



Environment and Rural Development Committee

22nd Meeting, 2005

Wednesday 14 September 2005

The Committee will meet at 10.30 am in Committee Room 4

1. **Item in private:** The Committee will consider whether to take item 4 in private.
2. **Environmental Assessment (Scotland) Bill:** The Committee will consider the Bill at Stage 2.
3. **Work programme:** The Committee will consider its future work programme.
4. **Inquiry into climate change:** The Committee will consider the response to its inquiry report from the Scottish Executive and arrangements for the scheduled Chamber debate on the report.

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The following papers are attached:

<u>Agenda Item 3</u>	
Paper from the Convener (<i>for members only</i>)	ERD/S2/05/22/3a
<u>Agenda Item 4</u>	
Response from the Scottish Executive	ERD/S2/05/22/4a
Note from the clerk (<i>for members only</i>)	ERD/S2/05/22/4b

Agenda item 4

**Environment and Rural
Development Committee**

14 September 2005
ERD/S2/05/22/4a

**The Scottish Executive's Response to the Environment and Rural
Development Committee's 5th Report, 2005 (Session 2): Report on Inquiry into
Climate Change**

Laid before the Scottish Parliament by the Scottish Ministers (31 August).

SE/2005/172

INTRODUCTION

1. This paper sets out the Scottish Ministers' formal response to the Environment and Rural Development Committee's report on its inquiry into climate change, which was published on 18 May 2005.
2. The Executive is grateful to the Committee for its valuable contribution to the debate on how the Executive should respond to the challenge of climate change. The Committee's comprehensive and positive report will inform the current review of the Scottish Climate Change Programme (SCCP).
3. The review of the SCCP is looking closely at how we might strengthen our strategic response to climate change and will provide a much more robust data set upon which to base future decisions.
4. Detailed responses to the Committee's recommendations are attached. In line with the Committee's recommendation, we have already committed to establish Scottish Climate Change targets. In responding to some recommendations we have been unable to give a definitive answer because consideration of the issue in question is continuing as part of the review of the SCCP. In such instances we will look to respond in greater detail in our revised SCCP, which is due for publication before the end of 2005.

RESPONSES TO SPECIFIC RECOMMENDATIONS

The recommendation numbers refer to the paragraph in the Committee's report in which the recommendation was made.

EVIDENCE OF CLIMATE CHANGE

Paragraph 60: The Committee believes that the evidence shows climate change to be an urgent and extremely serious challenge for government. The challenge is so great that a radical response on a huge, almost unprecedented scale must start to be entrenched in policy now. It requires political commitment at the heart of the Scottish Executive, and urgent application by policymakers in every department and sector of Scottish government.

The Executive agrees that climate change is an urgent and serious challenge. Impacts of climate change are already being observed across the world and a concerted and coordinated global response is required. The Executive agrees that this response must be radical and include significant change in the way energy is generated and used.

The Executive recognises the moral responsibility Scotland has, as a developed nation, to take positive steps to combat climate change. The Executive is fully committed to demonstrating leadership and playing a full part in global efforts to tackle climate change.

The current review of the [Scottish Climate Change Programme](#) (SCCP) is considering the scope for strengthening and supplementing existing measures across Executive responsibilities and re-evaluating our contribution to UK commitments. We plan to publish a revised Programme before the end of 2005.

IMPACTS

Paragraph 73: *The Committee recommends that the Scottish Executive should examine how it can further develop scenario planning in order to provide practical measures to guide action in all sectors. Understanding of the potential economic impacts appears to be weak, and the Committee is concerned that no analysis of this appears to have been done by bodies such as Scottish Enterprise. Engagement with this agenda must be stepped up if policy is to respond effectively and allow appropriate opportunities to be grasped.*

The Executive acknowledges that analysis of the possible economic effects that climate change may bring to Scotland is important. [The 2004 Foresight Future Flooding Report](#) analysed future risks of flooding and coastal erosion for four different future scenarios. The Report acted as a further spur for the Executive to review its activity in the area of identifying and managing flood risk, and in producing the evidence necessary to take forward policy in this area.

We have commissioned consultants to conduct an initial quantitative scenario analysis as part our analysis of Scottish energy usage. We are also aware that Scottish Enterprise has developed energy scenarios for Scotland, which are being used to understand better – from an economic development perspective – the implications of global drivers such as climate change. However, we accept that further work will be required in the future and that this should inform both the Executive's, and Scottish Enterprise's, future decision-making.

MITIGATION

Paragraph 83: *The Committee supports the aim of achieving at least a 60% cut in emissions by 2050. This is a huge challenge, focused on a relatively distant timescale. This can be intimidating and tend to leave people feeling overwhelmed or unable to engage with the issue. The Committee believes that very substantial action must begin now. The Committee therefore recommends that the Scottish Executive should develop a much more detailed 'route map' with a series of clear and challenging benchmarks that will help policy-makers, businesses and individuals understand what is required in the short-term.*

The Executive is committed to working in partnership with the UK Government in moving towards its ambitious domestic 60% carbon dioxide reduction goal. A key aim of the review of the SCCP is to identify and evaluate options for so doing. Another is to develop updated Scottish greenhouse gas and carbon dioxide emissions projections to 2020. Establishing our projected emissions levels for 2010 and 2020 will help us determine what level of action is required in Scotland to ensure we are on track to deliver on our longer-term commitments.

Paragraph 89: *The Committee believes that the rate of progress in reducing emissions in Scotland is inadequate to meet both short and longer-term targets. The Committee finds it particularly worrying that emissions are increasing rather than reducing in some important sectors such as energy and transport.*

Our objective is to deliver emissions reductions in Scotland without damaging economic development. In 2002, Scotland's emissions reductions were around 6% below Kyoto base years, while the Scottish economy grew by 26% over the same period. This compares favourably with most other countries in the world.

Whilst emissions in the energy and transport sectors are growing, an overall reduction in emissions has been achieved, in line with UK and international climate change objectives. For example, the decline in business and public sector greenhouse gas emissions combined between 1990 and 2002 (at 4630 kilotonnes) was almost six times greater than the increase in transport emissions (at 798 kilotonnes) over the same period. Energy supply emissions have increased over this period but it is noteworthy that 17% of all electricity generated in Scotland is exported to other areas of the UK, and, importantly, that the significant emissions associated with it are attributed to Scotland and not the final user.

Despite the overall reduction in emissions we will continue to consider ways in which carbon savings can be delivered in all sectors and the review of the Scottish Climate Change Programme is considering the scope for strengthening existing measures and for introducing new ones in line with this objective.

Emissions data for 2003 will be published soon.

Paragraph 90: *The Committee therefore recommends that a comprehensive independent audit of progress under the Scottish climate change programme should be commissioned by the Executive (similar to that conducted by the Sustainable Development Commission on the UK programme). This should be done now to form a baseline analysis, and repeated every five years thereafter. In addition, the Committee recommends that the Executive should report formally to the Parliament annually on progress towards meeting targets. An annual report would allow the Parliament the opportunity focus regularly on key aspects of what is a huge issue.*

The Executive agrees with the Committee that an independent audit regime would be desirable for the revised SCCP. We will set out our planned independent audit regime in the revised SCCP: this will form part of wider monitoring and reporting arrangements associated with the Programme, and will make provision for regular reporting to Parliament.

