
Climate Action Plan 2024

Response from the American Chamber of Commerce Ireland (AmCham) to the Department of the Environment, Climate and Communications' public consultation.

July 2023

The American Chamber of Commerce Ireland

The Voice of US-Ireland Business

The American Chamber of Commerce Ireland (AmCham) is the collective voice of US companies in Ireland and the leading international business organisation supporting the Transatlantic business relationship. Our members are the Irish operations of all the major US companies in every sector present here, Irish companies with operations in the United States and organisations with close linkages to US-Ireland trade and investment.

Sectoral Emission Ceilings

What do you view as the key actions required to ensure the emission reduction targets set out in the Sectoral Emission Ceilings are met?

Ensuring that the emission reduction targets, as set out in the Sectoral Emission Ceilings, are met will take a holistic and accelerated effort by Government and industry. According to the guidelines set out in the Sectoral Emission Ceilings, industry and buildings must reduce their emissions by between 35 percent and 45 percent by 2030. Whilst this is ambitious, it is reflective of the drive and initiative that is already being taken by industry. For example, a recent survey of AmCham members found that 42% have committed to reaching carbon neutrality by 2030, with this rising to 64% by 2040.

Key to ensuring both private and public targets are met is an ongoing information exchange between Government and industry. AmCham members have repeatedly stressed the importance of clarity from Government in terms of what is expected of them, what supports are available to them, and how progress will be measured. This will be crucial in ensuring that businesses can plan for the future in terms of how they will achieve the necessary emission reductions. In this regard the Climate Toolkit 4 Business has been a welcome initiative from Government.

The continued monitoring of emissions will be core to understanding how much progress is being made across the relevant sectors. Again, clarity on when reports on emissions will be delivered to the public and to business would be beneficial. Going beyond this, action should be prioritised when targets are not met to ensure that Ireland remains on track to achieve its 2030 goals.

Central to the Sectoral Emissions piece is the overall need for a greater supply of renewable energy, and sustainable infrastructure. These will be addressed more fully elsewhere in this submission, but it is necessary to stress the importance of the accelerated development of indigenous renewable energy to the meeting of Ireland's targets. Core to this issue, and to the infrastructure piece, is the need for a reformed planning system, and a coherent strategy from Government that results in timely action.

AmCham Recommends:

- A holistic approach to emission reductions from Government.
- Accelerated action from Government in terms of providing the infrastructure, strategy, and guidance that is required for Sectoral Emission ceilings to be implemented successfully.
- Regular reporting on Sectoral Emission Ceilings.

Carbon Pricing and Cross-Cutting Issues

Are there any unintended barriers within the planning system that should be addressed at national policy level in order to deliver our climate ambitions?

Reform of Ireland's planning system is urgently needed if Ireland's climate ambitions are to be met. It is essential that the planning system can efficiently and effectively cater for Ireland's sustainability needs. Certainty of timeframe for the completion of planning processes is crucial for the development of the infrastructure that is required to minimise Ireland's emissions.

At present, delays and logjams in the planning process create a barrier for the delivery of vital infrastructure projects. While the outcome of the planning process cannot, and should not, be predetermined, certainty of process and timeframe would support infrastructure development and enhance Ireland's attractiveness as a location in which to invest. Further, reform of the judicial review processes, as they relate to planning applications, is essential to provide certainty of timeframe.

Offshore wind development is one area which has faced considerable setbacks due to Ireland's current planning system. Necessary wind farm development is not happening at scale due to the lack of a fit-for purpose planning framework. The planning and permitting phase of an onshore wind farm and grid connection typically takes four years or more, not including appeal or judicial review. With Ireland's 2030 targets only seven years away, delays must be urgently addressed to support progress in harnessing Ireland's wind energy potential.

Barriers in relation to the development of offshore wind must be removed urgently to accelerate the delivery of offshore projects that can dramatically increase renewable energy provision in this decade. Ensuring our ports have the necessary infrastructure to support the construction of offshore wind projects will be essential, given that just one port on the island is currently ready to support the development of offshore wind farms.²

Further, it is essential that Maritime Area Regulatory Authority (MARA) and An Bord Pleanála are given sufficient resources to make the transition of responsibilities to MARA as smooth as possible and to successfully navigate new legislation. There is a need for funding, clarity, and streamlined planning processes to accelerate the development of infrastructure that is crucial for Ireland to meet both its general energy demands and climate action goals.

