

CLIMATE CHANGE ACT 2008

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Carbon Target and Budgeting

Determination whether objectives met

Section 18: Final statement for budgetary period

93. This section places a duty on the Secretary of State to report the final figures for the net UK carbon account during a budgetary period; these figures are used to determine whether a budget has been met.
94. *Subsections (2) to (6)* place a duty on the Secretary of State to report:
- under *subsection (2)*, the final amounts of UK emissions, UK removals and net UK emissions for each targeted greenhouse gas (each of the gases included in the target – see section 24). The final amounts may differ slightly from the sum of the emissions figures in the annual reports for the budgetary period because this statement will take account of any changes in the international methodology used to work out the 1990 baseline and emissions for each year;
 - under *subsection (3)*, the final amount of carbon units that have been credited to or debited from the UK carbon account in that budgetary period, and details of the number and type of those units;
 - under *subsection (4)*, the final amount of the net UK carbon account for the budgetary period;
 - under *subsection (5)*, whether the Secretary of State has decided to borrow from the next budget (using the power in section 17(1)) and, if so, the amount borrowed;
 - under *subsection (6)*, the amount of the budget for the period, which will be the level of the budget as originally set, subject to any banking or borrowing under section 17 and any alteration of the budget under section 21.
95. *Subsection (7)* provides that the determination of whether the budget has been met should be made by reference to the figures in the statement.
96. *Subsection (8)* provides that if the budget has not been met, then the statement must include an explanation of the reasons why not.
97. *Subsection (9)* sets a back-stop, requiring the Secretary of State to lay the statement before Parliament no later than the 31st May in the second year after the end of a budgetary period (so, for the 2008–2012 budget, no later than 31st May 2014). *Subsection (10)* requires the Secretary of State to send a copy of the statement to the devolved administrations.