

Avosetta Meeting

May 29th/30th 2026 – Copenhagen

“Instruments of Climate Mitigation and Energy Transition”

Introduction

The EU is pursuing a comparatively ambitious climate policy. However, it is increasingly coming under pressure. Achieving the self-imposed targets appears uncertain.

In Regulation (EU) 2021/1119 establishing the framework for achieving climate neutrality (“European Climate Law”), the EU committed itself to achieving climate neutrality by 2050 and reducing net greenhouse gas emissions by 55% by 2030 and by 90% by 2040 (compared to 1990 levels).

The central instrument for achieving these targets is the EU Emissions Trading System (ETS I).

From 2028 onwards, emissions from the buildings and road transport sectors are to be included in the EU Emissions Trading System (ETS II).

For areas that (so far) are not fully integrated into emissions trading, the Effort Sharing Regulation 2018/842 (ESR) applies. It sets national reduction targets for the Member States. Member States that fail to meet these targets will in the future have to buy emission allowances from other EU countries that have overachieved their targets.

In addition to these more or less market-based instruments, the EU also relies on regulatory measures. With the Renewable Energy Directive 2023/2413 (RED III), the EU target for the share of renewable energy in 2030 was raised to 42.5% (with the aim of reaching 45%). There are also stricter energy efficiency requirements.

In the transport sector, the EU initially adopted a ban on combustion engines from 2035 onwards but has since moved back significantly from this position.

In the land-use sector (LULUCF), the EU obliges Member States to increase the removal of CO₂ through natural sinks (forests, wetlands) (“no debit rule” plus restoration targets).

To cushion the social impacts of the measures under ETS II in particular, the EU has created a compensation mechanism, the Social Climate Fund. In addition, the Just Transition Mechanism is intended to help regions that are heavily dependent on fossil-fuel-based industries finance structural change.

Objective of the Copenhagen Meeting

The aim of our meeting and of the subsequent questionnaire is to make the national implementation of EU environmental policy requirements transparent. Implementation successes and shortcomings should be highlighted, as well as nationally independent climate policy and regulatory approaches.

Questionnaire

The following questionnaire is intended to give us some common ground for discussion and analysis. Please feel free to choose the topics that are particularly relevant while leaving out the questions that are irrelevant in your national context.

Please remember also the obligation to provide a brief **National Report on Recent Developments in Environmental Law**, including a section on Recent Developments in Climate Litigation.

1. Political Situation

Is EU climate (and energy transition) policy generally supported or viewed critically in the respective national political context? How has national climate (and energy transition) policy developed in recent years? What are the prospects for future political developments? What are the key climate (and energy transition) policy controversies in the national political debate? What has been the role of the Courts in your national context?

The UK's attitude to EU policy as a whole is seen primarily through the lens of the UK's still-uncertain position vis-a-vis the EU following Brexit. The Labour Government seeks closer relations with the EU but has committed to not rejoining either the single market or customs union: ad hoc or dynamic policy alignment is preferred.¹ EU climate policy is not central to these discussions. More generally, the EU's climate policy is supported in the UK. The UK considers its own climate policy to be relatively ambitious² and views favourably those polities which are also committed to the energy transition.

In the UK, climate policy at the macro level has been stabilised since 2008 by the presence of the UK Climate Change Act (pursuant to which the UK's 2050 target has, since 2019, been net zero emissions).³ However, in recent months, the long-term future of the Climate Change Act has for the first time first time been called into question. In October 2025, the leader of the Opposition Conservative Party committed to repeal the Climate Change Act if she were to win power.⁴ The leader of the populist right Reform Party has made a similar commitment.⁵ The next General Election (though unlikely to be before 2029) *could* therefore mean the end of the UK's 2050 target (plus intervening targets).

Key climate policy debates in the UK concern the cost of energy, particularly in the context of current geopolitical stresses. UK electricity prices are high by comparison with comparable

¹ Henry Zeffman, 'PM embraces Brexit divisions as he seeks closer ties with Europe' (*BBC News*, 13 April 2026) <<https://www.bbc.co.uk/news/articles/c0rxj4yygdwo>> accessed 1 May 2026.

² Department for Energy Security and Net Zero, 'UK shows international leadership in tackling climate crisis - press release' (November 2024) <<https://www.gov.uk/government/news/uk-shows-international-leadership-in-tackling-climate-crisis>> accessed 1 May 2026.

³ Alina Averchenkova, Sam Fankhauser and Jared J Finnegan, 'The impact of strategic climate legislation: evidence from expert interviews on the UK Climate Change Act' (2021) 21(2) *Climate Policy* 251.

⁴ Becky Morton, 'Tories pledge to scrap landmark climate legislation' (*BBC News*, 2 October 2025) <<https://www.bbc.co.uk/news/articles/czrp2k3m3deo>> accessed 1 May 2026.

