House of Commons
Environmental Audit Committee


Eleventh Special Report of Session 2014–15

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Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

All publications of the Committee (including press notices) and further details can be found on the Committee's web pages at www.parliament.uk/eacom.

Membership at the time of the report

Joan Walley MP (Labour, Stoke-on-Trent North) (Chair)
Peter Aldous MP (Conservative, Waveney)
Neil Carmichael MP (Conservative, Stroud)
Martin Caton MP (Labour, Gower)
Katy Clark MP (Labour, North Ayrshire and Arran)
Zac Goldsmith MP (Conservative, Richmond Park)
Mike Kane MP (Labour, Wythenshawe and Sale East)
Mark Lazarowicz MP (Labour/Co-operative, Edinburgh North and Leith)
Caroline Lucas MP (Green, Brighton Pavilion)
Caroline Nokes MP (Conservative, Romsey and Southampton North)
Dr Matthew Offord MP (Conservative, Hendon)
Dan Rogerson MP (Liberal Democrat, North Cornwall) [ex-officio]
Rt Hon Mrs Caroline Spelman MP (Conservative, Meriden)
Mr Mark Spencer MP (Conservative, Sherwood)
Dr Alan Whitehead MP (Labour, Southampton, Test)
Simon Wright MP (Liberal Democrat, Norwich South)

The following members were also members of the committee during the parliament:
Richard Benyon MP (Conservative, Newbury) [ex-officio], Chris Evans MP (Labour/Co-operative, Islwyn), Ian Murray MP (Labour, Edinburgh South), Sheryll Murray MP (Conservative, South East Cornwall), Paul Uppal MP (Conservative, Wolverhampton South West)
Eleventh Special Report

The Environmental Audit Committee reported to the House on 15 December 2014 on *Connected world: Agreeing ambitious Sustainable Development Goals in 2015* (HC 452). European Council Conclusions¹ were adopted by the General Affairs Council on 16 December and were endorsed by the Environment Council on 17 December 2014. The European Scrutiny Committee reported on these developments on 23 January.² The Government response to our Report was received on 10 February 2015 and is appended below.

Appendix—Government response

Introduction:

- The Environmental Audit Committee published its report “Connected World: Agreeing ambitious Sustainable Development Goals in 2015” on 15 December 2014. This examined the Government’s position and actions taken so far in the debate on the post-2015 development framework, as well as the domestic enabling environment for the successful implementation of sustainable development goals.

- The Government has noted the Environmental Audit Committee’s report and is grateful for its views. We are committed both to achieving an ambitious and transformational post-2015 framework, and also to ensuring that the UK adheres to the principles of sustainable development domestically.

- The Government has a strong record of leadership internationally as well as a genuine commitment to sustainable development at home, and we believe that the Committee’s analysis of both of these aspects of Government policy is overly negative. The UK wants a universal, post-2015 framework that is implementable and drives poverty eradication and sustainable development. This has not been adequately recognised by the committee.

- The Committee was particularly critical of the Government in a number of areas, including the UK view of the 17 goals from the Open Working Group report, the domestic focus on environmental sustainability and the Government’s views on the communication of the Sustainable Development Goals. These are elaborated upon below.

Response to Recommendations

1. The Government, despite its innovative work on developing Natural Capital Accounts, is not currently showing sufficient leadership around biodiversity and environmental protection. It should actively champion this area in the Sustainable Development Goals in

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international negotiations, so that the ‘green thread’ that runs throughout the Goals leads to real improvements in environmental protection and improved outcomes by 2030. (Paragraph 18)

- The UK supports the integration of environmental sustainability, including biodiversity, throughout the Goals framework. This is important if we are to achieve our desired outcomes for poverty eradication and sustainable development.

- At the recent Conference of the Parties to the Convention on Biological Diversity, the UK argued for the importance of integrating biodiversity into the SDGs and supported the Gangwon Declaration on Sustainable Development which calls for ‘further integration and mainstreaming of biodiversity in the post-2015 development agenda’.

- This Government has put an ambitious programme of environmental policies in place to protect the environment for future generations, including those set out in our landmark White Paper on the natural environment, published 2011. As the Committee acknowledges, this includes innovative work on developing natural capital accounts, an area where the UK is leading internationally.

