



**Chambers
Ireland**
Advancing business together



Chambers Ireland submission to the National Economic and Social Council (NESC) on the Shared Island Consultation: Climate and Biodiversity Challenges and Opportunities

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Chambers Ireland is the State's largest business representative network. We are an all-island organisation with a broad geographical reach; our members are the Chambers of commerce in the cities and towns throughout the country – active in every constituency. Given the importance of local economies to our members, and member businesses, Chambers Ireland's perspective is unique within the Irish business community – we seek to support thriving local economies and recognise the diversity of business environments that exist across the cities and regions of the country. We were pleased to contribute to the latest edition of the Journal of Cross Border Studies in Ireland on the Case for enhanced Cross Border Co-operation in 2020.¹

As the impact of climate change has become ever more obvious, Chambers Ireland has become more active in calling for action in this area. Together with our 41 affiliated Chambers, in 2019, we signed a pledge to support the United Nation's Sustainable Development Goals (SDGs),² with Climate Action (Goal 13) being amongst the most important to our network. We use the SDGs as a framework to identify our policy priorities and communicate our recommendations, with a focus on five. These being Decent Work and Economic Growth (Goal 8), Sustainable Cities and Communities (Goal 11), Industry, Innovation and Infrastructure (Goal 9), advancements in Gender Equality (Goal 5), and of course progress in Climate Action (Goal 13).

Though there is cross-border co-operation through the North South Ministerial Council on environmental issues, this is a rapidly developing area which requires further action and wider collaboration in the coming years to tackle the twin challenges of climate and biodiversity on the island. Chambers Ireland is pleased to have the opportunity to make this submission to inform the work of NESC as part of the Shared Island Initiative.

¹ Kerins, E., Conneely, S. and Reilly, M. (2020) *The Case for enhanced Cross Border Co-operation*. The Journal of Cross Border Studies in Ireland, Vol 15. Centre for Cross Border Studies: Armagh. Available at: <http://crossborder.ie/site2015/wp-content/uploads/2020/09/Final-Digital-Journal-Cross-Border-Studies.pdf>

² <https://www.chambers.ie/policy/sustainable-development-goals/chambers-ireland-sdgs/>

Introduction

Ireland and Northern Ireland are facing combined climate and biodiversity crises. A key characteristic of both sets of challenges is that they are problems that face both Ireland and Northern Ireland alike, but also lend themselves well to integrated and collaborative solutions. There is growing momentum to intensify ambition to deliver on climate and biodiversity commitments before 2030. However, to deliver on policy commitments in these shared areas will require community and business engagement, innovative thinking and widescale collaboration.

Work on climate and biodiversity is also timely in the context of the heightened ambition to ‘build back better’ post-pandemic and the global movement towards green recoveries. The reality of our shared ecosystem means that Ireland’s national target of achieving a 34% share of renewable energy in energy consumption by 2030³ will be insufficient unless the entire island can address these issues collectively. Climate action and biodiversity are integrated, collaborative challenges that lend themselves well to an all-island perspective.

EU membership provided the ideal context for regulatory compliance, with shared environmental standards, supranational enforcement mechanisms and a funding agenda designed to encourage cooperation.⁴ This will need to be re-imagined following the UK’s exit from the bloc. The broader framing and direction of the European Green Deal is important in shaping Ireland’s policy journey while Northern Ireland faces the prospect of a new chapter of reinvigorated environmental policy-making that must be constructively built on.

Questions for Consideration

1. Should one of the five areas identified be prioritised for more detailed consideration in a Shared Island context? If so, which one and why?

As previously outlined, Chambers Ireland are committed to the SDGs and the initial 5 of the 17 goals that we have chosen to focus on broadly address each of the five areas identified by NESC in its consultation paper. As such, we believe that each of the five areas should be equally prioritised and adequately resourced so as to ensure that tangible results can be achieved across each area. All of the five areas intertwined and will therefore require an inter-connected and well-resourced approach when tackling them.