⁵ BBC News, 'Reform UK election pledges: 11 key policies analysed' (*BBC News*, 17 June 2024) <<https://www.bbc.co.uk/news/articles/cqll1edxgw4o>> accessed 1 May 2026.

countries and are highly susceptible to global shocks.⁶ This generates political tension: broadly speaking, those on the left (including the Government) take the current circumstances as evidence of the need to expand renewables;⁷ those on the right blame the UK's net zero target, and advocate for exploitation of the UK's remaining fossil fuel reserves in the North Sea.⁸ The Government is seeking to address the challenges inherent in decarbonising the energy grid (exacerbated by the UK's intention to attract AI with its associated energy demands⁹) by exploring greater interconnection opportunities with Europe and the reform of energy pricing mechanisms which for historical reasons are largely determined by the (global) price of oil.¹⁰

The English courts are a key site for climate action in the UK. Three recent cases of note have required improved climate policy planning or climate-related analysis in government policy and decision-making. Pursuant to litigation that has been ongoing since 2022,¹¹ the UK Government has been ordered – twice so far – to improve its national climate policy plans, on the basis that those plans do not satisfy the statutory requirements of the Climate Change Act. Notably, the Government has struggled to develop ‘proposals and policies as the Secretary of State considers will enable the carbon budgets... to be Met’ and which ‘taken as a whole, *must* be such as to contribute to sustainable development’.¹² In these cases, the courts have been quite penetrating in determining whether UK carbon policies have been adequate for meeting the UK’s statutory climate mitigation goals for the sixth carbon budget (2033-2037), particularly in terms of considering evidence of the risk of deliverability of mitigation plans. In another important 2024 case, known as *Finch*,¹³ the UK Supreme Court found that environmental impact assessments undertaken in respect of oil extraction projects must take into account the emissions caused by the downstream combustion of that oil. Finally, in a case building on *Finch*, the opening of a new coal mine in the North West of England (the first coal mine to open in 30 years) was successfully challenged in the High Court.¹⁴ The mine developer has since discontinued its planning permission application for the mine, despite the fact that conducting a lawful EIA would not necessarily stop the project from going ahead.

⁶ BBC Verify, ‘If the UK has more renewable energy, why aren't bills coming down?’ (*BBC News*, 7 February 2025) <<https://www.bbc.co.uk/news/articles/crkep1vx3mro>> accessed 1 May 2026; Jillian Ambrose, ‘Why the UK's electricity costs are so high - and what can be done about it’ (*The Guardian*, 20 April 2025) <<https://www.theguardian.com/business/2025/apr/20/why-the-uks-electricity-costs-are-so-high-and-what-can-be-done-about-it>> accessed 1 May 2026.

⁷ Eg. Mathew Lawrence, ‘The Iran oil crisis has proved Ed Miliband right on green energy. But households still need more help’ (*The Guardian*, March 2026) <<https://www.theguardian.com/commentisfree/2026/mar/11/renewable-energy-oil-shocks-lower-bills-uk>> accessed 1 May 2026.

⁸ Eg. Iain MacWhirter ‘The Iran war shows why North Sea oil is an absolute necessity’ (*The Times*, March 2026) <<https://www.thetimes.com/uk/scotland/article/iran-war-north-sea-oil-scotland-cw5w0lfpq>> accessed 1 May 2026.

⁹ Kenza Bryan, ‘AI data centre emissions vastly underestimated, UK admits’ (*Financial Times*, April 2026) <<https://www.ft.com/content/0c8bc0a9-63e5-4739-a91e-f07189b45f20?syn-25a6b1a6=1>> accessed 1 May 2026.

¹⁰ Justin Rowlett, ‘UK to join major wind farm project with nine European countries’ (*BBC News*, January 2026) <<https://www.bbc.co.uk/news/articles/cp372d37gxgo>> accessed 1 May 2026; Rachel Millard, Ashley Armstrong and Jim Pickard, ‘Ed Miliband unveils move to delink UK gas and electricity prices’ (*Financial Times*, April 2026) <<https://www.ft.com/content/03332af3-6fea-4e60-b0db-510172e7bb10?syn-25a6b1a6=1>> accessed 1 May 2026.

¹¹ *R (Friends of the Earth, ClientEarth and Good Law Project and Joanna Wheatley) v Secretary of State for Business, Energy and Industrial Strategy* [2022] EWHC 1841 (Admin); *R (Friends of the Earth, ClientEarth and Good Law Project) v Secretary of State for Energy Security and Net Zero* [2024] EWHC 995 (Admin).

¹² Climate Change Act 2008 s 13(1).

¹³ *R (Finch) v Surrey County Council and others* [2024] UKSC 20.

¹⁴ *Friends of the Earth & SLACC v SSLUHC & West Cumbria Mining* [2024] EWHC 2349 (Admin).

