

Net zero policy tracker: March 2024 update

Headline findings

Across the whole economy and individual sectors, this assessment reveals a continued lack of progress on decarbonisation for the fifth carbon budget period and the UK's international commitment for 2030 (Nationally Determined Contribution).

As the window to take effective action on climate change closes, the next parliament will be crucial. Strong leadership, covering all departmental briefs, is currently missing across the political spectrum, most notably in areas of the economy where decarbonisation efforts are most urgent. In these areas, we need not just the ambition to act, but concrete plans for rapid delivery of effective policy across all policy areas.

With signs of wavering ambition on the environmental agenda across Westminster, it is vital that politicians from all political parties, particularly those responsible for briefs that materially impact the decarbonisation agenda, put forward credible plans on how they will get the UK back on track for net zero.

Methodology

The *Net zero policy tracker* has monitored UK government climate policies since March 2020, assessing whether sufficient action is planned to reduce greenhouse gas emissions to get the UK on track for net zero.

This update tracks government policies made from 1 January 2020 to 31 January 2024.

We compare progress against the emissions reduction pathways set out in the UK's Net Zero Strategy, updated in March 2023. The strategy aims to keep the UK on track to meet its legally mandated sixth carbon budget (for the period 2033-37) and reach net zero carbon emissions by 2050.

Given the importance of early action to reach this goal, our analysis focuses on the emissions reductions required from 2028 to 2032 (the fifth carbon budget period).

Policy status is categorised under three headings: 'confirmed policy', 'policy under consultation' or 'policy ambition', according to their degree of certainty. We have not assessed whether policies are being delivered successfully.

Overall progress

This assessment reveals insufficient progress to meet net zero across the whole economy for the fifth carbon budget period (2028-32).

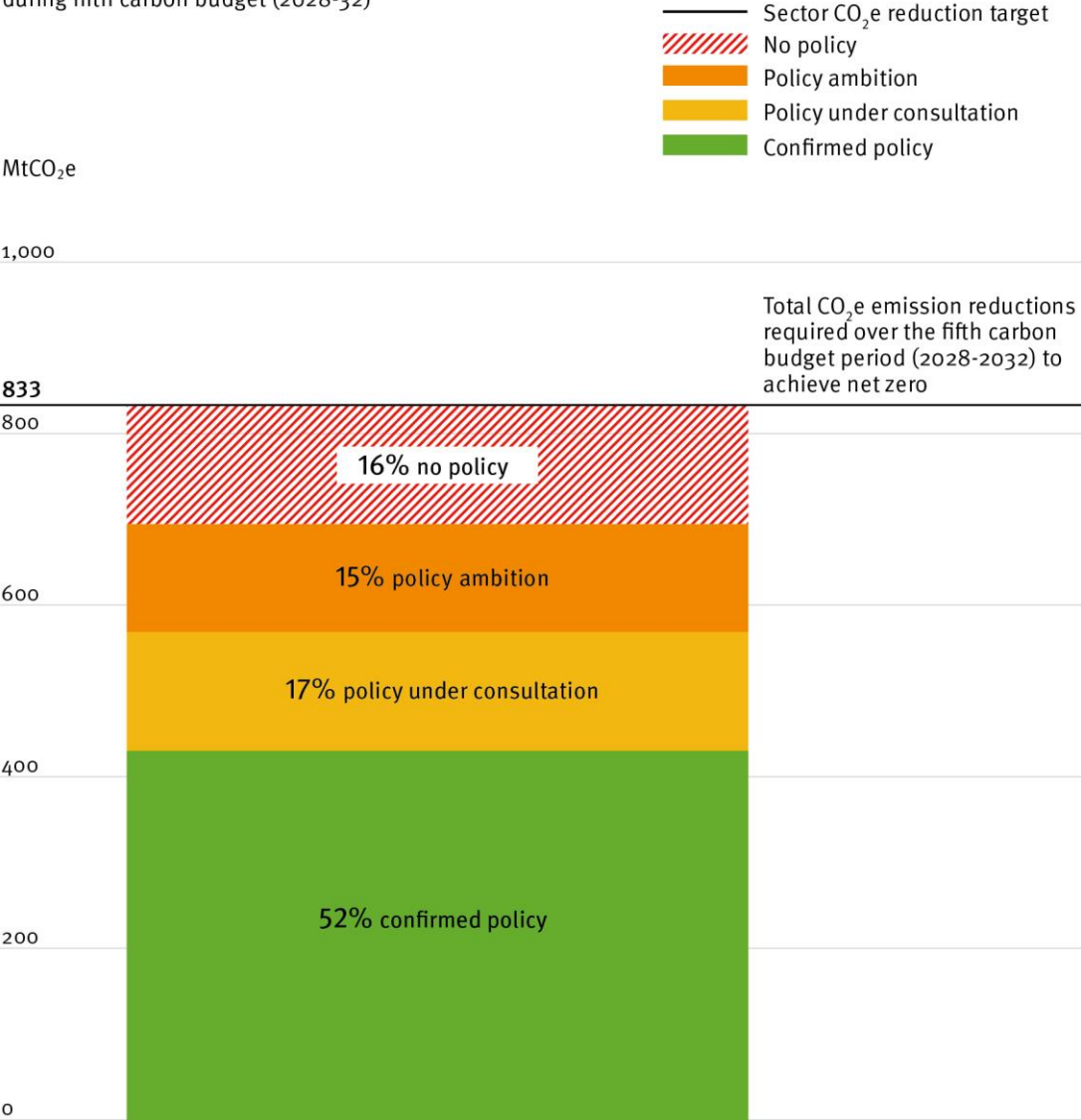
It is positive that more emission savings required are covered by confirmed policy than in our last assessment, mainly due to the implementation of the Zero Emission Vehicle mandate. But there is still no policy to address 16 per cent of the emission reductions needed.