2. The Government should publicly support a separate climate change goal in the SDGs given the importance of reaching an ambitious global climate change agreement in Paris next year. It should also re-consider and rapidly phase out its continued subsidies to carbon intensive energy sources in line with the commitments made at Rio +20 and the Secretary General’s call to phase out “harmful subsidies”. The Government needs to do more domestically to support the transition to a low carbon economy, including urgently working with the FCA to make it easier for community groups to register as energy co-operatives. The Government should clearly set out the steps it is taking to achieve this. (Paragraph 27)

**Climate Change and the SDGs:**

- The UK supports visible integration of climate and environment across the post-2015 framework. Tackling climate change, promoting good governance and eradicating poverty are inextricably linked. The post-2015 development framework should complement and support—but not duplicate—international climate negotiations already underway. The framework must therefore include measures to fully and visibly integrate climate change action, including: ambitious, climate-resilient goals and targets on areas such as energy, water, agriculture, oceans, deforestation, disaster resilience, natural resource management, and others as relevant; the ‘below 2 degrees’ objective; and a strong framing narrative on the importance of addressing climate change. We will continue to make the case for this vigorously as negotiations progress.

- The UK is already playing a leading role in championing sustainable development. Between 2011–12 and 2015–16 the UK is investing £3.87bn through our International Climate Fund (ICF), a joint fund managed by DFID, DECC and DEFRA, to help poor countries adapt to climate change, undertake low carbon development, and address deforestation.
• We are working with community energy stakeholders and the Financial Conduct Authority (FCA) to ensure the right balance is struck between consumer/investor protection and realising the full potential of community energy.

**Energy Subsidies:**

• As set out in the Government’s evidence to the Committee’s inquiry into Energy Subsidies in the 2013–14 Session and its response to the Committee’s subsequent recommendations, the UK does not subsidise carbon intensive energy sources.

• It should be clear that the UK does not have any fossil fuel subsidies. Along with our EU partners in the G20, the UK defines fossil fuel subsidy as “any government measure or programme with the objective or direct consequence of reducing, below world-market prices, including all costs of transport, refining and distribution, the effective cost of fossil fuels paid by final consumers, or of reducing the costs or increasing the revenues of fossil-fuel producing companies”.

3. The Government’s renewed focus on income poverty should not view economic development in isolation, but equally consider the environmental and social impacts of this economic activity and promote low carbon growth. It should demand the highest standards of environmental protection in trade deals, and ensure unequivocally that there is no potential for these to be undermined through dispute settlement mechanisms. (Paragraph 29)

• Trade plays a vital role in the development of low income countries through job creation, increasing competitiveness and encouraging innovation. Maximising the important contribution that trade can make to sustainable development is a key policy objective that the UK pursues multilaterally through the World Trade Organisation (WTO) and in all its bilateral and regional trade negotiations. We agree with the recommendation that the Government should demand high standards of environmental protection in trade deals. For example, the Transatlantic Trade and Investment Partnership (TTIP) will not erode regulatory standards in the EU or the US; the high environmental standards and targets which we have in place are not on the negotiating table. The UK and the EU are also part of the negotiations for an Environmental Goods Agreement with 13 other WTO members and we are seeking an ambitious agreement which will lower tariffs on a broad range of environmental goods.

4. The UK should lead international efforts to improve air quality in cities in developing countries, where an increasing number of people live. This could include international knowledge sharing around effective low emissions zones, low-emissions transport, and vehicle and fuel standards to save lives. (Paragraph 31)

• The World Health Organisation (WHO) identifies air pollution as one of the main avoidable causes of disease and death (WHO, 2014). The UK is playing a leading role working with other donors and international organisations to tackle air pollution. DFID is contributing to the UK’s efforts to improve household (indoor) and ambient (outdoor) air pollution in developing countries, the impacts of which affect human health and contribute to climate change.
Most sources of ambient and household air pollution are directly influenced by the choice of energy technologies and fuels used, the energy efficiencies of homes and transport systems, and patterns of energy transmission and distribution. Through the UK’s International Climate Fund (ICF), the UK is supporting the development and implementation of clean-energy technologies in developing countries, including renewable energies such as solar and wind power, to reduce energy poverty and facilitate a shift to cleaner energy sources, particularly at community and household levels. The use of these technologies is helping to reduce ambient air pollution.

At the household level, DFID is working in partnership with others to reduce the 4.3 million deaths that WHO estimate result annually from indoor air pollution, in cities and rural areas. This work is in support of the Global Alliance for Clean Cookstoves (GACC) goal of 100m households adopting clean cookstove technologies and fuels by 2020. The UK committed £31m support to the clean cooking sector to support Phase II of a global effort spearheaded by the Alliance to reduce indoor air pollution.