2. Overall Climate Policy Targets

Are the EU's overall climate targets (2035/2040/2050) considered adequate / too ambitious / insufficient in national politics? Has the Member State set more ambitious national climate targets ("gold plating")? If so, what additional national targets are being pursued?

To the extent that the EU's overall climate targets are the subject of consideration in the UK, its level of ambition is broadly approved of by UK policymakers since, being similar to the UK, this reduces the risk of competitive disadvantage (from carbon leakage to the EU) and makes co-operation on climate instruments more feasible (see question following).

The UK is slightly more ambitious than the EU in respect of its overall trajectory for reducing GHG emissions. Although the UK and EU share 2050 net zero targets, their interim targets differ. The UK's "legally binding" 2030 (strictly 2028-2032) target pursuant to the Climate Change Act is 57% below 1990 levels, while its 2030 NDC pledges cuts of 68%¹⁵; and its 2035 target pursuant to the Climate Change Act (strictly 2033-2037) is 78%¹⁶ along with cuts of 81% under its 2035 NDC.¹⁷ These targets compare favourably to the EU's (55% for 2030) and (66-73% for 2035).¹⁸

The UK's ambition would not be described as "gold plating", given the UK's position outside the EU and its being a first mover on climate targets. Nor is this small difference in ambition a point of concern for the UK.

3. Emission Trading System I (Industry)

Is ETS I considered appropriate? If not, what reforms are viewed as priorities from the national perspective?

The UK left the EU ETS in 2021, following Brexit, and has since operated a UK ETS in parallel to the EU ETS.¹⁹ The UK ETS and EU ETS are not linked, however there is now (since 2025) political agreement that the UK and EU will work to link the schemes.²⁰ Additional allowances released into the UK ETS in 2023 have caused the UK carbon price to run significantly below the EU ETS price²¹: this is one obstacle which will need to be overcome in linking the schemes.

¹⁵ Department for Business, Energy and Industrial Strategy, *United Kingdom of Great Britain and Northern Ireland's 2030 Nationally Determined Contribution* (CP 744, 2022).

¹⁶ Nuala Burnett, 'What are carbon budgets?' (*House of Commons Library*, 4 February 2025) <<https://commonslibrary.parliament.uk/what-are-carbon-budgets/>> accessed 1 May 2026.

¹⁷ Department for Energy Security and Net Zero, *United Kingdom of Great Britain and Northern Ireland's 2035 Nationally Determined Contribution* (CP 1250, 2025) ("UK 2035 NDC").

¹⁸ Council of the EU, 'Paris Agreement: the EU submits its updated NDC with an indicative target for 2035 to the UN ahead of COP30' (5 November 2025) <<https://www.consilium.europa.eu/en/press/press-releases/2025/11/05/paris-agreement-the-eu-submits-its-updated-ndc-with-an-indicative-target-for-2035-to-the-un-ahead-of-cop30/>> accessed 1 May 2026.

¹⁹ Department for Energy Security and Net Zero, 'Participating in the UK ETS – Guidance' (13 April 2026) <<https://www.gov.uk/government/publications/participating-in-the-uk-ets/participating-in-the-uk-ets>> accessed 1 May 2026.

²⁰ European Parliamentary Research Service, 'Linking the EU and UK emissions trading systems' (PE 775.873, July 2025); Simon Evans, 'Q&A: How the UK government aims to 'break link between gas and electricity prices' (*Carbon Brief*, 21 April 2026) <<https://www.carbonbrief.org/qa-how-the-uk-government-aims-to-break-link-between-gas-and-electricity-prices/>> accessed 1 May 2026.

²¹ European Parliamentary Research Service (n 19) 5.

Another is the different sectoral coverage. While the coverage of the UK ETS largely aligns with that of the EU ETS I, it does not extend to those sectors covered by the EU's ETS II.²²

The UK ETS has generally been considered a success, although its price signal has been undermined to some extent by the release of additional carbon allowances. Carbon leakage is also a concern; something which a planned carbon border adjustment mechanism (CBAM) is intended to counter.²³ The UK's CBAM is expected to come into force at the start of 2027, following the commencement of the EU CBAM's earlier this year.²⁴

4. Emission Trading System II (Buildings and Road Transport)

What share of national total energy consumption is attributable to buildings and road transport? Is the postponement of ETS II to 2028 viewed positively? Are buildings and road transport already part of a national regulatory regime that anticipates elements of ETS II? How are the prospects for decarbonizing the national building and transport sectors assessed?