The Executive does not, however, believe that an independent audit of the current SCCP is necessary in light of recent independent analysis – including an analysis commissioned by WWF and the Committee's own inquiry – and the ongoing internal review, which has included a public consultation and the input of an external stakeholders' group.

KEY SECTORS (1) – ENERGY

Paragraph 95: *The Committee recommends that consideration of energy demand must be at the heart of an energy efficiency strategy. This is essential if the emissions impact of all other energy-related measures is not to be undermined. While there has been some progress in the public sector, a lack of data appears to have hampered the development of policies and targets to reduce energy demand in Scotland. The Committee recommends that the Scottish Executive should accelerate the development of the necessary information resources to allow it to establish measures that will limit energy demand.*

The Executive has already identified this issue and is in the process of addressing it. We commissioned consultants in November 2004 to carry out an independent Scottish Energy Study, the first energy benchmarking exercise since 1990. This study is mapping and quantifying the flow and, importantly, consumption of all forms of energy in Scotland, using 2002 as the base year. The study is due to publish its findings in autumn 2005. This will help greatly in informing future policy development across the Executive.

Paragraph 116: *The energy efficiency strategy should include a series of clear policy measures and energy efficiency targets for different sectors at individual, organisation and business levels. It should include targets for small-scale renewable energy projects and for an overall reduction in demand for energy. It should also capture reductions in embedded energy that could be achieved in all sectors.*

Targets for energy efficiency will be considered by the Executive in connection with the formulation of its energy efficiency strategy, the outcome of which will be reflected in the revised SCCP. However, the scope for small scale renewables is not being considered in the development of the strategy as this is not part of its agreed remit: the focus of this work is to drive forward energy efficiency in Scotland. The Executive is committed to developing as wide and diverse a range of renewable technologies as possible; the underpinning strategies aimed at delivering this diversity have been produced by the Forum for Renewable Energy Development in Scotland (FREDS), work that is still ongoing. We have also committed additional funding for the next three years to expand the [Scottish Community and Household Renewables Initiative \(SCHRI\)](#).

Paragraph 117: *The Committee is concerned at evidence that the (sometimes relatively obvious and cheap) win-win gains which can be achieved through energy efficiency measures have struggled to gain a high priority for individuals and businesses. The Committee recommends that the Executive should consider a range of radical further measures that will help overcome this.*

The Executive acknowledges the Committee's concern. We are currently evaluating opportunities to increase the uptake by business by expanding existing programmes and methods of support for example through bodies like the Carbon Trust as well as developing new initiatives.

Paragraph 118: *The Committee recommends that the Executive should use the opportunity of the proposed Planning Bill to examine the feasibility of incentives in the planning system (for example, through fee reduction or accelerated processing) which might be used to encourage developers to meet higher energy efficiency standards. The Committee also recommends that the Executive re-examine the enforcement of conditions, to ensure compliance with energy efficiency standards.*

The feasibility of using mechanisms to provide incentives to encourage developers to meet higher energy efficiency standards is being examined as part of an Executive research project on project-based carbon trading. The findings of this research notwithstanding, we do not believe that the Planning Bill would be the right vehicle for taking this forward: it is not the role of a Bill to examine the feasibility of measures. It is doubtful that the planning system, with its quasi-judicial nature and need for all aspects of an application to be properly scrutinised, and a decision taken when all material considerations have been taken into account, would be well placed to accommodate the kind of measure proposed. Second, the examples cited are in any case more likely to be dealt with in secondary legislation (e.g., the Fees Regulations, or the General Development Procedure Order). It is however, quite possible that other regimes dealing with regulating or providing incentives for energy efficiency would be more appropriate – something which the research will set out.

It has been recognised that there is an issue of compliance with planning conditions. It is proposed in the Planning Bill that planning authorities should be encouraged to adopt a more pro-active approach to planning enforcement. In this connection, developers would be required to submit a Start Notice to the planning authority notifying them of their intention to commence development and that they have met with any suspensive or pre-conditions. The developer would be further required to notify the planning authority when certain agreed stages of the development are completed, and to notify the authority when the entire development is complete. This requirement for self monitoring is similar to that required under Pollution Prevention & Control consents issued by SEPA and would enable the planning authority to monitor compliance with conditions throughout the development process and to identify and address any breaches of planning control at an early stage.

Paragraph 119: *The Committee recommends that the Executive should implement the EU directive on energy performance in buildings rigorously in 2006, and make the most of the opportunities offered by this legislation.*

Work is ongoing to implement the [EU Directive on the energy performance of buildings](#) by 4 January 2006. Use will be made of derogation options permitted by the Directive because there are currently insufficient independent experts in the country to do the certification/inspection work that is required. Care must be taken to ensure that implementation does not involve measures which are over and above the minimum required by the Directive.

Paragraph 120: *The Committee is frustrated that the large number of demonstrations of proven technology (for example, of small-scale renewable energy schemes or CHP systems) over recent years has not yet led to wide commercial exploitation. The Committee believes that more must be done by private sector investors, banks, large volume house-builders and public procurement to examine the whole life-cycle costs of developments. The Committee recommends that the Executive should examine further how to encourage these systems to be considered as real options and to secure the necessary investment.*

The Executive's green jobs strategy - [Going for green growth: a green jobs strategy for Scotland](#) - published in June 2005, promotes the development and use of environmental technologies and resource efficiency measures, and clearly sets out where businesses can get advice and financial support if they wish to pursue these opportunities. The strategy also outlines the Executive's and the wider public sector's determination to lead by example in how we procure goods and services and in how we run our own estates.

In addition, our Scottish Community and Householders Renewables Initiative offers advice and grant funding to support the installation of small-scale renewables technologies and stimulate market development. The scheme has been successful in attracting match-funding from various sources to support the development of small-scale projects, and in supporting the commercialisation of related technologies, for example, micro-wind manufacturers.

The Executive has promoted the Community Energy Programme (CEP) in Scotland by supporting a liaison post in Energy Saving Trust Scotland. Scotland has received a large share of the CEP's funding over its first three years. Policy on CHP is reserved to the UK Government.

In fuel poverty terms, the Executive is increasingly finding that many homes considered 'easy to treat', because they could take traditional insulation methods and were on the gas grid, have already received the available measures under the Central Heating and Warm Deal Programmes. In the future, the challenge to be faced will be 'hard to treat' homes, properties with solid walls, that are off the gas grid or are in rural and island communities. Against that background we intend to review practical ways that small-scale renewable energy schemes and CHP systems can be put in place to alleviate fuel poverty, particularly in those properties described as 'hard to treat'. We will investigate a number of pilot projects currently underway and consider testing some new technologies to see if they would offer a practical approach in a domestic setting that could be considered for future programmes to tackle fuel poverty solutions.

