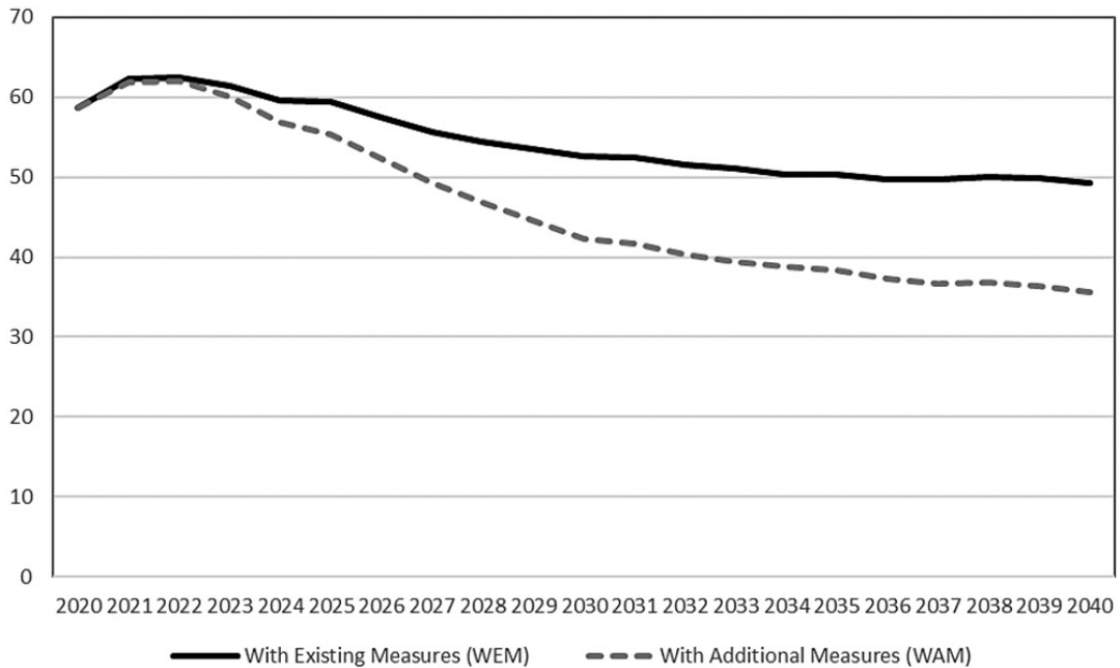


Environment and Sustainability

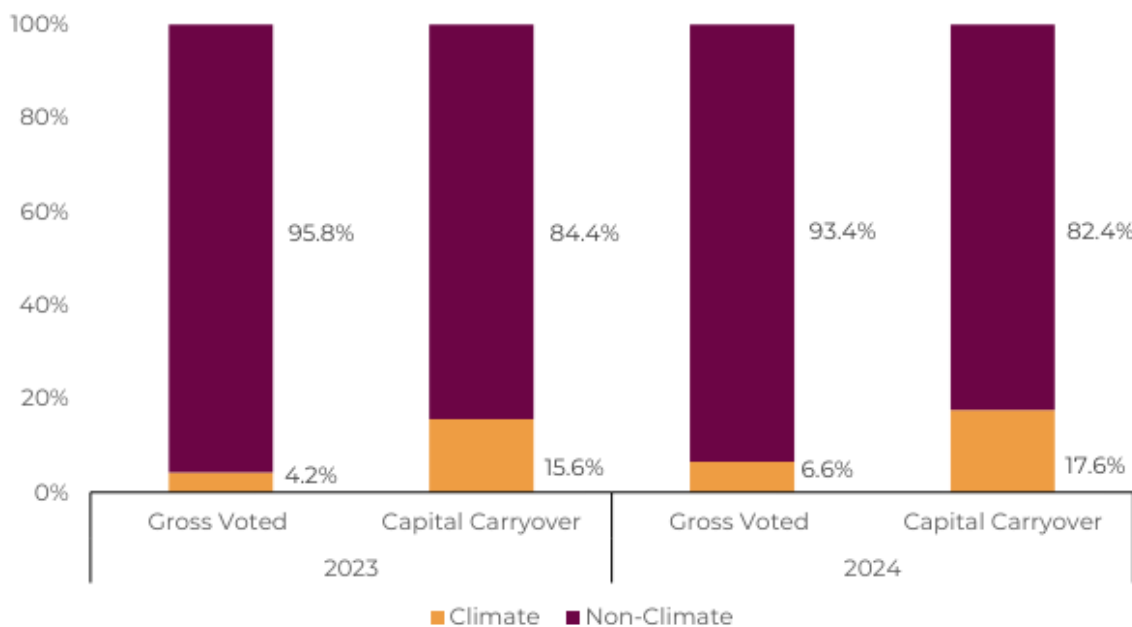
Chart 9.1: Ireland GHG Emissions Projections 2020-2040 (Mt CO2 eq)



