STATUTORY INSTRUMENTS

2011 No. 1602

CLIMATE CHANGE

The Climate Change Act 2008 (Credit Limit) Order 2011

Made - - - 29th June 2011

Coming into force in accordance with article 1

A draft of this instrument was laid before and approved by a resolution of each House of Parliament, in accordance with sections 11(6) and 91(1) of the Climate Change Act 2008 ("the Act")(1).

Before the draft was so laid, the Secretary of State—

- (a) took into account the advice of the Committee on Climate Change under section 34(1) (b) in relation to the 2013-2017 budgetary period in accordance with section 11(7)(a) of the Act; and
- (b) consulted the Scottish Ministers, the Welsh Ministers and the Department of the Environment in Northern Ireland in accordance with section 11(7)(b) of the Act(2).

Accordingly the Secretary of State, in exercise of the powers conferred by section 11(4) and (5) of the Act, makes the following Order:

Citation and coming into force

1. This Order may be cited as the Climate Change Act 2008 (Credit Limit) Order 2011 and comes into force on the day after the day on which it is made.

Interpretation

2. In this Order—

"the Emissions Trading Directive" means Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC(3); and

"the EU ETS" means the scheme for greenhouse gas allowance trading established under the Emissions Trading Directive as implemented by the Greenhouse Gas Emissions Trading Scheme Regulations 2005(4).

^{(1) 2008} c.27.

⁽²⁾ See the definitions of "national authority" and "the relevant Northern Ireland department" in sections 95 and 96.

⁽³⁾ O.J. No. L 275, 25.10.2003, p. 32; amended by Directive 2004/101/EC, O.J. No. L 338, 13.11.2004, p. 18, Directive 2008/101/EC, O.J. L 8, 13.1.2009, p. 3, and Directive 2009/29/EC, O.J. No. L 140, 5.6.2009, p. 63.

⁽⁴⁾ S.I. 2005/925; as amended by S.I. 2005/2903, 2006/737, 2007/465, 2007/1096, 2007/3433, and 2007/3538.

Limit on the net amount of carbon units

- **3.**—(1) The limit on the net amount of carbon units(**5**) that may be credited to the net UK carbon account for the 2013-2017 budgetary period is 55,000,000 carbon units.
- (2) Carbon units credited to or debited from the net UK carbon account as a result of the operation of the EU ETS in respect of each year of the 2013-2017 budgetary period in accordance with regulations made under section 27(3) of the Climate Change Act 2008 do not count towards the limit in paragraph (1).

Greg Barker
Minister of State
Department of Energy and Climate Change

29th June 2011

⁽⁵⁾ See the definition of "carbon units" in regulation 3 of the Carbon Accounting Regulations 2009 (S.I. 2009/1257) which are made in exercise of powers conferred by sections 26(1) and (2), 27 and 90(3) of the Climate Change Act 2008.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order sets a limit of the net amount of carbon units that may be credited to the net UK carbon account for the 2013-2017 budgetary period of 55,000,000 carbon units. Article 3(2) sets out certain carbon units which are excluded from the level of the limit. They are carbon units credited to and debited from the net UK carbon account as a result of the operation of the EU emissions trading scheme during the 2013-2017 budgetary period in accordance with regulations made under section 27(3) of the Climate Change Act 2008. Carbon units are defined in regulation 3 of the Carbon Accounting Regulations 2009 (S.I. 2009/1257).

A full impact assessment of the costs and benefits of this instrument is available at the website of the Department of Energy and Climate Change: www.decc.gov.uk., and it is also published alongside the instrument and its Explanatory Memorandum on the legislation website of The National Archives (http://www.legislation.gov.uk).