Paragraph 133: *The Committee recommends that the Executive must seek to engage with the UK Government to produce, as a matter of urgency, an energy strategy that provides a clear vision of the energy mix required - and a clear route map towards achieving that mix to help us meet emissions reduction targets. An energy strategy has many drivers but needs to be climate-aware and supported by the policy signals inherent in pricing, research spending and planning. There are significant decisions to be taken about how each sector can be stimulated to develop.*

Energy Policy is reserved as is the development of the strategy to address the aims and objectives outlined in the [Energy White Paper "Our Energy Future"](#). The Executive is being fully consulted on the emerging ideas from this work and is making its own contribution. The contribution energy production and consumption makes to greenhouse gas emissions is being considered as part of the review of the UK Climate Change Programme.

Paragraph 134: *At present there is simply no route map for how Scotland achieves its 40% renewables target by 2020, or its longer term emissions reduction targets. The Committee recommends that the Executive should provide further detailed explanation of the 2020 target and how it plans to meet it.*

The Executive published [Scotland's Renewable Energy Potential: realising the 2020 target](#), a report by the Forum for Renewable Energy Development in Scotland (FREDS) on 20 June 2005. FREDS considered how best Scotland's renewable energy potential might be realised having regard to the 2020 targets set by the UK Government and the Scottish Executive and advised on how individual renewable technologies might contribute to these targets, taking into account the Executive's economic development priorities. The Forum suggested that the Executive's 2020 target should more helpfully be expressed in terms of installed capacity, providing greater clarity and allowing progress to be more easily monitored. A figure of 6 Gigawatts was suggested, which the Forum advises should not be regarded as a cap. The Forum advised against setting individual technology targets, considering that this could be detrimental to the overall growth of the renewables industry. The Executive has accepted the findings of this report.

The UK Government has domestic goals to reduce the UK's carbon dioxide emissions by 20% by 2010 and to make "real progress" towards its 2050 60% carbon dioxide reduction goal by 2020. The Executive is committed to working in partnership with the UK Government in moving towards these goals and there will be continued dialogue on their achievement. The Executive is also represented on the UK Climate Change Programme (UKCCP) review Project Board. The revised UKCCP will address action required across the UK to meet international and domestic objectives.

Paragraph 135: *The Committee believes that we will need the development of a variety of renewable sources. Action is required now, and must not simply be delayed to await technological development. There are many renewable technologies that are already available and can be exploited more fully now. The Committee recommends that the Executive should consider how appropriate incentives to their use can be further developed.*

The Executive agrees with the Committee that the key to exploiting Scotland's renewable future is likely to lie in our ability to promote the development of new technologies such as offshore wind, biomass, wave and tidal power. This was originally stated in [Securing a Renewable Future](#), a policy document published by the Executive in March 2003 announcing the aspiration that 40% of Scotland's electricity should be generated from renewable sources by 2020. The Forum for Renewable Energy Development in Scotland (FREDS) was subsequently established in 2003 to provide the leadership necessary to create the conditions which will support and promote the development of Scotland's renewable energy and maximise the economic development opportunities. [Securing a Renewable Future](#) and the reports of FREDS are published on the Executive's [website](#).

The Executive has accepted the findings of the Forum's reports on marine energy and biomass energy ([Harnessing Scotland's Marine Energy Potential and Promoting and Accelerating the Market Penetration of Biomass Technology in Scotland](#)) that a funding gap exists for these emerging and more expensive technologies, and is currently considering how best to provide additional support for those technologies. The Executive welcomes the announcement by the UK Government's Department of Trade and Industry of a £42 million Wave and Tidal Stream demonstration programme, to provide funding and encourage the development of a sustainable UK wave and tidal stream industry. Further to this, the Executive remains in close contact with the industry and undertook a preliminary consultation, which closed on 23 June 2005, inviting the views of key stakeholders on (among other things) amending the Renewables Obligation (Scotland) Order to provide enhanced support for marine energy and to alter the definition of energy crops to stimulate the growth of those sectors. The responses to the preliminary consultation are currently being considered, and will inform the scope of the forthcoming fundamental review of the Obligation.

KEY SECTORS (2) – AGRICULTURE, FORESTRY AND LAND USE

Paragraph 145: *Robust and comprehensive management strategies are required in order to avoid erosion and increased emissions from Scotland's soils. The Committee recommends that the Scottish Executive should accelerate appropriate research, and use this to develop a co-ordinated soil protection strategy as a matter of urgency.*

The Executive recognises the important role soils play in the context of climate change, and also in a wide range of other environmental considerations. A commitment has already been made by the Executive in the [Rural Implementation Plan of the Scottish Biodiversity Strategy](#) (2004) to 'develop soil management strategies/policies which will promote conservation and enhancement of biodiversity interests' by 2007.

A whole range of policy measures are currently in place that relate to soil protection. However, no one legislative or policy tool has specifically been developed with the explicit aim of soil protection. The SEPA [State of the Environment: Soil Quality Report](#) (2003) concludes in relation to the state of soils in Scotland: *'The lack of data on trends in soil properties make it impossible to assess whether current land use practices and pollutant inputs to soils are sustainable.'* Similar statements are being made for English and Welsh soils in Defra's [First Soil Action Plan](#) (2004) and in the Environment Agency's [The State of soils in England and Wales](#) (2004).

Recognising the importance of evidence when considering a more strategic approach towards soil protection, the Executive is currently involved in a number of research projects that will provide evidence on the state of and threats to soil Scottish soils. At the same time the Scottish Executive is an active member of the UK Soil Indicators Consortium which aims to develop soil indicators and a soil monitoring scheme in order to broaden our knowledge base on the overall state of soils.

Scottish soil policies are currently informing the UK input to the negotiation of the EU Soil Thematic Strategy: the EU Strategy will in turn be an important factor in the development of the Scottish soil policy framework.

Paragraph 155: *The Committee believes that the management of Scottish forestry has a key role to play in addressing climate change, and wants to see much greater political priority accorded to this. The Committee is concerned that there is no robust explanation for the forest coverage target in the Scottish Forestry Strategy. This prevents any clear understanding of what, given the other priorities for land use, the maximum potential for forestry might be. The Committee recommends that the Scottish Forestry Strategy should be reviewed with the specific objective of comprehensively addressing climate change considerations. This should include the potential for carbon sequestration, and the impact that increased use of timber in construction and energy generation can have on emissions.*

The Forestry Commission is currently reviewing the Scottish Forestry Strategy. This provides an opportunity to consider the issue of climate change in a comprehensive way as part of the overall consideration of the outcomes sought from forestry in Scotland. A consultation on this – [Review of the Scottish Forestry Strategy](#) – is underway.

In that consultation paper, climate change is highlighted as a key issue, and a specific question is included: 'Should woodlands play a greater role in helping Scotland deal with climate change?'. A paper – [Climate Change and Scotland's Forestry Strategy](#) – was commissioned from the Edinburgh Centre for Carbon Management to help stimulate thinking on how the role of Scottish forestry in climate change can be developed.

Responses will help us revise the Forestry Strategy to include actions which take account of, and make a greater contribution to, climate change.