In the UK, approximately 70% of energy consumed is attributable to buildings and road transport.²⁵ At present, these sectors are not covered by any ETS (although they are caught by the UK Climate Change Act's legal emissions targets).²⁶ While some expansion of the UK ETS to new sectors is being considered, this is highly unlikely to cover all the sectors covered by the EU's ETS II; emissions from buildings are particularly politically sensitive, given the pressures of fuel poverty in the UK. This is a further potential complication in linking the UK and EU ETSs.²⁷

In its most recent (2025) annual report, the Climate Change Committee, the UK's expert advisory body established under the Climate Change Act, found progress in reducing surface transport emissions to be “promising, with emissions savings from electric vehicles doubling every two years”.²⁸ On the other hand, it found that ‘substantial acceleration’ of decarbonisation is needed in the buildings sector, where the impact of heat pump deployment does ‘not yet register meaningfully as a proportion of sectoral emissions’.²⁹

5. Double regulation?

Is there a discussion about the topic of 'double' regulation: e.g. energy efficiency in ETS installations / build environment, National taxes on/pricing of CO2 emissions, Emission Limit Values in environmental permits?

²² European Parliamentary Research Service (n 19) 5.

²³ HM Treasury, ‘Factsheet: Carbon border adjustment mechanism – Guidance’ (28 November 2025) <<https://www.gov.uk/government/publications/factsheet-carbon-border-adjustment-mechanism-cbam/factsheet-carbon-border-adjustment-mechanism>> accessed 1 May 2026.

²⁴ HM Treasury (n 22); European Commission, ‘Carbon Border Adjustment Mechanism’ <https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en#guidance> accessed 1 May 2026.

²⁵ Department for Energy Security and Net Zero, ‘Energy consumption in the UK, 1970 to 2024’ (Statistical Release, 25 September 2025) 1-2.

²⁶ Department for Energy Security and Net Zero, ‘Participating in the UK ETS – Guidance’ (13 April 2026) <<https://www.gov.uk/government/publications/participating-in-the-uk-ets/participating-in-the-uk-ets>> accessed 1 May 2026.

²⁷ European Parliamentary Research Service (n 19) 15.

²⁸ Climate Change Committee, *Progress in reducing emissions: 2025 Report to Parliament* (June 2025) (“CCC 2025”) 22.

²⁹ CCC 2025 (n 27) 22.

Many policy areas in the UK are subject to a patchwork of different regulatory regimes. For example, EV rollout is driven by a combination of demand-side tax incentives and supply-side sales mandates (in addition to being subject to overall UK emissions targets).³⁰

The decarbonisation of electricity generation is driven not only by the UK ETS but also, among other things, a carbon price floor (implemented via carbon price support, CPS), which “tops up” the carbon price to a level that ensure – in theory – that low-carbon generation is suitably incentivised.³¹ This is an unusual example of double climate regulation being contentious. Major energy producers have unsurprisingly argued for the CPS's abolition³² but price support of this kind has been unpopular with green campaigners too, particularly as it was insufficiently dynamic.³³ These challenges were more understandable when the CPS was an extra cost imposed on UK installations alone when the UK was part of the EU ETS, however it is notable that the decarbonisation of UK ETS sectors has been effective. Now, given the wider context of high energy bills and the removal of coal from the UK energy mix, the Government has committed to abolishing the CPS in 2028 particularly to address cost of living pressures,³⁴ whereafter the ETS alone will be relied upon to set an appropriate carbon price. This may also help with more effective linking back to the EU ETS.

6. Effort Sharing

Is the Member State “on track” to meet its national reduction targets under the Effort Sharing Regulation 2018/842? Is failure / compliance / over-achievement of the EU requirements expected? What are the main challenges or success factors influencing compliance or non-compliance with the EU requirements? Does the state intend to sell its own emission credits or to purchase such credits from other Member States?

The UK has no national reduction targets under the Effort Sharing Regulation (and is currently unable to transact emissions credits with EU member states). The UK is not on track to meet its domestic emissions targets. According to the UK Climate Change Committee, ‘39% of policies and plans needed to hit the 2030 NDC [are] rated as having significant risks, or insufficient or unquantified plans’, so swift government action is needed if the UK is to be on track.³⁵ Progress in decarbonising depends in particular on the expansion of (low-carbon) electrification and making electricity cheaper.³⁶ There are specific sectoral challenges too: notably stubborn are emissions from buildings, agriculture and aviation.³⁷ From 2033 onwards, aviation emissions

³⁰ Department for Transport, ‘Government sets out path to zero emission vehicles by 2035’ (28 September 2023) <<https://www.gov.uk/government/news/government-sets-out-path-to-zero-emission-vehicles-by-2035>> accessed 1 May 2026.

³¹ David Hirst and Matthew Keep, ‘Carbon Price Floor (CPF) and the price support mechanism’ (*House of Commons Library*, 8 January 2018) <<https://commonslibrary.parliament.uk/research-briefings/sn05927/>> accessed 1 May 2026.