Ireland should learn from international best practice to inform reform. Key examples can be drawn from our European partners and key competitor jurisdictions for inward investment. Looking to Spain, last year changes were approved to environmental planning rules to fast-track permitting of solar projects with capacities up to 150 MW and new wind farms up to 75 MW. This targeted streamlining of planning processes is something that Ireland should explore to ensure that the most vital infrastructure is delivered in a timely manner. Meanwhile Denmark has set up professional task-force groups for certain large scale infrastructural projects in order to secure a smooth, fast and problem-solving process regarding local planning, zoning, EIA, environmental approval, construction approval.⁶

In looking to strengthening Ireland's planning system in the long-term, it is necessary to have a fundamental rethinking of how the planning system in Ireland operates. As such, looking to develop a sustainable planning system must be a priority. Taking a long-term view, consideration may be needed as to whether amendments to the current planning system will be sufficient in implementing the necessary level of change to provide a system that can cater for Ireland's future development and growth. Alternatively, it must be considered as to whether a more radical overhaul of the planning system is required to provide for the level of infrastructural and development that will be required to facilitate Ireland's net-zero goals.

AmCham Recommends:

- Deliver greater certainty of timeframe for planning processes, with reform of judicial review processed. For example, to deliver initial planning approvals/decisions within 3 months and conclude any additional planning considerations which may be required to ensure a final determination is reached within a further 3 months.
- Government considers best practice models in other EU countries.
- The establishment of a transparent triage system which prioritises strategic infrastructure.
- Prioritise measures to address backlogs in the planning system and reduce the current waiting timeframe, including increased digitalisation of the planning system and consolidation of the process to support more efficient and transparent execution.
- Put in place adequate resources to support the current and future needs of An Bord Pleanála.

What additional opportunities exist to further promote the digital transformation of our economy and society to support Ireland in its transition to a carbon neutral society?

The European Commission’s Joint Research Centre’s (JRC) study ‘Towards a green & digital future’ notes that *“successfully managing the green and digital ‘twin’ transitions is the cornerstone for delivering a sustainable, fair, and competitive future.”*¹ AmCham welcomes the efforts demonstrated by Government to facilitate Ireland’s digital transformation, as is evident in the focus on digital, as well as sustainability, in the Department of Enterprise, Trade and Employment’s (DETE) recently published White Paper, and Harnessing Digital – the Digital Ireland Framework, launched in 2022. As noted in DETE’s White Paper *“Digital technologies are also essential drivers in decoupling economic growth from resource consumption and can help the transition toward a more sustainable growth model.”*² As such, digitalisation and sustainability go hand in hand. A vast number of opportunities exists to further expand upon Ireland’s digital ecosystem, and to further promote the digital transformation of our economy and society. Investment in the acceleration of the National Digital Strategy is therefore vital for Ireland to achieve its full potential in this space. As well as aiding net-zero ambitions, digitalisation can additionally work to make several areas of society more efficient. This is particularly true of public services, AmCham would specifically like to see a greater level of digitalisation adopted in areas such as employment permits, visa needs, and healthcare.

In order for Ireland to reach its full potential when it comes to digitalisation, a focus must be placed on the development of digital skills. Ensuring digital training, and measures to tackle digital exclusion will be important in empowering talent in the working environment. Digital literacy must be advanced in order to empower citizens and employees in an increasingly digitalised work environment and, as such, digital education must be a consideration for Government both in formal education and in supporting individuals in upskilling and retraining.