Meeting the UK's international pledge on 2030 emission reductions (its Nationally Determined Contribution) will be marginally easier than meeting the net zero pathway tracked here but even then, the policy gap is 11 per cent.

As a minimum, the government should progress policies held up at the consultation stage by confirming them before the end of this parliament.

Net zero policy tracker

Overall progress against net zero strategy during fifth carbon budget (2028-32)



Sectoral overview: March 2024

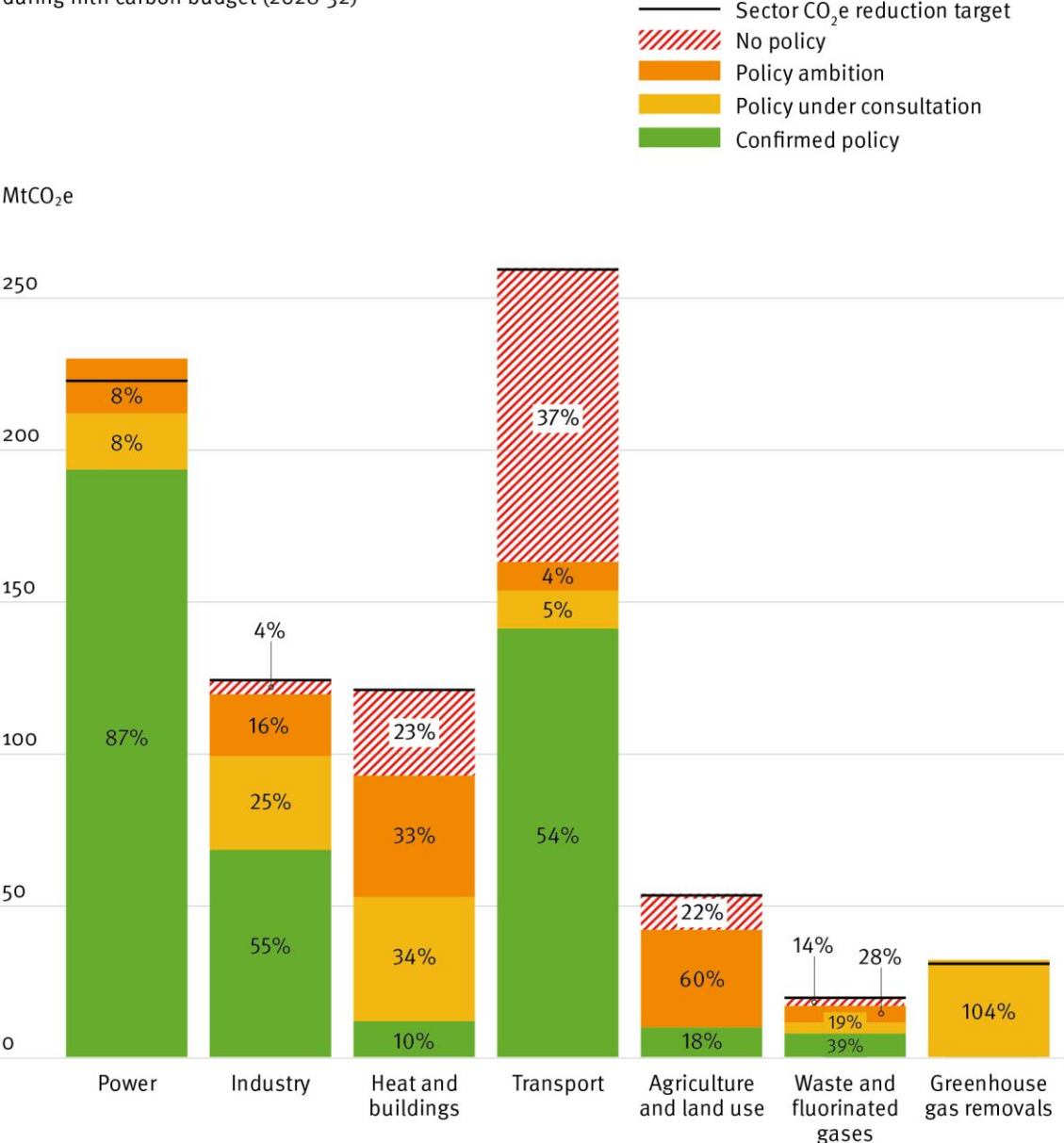
While two sectors are on course to meet or exceed the reductions required (power and greenhouse gas removals), significant policy gaps remain in some sectors, eg transport.