Paragraph 157: *The Committee recommends that the Scottish Executive should examine how rural development funding, and other support mechanisms, can be used to develop appropriate incentives as a matter of urgency.*

Following EC agreement on the new Rural Development Regulation (RDR), work is in hand to develop a Scottish Rural Development Programme (SRDP) for the next programming period 2007–2013. The Strategic Guidelines for Rural Development 2007-2013 were adopted by the Commission on 5 July 2005. These indicate that measures under Axis 2 of the RDR should contribute to biodiversity and preservation of high nature farming and forestry systems, water, and climate change. Minimum spend under this Axis is 25%. Development of a national rural development strategy as a framework for the SRDP will be prepared on the basis of these strategic guidelines. An external Stakeholder Group has been established to advise on the development of the SRDP. This group comprises membership from business organisations, wider rural partnerships and environmental and statutory bodies who will ensure that climate change is included in all considerations.

Paragraph 167: The Committee is therefore particularly concerned that little thought appears to have been given to integrating climate considerations into potentially useful policy mechanisms, such as land management contracts.

Paragraph 169: the Committee recommends that urgent consideration should now be given to climate change issues in agriculture policy. Efforts to mitigate and adapt to climate change should be fully integrated into the review of the agriculture strategy, the further development of land management contracts, the Executive's approach to the revision of the European Rural Development Regulation and in the training and advice that is provided to farmers. The Committee believes that these tools can be used constructively to ensure that the agricultural sector can achieve a consistent reduction in emissions alongside other policy objectives.

We acknowledge that a greater degree of integration for future developments in the agriculture sector would lead to a more planned and coordinated approach which ensures the links with climate change are clearly identified, maximised and monitored. The Executive will look to provide this integration through the current review of the Forward Strategy for Scottish Agriculture, the further development of Land Management Contracts (LMCs), and programming for the new Scottish Rural Development Plan.

Paragraph 170: The Committee also believes that further development of policy (for example, to encourage energy crops) can stimulate a greater contribution from agriculture to a lower-carbon energy future, such as through biomass and biodiesel. The Committee recommends that the Executive thoroughly examines the opportunities that may be created through rural development funding and other support mechanisms to encourage farm development and diversification into businesses that will be part of this future.

The further development of LMCs presents a key opportunity for climate change and land management. Discussions are taking place within the Executive on the priorities, including climate change, with the aim of identifying suitable measures for inclusion. Areas being explored relate to further measures on soil protection, nutrient management, farm energy efficiency, and sustainable flood management. Support for diversification into biofuels is also being considered as part of LMCs and the Forestry Commission Scotland is involved in these discussions.

Paragraph 173: *The Committee notes that there is no Planning Advice Note or Scottish Planning Policy statement on integrating climate change considerations into land use planning. Some aspects of existing PANs and SPP statements, such as those relating to flooding, may contain relevant material. However, the Committee recommends that the Executive should consider producing comprehensive planning guidance on climate change. This should be thoroughly integrated with policy in other sectors so that issues such as food and fuel miles can be addressed. The Committee also recommends that the Executive should consider the range of initiatives that might be used to increase awareness of climate change issues amongst professionals involved in land use planning.*

The integration of climate change considerations into land use planning is dealt with in a number of planning publications. Firstly, it is recognised as a key issue and driver of change in the National Planning Framework. Secondly, [Scottish Planning Policy \(SPP\)1](#) The Planning System recognises the Executive's wider commitment to tackle climate change and acknowledges that burning fossil fuel is the biggest single contributor to global warming. Thirdly, more specific references are included in the [SPP3 Housing](#), [SPP6 Renewable Energy](#), [SPP7 Flooding](#), [SPP10 Waste Management](#) and [NPPG 13 Coastal Planning](#). [Planning Advice Note 69 Planning and Building Standards Advice on Flooding](#) draws on Inter-governmental Panel on Climate Change and UK Climate Impacts Programme findings to provide detailed background information on climate change and presents a summary of Scotland-specific research as an Appendix.

In addition, the Executive and the other UK planning administrations issued a wide ranging consultant's report [The Planning Response to Climate Change – Advice on Better Practice](#) in September 2004. It explains how the planning system can respond to climate change as it will affect infrastructure; flooding; coasts; water resources; biodiversity, land and landscape; economic development; transport; waste and resources; energy systems; and built environment. Copies were sent to planning authorities and it can be viewed on the Executive's web site. Copies have been sent to the Scottish Parliament Information Centre (Bib number 34668).

In the light of these initiatives and the level of information now available about climate change, the Executive has no plans at present to publish a separate SPP or PAN on climate change.

Paragraph 176: *The Committee recommends that the Executive should urgently examine the contribution that various strands of land-related policy make to greenhouse gas emissions. This understanding has to be developed rapidly to the stage where an informed debate is possible, so that acceptable choices can be made and so that it will be feasible to develop a sectoral target for reducing land use emissions.*

The Executive accepts that more can be done to identify, address, monitor and report on the contribution of agriculture and other land use sectors to climate change. Developments in the pipeline provide an opportunity to do so; some progress has already been made and further steps are in hand. As part of the review of the SCCP we are evaluating the impact of current measures on Scottish emissions to help inform future policy decisions. We are also developing updated projections of Scottish emissions to 2020 so we can assess where further action is required.

We are continually improving our baseline data, revising and updating previously published figures as the methodologies used to produce data for the regional greenhouse gas inventories improves. We are also undertaking a major piece of research work to improve our understanding of carbon and nitrogen dynamics in organic soils.

With regard to climate change targets, we are currently considering what ones would be most appropriate for Scotland. Our analysis is considering a range of factors, including the availability of accurate monitoring data, the existence of effective policy levers to successfully influence change, and compatibility with UK-wide targets.

KEY SECTORS (3) – TRANSPORT

Paragraph 181: The Committee recommends that a series of interim targets towards the 2021 traffic stabilisation goal should be developed in order to provide a realistic route map towards reducing emissions from this sector.

The Executive is committed to the environmental aims underpinning the aspirational target to stabilise road traffic volumes at 2001 levels by 2021, and the need to address greenhouse gas emissions, emissions which damage local air quality and congestion which affects our economy. However, evidence suggests that road traffic levels are still rising and this is a challenging target. As part of the National Transport Strategy (NTS), we are looking at the 2021 target, its underpinning environmental and economic aims, the best way to achieve them and whether interim targets are sensible and appropriate.

Transport targets and indicators will be considered in the context of the development of the NTS. It should, however, be borne in mind that several of the interventions which may affect road traffic trends and emissions are reserved to the UK Government, such as the levels of vehicle excise duty and fuel duty. The NTS will offer the opportunity of launching a wider debate on these issues and provide an ideal forum to seek the views of stakeholders on targets and indicators.

Paragraph 183: The Committee believes that some form of road user charging must be introduced if the Executive is serious about managing demand. In the light of the result of the Edinburgh referendum on introducing congestion charges, the Committee recommends that a coherent approach to charging must be developed. 2015 is too long to wait before achieving any results. The Committee requests that the Minister for Transport advise it of how he plans to manage demand through road user charging during the next 10 years.