The pace of technology is advancing faster than ever before. Ensuring the infrastructure to support and empower talent in reskilling and adapting to advancing technology is essential. AmCham therefore welcomes the focus placed on the importance of skills in *Harnessing Digital: The Digital Ireland Framework*. It is essential that the combination of skills required for future roles is fully understood, and that approaches to support participation in life-long learning are promoted. AmCham believes that the promotion of increased apprenticeship options as an alternative pathway for students in post-secondary level education would be beneficial in complementing Ireland’s tertiary education sector, and support addressing current

¹ European Commission, Joint Research Centre, Muench, S., Stoermer, E., Jensen, K. et al., Towards a green & digital future – Key requirements for successful twin transitions in the European Union, Publications Office of the European Union, 2022, <https://data.europa.eu/doi/10.2760/977331>

² DETE White Paper: <https://enterprise.gov.ie/en/publications/publication-files/white-paper-on-enterprise-2022-2030.pdf>

and future skills needs. A collaborative approach to advance apprenticeship options, and to address skills gaps, would be beneficial for both talent and business.

A second core point that needs to be taken into consideration as Ireland continues to digitalise, is cyber security. As the utilisation of digital and cloud-based solutions continues to increase in terms of the work of business, ensuring these systems and the associated services have adequate protection will foster greater confidence for businesses in the security of factors which may impact their operations.

Cyber security is particularly important in this period of geopolitical uncertainty. Global cyber attacks increased by 38% in 2022, compared to 2021, and continue to rise.⁵ It is therefore essential that Ireland is vigilant against cyber attacks. National and international engagement is important in informing Ireland's actions in this regard. AmCham has advocated for a continued focus on the deepening and strengthening of international relationships and collaborations on cyber security at governmental, agency and public body levels to leverage and learn from the expertise and experiences of Ireland's partners. In several of its recent submissions to Government, AmCham has stressed the importance of continuing to increase investment and resourcing for the National Cyber Security Centre (NCSC). It is crucial that the NCSC has the sufficient resources to carry out its functions to the best possible standard to ensure that Ireland's digital trade ecosystem can continue to grow.

With smart policy direction, and by leveraging the expertise within MNCs here, Ireland can be number one in the European Union in digital literacy, in research in specialist digital areas, and a global leader in cybersecurity.

AmCham Recommends:

- The digitalisation of core public services such as visas, employment permits, and healthcare
- A focus on developing indigenous talent, and attracting international talent, with key skills in AI, cyber, and digital.
- A continued emphasis on upskilling and reskilling individuals with digital skills to cater for the current and future needs of an ever-digitalising workforce.
- An educational campaign centred on second-level students to encourage greater engagement in AI, digital and STEM courses at tertiary level to support future skills development.
- The on-going mapping of skills needs to support the development of skills in line with the pace of innovation and change within industry.
- Expansion of the range of apprenticeships available, with a particular focus on technical skills in software development, AI, engineering, advanced/digital manufacturing, immersive technology, and cybersecurity.

- A continued focus on increasing investment and resourcing to the NCSC, keeping current commitments under constant review to adapt to emerging cyber security challenges and threats.
- That resourcing of the NCSC ensures a robust team of experts from backgrounds directly linked to cyber including diplomacy, incident response, and law enforcement.
- That future resourcing of the NCSC additionally acknowledges the need for experience from varying backgrounds, including behavioural sciences, geopolitics and psychology.
- Examine engagement with industry on staffing, informed by approaches taken in NCSCs in other jurisdictions.
- Continued engagement with international partners to inform Ireland's cyber security with international best practice and to deepen international relations and collaborations at government, agency and public body levels.

What regulatory and administrative supports can be provided to organisations to help them carry out their business in a manner that aligns with the National Climate Objective?

The processes that organisations are currently going through to make their operations more environmentally friendly in alignment with the National Climate Objective require considerable time and resources. It is crucial that business understands what is required of them, and they are supported in adapting accordingly. AmCham welcomes the efforts made by Government to communicate what precisely is needed, for example DETE's ongoing updates to industry via webinars on the incoming Corporate Sustainability Reporting Directive (CSRD) are a valuable tool for businesses in understanding the complex regulatory framework which is soon to be implemented. A similar approach should be adopted for aspects of the Climate Action Plan which require specific action from industry. It is important that sustained engagement between industry and government is carried out in the months and years to come. Such engagement is particularly important for SMEs who do not have the same resources as larger companies, but that do play a vital role in supply chains and in contributing to the scope 3 emissions of those companies.

AmCham Recommends:

- Department briefings to industry on key forthcoming regulatory requirements.
- Particular focus to be placed on aiding SMEs with understanding what is required of them and how this can be achieved.

