



Climate Change Act 2008

2008 CHAPTER 27

PART 1

CARBON TARGET AND BUDGETING

Carbon units, carbon accounting and the net UK carbon account

26 Carbon units and carbon accounting

- (1) In this Part a “carbon unit” means a unit of a kind specified in regulations made by the Secretary of State and representing—
- (a) a reduction in an amount of greenhouse gas emissions,
 - (b) the removal of an amount of greenhouse gas from the atmosphere, or
 - (c) an amount of greenhouse gas emissions allowed under a scheme or arrangement imposing a limit on such emissions.
- (2) The Secretary of State may make provision by regulations for a scheme—
- (a) for registering or otherwise keeping track of carbon units, or
 - (b) for establishing and maintaining accounts in which carbon units may be held, and between which they may be transferred, by the Secretary of State.

The regulations may, in particular, provide for an existing scheme to be adapted for these purposes.

- (3) The regulations may make provision—
- (a) appointing a body to administer the scheme;
 - (b) establishing a body for that purpose and making such provision in relation to the appointment of members, staffing, expenditure, procedure and otherwise as the Secretary of State considers appropriate;
 - (c) conferring power on the Secretary of State to give guidance or directions to the body administering the scheme;

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- (d) conferring power on the Secretary of State to delegate the performance of any of the functions conferred or imposed on the Secretary of State by the regulations;
 - (e) requiring the payment by persons using the scheme of charges (of an amount determined by or under the regulations) towards the cost of operating it.
- (4) If an existing body is appointed to administer the scheme, the regulations may make such modifications of any enactment relating to that body as the Secretary of State considers appropriate.

27 Net UK carbon account

- (1) In this Part the “net UK carbon account” for a period means the amount of net UK emissions of targeted greenhouse gases for the period—
- (a) reduced by the amount of carbon units credited to the net UK carbon account for the period in accordance with regulations under this section, and
 - (b) increased by the amount of carbon units that in accordance with such regulations are to be debited from the net UK carbon account for the period.
- (2) The net amount of carbon units credited to the net UK carbon account for a budgetary period must not exceed the limit set under section 11 (limit on use of carbon units) for the period.
- (3) The Secretary of State must make provision by regulations about—
- (a) the circumstances in which carbon units may be credited to the net UK carbon account for a period,
 - (b) the circumstances in which such units must be debited from that account for a period, and
 - (c) the manner in which this is to be done.
- (4) The regulations must contain provision for ensuring that carbon units that are credited to the net UK carbon account for a period cease to be available to offset other greenhouse gas emissions.
- (5) The regulations must contain provision—
- (a) for determining whether the total amount of carbon units allocated to the United Kingdom for each budgetary period under schemes or arrangements imposing a limit on emissions from sources in the United Kingdom represent an amount of net UK emissions of targeted greenhouse gases for the period greater than the carbon budget for the period, and
 - (b) for ensuring that, if this is the case, carbon units representing the amount of such emissions in excess of the budget are not used to offset greenhouse gas emissions in the United Kingdom or elsewhere.

28 Procedure for regulations under section 26 or 27

- (1) The following provisions apply in relation to regulations under section 26 (carbon units and carbon accounting) or section 27 (net UK carbon account).
- (2) The regulations are subject to affirmative resolution procedure if—
- (a) they are the first regulations to be made under those sections,
 - (b) they specify a carbon unit of a kind not previously specified in regulations made under those sections,

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- (c) they alter the amount by which—
 - (i) a carbon unit that is credited to the net UK carbon account for a period reduces the net UK carbon account for that period, or
 - (ii) a carbon unit that is debited from the net UK carbon account for a period increases the net UK carbon account for that period, or
 - (d) they make modifications of an enactment contained in primary legislation.
- (3) Otherwise the regulations are subject to negative resolution procedure.
- (4) The Secretary of State must consult the other national authorities—
- (a) in the case of regulations subject to affirmative resolution procedure, before laying before Parliament a draft of a statutory instrument containing the regulations;
 - (b) in the case of regulations subject to negative resolution procedure, before making the regulations.
- (5) The Secretary of State must obtain, and take into account, the advice of the Committee on Climate Change before laying before Parliament a draft of a statutory instrument containing—
- (a) the first regulations to be made under those sections, or
 - (b) regulations making provision of the kind described in paragraph (b) or (c) of subsection (2).