The UK is a Party to and active participant in the UNECE Convention on Long-range Transboundary Air Pollution and its Gothenburg Protocol which aims to limit and gradually reduce air pollution including long-range transboundary air pollution. Parties develop policies and strategies to combat the discharge of air pollutants through exchanges of information, consultation, research and monitoring. The Convention is active in sharing information with other regions and organisations. The UN Environment Assembly adopted a Resolution in 2014 on “Strengthening the role of the United Nations Environment Programme in promoting air quality” (Decision 1/7) and the WHO are also considering adopting a resolution on air pollution. The UK Government will continue to work with these organisations to share information on UK experiences in improving air quality.

The UK is also a partner of the Climate and Clean Air Coalition (CCAC), a partnership of 45 countries and 53 organisations seeking to reduce emissions of short-lived climate pollutants. The CCAC is undertaking a number of specific initiatives that will reduce air pollution in cities in developing countries, including: reducing emissions from household cooking and domestic heating (including clean cookstoves); reducing black carbon emissions from heavy duty diesel vehicles and engines; reducing emissions from waste; mitigating pollution from brick production; and most notably an urban health initiative.

5. The Government should accelerate its work on resource efficiency and the circular economy, including through negotiating ambitious targets within the European Union. The Government should expand the requirement for corporate sustainability reporting beyond carbon emissions. Defra should ensure that this agenda is embraced across Government, and DFID should review its aid programmes to find opportunities to fund circular economy approaches. As it considers how best to support its future aid programmes to promote economic growth, it needs to learn lessons from the environmental degradation that has frequently accompanied rapid economic growth. It should ensure that all projects funded with UK aid, from international to community level, including the components implemented by delivery partners, are screened for climate and environment risks. It should also ensure that economic development related programmes fully safeguard biodiversity and tread a new path which de-couples economic growth from natural resource use. (Paragraph 38)
**Circular Economy**

- We agree on the need to support future actions to reduce production and consumption impacts, to improve the use of natural resources, and reduce negative impacts on ecosystems. That is why we welcomed the fact that a number of measures in the Commission Communication on the Circular Economy (published in July 2014) to enable a more circular economy are similar to actions we are already taking.

- The possible release of new proposals by the Commission later in 2015 provides an opportunity to build on previous work which could focus more on measures such as increased resource efficiency and moving materials up the waste hierarchy. We will continue to work closely with the Commission, the European Parliament and other Member States to ensure a balanced package of proposals which is ambitious, evidence based and feasible for all Member States. Where targets are being proposed we will want to make sure that they are underpinned by indicators that are robust and fit-for-purpose.

- A growing number of businesses are recognising the benefits of reporting on their sustainability performance. We encourage more UK companies to consider doing this.

**Biodiversity & climate screening & environmental degradation in DFID programmes**

- DFID addresses climate and environmental risk, including biodiversity safeguards and the impact of economic development on natural resource use in relation to its programmes, in its internal guidelines. The guidelines contain a set of quality standards that guide decisions at each point in the programme cycle. It is the responsibility of the DFID head of department or country office, and Senior Responsible Owners (SROs) of the programme to consider these standards and ensure they are appropriately implemented according to their specific context and type of portfolio and programme.

- The key considerations in relation to climate and environmental issues are:
  
  i. To reduce risk and to ensure sustainability and resilience are embedded in operations and programmes.

  ii. Ensure that our interventions do not sustain, create or exacerbate resource scarcity, climate change issues or facilitate environmental damage and lead to increasing communities’ vulnerabilities to shocks and trends ensuring sustainability and resilience in the long term.

6. The UK is right to have a focus on completing the task of the MDGs in eliminating 'extreme poverty', but this can best be achieved as part of a wider focus that includes tackling inequality to help deal with both poverty and social cohesion. The UK should support the inclusion in the SDGs of a range of inequality indicators to measure and monitor inequality, and should design programmes to tackle both extreme poverty and inequality simultaneously. (Paragraph 45)

- The UK government has consistently argued that the post-2015 agenda must be focused on the eradication of extreme poverty with sustainable development at the
The Millennium Development Goals (MDGs) have driven remarkable results on poverty eradication and human development, and the Sustainable Development Goals must build on this success and also go beyond it to address the shortcomings of the MDGs, including moving beyond measurement by averages.

- The best way to confront inequality in the post-2015 framework is through a sophisticated focus on measurement enabled by the “data revolution”. This means focusing on the principle of “leaving no one behind” as outlined in the report of the UN Secretary-General’s High Level Panel on the post-2015 agenda. No target across the framework should be considered achieved unless it has been met by all sectors of society. In order to achieve this we must ensure the full disaggregation of data by gender, geography, income, disability and other categories to monitor progress across the post-2015 goals and targets.