Electricity

What role does renewable gas have in the power generation sector?

Wind and Solar energy will drive Ireland's decarbonisation, but it is important to develop energy sources that can be relied on when the wind isn't blowing, and the sun isn't shining. This is, in large part, where renewable gas comes in.

Ireland has one of the best offshore wind resources in Europe, and therefore a huge potential for large scale hydrogen production. However, hydrogen development in Ireland has been notably slower than its European counterparts. Germany and Portugal both launched their hydrogen strategies in 2020. Meanwhile the UK launched its hydrogen strategy in August 2021 and has made considerable progress on sites such as the HyNet North-West hydrogen valley. AmCham therefore welcomes the Government's recent publication of its hydrogen strategy, but notes that there is much to be done for Ireland is to catch up with its European counterparts, and to meet its climate ambitions. There is a need for accelerated movement on the action points noted within the strategy to meet the timelines outlined.

Key to the successful rollout of hydrogen will be the generation of demand. There is a need for collaboration between business, research, and Government in this regard. One way such collaboration has proved impactful in Europe is the emergence of hydrogen valleys. Hydrogen valleys are localised ecosystems that link research, production, and distribution with various end-users such as transport and industry. A report published by the European Union, along with The Fuel Cells and Hydrogen Joint Undertaking (FCH JU) notes how "*Hydrogen Valleys are the pioneers of this market and ultimately the steppingstone towards the full rollout of a new hydrogen economy – and the industrialisation of the associated technologies simultaneously.*"³ Ireland's hydrogen strategy goes into detail on the merit of hydrogen clusters, and AmCham would like to see more of these developed throughout Ireland. AmCham believes that greater engagement between policymakers and industry, as well as with researchers, would be beneficial in examining this "*steppingstone*" as a potential feasible mitigation measure.

Looking beyond the immediate need to address energy security, Ireland should remain ambitious in its targets to decarbonise, but further still to reach its export potential. In the future Ireland could generate enough hydrogen to export to countries with less ability to produce the gas. This presents a real opportunity for Ireland to position itself

³ Fuel Cells and Hydrogen 2 Joint Undertaking:
https://www.cleanhydrogen.europa.eu/media/publications/hydrogen-valleys-insights-emerging-hydrogen-economies-aroundworld_en

as a leader on hydrogen, and moves should therefore be made to facilitate this. A long-term strategy focused on self-sufficiency and exports is needed to coincide with the short to medium-term strategy to establish security of supply. AmCham was pleased to see Ireland's export capacity stressed in Government's hydrogen strategy- whilst it is not the most pressing issue at present, it is an opportunity that should not be overlooked.

Ireland's energy policy, up to very recently, has not had a focus on the development of a biogas industry, a position that is almost unique in Europe. Ireland is one of just two European countries which did not apply to a €210bn funding programme aimed at reducing the EU's dependency on Russian gas, including a €37bn segment allocated to biomethane.⁴

Ireland lags behind the rest of Europe in producing biomethane, for example, Denmark, with a population similar to Ireland and a large agricultural industry, derived 25% of its 2021 gas needs from biogas, and has set targets of 75% by 2030 and 100% by 2034.⁵ Industry experts note the significant sources of suitable biomaterial in the region and the competitive advantage that Ireland has in growing grass but there is an absence of national measures in place to support this compared to elsewhere in Europe. Up to 11% of current natural gas demand in Ireland could be substituted with sustainably produced biomethane by 2030, with the correct policy supports in place.

Indeed Ireland, with its grass-based agricultural systems, has the highest potential for biomethane production per capita in the EU, and a proven business case. AmCham welcomes the announcement that the renewable fuel obligation scheme for the heat sector is set to commence by 2024, along with the increased 2030 target for indigenous biomethane production to 5.7 TWh.⁶ Government now needs to bring forward a concrete strategy for the production of biomethane in Ireland in order to facilitate the renewable fuel obligation scheme and to aid Ireland in meeting its 2030 targets. Guidelines for biomethane production are essential, as the climate change performance of biomethane varies considerably depending on feedstock, technology, and system boundaries.

