



Net Zero Factsheet - Environment APPG briefing

The Government has committed to net zero carbon emissions by 2050. As part of that commitment, the Government pledged to publish an overarching [Net Zero Strategy](#) before COP26, which will act as a plan to reach net zero emissions by 2050. This government plan is being published imminently and will tie together cross-departmental strategies on cutting emissions.

Ahead of the key remaining net zero publications and ahead of COP26, the Environment APPG has put together this net zero factsheet to answer some common questions.

Will net zero cost the earth?

Some have argued that the costs of decarbonising the economy are too high and that efforts to achieve net zero should be delayed or watered down.

Net zero by 2050 is expected to cost less than 1% of GDP over 30 years. [According to the CCC](#), the cost of getting to net zero by 2050 would mean a mere four-month delay in economic growth over 30 years, even without considering the wider benefits to society.

The CCC have explicitly estimated their costings on a conservative basis, with the expectation that costs will be lower. For example, in 2019 the CCC estimated the annual cost of net zero in 2050 would be £50bn. [Just one year later this was revised down to £16bn](#). Similarly, offshore wind costs have fallen much more rapidly than expected. In 2016 the Government predicted that offshore wind generation would cost £107/MWh in 2025. [In 2020 this estimate was roughly halved to £57/MWh](#).

The cost of inaction?

The costs of inaction are far greater. Climate change been described as an '[existential threat to humanity](#)' by HM Treasury and the latest [UN report](#) called climate change a "code red for humanity".

Extreme weather events can be deadly. In 2003, a [heatwave in Europe killed 70,000 people](#) and [20m people leave their homes per year](#) due to weather hazards. Additionally, climate change is predicted to affect industries such as crop growing in the UK and abroad - and is already causing migration in areas now experiencing more extreme weather. There are also specific impacts on the UK, as identified in the [CCC risk report](#), such as higher intensity of rainfall causing flooding, sea level rise and extreme heat.

What are some of the economic benefits?

- Investment in a net zero future could support up to [700,000 jobs by 2030](#) and [1.7 million by 2030](#), half of which are likely to be located in the North, Midlands and Scotland.
- The transition to a net zero economy is likely to have first-mover benefits for the UK both in [manufacturing](#) and service jobs, with the economy securing a greater global market share ([OBR](#)).
- Wages in net zero jobs, which [average £37,195 per year](#), pay an 18% premium compared to the national average or 30% compared to carbon intensive jobs.
- The Government predicts that the low carbon economy could [grow by 11% per year up to 2030](#). The projected growth for the economy as a whole is 1-2%.
- This growth would create significant export potential for UK businesses, particularly for offshore wind and CCS, with the potential to [add £3.6bn GVA by 2030](#).
- The Net Present Value (NPV) of reaching the 6th Carbon Budget in 2035 is [predicted to be + £266bn](#).

Act sooner to reap the benefits

According to the [Bank of England](#), early action on net zero would result in better macroeconomic performance by the end of the transition. Their analysis suggests performance at the end of an early-start transition would be 3% GDP higher than at the end of a late-action scenario, and 6.2% higher than a no-action scenario.

The [OBR](#) have said that delayed public investment in net zero will be worse for public finances. Late investment would mean higher public spending (1.2% of GDP), more borrowing (0.9 – 1.8%), and significantly higher public debt (23%) than with early action - roughly double the cost to public debt than that of more immediate investment in a transition.

What are the co-benefits?

Many of the co-benefits of meeting net zero, for example on health, wellbeing and socially, remain unquantified due to high unpredictability and difficulty in modelling. This means they are often not discussed as part of the investment to reach net zero. For example, if the UK met the WHO's air pollutant guidelines, [it is estimated](#) that more than 3m sick days per year could be gained back, adding an estimated £1.6 bn per year to economy, through increased productivity and less sickness absences.

What do the public think?

- The government's target to reach net zero carbon emissions by 2050 enjoys [broad support from nearly three quarters of the public](#), who also believe that reaching net zero and tackling climate change should be one of the top two priorities in the chancellor's upcoming spending review alongside the NHS.
- The [UK public overwhelmingly fear the cost of inaction](#) on climate change as opposed to the cost of action.
- Three-quarters (76%) of people [are aware of the concept of net zero](#) versus a fifth (20%) of people who are not. This has risen considerably since March 2020; where awareness was roughly half (52%) against 42% of respondents being unaware.
- A [UN poll has shown](#) 81% of people in the UK consider climate change to be a global emergency. This is higher than the worldwide average, which is 64%.
- Despite the pandemic, [60% of people are actually more worried](#) about climate change than they were a year ago and 18% are much more worried.
- Just after the net zero target was enshrined in law, it was highlighted that nearly 70% of people in the UK '[want urgent political action to tackle climate change and protect the natural environment](#)'. Two-thirds also believed Britain should aim to reach net zero emissions before the 2050 target currently in place.
- 93% at the Climate Assembly 'strongly agreed' or 'agreed' that, 'as lockdown eases, government, employers and/or others should take steps to encourage lifestyles to change to be more compatible with reaching net zero'
- [80% of people think that](#) "If everyone does their bit, we can reduce the effects of climate change". 71% also agreed that "I have the ability to make changes in my life that could help reduce climate change".
- It has [also been shown](#) that 81% of respondents are clear what the term 'greenhouse gases' means and 84% are aware of what 'carbon emissions' means.

Note: this briefing was prepared by the Environment APPG Secretariat and does not reflect the views of the Chair or Officers. For inquiries contact: appg@green-alliance.org.uk