7. It is important that the UK respects the wider international consensus established around the 17 Open Working Group goals, in order for the process to have national ownership and legitimacy. The Government is right to seek an SDG framework that can be compellingly communicated, but any continued argument for a smaller number of Goals, in the face of the Secretary General’s recent guidance, risks creating unnecessary divisions between countries when it should be seeking to build support for ambitious action. At the forthcoming European Council, and beyond, the Government should push for an EU position which favours a comprehensive coverage in the SDGs of all pillars of sustainable development as set out in the Open Working Group’s 17 Goals. (Paragraph 53)

- The UK Government has repeatedly stated its support for the breadth of the content of the Open Working Group report. However a framework of 17 goals and 169 targets is not implementable for either the UK or for developing countries, and will not drive the action we need to see on poverty eradication or sustainable development. The power of the MDGs was in their simplicity and in their ability to be implemented. It is precisely because the UK wants to build support for ambitious action that we support a shorter, fully implementable list of goals and targets and as intergovernmental negotiations progress through 2015 the UK will continue arguing for a framework that is workable and implemented by all Member States.

- The UK Government supports a strong and universal framework that drives meaningful action across the entire agenda, rather than countries picking and choosing which goals they implement. In order for this to work, it is critical that the goals and targets we agree on are implementable in their entirety by all countries.

- The UN Secretary-General’s synthesis report published in December is a useful contribution to the discussion, in particular the six essential elements and the suggestion of the technical review of targets by the UN system. We are working with partners in the EU and the UN to work out the best way to take these forward through the intergovernmental process.

8. Defra should now start to play a stronger role, in collaboration with the Cabinet Office, in working with all departments, including the Treasury, to consider the domestic implications of the goals and pursue policies consistent with sustainable development. (Paragraph 57)
DFID and DEFRA, working with Cabinet Office, are engaging with all relevant Departments including the Treasury to assess the domestic implications of the goals and targets, including assessing how these may be best monitored and implemented.

9. The Government should report clear annual results summaries for the International Climate Fund, which detail the impacts that the programmes have had. It should particularly ensure that expenditure on forestry programmes has clear impact indicators. (Paragraph 65)

**ICF reporting**

- All ICF programmes are subject to mandatory Annual Reviews and Programme Completion Reviews which are published each month on the ‘Development Tracker’ web pages. In line with recommendation 6 of the recent review by the Independent Commission on Aid Impact (ICAI) of the ICF, we undertook to: ‘Update the ICF ‘GOV.UK’ website regularly with improved quality and transparency of public information on the ICF.’ ICAI stated that the ICF is “well placed to deliver its ambitious objectives” and is “on track to achieve substantial impact”.

**Forest Indicator**

- All ICF funded forestry programmes are required to report against one or more impact indicators. These are designed to measure the benefits the programmes generate for forest-dependent people, ecosystem services, and avoided deforestation and forest degradation. As we and other donors have learnt, avoided deforestation is difficult to attribute to a particular intervention. We are therefore undertaking research that will allow us to better understand the scope and limitations of this impact indicator as currently defined in order to further strengthen our ability to monitor and report on the UK’s contribution to tackling global deforestation.

10. The Government should publish an annual report outlining its spending on biodiversity-related projects overseas, and the impact these have had. It should prioritise funding to support the establishment of Marine Protected Areas in the UK overseas territories, such as Pitcairn, and explore with the World Bank and others the most appropriate ways of sustainably financing and managing these. (Paragraph 68)

- The UK submits annual returns to the OECD on funding for biodiversity as part of its reporting on UK Official Development Assistance. The UK also reports regularly to the Convention on Biological Diversity outlining the financial support given to developing countries for biodiversity related activities. This includes funding under the UK’s Darwin Initiative, which provides up to £6 million per annum for projects in developing countries, jointly funded by Defra and DFID. The Overseas Territories Environment and Climate Fund—also known as Darwin Plus—provided funding of up to £2 million per annum for environmental projects in the UK’s Overseas Territories, including marine projects. Darwin Plus is funded by Defra, DFID and FCO.

- HMG supports MPAs where scientifically justifiable, and where a monitoring and enforcement regime can be established and funded. HMG has already set up MPAs in the British Indian Ocean Territory; British Antarctic Territory; and South Georgia & the South Sandwich Islands. The first two are full no-take MPAs, the latter (South
Georgia & the South Sandwich Islands) is a sustainable-use MPA, where highly regulated fishing is permitted. No decision on an MPA for Pitcairn has been taken.