AmCham Recommends:

- Speedy delivery on the actions laid out in Ireland's hydrogen strategy.

⁴ Dáil Éireann debate -Thursday, 20 Oct 2022 Vol. 1028 No. 2

⁵ Bioenergy News: <https://www.bioenergy-news.com/news/denmark-celebrates-record-amount-of-biogas-ingas-system/>

⁶ Farmers Journal: <https://www.farmersjournal.ie/renewable-heat-obligation-confirmed-for-2024-722577#:~:text=A%20new%20renewable%20fuel%20obligation,production%20to%205.7%20terawatt%20hours.>

- The development of a long-term strategy focused on self-sufficiency and exports.
- Collaboration between industry, research, and Government to advance the rollout of hydrogen.
- The development of a comprehensive strategy on the production of biomethane in Ireland.

What role do you see for electricity storage and demand-side response in providing flexibility to a system comprised of high renewable penetration and in supporting the decarbonisation of the electricity sector?

Electricity storage is an essential part of an integrated energy system. Ireland should take full advantage of the implementation of the REPowerEU chapters in member states' recovery and resilience plans (RRPs). These provide the opportunity to include new reforms and investments. The enhanced scope includes energy storage and electricity storage projects, as laid out on the REPowerEU plan to "*promote the development of electricity storage capacities, the Commission proposes to consider storage assets as being in the overriding public interest and facilitate permitting for their deployment.*"⁷ Ireland's revised RRP should cover energy storage projects.

Supports to enhance research and development to assist in innovation regarding the storage of electricity will be key in ensuring that Ireland has the best storage options at its disposal. Innovation is fundamental to the fight against climate change; developing the technology necessary to transform our economy. Alignment of research priorities related to sustainability and the green agenda, to the greatest extent possible, at an international level would ensure that domestic research has the opportunity to access the maximum range of funding opportunities. Ensuring the availability of adequate funding to promote the development of greener technologies and the sharing of best practice in relation to electricity storage is essential.

AmCham Recommends:

- Ireland implements energy storage projects into its RRP.
- The funding and development of research projects related to the development of energy storage solutions.

What other opportunities exist to support the decarbonisation of the electricity sector?

The electrification of industrial heat can complement the continued growth of indigenous renewables – with significant cost, security and decarbonisation benefits.

⁷ EUR-Lex, <https://eur-lex.europa.eu/legalcontent/EN/TXT/?uri=COM%3A2022%3A230%3AFIN&qid=1653033742483>

Policy measures to support this would be welcome, namely the addressing of the current pricing disparity between grid charges for electrified heat and natural gas. In terms of security of energy supply, a cohesive strategy and timeline is needed in order to get energy projects underway. There is little time to waste, and efforts must now be directed at establishing concrete and ambitious targets against which to benchmark.

Enhanced microgeneration is another means by which Ireland decarbonise the electricity sector, particularly in the absence of sufficient electrical and gas transmission capacity. Micro-grids can use renewable energy and can export power back to the main grid, businesses can therefore play an active part in both addressing Ireland's energy security issues, and generating more energy from renewable sources. However more needs to be done to incentivise businesses to engage in microgeneration projects. The Clean Export Guarantee tariff is limited in its remuneration, and so is more relevant for smaller scale microgeneration projects. A similar scheme, more targeted at large businesses would go some way in encouraging the development of more microgeneration projects in Ireland.

AmCham Recommends:

- Increased electrical import capacities for large industrial users and facilitating those large users with variable rather than fixed import capacities.
- Government addresses the current pricing disparity between grid charges for electrified heat and natural gas.
- The introduction of targeted incentive schemes for microgeneration projects.

What measures can ensure the security of electricity supply sustainably in a system with a high amount of variable renewables?

Eirgrid estimates that demand for electricity is due to increase by 37 percent by 2031, and this is further exacerbated by Ireland's dependency on gas imports increasing as supply of indigenous gas from the Corrib Gas Field declines. The very significant deficit highlighted by Eirgrid and the lack of clarity on electricity and gas supply for expansion of the current industrial base, mean that all efforts to provide energy to the system should be welcomed and urgently accelerated, especially those that are in alignment with EU policy. Any measures put in place to mitigate against risks to energy security must bear in mind cost, sustainability, and urgency.

