

# Measuring UK greenhouse gas emissions

Summary of the three measures of UK greenhouse gas (GHG) emissions: territorial, residence and footprint.

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## 1. Main points

- UK greenhouse gas (GHG) emissions are reported on three bases: territorial, residence (or production) and footprint (or consumption).
- Territorial emissions cover emissions that occur within the UK's borders and are used to track UK-wide progress towards international and domestic targets, including net-zero emissions; total UK territorial emissions were estimated at 417 million tonnes of carbon dioxide equivalent (MtCO2e) in 2022, which is a 49% reduction since 1990.
- Residence (production) emissions are aligned with the UK National Accounts, enabling emissions to be linked to economic sectors and activity in them; total UK production emissions were estimated at 512 MtCO2e in 2022, which is a 39% reduction since 1990.
- Footprint (consumption) emissions cover consumption of all goods and services by the UK, sometimes referred to as "carbon footprint"; it was estimated to be 582 MtCO2e in 2020 (the latest year for which footprint emissions estimates are available), which is a 36% reduction since 1990.
- By comparison, in 2020 territorial emissions were estimated to be 406 MtCO2e and residence emissions 488 MtCO2e.
- Emissions on all three measures have been declining since 1990, with consumption emissions falling at a slower rate than both territorial and residence emissions.

# 2. How the UK measures greenhouse gas emissions

#### **Territorial emissions**

Territorial emissions are used to inform progress on UK-wide emissions targets and are published by the Department for Energy Security and Net Zero (DESNZ).

These estimates include emissions produced within the UK's geographical borders. They take into account emissions and removals from:

- · activities of businesses in the UK, no matter where they are registered in the world
- the activities of people living in the UK as well as visitors from outside the UK
- land in the UK, including forests and crop or grazing land

They currently exclude emissions or removals from:

- international aviation and shipping
- · UK residents and UK registered businesses abroad
- production of goods and services that the UK imports from other countries
- carbon dioxide (CO2) emissions from burning biomass, for example, wood, straw, biogases, and poultry litter (except where that biomass originates in the UK)

Targets include <u>net zero UK greenhouse gas (GHG) emissions by 2050</u>, adopted by the UK Government in 2019 following arecommendation from the Climate Change Committee (CCC). More information about the UK's progress in reducing emissions and adapting to climate change can be found in the CCC's <u>Progress reports to Parliament</u>.

"Net zero" means that any GHG emissions would be the same as, or less than, those removed from the atmosphere, which can be achieved through a combination of reduction and removal of emissions.

The UK has five-yearly carbon budget targets, which place restrictions on the total amount of greenhouse gases the UK can emit. The sixth Carbon Budget target is to reduce emissions to 965 million tonnes of carbon dioxide equivalent between 2033 to 2037. This means that by 2035, emissions are required to be approximately 77% lower than 1990 levels.

These emissions estimates are used to monitor net-zero progress and other UK-wide targets. They are produced in line with <u>international guidance from the Intergovernmental Panel on Climate Change (IPCC)</u> and are reported to the <u>United Nations Framework Convention on Climate Change (UNFCCC)</u> each year.

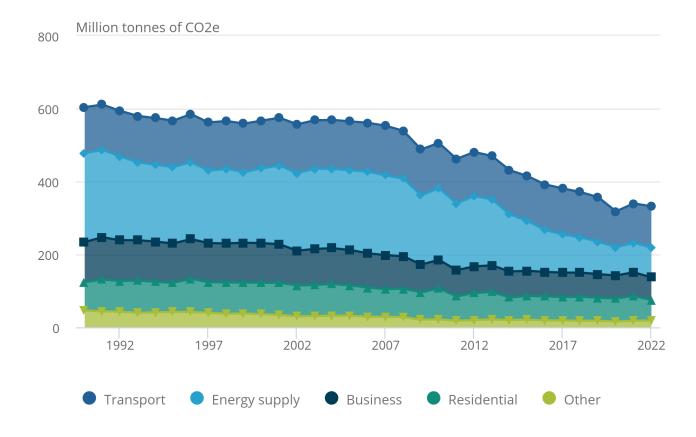
Territorial emissions are designated as National Statistics and are published annually.

The yearly publications cover:

- final UK estimates, published each February
- provisional UK estimates, published each March that provide an early indication of trends in emissions nearly a year ahead of the final statistics publication
- devolved administration emissions statistics, published each June
- local authority emissions statistics, published each June, allowing local authorities to monitor their progress against local targets

Figure 1: Top emitting national communication sectors on a territorial basis: UK 1990 to 2022 (provisional)

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Source: UK territorial greenhouse gas emissions national statistics from the Department for Energy Security and Net Zero (DESNZ)

### Residence (production) emissions

Residence-based emissions, sometimes referred to as production emissions, cover emissions by UK residents and UK-registered businesses, whether they happen in the UK or overseas. These are published by the Office for National Statistics (ONS).