- Pitcairn Island Council has ruled in favour declaring a full no-take MPA. To deliver this, additional funding would be required for effective monitoring and surveillance. We need to understand the scale and shape of illegal fishing in order to plan an effective response.

11. The ONS and Defra (as the lead department for domestic sustainable development) need ensure that the appropriate data and systems are in place to monitor and report on the UK’s delivery of SDG targets. It should review the UK’s Sustainable Development Indicators and ensure that these reflect the key nationally-relevant SDG indicators, including on sustainable consumption and production. (Paragraph 75)

- We agree that the UK needs to have the right data and systems in place to monitor and report on the UK’s delivery of the SDG targets. The UK’s Sustainable Development Indicators (SDIs) are overseen by the Office for National Statistics (ONS) and provide an overview of national progress towards a more sustainable economy, society and environment. The SDIs are one potential mechanism to help track delivery against the SDGs in the UK and we will be reviewing them in light of the final set of agreed targets.

- ONS, together with DEFRA and other Government departments have been working since 2013 to examine appropriate data to monitor SDGs. Alongside relevant policy leads, ONS is the lead for monitoring and reporting SDGs: planning for a reporting system is also underway.

12. Given the global significance of the Sustainable Development Goals and their powerful vision for the next 15 years, the Government should do more to engage young people in the UK with the new goals, and with the concepts of sustainable development. This should include taking Education for Sustainable Development seriously, and integrating it into the National Curriculum, and supporting the NUS’ proposals for a new accreditation scheme and questions in the National Students Survey. It should look to maximise the value of the International Citizens Service, by integrating the proposed Sustainable Development Goals into the material that young people use to prepare for their period of ICS service, and supporting them in sharing these messages about sustainable development more widely in their communities. The Government should also review the channels it uses to promote the ICS to ensure it has as wide a geographic reach across the UK and across all parts of society as possible. It should embrace creative and powerful ways of communicating the urgency of sustainable development, such as the approach taken by the Hard Rain project, and its proposal to promote the SDGs simultaneously in universities around the world. It needs to engage all stakeholders, including businesses, schools and higher and further education colleges, and NGOs to raise awareness in the run up to the UN General Assembly and Paris Climate Change conference at the end of 2015, and beyond. (Paragraph 83)

- The UK has been at the forefront of efforts to engage civil society and to communicate the goals to as wide an audience as possible.

- From the initial stages of the High-Level Panel, the UK has long championed the role of civil society, business and citizens alike within the post-2015 process. We fully supported, and led outreach efforts undertaken by the High-Level Panel Members and
have continued to engage with civil society in the UK and internationally, and have championed their role and participation in the intergovernmental negotiations.

- To facilitate the communication of the SDGs to young people, in 2012, we organised a schools’ competition, inviting pupils to put forward proposals for the SDGs. We continue to engage regularly with groups such as Restless Development, who have facilitated UK outreach to young people and who have helped us to ensure that young people have a platform to present their views to decision makers. This includes an event that the UK Prime Minister co-hosted with the President of Ghana and Transparency International at the UN General Assembly in September 2013 on anti-corruption in the post-2015 development agenda.

- We believe that this framework will touch on all citizens and we will continue to work with key partners to raise the profile of the SDGs. A global campaign movement ‘Action 2015’ is actively underway and the UK supports its objectives.

National Student Survey

- The Higher Education Funding Council for England (HEFCE) is planning a consultation on changes to the National Student Survey in the autumn. This will provide an opportunity to raise issues around proposed changes to the survey.

Education for Sustainable Development

- The geography national curriculum key stage 3 already requires pupils to “understand how human and physical processes interact to influence, and change landscapes, environments and the climate; and how human activity relies on effective functioning of natural systems”.

International Citizen Service (ICS)

- The current ICS pre-departure training covers a wide range of areas including learning about the Millennium Development Goals and wider development issues. As the momentum builds towards the Sustainable Development Goals the material will be updated to ensure that volunteers understand the goals and are able to share them with those in their own communities and the communities in which they are placed.

- ICS is assessed against the diversity of the UK volunteer cohort, taking into account geographical spread, gender, ethnicity and disability. To date the scheme has met its primary diversity target which is to be broadly representative of the UK population. The regional spread of UK ICS volunteers is published annually on the gov.uk website.