Transmission line capacity must be increased to ensure the flexible delivery of energy. Infrastructural updates are crucial for EirGrid and Gas Networks Ireland so that electricity and gas capacity can be enhanced. The grid needs to be stronger and more flexible if it is to adapt to Ireland's energy demands in the years to come.

Continued dialogue between Government and Large Energy Users (LEUs) is important in ensuring planning processes in relation to outputs, and consequently the energy demands that will be placed on the energy system in the coming years are fully understood. The provision of a roadmap providing clarity on supply for current operations and for future expansion, as a matter of urgency, would be beneficial. There is a need for two conversations; one on short-medium term needs and immediate mitigation measures, and one on the longer-term journey to energy sustainability and exports.

Further, the energy security crisis is not unique to Ireland. Ireland must look to its European counterparts and consult ‘best practice’ models. This is particularly helpful in the area of green hydrogen, offshore wind, biomethane, and transitional measures in line with EU Taxonomy.

AmCham Recommends:

- Increase transmission capacity by providing timely updates to the grid.
- The provision of a roadmap providing clarity on supply for current operations and for future expansion.
- Ireland looks to approaches taken by other European countries to tackle the energy supply issue.

How can the State better harness research insights for public communications around offshore renewable energy policy?

For Ireland to meet its climate targets there is a need for widespread societal change, and key to this is behavioural change. Noting the work undertaken in relation to communications, a redoubled focus on a dedicated communication strategy, to the same level we witnessed with Covid-19 messaging, at both a local and national level is one way to facilitate the change in attitudes which will be essential to driving Ireland’s green transition. In this regard, AmCham appreciates the inclusion of a dedicated section in the 2023 Climate Action Plan on citizen engagement and the acknowledgement that *“clear, coherent, and consistent communications from Government are viewed as essential to provide a trusted source of information about climate-related issues to all sectors of society. Communications must provide direction and guidance to all stakeholders on what responsibilities they have in delivering climate action.”*

AmCham Recommends:

- A reinvigorated all-of-government, and all-agency communication campaign to build awareness of available supports, and further build public awareness of the importance of energy efficiency.

Industry

What measures can be taken to decarbonise high temperature heating in industry?

Heat demand in Ireland makes up about 40% of total Irish energy usage, and residential home heating accounts for 25% of energy-related CO₂ emissions.⁸ The electrification of heat is a key target in Ireland's Climate Action Plan, which calls for 600,000 heat pumps to be installed by 2030. Ireland's renewable energy share in the heat sector last year was 6.8%, compared to the European Union average of 22%. More urgently needs to be done to facilitate the electrification of heat in Ireland. AmCham welcomed the announcement of a National Retrofit Programme in February of 2022, however yearly targets of the scheme have not been met.⁹

From an industry perspective, electrification of heat is a means for effective decarbonisation of manufacturing operations located in Ireland. MNCs are increasingly setting more ambitious environmental sustainability goals, and Ireland must position itself to enable the achievement of those goals. Electrification of heat supported by the continual growth in indigenous renewable electricity is a clear path to achieving this.

As noted in the above section, there is a need for urgent action to ensure that Ireland can produce enough electricity to drive the green energy transition. This is the first step in ensuring that the wide scale electrification of heat is possible. Alongside availability, it is crucial that the tools necessary to assist this transition are affordable. In this regard, AmCham welcomes the recent announcement from Government that the support for heat pump installations for industry will be increased from 30% of costs to 40% of costs.

A third pillar that is crucial to the electrification of heat is the need for the electrical import capacities for large industrial users to be increased. Doing so would aid security of energy supply for the economy as it displaces imported fossil fuels, whilst further providing for a better environment through cleaner air with a sustainable energy source.

⁸ ESRI: https://www.esri.ie/system/files/publications/RB202213_2.pdf

⁹ Joint Committee on Environment and Climate Action debate - Tuesday, 11 Oct 2022, Retrofitting Schemes: Sustainable Energy Authority of Ireland

AmCham Recommends:

- Allow for increased electrical import capacities for large industrial users and facilitate variable rather than fixed import capacities.

What other opportunities exist to drive the decarbonisation of the industry sector?