Source: EPA, 2023

Chart 9.2: Proportion of Climate and Environmentally Favourable Expenditure 2023-2024 (by Voted Allocation and Capital Carryover)

Source: PBO based on Revised Estimates for Public Services 2023-2024. Note: These figures reflect the gross allocation in 2023 and 204 exclusive of the SIF and the NTF



Environment and Sustainability

Emissions

Emissions in Ireland are cyclical, falling during recessions and increasing as economic activity increased. Ireland missed both its energy and climate targets for 2020. In April 2023, the EU Effort Sharing Regulation¹, which establishes national greenhouse gas reduction targets for EU member states was amended.

Where previously Ireland’s national target was set at a 30 per cent reduction by 2030 compared to 2005 levels, the target was updated to a 42 per cent reduction of emissions by 2030. Ireland’s current national greenhouse gas emissions target is 4.8 per cent annually for the years 2021 to 2025 inclusive. In 2022 Ireland’s net greenhouse gas emissions reduction was 1.9 per cent.²

To date, there has been a complete failure at a political level to implement policies that will de-couple emissions from economic trends and put our economy and our society on a more sustainable footing. Ireland came closest to meeting the (missed) 2020 emission reduction targets in the period 2011-2012, during the economic recession.

Ireland’s reduced emissions resulted from reduced economic activity, not from any policy success, and emissions continue to increase in line with economic growth. It is clear from Chart 9.1 that the existing measures contained in the Climate Action Plan will not be enough to meet our climate targets, and additional measures will be required.

Green budgeting

Green budgeting is a process whereby the environmental contributions of budgetary items and policies are identified and assessed with respect to specific performance indicators, with the objective of better aligning budgetary policies with environmental goals. Ireland’s approach to and definition of green budgeting is set out by the Department of Public

Expenditure and Reform which outlines that green budgeting is the use of the budgetary system to promote and achieve improved environmental outcomes.³

An assessment by the Parliamentary Budget Office on Climate Related Spending⁴ should be used to revise and reform green budgeting policy in Ireland. The report found that climate related expenditures are disproportionately significant within the capital carryover, amounting to 15.6% of all capital carryover in 2023, exceeding €107m (Chart 9.2).

Any continuation of this trend would suggest ongoing difficulties in spending on climate related matters, and therefore difficulties in delivering climate objectives.

Policy Priority

- Support and invest in the circular economy with regional strategies and targets.
- Review all fossil fuel subsidies and harmful tax expenditures and set out a roadmap to remove those that do not align with our national climate goals by 2030.
- Adopt targets and a reporting system for each of the Sustainable Development Goals.
- Fully resource the circular economy strategy.

¹https://climate.ec.europa.eu/eu-action/effort-sharing-member-states-emission-targets_en

²https://www.epa.ie/publications/monitoring--assessment/climate-change/air-emissions/2023-EPA-Provisional-GHG-Report_Final_v3.pdf

³<https://www.gov.ie/pdf/?file=https://assets.gov.ie/271646/9e236d72-90bf-425a-bf2f-6b377e87152b.pdf#page=null>

⁴https://data.oireachtas.ie/ie/oireachtas/parliamentaryBudgetOffice/2024/2024-02-29_climate-related-spending-2024_en.pdf