

## WRITTEN SUBMISSION FROM ASSOCIATION FOR THE CONSERVATION OF ENERGY

### Introduction

The Association for the Conservation of Energy (ACE) is a lobbying, campaigning and policy research organisation, and has worked in the field of energy efficiency since 1981. Our lobbying and campaigning work represents the interests of our membership: major manufacturers and distributors of energy saving equipment in the United Kingdom. Our policy research is funded independently, and is focused on four key themes: policies and programmes to encourage increased energy efficiency; the environmental benefits of increased energy efficiency; the social impacts of energy use and of investment in energy efficiency measures; and organisational roles in the process of implementing energy efficiency policy. We welcome this opportunity to offer our views on the Climate Change (Scotland) Bill as introduced. ACE is a member of both Stop Climate Chaos Scotland and the Scottish Fuel Poverty Forum.

### Stop Climate Chaos Scotland

Stop Climate Chaos Scotland is a coalition of more than 30 organisations campaigning together to tackle climate change. The coalition members include environment and development NGOs, faith groups, trade unions, community councils, student societies, women's organisations, a mental health charity, and many others. In Scotland, the members have a combined supporter base of over 1.5 million people.

The Stop Climate Chaos Coalition Scotland priorities for the Climate Change (Scotland) Bill are that it must:

1. Set out a framework that will achieve at least an 80% reduction in greenhouse gas emissions by 2050.
2. Establish in statute annual emission reductions of at least 3% year-on-year from the start, not just from 2020, compatible with a fair and safe cumulative budget identified by the advisory body (see 4).
3. Include emissions from all sectors in the framework and targets set out in the Bill, including those from international aviation and shipping, from the very start.
4. Establish a Scottish advisory body, a Scottish Climate Change Commission, in the primary legislation to support delivery of the Bill when it is enacted.
5. Ensure that at least 80% of the effort to cut emissions takes place in Scotland.
6. Establish duties on all public bodies to reduce greenhouse gas emissions in line with the national target.
7. Set in place robust, transparent reporting measures so the Scottish Parliament is well informed on progress in meeting targets and Government is held to account on mitigation and adaptation.
8. Ensure that strong enforcement measures are set in place in statute.
9. Ensure Scotland counts all its emissions and reports on those produced by products and services we consume as well as emissions produced domestically.
10. Be explicit that sustainable development is core to the purpose and delivery of the statute in relation to mitigation and adaptation.

### Summary

ACE welcomes the Scottish Government's ambition in introducing a Climate Change Bill which sets statutory targets for reductions in greenhouse gas emissions and which supports the delivery of those targets. We also welcome the overall target of an 80% reduction in emissions by 2050 on 1990 levels, which is broadly in line with the current scientific consensus, and we welcome the fact that the Bill will cover all six Kyoto gases. However, we believe some crucial details about how these emissions cuts will be achieved are missing – in particular the lack of sectoral targets on the face of the Bill is a major failing. In addition, the section of the Bill focussed on energy efficiency (Part 5, Chapter 3) falls far short of what is needed to achieve the emissions reductions envisioned in earlier sections of the Bill. The Bill must be strengthened if it is to deliver a fair and equitable reduction in Scotland's emissions and give business and industry the certainty we need to invest for emissions cuts.

There are in our view a number of conspicuous shortcomings in the proposals that will hamper the Bill's effectiveness. Principle among these is the lack of any limit on the number of carbon credits that can be purchased from abroad. The Scottish Government should be aiming for 100 percent internal provision to achieve the Scottish target. This would allow the Scottish economy to benefit from early action to reduce emissions, and, if investment is suitably targeted, would also help to achieve existing Scottish Government targets on fuel poverty.

ACE believes strongly in the effectiveness of statutory targets, with a variety of incentives and sanctions including the option of affordable legal challenge. Statutory targets will not only give direction to Government, but are vital to give business the certainty it needs to make the appropriate investment decisions. For building materials (including energy efficiency materials), the investment required to increase production is immense, and local workforces must be trained up and retained. This is not a business where imports can be relied upon to make good a shortfall in domestic production – imports are more expensive because of the bulky nature of the materials. For this reason and several others, ACE supports sectoral targets, as set out below.

While the proposal for annual emissions reduction targets is welcome, it is disappointing that these annual targets are not set in statute from the start. A cycle of annual reports to Parliament on progress towards meeting the annual targets, ideally given by the First Minister, would help to deliver the required level of accountability.