This means they include emissions from:

- aviation and shipping from British operators or carriers
- · UK tourists abroad

And they exclude:

- foreign tourists in the UK
- freight from foreign operators or carriers

An important use of this measure is that it enables direct comparison of emissions by sector of UK industry and households with the main economic indicators <u>including Gross Value Added (GVA)</u>.

These estimates are part of the <u>UK's Environmental Accounts</u>, and are aligned with the national accounts because they are compiled in accordance with the <u>UN System of Environmental Economic Accounting (SEEA)</u>. Following this framework also enables international comparisons.

Residence-based emissions are designated as National Statistics and are published on a yearly basis. They are also reported to the Organisation for Economic Co-operation and Development (OECD) annually.

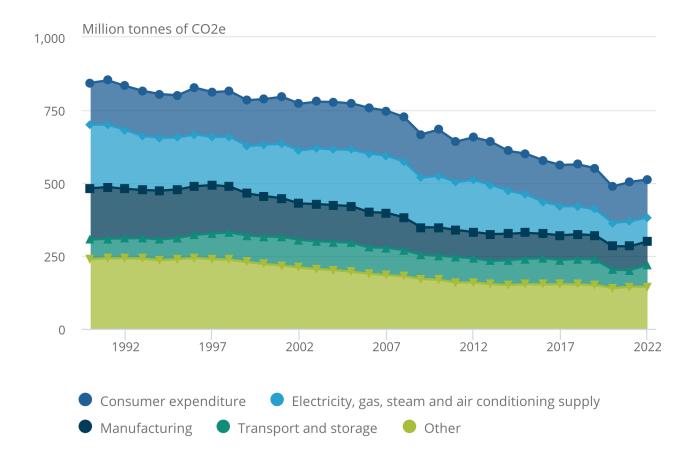
The yearly publications cover:

- final estimates, usually published in the summer, with breakdowns by industry using detailed Standard Industrial Classification (SIC) 2007 codes
- provisional estimates, usually published in the autumn, by high-level SIC codes
- experimental statistics on quarterly GHG emissions

This measure covers Scope 1 emissions, which means direct emissions from owned or directly controlled sources.

Figure 2: Top emitting industries on a residence basis: UK, 1990 to 2022 (provisional)

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Source: Greenhouse gas emissions, UK: provisional estimates from the Office for National Statistics (ONS)

### Footprint (consumption) emissions

Details of further measures of UK emissions focusing on consumption, known as the "carbon footprint", are available in the <u>UK and England's carbon footprint to 2020</u> report published by theDepartment for Environment, Food and Rural Affairs (Defra).

This accounts for all GHG emissions through the supply chain of goods and services consumed in the UK, wherever they are produced in the world. This includes emissions from UK imports of goods and services and excludes emissions arising from UK-produced goods that are exported.

This means that they include emissions from:

- · aviation and shipping owned by UK companies, used by UK residents
- aviation and shipping owned by non-UK companies, used by UK residents

They exclude emissions from:

- land, land use and forestry
- aviation and shipping owned by UK companies, used by non-UK residents
- aviation and shipping owned by non-UK companies, used by non-UK residents

This measure helps to understand the UK's global contribution to GHG emissions through UK consumption. For more information on the UK's carbon footprint, see GOV.UK's <u>Emissions embedded in trade and impacts on climate change article</u>.

Footprint (consumption) is the "widest" measure of UK emissions, including emissions embedded in imported materials and products. This means they will not be affected by "carbon leakage" where overseas production for UK consumption is not captured in the territorial emissions measure, for example.

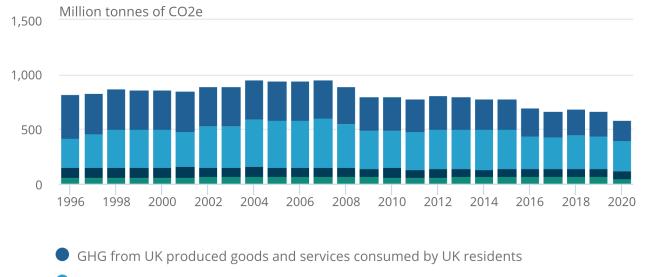
Footprint emissions are classified as official statistics. They are published on a yearly basis with a three-year lag. Estimates for 2020 were published in 2023. This measure covers Scopes 1, 2 and 3. See <u>Section 4: Glossary</u> for more details about Scopes 1, 2 and 3.