³² Tom Grimwood, ‘Carbon Price Floor ‘doesn’t make any sense’ (*Utility Week*, 20 October 2017) <<https://utilityweek.co.uk/carbon-price-floor-doesnt-make-any-sense/>> accessed 1 May 2026.

³³ See eg. Carbon Brief, ‘The carbon price floor: disliked, divisive and about to be frozen’ (*Carbon Brief*, 17 March 2014) <<https://www.carbonbrief.org/the-carbon-price-floor-disliked-divisive-and-about-to-be-frozen/>> accessed 1 May 2026.

³⁴ Dan Tomlinson MP, ‘Carbon Price Support’ (Statement UIN HCWS1519, 16 April 2026).

³⁵ CCC 2025 (n 27) 20.

³⁶ CCC 2025 (n 27) 18-19.

³⁷ CCC 2025 (n 27) 16, 35-38.

will for the first time be fully counted towards the UK's domestic emissions targets, representing a new legal constraint for the UK Government.³⁸

7. Renewable Energy

What progress has been made in the transition towards a national energy supply based on renewable energy? What is the current energy mix, and what are the projections up to 2050? What differences exist in the transformation of the electricity market versus the broader energy market (including non electric heating, transport and other energy use)? What are the major national regulatory instruments to support the transition to renewables? What major obstacles hinder a faster transition to renewable energy at the national level? Are adjustments to the EU's regulatory framework considered necessary? If so, which ones?

Offshore and onshore wind and solar capacity increased at a higher rate in 2024 than in the previous six years, but total operational capacity of renewables must increase by more than double by 2030³⁹ to deliver the government's Clean Power 2030 Action Plan.⁴⁰ The energy mix for generating electricity is evolving, with key changes in the decline of coal, the rise of gas, and more recently, renewables.⁴¹ In March 2026, electricity was generated primarily by wind (34.8%), along with UK and Norwegian gas, (22.2%), imported gas (16.2%), nuclear (10.8%), solar (6.1%), biomass (6%), hydrogen (2%), and stored energy (1.8%).⁴² This is broadly consistent with provisional data reported for the year 2025.⁴³ Regarding the wider energy market, the Climate Change Committee has recommended that the government should provide confidence and certainty to scale heat pump adoption to decarbonise homes and buildings, implement regulations to ensure new homes are not connected to the gas grid, and develop policy to ensure the aviation industry takes responsibility for its emissions.⁴⁴ Progress has been made in respect of electric vehicles (EVs), as the emissions savings from petrol or diesel vehicles being replaced by EVs are now having a substantial effect on overall emissions savings.⁴⁵ The Energy Act 2023 intends to support delivery of the UK's energy transition, stimulate investment into clean and renewable energy sources, and strengthen energy security.⁴⁶ The use of electricity in industry is currently only 28%, which is in part due to UK's high electricity-to-gas price ratio.⁴⁷ Making electricity cheaper will be key to rapidly increasing the transition to low-carbon technologies for both businesses and households.⁴⁸

8. Land Use

³⁸ Department for Business, Energy and Industrial Strategy, 'UK enshrines new target in law to slash emissions by 78% by 2035' (20 April 2021) <<https://www.gov.uk/government/news/uk-enshrines-new-target-in-law-to-slash-emissions-by-78-by-2035>> accessed 7 May 2026.

³⁹ CCC 2025 (n 27) 60.

⁴⁰ UK Government, *Clean Power 2030 Action Plan: A new era of clean electricity* (UK Government 2024).

⁴¹ Department for Energy Security and Net Zero, 'UK Energy in Brief 2025' (31 July 2025) 28.

⁴² National Energy System Operator, 'Britain's Energy Explained: March 2026' (NESO 2026).

⁴³ UK Government, 'Energy Trends: UK, October to December 2025 and 2025' (Statistical Release, 2 April 2026) <<https://www.gov.uk/government/statistics/electricity-section-5-energy-trends>> accessed 29 April 2026.

⁴⁴ CCC 2025 (n 27) 19.

⁴⁵ CCC 2025 (n 27) 13.

⁴⁶ Department for Energy Security and Net Zero, 'New laws passed to bolster energy security and deliver net zero' (GOV.UK, 26 October 2023) <<https://www.gov.uk/government/news/new-laws-passed-to-bolster-energy-security-and-deliver-net-zero>> accessed 29 April 2026.

⁴⁷ CCC 2025 (n 27) 15.

⁴⁸ CCC 2025 (n 27) 101.

How exactly are emissions from the land-use sector recorded nationally? What trends can be derived from this data? What strategies are being pursued at the national level to strengthen the land-use sector's contribution to emission reductions and to comply with the LULUCF-Regulation 2018/841?