The growth of renewable energy on the island of Ireland has been a positive development over the last decade. However, greater co-operation on its development, and building societal engagement around its potential, represents a unique opportunity. Given the single all-island electricity market and the all-island gas grid, there is considerable scope for further collaboration to explore how best to

³ Department of the Environment, Climate and Communications (2020), *Ireland’s National Energy and Climate Plan 2021-2030*. Available at: <https://www.gov.ie/en/publication/0015c-irelands-national-energy-climate-plan-2021-2030/>

⁴ Turner, S. (2006), “Transforming Environmental Governance in Northern Ireland. Part One: The Process of Policy Renewal”, *Journal of Environmental Law*, 18 (1), pp.55-87.

build further connections between developer-led and community energy projects North and South so as to share practice, understanding and opportunities to develop local value in renewable energy (for example, in offshore wind and solar PV). We would also welcome cross-border collaboration in R&D in areas such as in Carbon Capture Storage and hydrogen. Continued development in this area has considerable potential for job creation, alongside other key environmental and economic benefits. The most important task for both administrations in the coming decade is ensuring that we maximise these benefits for both societies.

Chambers Ireland has set out its positions through various submissions relating to each of the five areas identified in the consultation.⁵ These include, but are by no means limited to, submissions on draft Wind Energy Development Guidelines,⁶ our Budget Submission for 2021,⁷ the Commission for the Regulation of Utilities consultation on Price Review Five,⁸ Grid Development Policy for Offshore Wind in Ireland,⁹ Microgeneration Support Scheme in Ireland,¹⁰ and our submission to the Department on An Taoiseach regarding the Town Centre First Strategy¹¹. We continue to engage with our network of Chambers in these areas and would welcome any future opportunity to brief NESC on any of these areas.

2. Is there another area, not listed in the five areas identified, that should be considered for further exploration on a Shared Island basis? If so, what is it and why?

The role of business – advisory and implementation group

The sustainable transition to a low carbon economy remains critical to Ireland's competitiveness. Businesses must be supported to engage in this journey as they will be central to the success of achieving the climate action targets in both jurisdictions. To do so, it is worth exploring the opportunity of engaging with representative groups, including Chambers Ireland, through the establishment of an advisory and implementation group on how businesses can be best supported throughout this process.¹²

Investment in Green Jobs, Skills and Training

Addressing the combined challenges of climate change and the post-pandemic recovery are urgent tasks for both the Irish Government and the Northern Executive. If we are to tackle these challenges and kick-start the economy, we must look at the kinds of jobs we want to create and ensure that these

⁵ The full list of these submissions can be accessed here: <https://www.chambers.ie/policy/submissions/>

⁶ [Chambers Ireland submission on the draft Wind Energy Development Guidelines](#)

⁷ [Chambers Ireland Budget 2021 Submission](#)

⁸ [Chambers Ireland Submission for the Public Consultation on Price Review 5 Electricity Networks](#)

⁹ [Chambers Ireland Submission for the Public Consultation to Inform a Grid Development Policy for Offshore Wind in Ireland](#)

¹⁰ [Chambers Ireland submission to the Department of the Environment, Climate and Communications on a Microgeneration Support Scheme in Ireland](#)

¹¹ [Chambers Ireland Submission to Department of An Taoiseach regarding Town Centres First](#)

¹² For context, our colleagues in the International Chamber of Commerce (ICC), of which Chambers Ireland are a member, recently launched the SME Climate Hub which is focused on mobilising supply chains, including SMEs, to take and scale-up measurable and direct action on climate change. Despite making up approximately 90% of business worldwide and employing over two billion people, SMEs have been largely underserved by climate action initiatives to date. In establishing the SME Climate Hub, the co-hosts of the platform see an opportunity to enable emissions reductions at large scale – and, in doing so, build bottom-up resilience to climate risks in essential global supply chains. More information available here: <https://iccwbo.org/media-wall/news-speeches/new-sme-climate-hub-to-make-climate-action-simple-for-small-business/>

are available throughout all regions and contribute to stronger, sustainable domestic supply chains that increase our self-sufficiency and energy security across the entire island.

The green skills, training and jobs shortage is an area that merits further exploration on a Shared Island basis. For example, feedback from our members notes that there is divergence in training qualifications for certain trades, meaning that some professions are not eligible to register in the Republic and vice-versa. Increased co-operation on mutual recognition will be important. Future collaborations should be paired with a jobs and training strategy so that the skills-needs of the renewable energy sector in both jurisdictions can be catered for.

