

European Scrutiny Committee

House of Commons London SW1A 0AA

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From: Sir William Cash MP

2 July 2020

Kelly Tolhurst MP
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7973/20 and 8122/20: Aviation and climate change

The Committee have asked me to thank you for your Explanatory Memorandum on the above listed documents dated 2 June 2020.

We were pleased to hear of the Government's plans for reducing greenhouse gas emissions and the commitment being shown to international efforts to mitigate the role played by aviation in climate change.

Of particular interest to the Committee was your mention of the EU's 'Emission Trading System' and the Government's plans for its replacement with a domestic equivalent at the end of the transition period (as established by the UK/EU Withdrawal Agreement). In this regard, we have carefully considered your response—along with the Devolved Administrations—to your joint consultation on UK Carbon pricing after EU Exit.¹ With this in mind and against ongoing negotiations on the UK's future relationship with the EU, we request further information on:

- whether the Government has had conversations with the EU on linking a future UK emissions trading system to the EU ETS; and
- if linking has been discussed, details of these conversations.

We also seek your view on whether the introduction of an interim Carbon Emissions Tax—as was suggested in the event of a no-deal EU Exit—would

¹ HM Government, [‘The future of UK carbon pricing: UK Government and Devolved Administrations’ response](#) (June 2020)

be compatible with the EU's future trade requirement "...for carbon pricing of at least the same scope and effectiveness of that provided by the EU Emissions Trading System".²

Finally, in light of the recent opening of trade negotiations with New Zealand, we are interested to know whether linking Carbon trading systems will be discussed.

I am copying this letter to Lord Kinnoull and Christopher Johnson in the Lords; Huw Merriman MP, Chairman of the Transport Committee; Philip Dunne MP, Chairman of the Environmental Audit Committee; Angus Brendan MacNeil MP, Chairman of the International Trade Committee; Neil Parish MP, Chairman of the Environment, Food and Rural Affairs Committee; Les Saunders at the Cabinet Office; and to Margaret Browne, Departmental Scrutiny Co-ordinator.

CHAIR

² Article LPFS.2.35: Carbon pricing ['Draft text of the Agreement on the New Partnership with the United Kingdom'](#) UKTF (2020) 14