The UK revoked Regulation (EU) 2018/841 and Decision No 529/2013/EU on accounting for emissions and removals resulting from LULUCF activities under the Climate and Energy (Revocation) (EU Exit) Regulations 2021.⁴⁹

The UK LULUCF sector is divided into six land use types for reporting of emissions/removals: Forest Land, Cropland, Grassland, Wetlands, Settlements, and Other Land. Net carbon stock changes from Harvested Wood Products are reported under an additional category, and indirect emissions of nitrous oxide from managed soils are reported without being allocated to a specific land use. Emissions of three greenhouse gases to the atmosphere (carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O)) are combined into total CO₂ equivalents, in accordance with the IPCC Fifth Assessment Report's Global Warming Potential factors of 1 for CO₂, 28 for CH₄ and 265 for N₂O.⁵⁰ When accounting for current land use policies (for which funding was secured by March 2024), at the UK level, the net CO₂ equivalent emissions and removals from LULUCF sector components viewed in aggregate produce a net carbon source.⁵¹ There has been notable progress toward increasing and protecting carbon sinks. Upon comparing the years 2022/23 and 2023/24, there was a significant increase in tree planting (59%) and peatland restoration (47%) although this is still falling short of rates required to hit targets.⁵² A statutory target to increase woodland and tree canopy cover to at least 16.5% of land area in England by 2050 entered into force in 2023.⁵³ The new Land Use Framework for England sets out how land use can deliver climate and nature targets.⁵⁴

9. Special National Strategies, Programmes, and Ideas

What special strategies, regulatory programmes, and ideas—beyond those already mentioned—are being pursued nationally for climate mitigation? How do these national concepts and legal instruments relate to EU climate policy? Does a programme for carbon capture and storage exist?

The Energy Act 2023 introduces frameworks for *offshore* carbon capture, usage and storage (CCUS), along with provisions to support new technologies such as low-carbon hydrogen projects. The UK government has committed to provide £21.7 billion over 25 years to support CCUS projects.⁵⁵ The proposed UK CBAM would also mitigate carbon leakage by ensuring

⁴⁹ The Climate and Energy (Revocation) (EU Exit) Regulations 2021, SI 2021/519, r 2.

⁵⁰ National Atmospheric Emissions Inventory, *Projections of Emissions and Removals from the LULUCF Sector to 2050/2100* (ERG 1103, 2024) 7 <<https://naei.energysecurity.gov.uk/reports/projections-emissions-and-removals-lulucf-sector-20502100-ghg-inventory-1990-2022>> accessed 29 April 2026.

⁵¹ National Atmospheric Emissions Inventory (n 49) 3.

⁵² CCC 2025 (n 27) 11, 15.

⁵³ The Environmental Targets (Woodland and Trees Outside Woodland) (England) Regulations 2023, SI 2023/90.

⁵⁴ Department for Environment, Food & Rural Affairs, *The Land Use Framework for England* (CP 1545, 2026).

⁵⁵ Department for Energy Security and Net Zero, 'UK carbon capture, usage and storage (CCUS)' (8 April 2025) <<https://www.gov.uk/government/collections/uk-carbon-capture-usage-and-storage-ccus>> accessed 29 April 2026.

that highly traded, carbon intensive imported goods have a carbon price comparable to similar goods produced in the UK.⁵⁶

10. Social and Regional Compensation Mechanisms

Are there national mechanisms to provide social or regional compensation for the burdens arising from climate protection measures? Is any form of “climate dividend” or “climate payment” being issued?

In February 2026, a statutory instrument to make environmental compensatory measures reforms for offshore wind was laid before parliament.⁵⁷ Its intention is to enable a flexible and pragmatic approach toward environmental compensatory measures in respect of offshore wind projects.⁵⁸ This instrument connects to the Marine Recovery Fund (MRF), a developer-funded initiative to deliver compensation for unavoidable adverse effects on marine protected areas resulting from offshore wind developments.⁵⁹ The statutory instrument will apply to relevant wind activity as defined under the Energy Act 2023,⁶⁰ including cabling and interconnectors, in offshore waters for England, Scotland, Wales and Northern Ireland.⁶¹

On the basis that carbon pricing through the UK ETS impacts wholesale electricity prices and increases retail electricity prices, the UK government has established a compensation scheme for electricity intensive industries facing significant risk of carbon leakage owing to indirect emission costs of the UK ETS.⁶² Businesses are eligible for this scheme if they operate in one of the listed specific sectors (e.g. manufacture of pulp and glass fibres, aluminium production) and their indirect carbon costs amount to 5% or more of their ‘gross value added’ (income measure). This scheme is managed by the UK Department of Business and Trade, and eligible businesses must submit quarterly declarations confirming their continued eligibility for the scheme.⁶³

The UK Department for Energy Security and Net Zero (DESNZ) initiated the ‘Boiler Upgrade Scheme’ (BUS) in 2022. This scheme subsidises the installation of low carbon heating systems (predominantly heat pumps) in households and small non-domestic properties in England and

⁵⁶ UK 2035 NDC (n 16) 19.