Despite the numerous challenges businesses have faced in recent years, AmCham members remain committed to achieving a more sustainable future. MNCs in Ireland are determined to deliver on ambitious goals in diverse areas such as renewable energy, waste reduction, and carbon neutrality. AmCham members are focused on how best we can ensure that all sectors of the Irish economy adapt and contribute to meeting Ireland's climate action goals, including through consideration of our renewable energy policy, the adoption of pro-innovation pilot programmes across potential technologies, focusing on achieving net-zero, and identifying opportunities to improve energy efficiencies. AmCham and our members closely engage with Government and State agencies to address the various requirements needed to ensure that Ireland meets its net-zero ambitions.

Questions remain for industry in terms of the best ways in which to combat carbon emissions. There is a need for concrete guidance from Government on best practice going forward. Following on from this, there is a pressing need for meaningful action to accompany the Climate Action Plan and the various strategies that are already in place, as well as a holistic approach to address the energy issue in an efficient and integrated manner. The provision of a cohesive strategy and action from Government in this regard will be essential in ensuring resources are put to best use.

AmCham further notes that Ireland's ambitions should not be curtailed by the limitations of technology of today, but rather work towards new greener technologies needs to be supported and acknowledged by Government. There is need for greater collaboration between industry, research, and Government in order to make best use of the knowledge and opportunities that exist in this area.

The work that can be done via innovation to increase renewable energy production is inevitably enhanced by higher levels of green finance. In this regard, AmCham welcomed Government's identification of sustainable finance as one of its priorities within its Ireland for Finance 2025 roadmap, and the establishment of Ireland's sustainable finance centre of excellence in 2022. AmCham encourages the further development of Ireland's work in this space. Similarly, to the energy supports piece, AmCham asks that more is done to promote this initiative to ensure businesses can

make the most of the resources that are already being provided by Government agencies.

AmCham recommends:

- The development of a roadmap for business, building on the Climate Action Plan, with defined KPIs and concrete timeframes.
- Accelerated action to facilitate Ireland in reaching its sustainability goals.
- Greater visibility given to the initiatives in place to support the growth of green finance in Ireland.

Built Environment

What further supports can be put in place to address the split incentive when retrofitting rental properties (residential and commercial)/ How can we encourage SMEs to upgrade the energy efficiency of the buildings they own?

There is a pressing need to navigate and accelerate Ireland's indigenous renewable energy production. However, energy efficiency and reduction of consumption is equally important in reducing Ireland's emissions.

AmCham recognises the considerable progress achieved by Government and the relevant State agencies to date, including the introduction of new legislation for the Energy Efficiency Obligation Scheme, and the EXEED grant scheme which came into place last year. However more needs to be done, urgently.

AmCham would welcome a clear roadmap showing how the various energy efficiency initiatives will support Ireland on its journey to delivering a greener economy and society. For example, more regular updates on meeting targets in the National Energy Efficiency Action Plan (NEEAP) (last updated in January 2021) are needed. Meanwhile there is both a Public Sector Energy Efficiency Strategy and a Resource Efficiency Action Plan to guide public sector energy efficiency, however, updates in relation to the progress of these initiatives have not been available in recent months. Much greater clarity is therefore needed regarding roadmaps to the future, and evaluations of Ireland's progress. There is a need for information on the supports available to both businesses and citizens to be more widely communicated and more easily accessible.

The SEAI recently announced that despite Ireland's need to reduce emissions by 4.8 percent, in 2021 there was a 5.4 percent increase in energy emissions.¹⁰ The provision of such metrics in a timelier manner would be greatly beneficial, given the need to

¹⁰ SEAI: Energy in Ireland 2022 Report

examine past outcomes and the importance of that data in informing forthcoming actions. Increased urgency on receiving this data is essential: it will provide momentum to do more. It is therefore of the utmost importance that the 2023 Climate Action Plan's "*annual climate action planning and reporting cycle*" is introduced as is set out in the plan.

AmCham Recommends:

- Clarity on Ireland's progress in meeting its climate targets, including a roadmap with periodic updates.
- Greater visibility to the supports that are already in place for retrofitting.