It should be noted that the emissions relating to overseas production of imports to the UK, often referred to as emissions that are "embedded" in imports, are not as easily measured as emissions generated within the UK borders.

Each year the estimates relating to previous years are subject to revision, because of either revisions to the underlying data or methodological improvements.

Figure 3: UK consumption footprint over time: UK, 1996 to 2020

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- GHG embedded in imported goods and services to UK
- UK Households heating emissions arising from the use of fossil fuels
- UK Transport emissions generated directly by UK households

Source: UK and England's carbon footprint to 2020 from the Department for Environment, Food and Rural Affairs (DEFRA)

# 3. Comparing the three emissions measures

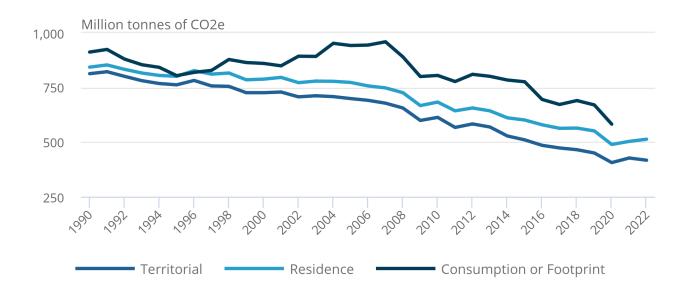
In 2020, the latest year for which all three measures are available, territorial emissions were 406 million tonnes of carbon dioxide equivalent (MtCO2e), residence emissions 489 MtCO2e, and footprint emissions 582 MtCO2e.

All three emission measures have declined since 1990, the first year for which data are available. Estimates of UK greenhouse gas emissions on a footprint (consumption) basis have fallen more slowly than estimates on the other bases. The larger reduction in territorial emissions may be because of the UK economy moving from a manufacturing base to a service base with a greater dependence on imports and their associated embedded emissions.

Provisional estimates available for residence and territorial emissions show that post-pandemic there has been an increase in emissions since their low point in 2020, but both continue to be below pre-pandemic levels. In 2022, provisional estimates show that territorial emissions were 417 MtCO2e and residence emissions were 512 MtCO2e, which is a drop of roughly 49% for territorial and 39% for residence emissions since 1990.

Figure 4: Greenhouse gas emissions on a territorial, residence (production) and carbon footprint basis: UK, 1990 to 2021 and provisional 2022

Figure 4: Greenhouse gas emissions on a territorial, residence (production) and carbon footprint basis: UK, 1990 to 2021 and provisional 2022



Source: UK territorial greenhouse gas emissions national statistics from the Department for Energy Security and Net Zero, Greenhouse gas emissions, UK: provisional estimates from the Office for National Statistics, and UK and England's carbon footprint to 2020 from the Department for Environment, Food and Rural Affairs

## 4. Glossary

#### Global warming potential

Global warming potential (GWP) is an emission metric used to quantify the contributions of different greenhouse gases (GHG) to climate change. All three GHG estimates are reported with a GWP of AR5, aligned with the latest Greenhouse Gas Protocol recommendation.

The AR5 reporting standard comes from the Fifth Assessment Report from the United Nations Intergovernmental Panel on Climate Change (IPCC). It summarises the latest scientific knowledge on climate change, including the latest information on GHG and their impact on the environment. The GWPs used are from table 8.A.1 (without climate-carbon feedback) of the Working Group 1 of the IPCC Fifth Assessment Report: Climate Change 2013.

### Scopes 1, 2 and 3

- Scope 1: direct emissions from owned or directly controlled sources.
- Scope 2: indirect emissions from the generation of purchased energy.
- Scope 3: all other indirect emissions that occur in producing and transporting goods and services, including the full supply chain.

#### 5. Related links

#### **UK Environmental Accounts**

Statistical bulletin | Released 5 June 2023

Measuring the contribution of the environment to the economy, impact of economic activity on the environment, and response to environmental issues. Residence-based emissions published by the Office for National Statistics.

#### UK greenhouse gas emissions statistics

Article | Released 8 February 2023

Official statistics on UK greenhouse gas emissions and related publications. Territorial-based emissions published by the Department for Energy Security and Net Zero.

#### UK and England's carbon footprint to 2020

Article | Released 2 August 2023

Annual greenhouse gas and carbon dioxide emissions relating to UK and England consumption. Consumption-based emissions published by the Department for Environment, Food & Rural Affairs

# 6. Cite this methodology

Office for National Statistics (ONS), released 4 December 2023, ONS website, methodology, <u>Measuring UK greenhouse gas emissions</u>