⁵⁷ The Conservation of Habitats and Species (Offshore Wind) (Amendment etc.) Regulations 2026, (SI 2026).

⁵⁸ Department for Environment, Food & Rural Affairs, ‘Environmental Compensatory Measures Reforms for Offshore Wind: policy background and proposed compensation hierarchy’ (27 February 2026) <<https://www.gov.uk/government/publications/environmental-compensatory-measures-reforms-for-offshore-wind-policy-background-and-proposed-compensation-hierarchy/environmental-compensatory-measures-reforms-for-offshore-wind-policy-background-and-proposed-compensation-hierarchy>> accessed 29 April 2026.

⁵⁹ Department for Environment, Food & Rural Affairs, ‘Consultation outcome: Summary of responses and government response’ (13 October 2025) <<https://www.gov.uk/government/consultations/offshore-wind-setting-up-the-marine-recovery-fund/outcome/summary-of-responses-and-government-response>> accessed 29 April 2026.

⁶⁰ s 290 Energy Act 2023.

⁶¹ It also applies to inshore wind developments (within 12 nautical miles) waters of England, Wales, and Northern Ireland; Scotland is making separate statutory provision in respect of its inshore waters.

⁶² ‘Compensation for the indirect costs of the UK ETS and the CPS mechanism: guidance for applicants’ (27 April 2026) <<https://www.gov.uk/government/publications/uk-emissions-trading-scheme-and-carbon-price-support-apply-for-compensation/compensation-for-the-indirect-costs-of-the-uk-ets-and-the-cps-mechanism-guidance-for-applicants>> accessed 29 April 2026 (“UK ETS Compensation Mechanism”).

⁶³ UK ETS Compensation Mechanism (n 61).

Wales.⁶⁴ As of April 2026, the grant for eligible properties under the BUS will increase from £7,500 to £9,000.⁶⁵

11. Adaptation

Are there national programmes for climate adaptation? How can these be briefly described? Should the EU, from a national perspective, develop climate adaptation programmes, or should this remain the responsibility of the Member States?

The UK Government has an obligation to prepare the country for the effects of climate change under the Climate Change Act (2008). The National Adaptation Programme (NAP) covers England and reserved policy areas for the UK. NAP is monitored by the statutory Climate Change Committee (CCC), which must report on its progress every two years.⁶⁶ The current programme, NAP3, was published by the previous government in July 2023 and will remain in force until 2028.⁶⁷ To improve NAP3, the CCC in 2025 emphasised that a cross-government approach is needed to streamline and simplify how adaptation is considered across all departments to move toward greater policy coherence and efficiency.⁶⁸ Adaptation programmes are also in place for the devolved governments (also monitored by the CCC): the Scottish National Adaptation Plan (2024-2029),⁶⁹ the Climate Adaptation Strategy for Wales 2024,⁷⁰ and the Northern Ireland Climate Change Adaptation Programme (2026-2029).⁷¹

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12. New liability/compensation regime in the Air Quality Directive (2024/2881) and the amended IE Directive (2024/1784)

The new Air Quality Directive 2024/2881, art. 28. and the amended IE Directive (2024/1785) requires Member States to establish a liability/compensation regime regarding persons suffering damage to human health caused by violation of the EU-obligations under the two directives. The new EU-obligation should be seen in light of the CJEU-ruling in C-61/21 in which the CJEU rejected Member State liability for human health damage based on the (old) Air Quality Directive. The new obligations place Member States as the one who should pay compensation for the damage, but the legal implications of the new regimes are not entirely clear. How is the new obligation on liability/compensation in the new Air Quality Directive and the amended IE Directive intended to be implemented in your Member State?

The UK regime has not kept pace with the most notable changes in the updated EU Air Quality Directive (2024/2881).⁷² In the UK, there is currently no legal right to claim compensation on

⁶⁴ Department for Energy Security and Net Zero, 'RAF052/2223: Evaluation of the Boiler Upgrade Scheme - 2025 Interim Report' (21 January 2026).

⁶⁵ Department for Energy Security and Net Zero, 'Decisive action to break influence of gas on electricity prices' (21 April 2026) <<https://www.gov.uk/government/news/decisive-action-to-break-influence-of-gas-on-electricity-prices>> accessed 29 April 2026.

⁶⁶ Nuala Burnett, 'Climate change adaptation and resilience in the UK', (Briefing Paper No. 9969, House of Commons Library 26 June 2025).

⁶⁷ Department for Environment, Food & Rural Affairs, *The Third National Adaptation Programme (NAP3) and the Fourth Strategy for Climate Adaptation Reporting* (HC 1649, 2023).

⁶⁸ CCC 2025 (n 27) 19.