Transport accounts for 70 per cent (97MtCO₂e) of the overall policy gap.

Since our last update in June 2023, there has been backsliding in some sectors, eg heat and buildings.

The following slides explore three sectors which have particular challenges in keeping on track for net zero.

Net zero policy tracker
Sectoral progress against net zero strategy during fifth carbon budget (2028-32)



Heat and buildings

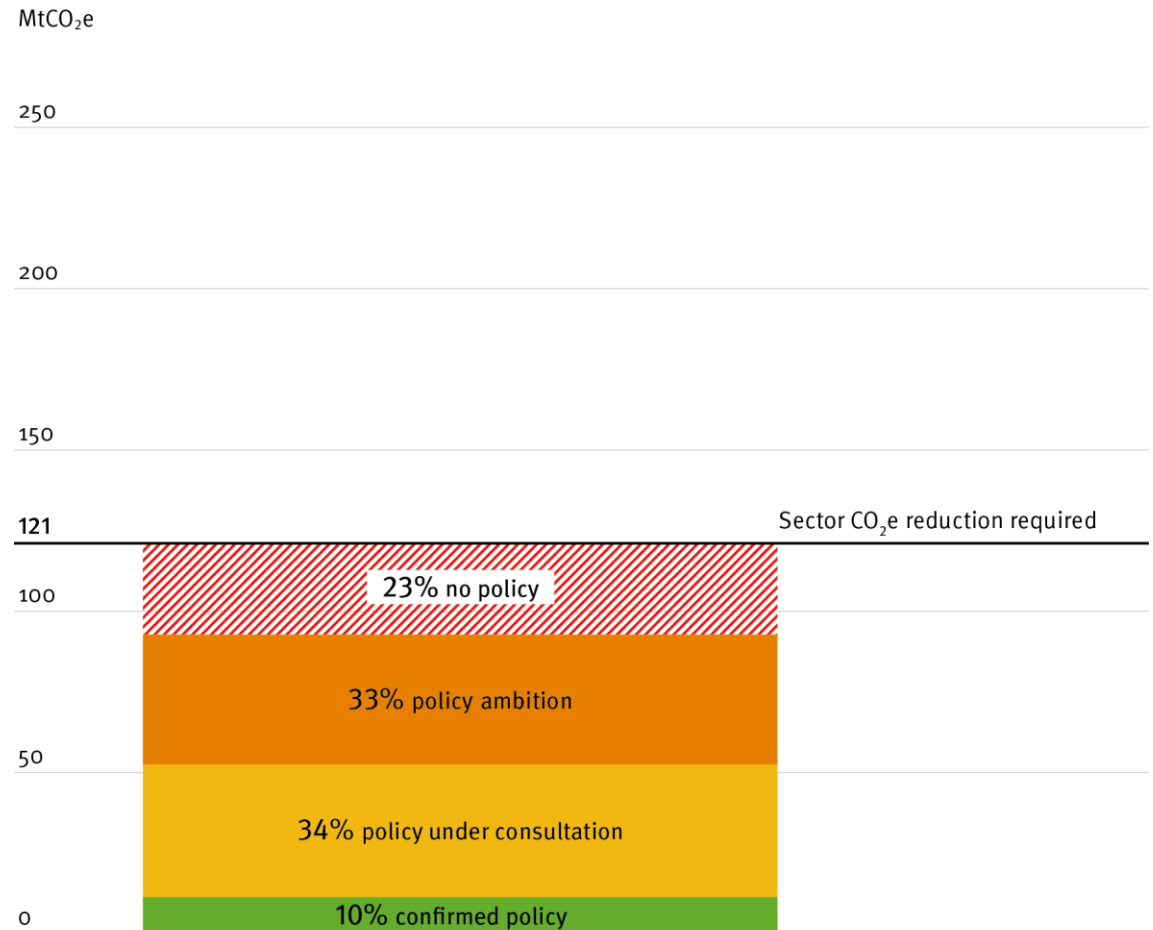
The UK government has recently backtracked on plans for decarbonisation of the heat and buildings sector. It has:

