

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations set a limit on the amount of carbon units that may be credited to the net Welsh emissions account in accordance with section 33(4) of the Environment (Wales) Act 2016 (“the Act”).

Section 33 of the Act provides that the net Welsh emissions account for a period is the amount of net Welsh emissions of greenhouse gases plus any carbon units debited from the account, and minus any carbon units credited to the account during the period.

Section 33(4) of the Act requires the Welsh Ministers to set a limit on the amount of carbon units that may be credited to the net Welsh emissions account for a budgetary period.

Regulation 2 limits the number of carbon units that may be credited to the net Welsh emissions account for the budgetary period 2021-2025 to 0% of the carbon budget.

In accordance with section 49 of the Act, the Welsh Ministers have obtained and taken into account the advice of the advisory body before laying draft regulations.

The Welsh Ministers’ Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from the Welsh Government, Cathays Park, Cardiff, CF10 3NQ.