Local authorities can bring forward road user charging schemes for local roads under the [Transport \(Scotland\) Act](#). The Executive supports such schemes by contributing to the development costs, and providing the appropriate regulatory framework. Following the negative result in the referendum for the Edinburgh scheme, the Executive has commissioned MORI to undertake research to understand public attitudes and perceptions towards that scheme. The results of the research, due towards the end of the year, will assist the Executive in reviewing the 2001 Guidance for Local Authorities (for local charging schemes) and considering the future for local schemes. The Forth Estuary Transport Authority (FETA) is currently considering moving from a tolling regime to a road user charge under the Transport (Scotland) Act to help it manage demand on the Forth Road Bridge. Excessive demand is resulting in severe congestion at peak times.

The Executive is currently undertaking the Tolled Bridges Review. Part of the review involves addressing the issue of whether and how bridge tolls could be used to manage demand on and around the bridges where there are congestion problems. The review will be completed in October this year.

At a national level, the Executive supports the concept of road pricing in Scotland in principle as part of a UK approach that could involve restructuring motoring taxation. A national scheme that involved motoring taxation would involve both reserved and devolved powers - and would radically change the way we use and pay for the road network. No other country has tried such a scheme. There is, therefore, considerable work to be done on the practicalities and implications of a scheme. This includes an analysis of whether and how a scheme can contribute to reducing congestion on our roads, reduce carbon emissions and help us to meet our traffic stabilisation target. We also need to consider costs and benefits, how and who makes decisions about charging structures, impacts on industry, business, communities, housing and travel patterns, privacy issues and the environment, and efficacy comparisons with other policy tools. Public acceptability is crucial to the policy development and we need to consider how to engage the public in this complex debate. Early work led by the Department for Transport indicates that the technology required to make such a scheme work is at least ten years away in terms of affordability and reliability. Given the amount of analysis required, the need to ensure that any scheme is practically and economically feasible, it is unlikely that a national scheme will be in place in the next ten years.

The Executive is liaising with the Department for Transport, which is currently leading this work.

Paragraph 201: *the Committee recommends that the Executive should develop the means to evaluate effectively the impact that major road infrastructure investments will have on greenhouse gas emissions and on its target of stabilising road traffic by 2021.*

In general, the issue of the impact of road infrastructure projects on greenhouse gases is twofold and can be separated into two distinct but interconnected parts:-

- (a) Impact on emissions of road projects and
- (b) Impact on traffic volumes

For (a), both [Scottish Transport Appraisal Guidance \(STAG\)](#) and environmental impact assessments require existing emissions to be compared with the impacts of options being considered and for these to be laid out before the investment decision maker.

For (b), although the potential for road projects to generate additional traffic is a generally accepted phenomenon, it has not been possible to establish a reliable method of evaluating the level of additional traffic that may result from the implementation of an individual road project.

An Environmental Statement is published for each major road scheme in Scotland. The Statement includes an assessment of local and regional air quality which covers greenhouse gas emissions. The transport modelling undertaken for each major road scheme analyses and predicts the potential changes in vehicle mileage.

Paragraph 202: *Where developments are expected to result in increases in traffic volumes and emissions, the Committee recommends that a clear plan should be identified for how these increases will be offset using other demand management measures.*

[Scottish Planning Policy 17 Planning for Transport](#) (published on 17 August 2005) incorporates planning policy derived from a wide number of broader Executive policy objectives, including those related to climate change. Within the constraints of the responsibilities and resources of planning authorities, the document sets out a framework for assessing the travel impact of developments, and for ensuring that mode share targets set by local authorities are met. A key element of SPP17 is transport assessment that is designed to ensure that sites are served by sustainable transport means before provision is made for “residual” motor vehicle demand. Planning authorities can use section 75 agreements and travel plans to control and monitor access to sites and these agreements should ideally contain provisions for further action if intended outcomes are not being met.

Paragraph 202: *The Committee recommends that the STAG framework should be refined to prioritise emissions reductions appropriately and to allow better consideration of climate change issues so that these trade-offs can be articulated explicitly and transparently.*

STAG requires all five Executive objectives for the environment, economy, safety, integration and accessibility to be considered within any appraisal of a transport proposal. STAG is a guidance document and the appraisal process is not considered to be the appropriate place to identify the priority which any one element should have over another. To some extent the establishment of the objectives and identification of the problem that needs to be addressed by the transport proposal will dictate which elements of Executive policy have priority for that particular proposal.

Paragraph 205: *The Committee welcomes the UK Government's statement that it will consider how demand for rail is likely to grow over the next 10-20 years and that it is examining issues of additional capacity and the possibility of high speed service lines. The Committee recommends that the Scottish Executive should also consider how rail services can develop the capacity to be an effective and competitively-priced alternative to short-haul aviation.*

The Executive is considering how rail services should develop, including options where rail can be an alternative to other modes of transport. This will form part of the long-term Rail Strategy for Scotland, which will underpin the National Transport Strategy. Over a similar period, Network Rail intends to produce a Route Utilisation Study for Scotland covering the medium term. To inform this work we have commissioned a Scottish Planning Assessment which will set out the evidence base, addressing where the demand will be for rail services over the next 10 to 20 years. The outputs of all these pieces of work will be used to produce the Executive's Output Specification for the next regulatory review, detailing the outputs we expect to buy from Network Rail in Scotland. A key consideration in appraising transport projects is the likely environmental impact and this will be taken forward as part of this work.

Paragraph 207-208: *policies and working practices in the business and public sectors could be reviewed to make more use of, for example, home-working and videoconferencing. The Committee welcomes the publication of planning guidance to help achieve this. The SAPT, however, stated that, in practice, more attention needs to be given to encouraging increased use of public transport, walking and cycling...The Committee believes that there is a need to shift fundamentally the approach taken in Scotland to short journeys. The Committee welcomes the developments that have taken place. However, it believes that they must be radically enhanced so that Scotland can match the walking and cycling culture that is embedded in some other countries. The Committee notes that the Executive issued a consultation on a walking strategy over two years ago, and that there is limited development of cycling policy. The Committee therefore recommends that the Executive should develop clear walking and cycling strategies as a matter of urgency.*

The further development of our cycling and walking policies will be looked at during the formation of the NTS. This will cover all modes, including cycling and walking and draw from best practice and lessons from NTSs around the world, including Sweden, Finland, Germany, New Zealand, the Netherlands and Singapore.

Cycling Scotland and the Paths to Health project are funded by the Executive to promote cycling and walking respectively. Furthermore, the Executive's dedicated cycling, walking and safer streets allocation to local authorities is now at a record level of £8.65 million per year. This contributes toward the provision of infrastructure which can make walking and cycling more attractive travel mode choices, as well as healthy and enjoyable recreational activities.

There are also a number of research projects that will inform our thinking on how to progress the cycling and walking agenda. Current and planned projects which focus on cycling and walking are:

- Survey of cycling (2005)
- Successful promotion of cycling and walking
- Joined up policy and practice in transport and health (concentrating on physical activity)

In the past 2 or 3 years other research studies which have covered walking and cycling within their scope are:

- Evaluation of School Travel Co-ordinators Initiative
- Safely to school – study of Safer Routes to School in the classroom
- Children’s attitudes to sustainable transport
- SHS topic report on Mode choice

As regards the promotion of alternative working practices and their implications on people’s travel habits, the Executive has commissioned research to assess the implications of e-working and other information and communication technologies (ICT) on travel behaviour and traffic reduction in Scotland. This research is reaching its final stages and we will consider its findings in due course.