- **reversed plans** to phase-out gas boilers;
- **delayed regulation** on minimum energy efficiency standards in the private rented sector;
- **failed to deliver** on plans to insulate the UK’s old, leaky housing stock.

Only ten per cent of the emission reductions required for the sector are covered by confirmed policy. This is down from 27 per cent in our last assessment in June 2023.

All political parties should affirm their commitment to rapidly implementing an ambitious Clean Heat Market Mechanism as soon as possible.

Net zero policy tracker
Heat and Buildings



Transport

We welcome the recent introduction of the Zero Emission Vehicles mandate, responsible for 80 per cent (113 MtCO₂e) of the transport sector's confirmed policy.

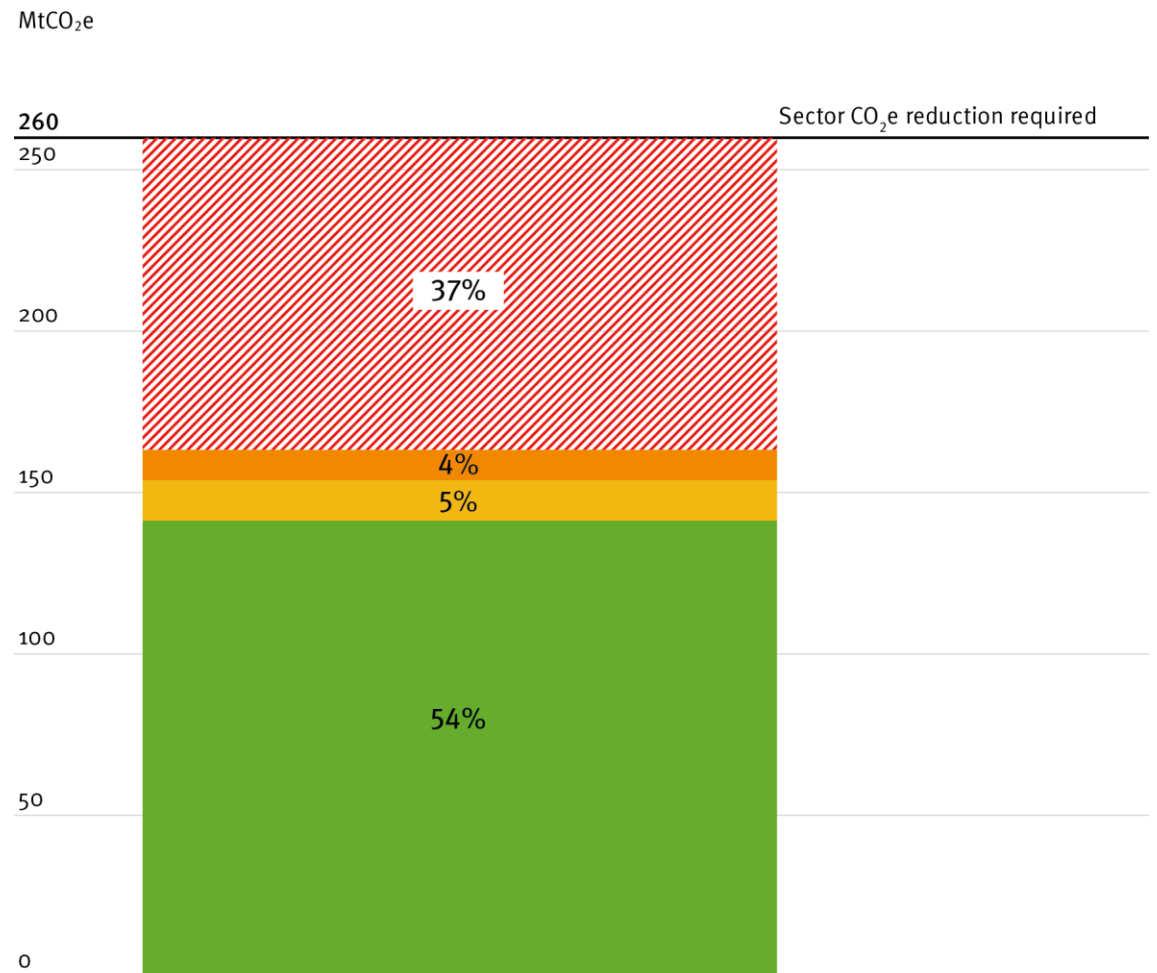
However, in September 2023, the government delayed the ban on the sale of vehicles with internal combustion engines from 2030 to 2035, decreasing the fifth carbon budget emissions reductions covered by policy.

Transport has the biggest policy gap of all sectors (97 MtCO₂e).

Managing road mileage through measures like reviewing road building, redirecting spending into public transport and reducing emissions from HGVs would help to close the policy gap in transport.

Our analysis includes surface transport, international aviation and shipping, to be consistent with the Net Zero Strategy. Expected emissions reductions from aviation over 2028-32 are small and have no significant impact on this analysis. This does not mean government ambition on aviation is sufficient, but that very few savings are expected from aviation in the near term.