Transport

AmCham appreciates the Department's thorough overview of how transport needs to change in Ireland so that net-zero ambitions can be realised. AmCham regards the transport issue to be deeply intertwined with the planning system, as discussed earlier in this submission. With transport, as with other areas that need to change in the coming year, the need for accelerated action is again central.

Transport infrastructure, and sustainable public transport solutions will be crucial in helping Ireland to reach net-zero. Sustainable public transport options should integrate with various transport systems in urban centres, through hubs, allowing for road, rail, and cycle solutions to interconnect. There needs to be a focus on micro-mobility solutions, ensuring the start and end of every commuter's journey – the first and last mile – are best facilitated.

As referred to in AmCham's 2024 Budget Submission, there are a number of initiatives that should be prioritised.¹¹ Public transport will play a central role in reducing Ireland's emissions. The transport sector accounted for 17.7% of greenhouse gas emissions in 2021, and so a move away from travel by car is key. In this regard, the delivery of MetroLink and Dart+, in line with Government's commitments as laid out in the Climate Action Plan are important. It is crucial that the necessary resources are dedicated to both projects, and that there are regular progress updates of delivery to ensure transparency in progress.

Further the development of enhanced walking and cycling infrastructure, following commitments made in National Planning Framework, National Development Plan, and Climate Action Plan, will be key in advancing the modal shift.

¹¹ AmCham Pre Budget Submission 2024: <https://www.amcham.ie/posts/amcham-2024-pre-budget-submission-building-an-impactful-ireland-for-2050-and-beyond/>

Finally, there needs to be a significant expansion of the charging network for electric vehicles, and as such measures to support the use of electric vehicles should be aggressively pursued.

AmCham Recommends:

- The delivery of core public transport, cycling, and electric vehicle infrastructure is prioritised and accelerated.

The Circular Economy and Other Emissions

What are the main barriers to consumers embracing the Circular Economy, e.g. lack of awareness, increased costs compared to disposable products, lack of access to circular goods and services?

In recent years AmCham members have become increasingly focused on circular economy principles, indeed many are aiming to provide fully circular experiences to their consumers. By advancing the circular economy, Ireland can become a leader in green manufacturing. To do so, policies and incentives are needed to facilitate businesses in developing and innovating closed loop solutions in order to elevate Ireland to an international leader in the circular economy space. Doing so further paves the way for innovation, as well as green jobs.

Ireland has already made some progress in terms of facilitating the circular economy. For example, the Deposit Return Scheme (DRS) is a welcome initiative from Government that will have a considerable impact for AmCham members in the fast-moving consumer goods (FMCG) sector. There are several further steps that Government can take to enhance the efficiency of this scheme. By working with counterparts in London and Belfast, greater coordination could be established to support the efficiency of DRS systems on the island, supporting companies working across jurisdictions.

Incentivising individuals to implement the behavioural changes that are required if Ireland is to significantly lessen its carbon footprint would be beneficial. As such, examining measures that would support circular economy collection systems would be beneficial.

AmCham welcomes the EU's Packaging and Packaging Waste Regulations Directive (PPWR), as it will go some way in enforcing circular economy principles throughout

the EU. The PPWR should encourage both producers and consumers to make more sustainable choices and prevent packaging materials from becoming waste. It is crucial that the scheme includes as wide a range of options for packaging reduction as possible.

The scale of Ireland's global manufacturing sector makes it an ideal destination for the development of plastic recycling. There is a need to stop the shipping of waste overseas, as this increases carbon emissions. New collection mechanisms would mean the development of new recycling and reprocessing infrastructure on the island and associated green jobs. Waste infrastructure will be essential in developing Ireland's circular economy and driving down emissions. Government should therefore consider strategic investments and loans to facilitate and support near-shoring of waste-management infrastructure on the island, particularly for materials which are currently exported overseas and where a case can be made, with funding, to move that process closer to the point of collection. Such a measure would also include support by the Government for the development of a centre of excellence for circular economy and innovation and development, such as green chemistry for recycling.

AmCham Recommends:

- Greater collaboration and coordination with Northern Ireland in the development of its DRS.
- Government considers strategic investments and loans to facilitate and support near-shoring of waste-management infrastructure.