Paragraph 210: *The Committee requests that the Scottish Executive reports back to it in detail on what has been achieved so far in the business and retail sectors by initiatives such as green travel plans.*

The Executive has been committed to travel plans for quite some time and, in 2001, published the booklet [Travel Plans: An Overview](#) which summarises travel plans and their benefits and has been made widely available to the public and private sector. This commitment to travel plans has also been crystallised in Partnership Agreement commitment No 71 which states: “*We will protect the environment and improve safety by introducing Green Transport Plans*”. We have, since then, continued promotional activity on travel plans with a wide range of stakeholders. General advice on the development of travel plans is also provided by Transport officials on request.

We have recently commissioned research which will map travel plan activity across Scotland, explore the barriers to establishing travel plans, identify solutions to address those barriers, produce detailed examples of successful travel plans and produce recommendations on how they might be better supported and delivered. The evidence gathered so far shows that 13 of the 32 local authorities in Scotland either have or are in the early stages of developing a travel plan for their own employees and the level of activity in other organisations within local authority areas varies greatly across the country. The report findings also show that where employers and management are bought in, real changes in people’s travel habits can be achieved through travel plans. This study is reaching its final stages and we will consider its findings in due course.

Paragraph 210: *The Committee also recommends that the Executive should examine ways in which the planning system can develop improved assessment of likely emissions and provide incentives for development to be located so as to minimise transport-related emissions. The Committee recommends that these issues should be considered in the context of the proposed Planning Bill.*

It is not for the planning system per se to assess likely emissions though transport modelling is capable of forecasting emissions. The planning system is not intended to incentivise one class of development over another. Development plans set out policy for development and can take into account material considerations such as emissions. The forthcoming Planning Bill has been through a long process of consultation on its contents, culminating in the recent White Paper [Modernising the Planning System](#). It is no longer feasible to introduce any new elements such as these incentivisation or assessment measures at this stage.

Paragraph 214: *The Committee recommends that the Scottish Executive should work urgently with the UK Government to ensure that programmes on new vehicle technology and conversion are re-focused and re-emphasised in order to make a significantly enhanced contribution to reducing transport emissions.*

Paragraph 220: *The Committee believes that the development of alternative fuels does have an important role in a package of measures to reduce transport emissions. The Committee recommends that the Executive should continue to work with the UK Government on a robust package of incentives that will effectively support this development.*

Paragraph 221: *The Committee welcomes the commitment which the Executive has shown to date in relation to some alternative fuel projects, but recommends that it should consider how it can further encourage research and commercial development. The Executive must also ensure that the emissions-reducing impact of alternative fuels can be comprehensively assessed across the whole life cycle so that, for example, the emissions resulting from any fertiliser use in the growth of fuel crops are taken into account.*

The Executive recognises the environmental benefits of biofuels and has encouraged and supported the construction of Scotland's first large scale biodiesel plant by the Argent Group near Motherwell. The plant became operational earlier this year and is expected to reach full production levels by the end of the 2005.

We work closely with the Department for Transport (DfT) on the implementation of the EC Directive on Biofuels. In particular, we have been involved in development work undertaken by DfT on the possible introduction of a Renewable Transport Fuel Obligation (RTFO) for biofuels and other renewable transport fuels. DfT is currently considering the findings of this feasibility study. Such obligation, if implemented, will be taken forward on a UK basis and deliver carbon savings in the transport sector giving impetus to private sector investments in renewable fuel infrastructure and technology. The study, amongst other things, considers as part of the RTFO scheme, a possible Carbon Assurance scheme which would offer incentives for 'low carbon' renewables or renewables with a low 'carbon intensity'. An RTFO would therefore have a bearing on the transport sector impact on climate change and sustainable development as well as the current oil industry and other industries and agriculture economy.

We support the UK [Powering Future Vehicles Strategy](#) aiming at promoting the development and uptake of new and cleaner fuels and vehicles technology.

The managing of transport emissions through technological advancement is not only a Scottish issue, but also a UK and an international issue. For example, the EU has adopted catalyst-forcing standards since the early 1980s (so called 'Euro standards'), and the EU Commission's Voluntary Agreements with the European and Far Eastern car manufacturers' associations ACEA, JAMA and KAMA have been successfully reducing cars' fuel consumption and climate change emissions. It should be also noted that some technological developments – like hydrogen-powered vehicles and fuel cell technology – are unlikely to be commercially available for some decades.

Notwithstanding the international dimension and time span of these issues, at the Scotland level the new vehicle technology and alternative fuels agenda is increasingly relevant since it goes wider than the transport portfolio, cutting across a range of areas like economy and agriculture. We have therefore put in place arrangements and working practices at interdepartmental level to ensure that we take fully into account their potential and implications and the role that Scotland can play in their development. These issues will also be looked at during the development of the NTS.

The grant programmes for new vehicle technologies and retrofitting were reviewed by the Scottish Executive and UK Government in 2004. The main conclusion from the review was that we should move to a technology neutral approach — to incentivise the cleanest cars regardless of the technology or fuel type. A new suite of grant programmes has therefore been devised which focus more closely on both carbon savings and, where appropriate air quality improvements. The timescale for introducing the new programmes is dependent on the process of reviewing and clearing them with the European Commission.

Details of the new programmes cannot be confirmed whilst clearance is being sought from the European Commission. However, the new programmes are designed to help meet both our carbon and air quality objectives and, where appropriate, air quality EU obligations and will provide grants to contribute towards the additional costs of purchasing and developing low emission technologies and vehicles.

Paragraph 225: The SCCP review gives no indication of how an emissions reduction target for the Scottish transport sector might be developed and achieved. There is no attempt to indicate what part of the sector emissions savings will come from. There is also no apparent means by which to assess and explicitly manage or compensate for the emissions impacts of political decisions on transport developments. Scottish Ministers were unable to provide the Committee with any further clarity on these points. The Committee recommends that these issues must be addressed urgently.

Paragraph 226: The current development of a national transport strategy offers the potential to align transport with the climate change programme review and the review of sustainable development policy. Similarly, the development of strategic environmental assessment will allow the potential impacts of plans and strategies to be evaluated at an early stage. The Committee urges the Scottish Executive to ensure that the transport strategy firmly establishes the means for climate considerations and emissions reduction targets to be integrated explicitly into transport planning. The Committee welcomes the prospect of improved emissions data becoming available on a disaggregated basis for Scotland. The Committee recommends that the Executive should carefully analyse data for travel options such as flights in and out of Scotland and rail travel so that they can be understood in the context of transport emissions as a whole. This will allow informed decisions about alternatives as the Executive seeks to reduce emissions from the transport sector.

The Executive is committed to developing climate change targets in areas of devolved responsibility, and transport targets and indicators will be considered in the context of the development of the NTS. It should, however, be borne in mind that several of the interventions which may affect road traffic trends and emissions are reserved to the UK Government, such as the levels of vehicle excise duty and fuel duty. The NTS will offer the opportunity of launching a wider debate on these issues and provide an ideal forum to seek the views of stakeholders on targets and indicators.

