society: authorities, market actors and citizens, which in turn demands new forms of collaboration and engagement. The Division is calling for particular attention to be paid to the great importance of effective cooperation between all layers of government. There is especially a need for proper management at a national level, and for the creation of statutory frameworks. At the same time, the authorities will have an important role to play in the implementation of key aspects of the climate policy. This may cause tension, and it will require clearer agreements than those contained in the current draft Climate Plan.

Finally, the urgency and complexity of the climate and energy transition also demand a cohesive package of legislation, to ensure that the necessary concrete reduction in greenhouse gas emissions can be achieved within the time allowed. Therefore, the Division sees a need for a cohesive programme of legislation, coupled with robust management, cooperation and coordination.