⁶⁹ Scottish Government, *Scottish National Adaptation Plan: 2024 – 2029* (September 2024).

⁷⁰ Welsh Government, *Climate Adaptation Strategy for Wales* (WG50065, October 2024).

⁷¹ Department of Agriculture, Environment and Rural Affairs, 'Third Northern Ireland Climate Change Adaptation Programme (NICCAP3) 2026' (19 March 2026).

⁷² Eloise Scotford, 'Submission to the Environment Audit Committee Call for Evidence on Air Pollution in England' ([AIR0126, 3 March 2026](#)) para 7. See also Eloise Scotford, 'EU Air Quality Law: Past Paradoxes and

the part of natural persons who suffer damage to human health caused by a violation of air quality plans. One notable feature of the new AQFD right to compensation is the need to demonstrate a causal link between these obligations and individual health impacts, since most evidence of harm to health caused by air pollution is epidemiological (i.e. concerning distributed health impacts across a population) rather than individualised. The UK experience has however shown that establishing such a causal link in an individual case is not impossible, with the well-known inquest findings relating to the death of schoolgirl Ella Kissi-Debrah noting how this was caused by unlawful levels of air pollution in London.⁷³

In recent years, air quality campaigners have sought to introduce a new air quality law in England and Wales, which would introduce a right to clean air, equivalent to an ECHR right in English law.⁷⁴ In principle, any such right could lead to damages in an individual case for an unlawful act of a public authority, but only where necessary to afford ‘just satisfaction’ to the victim, taking into account the circumstances of the case and the consequences of the court’s decision as well as ECtHR principles on awarding compensation.⁷⁵ The Bill also notes the possibility of civil proceedings in relation to breaches of clean air rights, in private nuisance in particular,⁷⁶ which would be a more routine avenue for compensation in English common law. Whilst the chances of this draft Bill becoming law soon are slim, the level of campaigning to reform and improve air quality law in England is considerable, and suggestions of individual rights and compensation mechanisms are persistent and increasing. Relatedly, the UK Parliament’s Environmental Audit Committee is currently undertaking an inquiry into the fitness of English air quality policy and law, including exploring whether the UK is keeping pace with EU law developments.⁷⁷ Watch this space.

In terms of general alignment of with EU air quality law across the UK, ambition towards alignment with Directive 2024/2881, which introduces a plan to meet more stringent air quality standards by 2030 in Annex 1, has not yet materialised through evolving UK legislative and policy programmes. England’s Environment Improvement Plan intends to deliver upon air pollution levels set out in existing Air Quality Standards Regulations.⁷⁸ In Wales, the Environment (Air Quality and Soundscapes) (Wales) Act 2024 established a framework to set air quality targets. Welsh Ministers’ duties under this framework include to set a target in respect of fine particulate matter by February 2027, having regard to the most recent WHO Air Quality guidelines.⁷⁹ Scotland continues to progress its ‘Cleaner Air For Scotland 2’ strategy,⁸⁰ which predates the 2021 WHO guidelines. Northern Ireland is currently developing a clean air strategy following public consultation.⁸¹

Future Prospects’ in Gerd Winter, Richard Macrory and Ludwig Kramer (eds), *EU Environmental Policy and Law: Reflections at Fifty* (Europa Law Publishing, Avosetta Series, 2026).

⁷³ See Ella Adoo-Kissi-Debrah Inquest Report, available at <https://www.judiciary.uk/wp-content/uploads/2021/04/Ella-Kissi-Debrah-2021-0113-1.pdf> (accessed 7 January 2026).

⁷⁴ Reintroduced as a private member’s bill in the current Parliamentary session: Clean Air (Human Rights) Bill. See <https://bills.parliament.uk/bills/3998>, accessed 3 May 2026.

⁷⁵ Human Rights Act 1998 s 8.

⁷⁶ Clean Air (Human Rights) Bill (n 73) para 21(3).

⁷⁷ Environmental Audit Committee, ‘Air Pollution in England - Inquiry’ (*UK Parliament*) <<https://committees.parliament.uk/work/9561/air-pollution-in-england/>> accessed 3 May 2026.

⁷⁸ Department for Environment, Food & Rural Affairs, *Environmental Improvement Plan 2025* (December 2025) 41.

⁷⁹ Welsh Government, *Cleaner and healthier air: Consultation on draft regulations to implement fine particulate matter (PM2.5) air quality targets* (WG52778, 17 November 2025).

⁸⁰ Scottish Government, *Cleaner Air for Scotland 2 - Towards a Better Place for Everyone: 2024/25 Progress Report* (20 June 2025).

⁸¹ Department of Agriculture, Environment and Rural Affairs, ‘Policy’ (*Northern Ireland Air*) <<https://www.airqualityni.co.uk/air-quality/policy>> accessed 29 April 2026.