We are addressing the issue of transport emissions and promoting sustainable transport (public transport, walking and cycling) in a number of ways.

As part of the Executive's Partnership Agreement commitment to promoting Travel Plans, the Executive is leading by example and has recently started work on the Third Edition of its own Travel Plan. There have been a number of achievements since the Travel Plan was first published in 1999, which have led to improved public transport services, made it easier for Executive employees to travel by public transport on business, improved facilities for cyclists, and increased the number of dual-fuel cars in the Executive fleet.

The development of the NTS over the coming year and reviews of the UK and Scottish sustainable development strategies and climate change programmes taken together will provide the opportunity to consider our transport policies and their alignment with our sustainable development and climate change goals.

The NTS will be based on the Executive's overall aim for transport, which is *to promote economic growth, social inclusion, health and protection of our environment through a safe, integrated and effective transport system* and on the 5 key objectives for transport as outlined in the White Paper [Scotland's Transport Future](#), published in June 2004. The environmental objective is to *"protect our environment and improve health by building and investing in public transport and other types of efficient and sustainable transport which minimise emissions and consumption of resources and energy"*.

As a means to ensure the NTS is consistent and credible with wider environmental objectives, officials from across the Executive are represented on the Steering Group overseeing the development of the NTS. We are also engaging with a diverse range of stakeholders through a series of regional, themed and mode-specific events. Our consultation plan also includes a full written public consultation later in the year.

The NTS will also be subject to a Strategic Environmental Assessment (SEA), which will inform the development of the strategy and also ensure that, as it develops, environmental issues are fully appraised.

KEY SECTORS (4) – BUSINESS

Paragraphs 236-238: *Throughout the inquiry witnesses noted that restraining emissions in developing countries is a challenge which could yield huge benefits, particularly given the potential for huge emission impacts from industrialisation in countries such as China, India and Brazil. BP suggested that businesses which took the opportunity to develop low carbon technologies could be in a position to find markets in assisting developing countries to base their future growth on low carbon technologies. It is therefore a matter of some concern to the Committee that business representative organisations appeared to be firmly established in a view of climate change policy as a cost rather than an opportunity...The Committee recommends that the Scottish Executive should consider as a matter of urgency how the focus on business development can be significantly improved. The Executive must champion this so that businesses engage seriously with the opportunities and the impacts associated with climate change. The Executive should examine how its research and development strategy can support this. The Green Jobs Strategy is welcome, but is not sufficient in itself.*

The Executive's green jobs strategy, [Going for green growth: a green jobs strategy for Scotland](#), was published in June 2005, and explicitly states that the move towards sustainable development should not be viewed by business as a cost but as an important economic opportunity. The strategy and accompanying implementation plan set out ways the public sector can help raise awareness of opportunities and how it can foster an environment in which the private sector can flourish.

The green jobs strategy is not intended to be an end in itself. It complements and adds to [A Smart, Successful Scotland](#) and has a similar function in that it will be our green enterprise strategy for Scotland and will provide strategic guidance to the Enterprise Networks. The strategy sets out the Executive's vision for a vibrant, low-carbon economy and highlights the opportunities for business arising from the global shift towards sustainability. It is a strategy for the medium to long term and we will make sure it remains relevant and reflects changing circumstances. In terms of research and development grants and innovation grants, we have a range of support schemes covering early-stage R&D through to market-ready technologies. We have already seen an increase in the number of 'green' projects securing funding from our grant schemes.

The Executive directly funds the Carbon Trust's activities in Scotland. The Carbon Trust runs programmes aimed at encouraging reductions in energy consumption in the business and public sector as well as fostering research into low carbon technology. The Carbon Trust's Innovation Programme is aimed at assisting the commercialisation of innovative low carbon technologies. This will contribute to reducing the carbon intensity of the economy and assist UK businesses to capitalise on the large predicted global demand for such products.

Paragraph 239: *The Committee also recommends that the Executive should examine how advice and support to the business community, particularly SMEs, can be rolled out across Scotland. It should also consider urgently how climate change (and other environmental) considerations can be fully integrated into standard mainstream business support.*

Resource efficiency advice is becoming part of mainstream business support. Scottish Enterprise has developed a new training module on business resource efficiency so that all Business Gateway business advisers will be able to properly signpost companies to available support. A number of the commitments in our green jobs strategy and associated implementation plan are concerned with improving and enhancing advice and support to business. For example, we are reviewing the way we support resource efficiency initiatives and ensuring that businesses can access resource efficiency support via a single entry point.

The Energy Efficiency Programme provided by the Carbon Trust provides practical assistance and advice to business and public sector organisations to help them to reduce energy consumption. In 2004-5 the programmes identified savings of £22 million and 270,000 tonnes of carbon for Scottish businesses.

GOVERNANCE

Paragraph 247: *The Committee believes that what is meant by Scotland "making an equitable contribution" to the UK's targets has not been clear. It does not provide sufficient guidance for action. Accountability is also weakened as lack of clarity on the target makes it difficult to assess progress with the measures employed to implement climate change policy in the context of Scotland's distinctiveness. The Committee believes that the evidence casts doubt on the feasibility of agreeing a realistic top-down Scottish national target for emissions reduction at present.*

However, the Committee recommends that the Scottish Executive should set robust and challenging targets for the sectors where data is available to support these.

The Executive acknowledges the Committee's view that a national emissions reduction target is not currently feasible, due to the fact that the Executive does not have full control over the levers required to deliver it. Because of this lack of control, when publishing its Scottish Climate Change Programme in 2000, the Executive indicated its intention to make an equitable contribution to the UK Kyoto target, meaning that we would take the same or similar action to the UK Government on tackling climate change, where we had the devolved powers to do so. Of course, in some areas, such as our ambitious renewables target, we did not merely match action taken by the UK Government, but exceeded it.

In line with the Committee's recommendation, we have announced that it is now appropriate for the Executive to set climate change targets in areas of devolved responsibility. The nature of these targets is being considered as part of the ongoing review of the Scottish Climate Change Programme.

Paragraph 247: The Committee also recommends that the Executive should urgently set out a plan for how it will develop towards setting targets in sectors where it is currently unable to do so. As data becomes available in these sectors a national target should be produced in due course.

We are currently conducting the analytical work required to determine which type of Scottish climate change targets would be most appropriate and will report on this work in our revised SCCP. We will continue work to consider targets in areas where they are currently not practical as part of the ongoing monitoring and implementation of the Scottish Programme.

Paragraph 253: The Committee recommends that procurement strategies should be evaluated to ensure that the public sector is driving this integration forward in all its activities. It also recommends that climate change consideration should be integrated into core staff training.

The Scottish Executive, through the sustainable development strategy, is supporting the embedding of sustainable development in all public sector procurement. Sustainable development is already a key element in infrastructure development supported by the Scottish Executive and in our own procurement of goods and services. Through the forthcoming sustainable development strategy we aim to build on the current guidance and good practice to improve our overall sustainability.