Finally, it is essential that all greenhouse gas emissions, including those from aviation and shipping, are included in the Bill.

**Q1 The Bill creates a statutory framework for greenhouse gas emissions reductions in Scotland by setting a 50% reduction target for 2030 and an 80% reduction target for 2050.**

**What are your views on the 2050 target and a 2030 interim target proposed in the Bill?**

ACE welcomes the 2050 target, which we believe to be broadly in line with current scientific consensus. We also welcome the inclusion of all six Kyoto gases in this target. However, it is important that this target is kept under review by an independent Scottish Climate Change Commission, and if necessary, strengthened.

We do not believe that the interim target is sufficiently ambitious. If we are to tackle our contribution to climate change, it is crucial that we make early and deep cuts in our emissions. We would therefore prefer an interim target of a 50% cut by 2020. Choosing 2020 as the date for the interim target would bring Scotland into line with other UK, European and international targets.

It is also essential that the Bill include a cumulative emissions target as well as an end-point target. Indeed, without an overall cumulative budget the Bill will not guarantee keeping within a fair contribution to a two degrees Celsius target. A cumulative target would show global leadership.

**Q2 The Bill requires that the Scottish Government sets annual targets, in secondary legislation, for Scottish emissions from 2010 to 2050. It is proposed that these annual targets will be set in batches, the first being for the years 2010 to 2022 inclusive.**

**What are your views on the setting of targets in batches from 2010 to 2022?**

(see answer to question 3 below)

**Q3 The Bill provides that from the year 2020, the annual emissions targets must be set so that each is at least 3% lower than the target for the previous year. Prior to 2020, the Scottish Government has indicated that it intends to set annual targets which build towards delivering emissions reductions of at least 3% each year.**

**What are your views on this approach or any possible alternative approaches?**

It is disappointing that the SNP Government have not delivered on their 2007 manifesto commitment for annual statutory targets of at least 3% emission cuts from the start. Delaying implementation of the statutory annual targets will fail to deliver the political accountability that is required, and allow politicians to blame preceding governments for missed targets. Ministers cannot be allowed to avoid taking tough decisions on large new emissions sources, or on measures which are seen as politically unpopular. Shorter periods, and targets set in statute, make impacts of poor decisions obvious sooner, and provide a clear link between the Minister or administration that makes any poor decision and the emissions implications of that decision. Allowing a longer budget period would let Ministers 'off the hook' for the emissions implications of their decisions, and would therefore create an incentive for Ministers to make bad decisions. Increasing accountability would also increase the public confidence in Ministerial decisions and increase the credibility of Government action.

The annual targets would fit within longer budget periods. These longer-term budgets, along with a 2050 target and an interim 2020 target, would help deliver the certainty that business needs in order to plan ahead and ensure the required investment.

For all the reasons above, we believe it is essential that the Bill include statutory emissions reduction targets of at least 3 percent per year from the very start. The current wording is inadequate and will lead to a delay before the deep emissions cuts are delivered. Such a delay, in the face of what is a global emergency, is entirely unacceptable.

### **Sectoral targets**

In addition to statutory annual targets from the start, it is essential for the Bill to require Government to consider emissions at the sectoral level. If each sector is not given specific targets upon which they must report, individual companies and businesses will present excuses as to why they should not have to reduce their emissions, and will try to 'pass the buck' to other sectors. Indeed, there is evidence that this is already happening within the Scottish Government: transport in particular appears unwilling to accept its responsibility in this regard. Each sector is trying to pass the responsibility for reducing emissions on to other sectors: the problem of 'free riders' is already developing.

This is particularly important in the case of the commercial and public services sector. This sector emits around 15 million tonnes of carbon per year UK-wide, with 13 percent of total UK carbon emissions arising from energy use in buildings in the service sector<sup>i</sup>. Electricity consumption in this sector is especially high, due to excessive lighting, air conditioning and ventilation systems. Commercial sector energy use is growing fast and is projected to grow faster than any other sector under business as usual, apart from transport. According to the Carbon Trust, Scottish business wastes £100 million per year in lost energy<sup>ii</sup>.