3. Are there any points of clarification required in this paper, or new issues which should be considered in relation to climate and biodiversity in a Shared Island context?

Preserving environmental legal alignment

The transition from EU to UK law poses the potential to significantly undermine this North-South regulatory alignment as there is a risk that a divergence – or uneven enforcement resulting in *de facto* regulatory divergence – will threaten the maintenance of environmental co-operation required by Strand 2 of the Good Friday Agreement, and will result in increased disintegration in cross-border communities, where through regulatory and policy divergence, it becomes possible to undermine the spirit of various policy objectives.

Should the UK adopt an excessively different path to the EU with its future environmental laws, this island would find itself in a scenario where there are two different legal frameworks covering the one relatively small biosphere. This could serve to undermine efforts in Ireland to implement EU principles if a more relaxed framework of environmental protections is created in the North. Whereas an all-island environmental regulatory framework, with a transboundary consultation where impacts have the potential for effects of a transboundary nature, has the potential to considerably advance efforts to achieve climate action goals in both jurisdictions over the coming decades as well as protecting the competitiveness of indigenous businesses. In addition, common environmental standards play a crucial role in providing a level playing field and preventing unfair regulatory competition across key sectors in relation to cross-border trade, indirectly securing more robust protection of the environment.

Co-operation on issues relating to climate action extend outside of the EU legislative framework and encompass policies that can be initiated and legislated for in both Dublin and Stormont. For example, cohesion in carbon tax policy is one such area where North-South co-operation can positively benefit the environment and economies in both regions as it encourages alternative energy by making it cost-competitive with cheaper fuels. Lack of cohesion in carbon tax policy, for example, could be a major risk to local economies operating in the border regions as the change in consumer behaviour that is induced could be travelling for lower cost, and potentially less 'green' options that compromise the climate ambitions of either region.

Further, it is also common that both individual farms, and farming communities, span the border counties. Without strategic co-operation on legislation to protect the environment and biodiversity, there is the risk that additional environmental regulations could create non-tariff trading barriers north and south and significant divergence would create extra costs in terms of meeting two divergent regulatory regimes.

Preserving cross-border cooperation and preventing unfair competition in relation to environmental protections in the coming years will depend on maintaining the closest possible regulatory alignment, and regulatory co-operation, between Northern Ireland and the Republic of Ireland. Appropriate mechanisms need to be put in place to guarantee this close regulatory alignment on environmental and regulatory matters (i.e. to resolve any regulatory divergences and maintain common minimum standards at least as high as those currently in place). This should include consideration of the potential need to secure the on-going application of key EU Directives across the island of Ireland.¹³ It could also include opportunities for stakeholders from both, or either jurisdiction to be consulted and feed into the process of pre-legislative scrutiny. Common frameworks will need to be developed between the UK, Northern Ireland and Ireland in order to safeguard agreement on co-operation.

Concluding Remarks

Huge progress has been made over the past two decades to improve the economic and environmental cohesion and collaboration between the two jurisdictions on this island. In order to ensure that progress continues, it is imperative that we take the opportunity now to ensure that the frameworks for dialogue and decision making are robust and flexible enough to meet the challenges of the coming decade. Our geography and status as a small island on the edge of Europe will continue to require us to consider the “shared” nature of our environment. A key characteristic of both sets of challenges is that they are problems that face Ireland and Northern Ireland alike, but also lend themselves well to integrated and collaborative solutions.

The NESC consultation paper has set out some of the main challenges both jurisdictions face in reducing emissions and addressing biodiversity loss. Our objective is to ensure a just transition in which businesses are prepared for the low-carbon transition but also to ensure that policy makers base any decisions concerning targets, investment and regulation with economic competitiveness and cross-border cooperation in mind.

We wish to highlight the opportunity to continue to engage with private sector business representation and believe this to be instrumental to facilitate fully representative discussions of future pathways and actions that are informed via ground-up engagement. We emphasize the value of consultations and welcome all future opportunities to engage on this and associated topics.

¹³ Northern Ireland Environment Link and Environmental Pillar (2017), “Joint Briefing: Brexit and cross-border environmental cooperation on the island of Ireland”. Available at: <https://www.europarl.europa.eu/cmsdata/133703/patrick-casement-joint-briefing.pdf>