The Scottish Procurement Directorate (SPD) is the procurement division of the Scottish Executive, responsible for the procurement of goods and services for the core Executive and for a range of collaborative contracts used by the wider Scottish public sector. SPD is also responsible for procurement guidelines and advice to the wider public sector including guidelines on construction procurement. Many public bodies, including local authorities, are responsible for setting their own procurement policy and strategy and SPD does not have powers of direction in respect of the wider public sector.

SPD recognises the importance of integrating sustainability, including climate change, into procurement activity.

Sustainability is now an integral part of the Executive's procurement processes and the Executive's procurement staff have received specific training on how to incorporate sustainability into procurement. Generally speaking, the greatest advantage is to be gained by incorporating factors relating to climate change and sustainability at the earliest stages of each procurement, for example in the contract specification.

SPD has published a considerable amount of guidance and information for both public purchasers and suppliers. The guidance, which is available from the Executive's [website](#), requires that purchasers take full account of relevant sustainability objectives and policies. SPD does not lead on Public Private Partnerships, for example for schools and hospitals, which fall to local authorities and Health. As part of its role to provide support and guidance, however, SPD will draw the Committee's recommendation to the attention of procurement colleagues in local authorities and Health.

Paragraph 254: The Committee recommends that all levels of central and local government, including the Parliament, have a key role and should develop emissions reduction targets. The Committee recommends that the Executive should consider how incentives for achieving these targets can be established.

The Executive is now committed to developing climate change targets in areas of devolved responsibility. We will also assess the impact of our own business operations.

In addition, the Executive procures 80% of its electricity supplies from Climate Change Levy-exempt new renewable sources (e.g. small scale hydro-electric and wind power) with the remaining 20% coming from non-CCL exempt renewable sources (including large scale hydro-electric). Also, around 87% of the Executive fleet vehicles are now alternatively-fuelled representing an increase of 7% from 2003/04.

We wrote last year to Scottish Executive Agencies and Public Bodies asking them to conduct an audit of their current activities in areas such as energy use, waste minimisation, use of recycled materials, travel, water use, procurement and biodiversity and adopt a suitable environmental management policy by the end of 2005. These will need to contain specific environmental targets. Once their environmental management systems are in place, Agencies and NDPBs will be expected to report annually on their environmental management performance. This information will also be collated and published on the Internet.

Paragraph 261: *The Committee was struck by the fact that, while there is significant progress with integrating environmental information into policy, there is as yet no evidence of specific consideration of climate change across departments and portfolios. Its absence is likely to hinder progress towards targets. The Committee's commissioned research on sustainable development considered similar issues. The Committee recommends that the Executive should develop, as a matter of urgency, a checklist approach that will effectively integrate climate change considerations into a comprehensive sustainability appraisal.*

A wide range of Executive policies are informed directly or indirectly by consideration of climate change, such as policies on sustainable flood management, land use planning, biodiversity, renewables, energy efficiency and green jobs. Nevertheless, the Executive recognises there is room to do more in this respect, which is why it is reviewing the Scottish Climate Change Programme and why the First Minister has made a commitment to establish climate change targets in areas of devolved responsibility. More effective ways of integrating sustainable development issues such as climate change into decision making processes will be a key issue for the Scottish Sustainable Development Strategy.

Climate change and energy was one of the priorities for action in the shared UK framework for sustainable development, [One future – Different Paths](#), which was launched in March. As part of its work on the Scottish Sustainable Development Strategy, the Executive is looking at how best to ensure that climate change, and other sustainable development priorities, are effectively integrated into its decision making processes, building on a variety of initiatives and mechanisms already in place or in development, including pre-expenditure assessments, strategic environmental assessment, the duty of best value and internal training and communications aimed at promoting sustainable development awareness and engagement.

ADAPTATION

Paragraph 272: *The Committee recommends that the Executive should take steps to ensure that adaptation to climate change is not seen as a task for one department, but permeates thinking at all levels across all portfolios. There are significant economic opportunities associated with the costs of adapting to climate change, but this perspective is lacking so far.*

The Executive recognises that, in addition to the reduction of greenhouse gas emissions, adaptation to the impacts of climate change must also be at the heart of policy making across the Executive. Many policy areas incorporate a climate change perspective. For example, the central purpose of Scottish Planning Policy 7, is to prevent further development which would have a significant probability of being flooded or which would increase the probability of flooding elsewhere, and flood prevention schemes dealing with historical flooding problems take account of the impacts of climate change on flood risk over the life of the scheme.

The Executive intends to involve all relevant Departments in development of the UK Adaptation Policy Framework to develop a clearer picture of what adaptation is, where it is occurring, where the gaps are and where better coordination is required. There will also be a role for Executive Departments in addressing issues arising from the work of the Scottish Climate Change Impacts Partnership (SCCIP).

Paragraph 273: The Committee recommends that the Executive should look, wherever possible, to combine measures to mitigate against emissions and adapt to the impact of climate change. There are some clear win-wins that the Committee recommends should be tackled together. For example, this report has already identified that review and enforcement of building standards can be used to reduce emissions and improve resilience of buildings. To help achieve these gains, the Committee recommends that the Executive should consider carefully the further scientific development that is required. The Committee recommends that the Executive should work to ensure that research is produced on a tighter geographic and sectoral basis to allow adaptation measures to be more subtly targeted.

It is important that our response to climate change is sustainable. With this in mind, measures to mitigate emissions and measures to adapt to the impact of climate change can not be viewed in isolation. The Executive will continue to consider whether any further scientific development and research are needed to inform a policy approach that, where appropriate, combines mitigation and adaptation measures.

The Executive has funded research to consider the business risks of climate change to selected public sector organisations in order to, amongst other things, identify key climate change impacts for each organisation, and the organisation's policy and operational responsibilities most vulnerable to those impacts. This will assist the public sector in Scotland in preparing for the impacts of climate change. The research findings are expected to be available during 2005.

Paragraph 274: Adaptation has so far been given a disappointingly low profile, and this has continued in the current review of the Scottish climate change programme. The Committee recommends that the Executive should step up its leadership on adaptation. In particular, the Committee recommends that the Executive should ensure that its strategy for adaptation forms a high profile part of the launch of its revised climate change programme.

Adaptation policy development is informed by a number of Executive research studies and the latest UK climate change scenarios. Executive research into [Potential Adaptation Strategies for Climate Change in Scotland](#) identified priorities for climate change adaptation in Scotland. The study recognised that we did not require a fundamentally different framework to that already existing.

We are progressing those study recommendations which were directed specifically at the Executive:- the need for a partnership approach between the Executive and stakeholders; the role of the Executive as educators and facilitators; and the need for strategic oversight from the Executive. One of the ways in which we are taking these forward is by funding development of a Scottish Climate Change Impacts Partnership (SCCIP) to provide a forum at strategic and local levels to address climate change impact issues.

As stated above, the Executive is working closely with the UK Government and the UK Climate Impacts Programme (UKCIP) to develop a comprehensive adaptation framework to ensure that Scotland is prepared for the threats that are posed by climate change. We shall report further in our revised Scottish Climate Change Programme later this year.

Scottish Executive

August 2005