Net zero policy tracker
Transport



Agriculture and land use

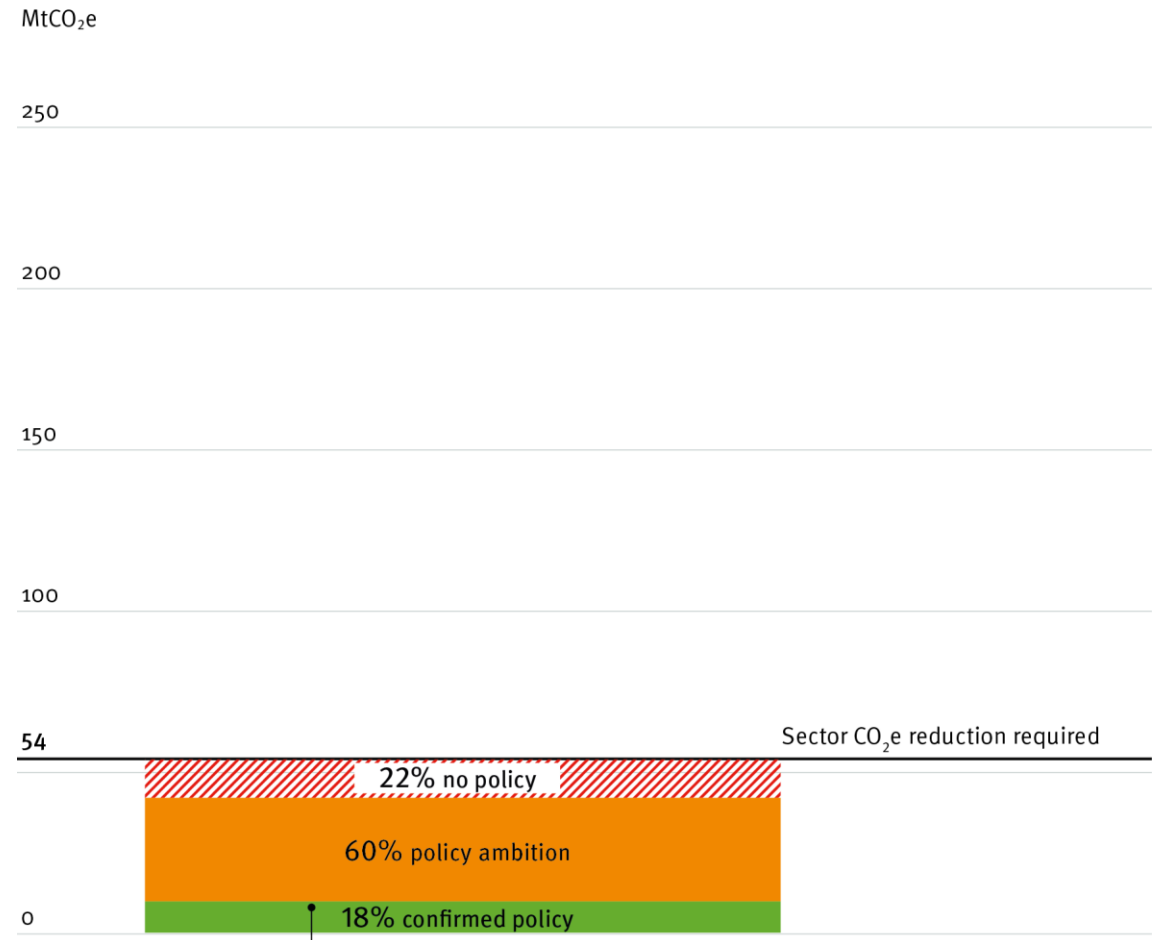
Insufficient progress has been made to cut the climate impact of agriculture and land use. This means only 18 per cent of the emissions reductions needed from the sector are covered by confirmed policy.

No major political party has a credible plan to decarbonise this sector.

Supporting farmers across the UK with an additional £1 billion per year to prioritise environmental delivery on the least productive land would reduce emissions by 14MtCO₂e, or 26 per cent of the sector's emissions, enough to close the sector's policy gap. Given recent protests by farmers in Wales and Europe, it is crucial to get the approach right.

More should also be done to encourage the use of methane suppressants through the Sustainable Farming Incentive, which could save 8MtCO₂e, representing 15 per cent of this sector's emissions.

Net zero policy tracker Agriculture and land use



Conclusions

This update of the *Net zero policy tracker* demonstrates a continued lack of political leadership and some notable recent backsliding in meeting the UK's climate goals.

It highlights the risk of complacency, as so much policy intention is unconfirmed. Goals will be missed if policies under consultation and ambitions are not firmed up and delivered. Nearly 20 per cent of emissions cuts needed are covered by policy still under consultation.

Despite notable progress, eg the Zero Emission Vehicle mandate, the UK's departure from the Energy Charter Treaty and new funding for carbon capture and storage, this analysis reveals that the same sectors as last year are underachieving.

It exposes major policy gaps in key sectors. Rapid action is needed now for the UK to meet its legal commitments and prevent devastating impacts of climate change. As 2032 draws nearer, carbon budgets will become more challenging to meet.

We have not yet seen the level of political leadership, covering all departmental briefs, required by any of the main political parties, nor comprehensive enough plans to meet our climate goals ahead of the general election.

Recommendations

Ahead of a general election, all political parties should acknowledge and address the significant policy gaps preventing the UK from meeting its legal and international obligations. They should:

- Set out credible plans to close the policy gaps across all sectors to deliver the Climate Change Act's legally binding carbon budgets;
- Be clear how they intend to meet the UK's international climate target (the Nationally Determined Contribution) by 2030.

Immediately, the government should:

- Prioritise progressing policies held up at the consultation stage by confirming them before the end of this parliament. Nearly 20 per cent of emissions cuts needed are covered by policy still under consultation.
- Increase sectoral responsibilities for emissions cuts by setting transparent targets for each sector to ensure action by all relevant government departments, and regularly monitor and report against those targets.

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Green Alliance

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