For the above reasons, ACE supports the inclusion of sectoral targets on the face of the Bill. Specifically, we would advocate the following targets:

- By 2020 the general level of energy efficiency of residential accommodation has been increased by at least 20 percent compared with the general level of such energy efficiency in 2010.
- By the end of 2010 the general level of energy usage in the commercial and public services sector has reduced by at least 10 percent compared with the general level of such energy usage in 2005 and by the end of 2020 by at least 10 percent compared with the general level of such energy usage in 2010.
- 1 gigawatt of combined heat and power shall be installed in Scotland by 2010.
- By the end of 2016 so far as practicable all existing homes shall be low carbon<sup>iii</sup>.

The above are all targets or Scottish equivalents of UK targets to which the UK Government has committed itself but which are currently non-binding. By including them in the Scottish Bill, the Scottish Government would demonstrate clear leadership over the UK Government on this important issue. By failing to include them, the Scottish Government would in our view be effectively ceding leadership on this issue to Westminster and demonstrating a lack of ambition for Scotland.

In addition to the above, we would advocate the following targets, which would also demonstrate clear leadership from the Scottish Government:

- Emissions reductions from the public sector as a whole, and in particular from the Government's own estate, of at least 5 percent per annum.
- Carbon emissions from the built environment in Scotland should be reduced by a minimum of 3 percent per annum.

**Q.4 The Bill introduces the concept of a “net Scottish emissions account” as a point of reference against which the target for reducing greenhouse gases can be measured. It is defined as the net Scottish emissions plus or minus any carbon units credited to or debited from the account. Any units purchased may be used to offset Scottish emissions. Any carbon units generated in Scotland and sold to customers outside Scotland, count as emissions made in Scotland.**

**What are your views on the proposals in the Bill relating to the net Scottish emissions account, and should there be a limit on the number of carbon units which Scotland can purchase?**

In our view the Government should aim to deliver the Scottish target solely through domestic emissions reductions, thus maximising the benefit to Scottish business of preparing for the opportunities of a low-carbon economy. Such an approach would also reflect the moral position noted in the consultation paper last year: namely that cumulative per capita emissions since 1751 are higher in the UK (and, we presume, in Scotland) than anywhere else in the world, including the US and China, due to the fact that we industrialised before the rest of the world<sup>iv</sup>.

**Q5 The Bill defines “Scottish emissions”, in relation to a greenhouse gas, as being emissions of that gas which are attributable to Scotland. The policy memorandum states that “Scottish emissions” are defined as being those greenhouse gases which are emitted in Scotland or which represent the Scottish share of emissions of gases from international aviation and international shipping.**

**What are your views on this definition of Scottish emissions?**

It is essential that the Scottish share of emissions from international aviation and shipping are included in the definition of ‘Scottish emissions’, and are covered by the Bill from the very start. To give this sector a free ride would be completely unacceptable and grossly unfair on other sectors of the economy which, rightly, are required to deliver their fair share of emissions reductions.

While we acknowledge that the current ‘bunker fuels’ method of calculating emissions from these sources is not perfect, it is better to have an imperfect method to calculate these emissions than no method at all. If and when there is international agreement on how these emissions should be calculated, the Bill (or associated secondary legislation) can be amended accordingly. Until such an agreement is in place, this sector should not be excluded from the Bill.

It is also important that the Bill requires Ministers to report annually on consumption-based emissions figures, to ensure that Scotland is not simply exporting its greenhouse gas emissions. The annual report to parliament should also include an indication of emission by sector, to ensure that all sectors are playing their part in achieving emissions cuts.

**Q6 The Scottish Government has indicated that initially it intends to seek independent, expert advice on climate change from the UK Committee on Climate Change. The Scottish Government states in the policy memorandum that if it determines that the UK Committee on Climate Change does not meet all the advice needed for Scotland, the Bill contains provisions which will allow the Scottish Government to establish a Scottish Committee on Climate Change or to designate an existing body to exercise these advisory functions.**

**What are your views on the Scottish Government’s approach to obtaining independent, expert advice on climate change?**

We would prefer the Scottish Government to establish its own Scottish advisory body which would ensure that advice and scrutiny of progress was sufficiently focussed on Scotland. Since the Scottish context is markedly different to elsewhere in the UK, we are unconvinced that the UK committee on climate change is sufficiently well resourced or has sufficient expertise to fulfil this role. Needless to say any Scottish body would need to work closely with the UK committee.

**Q7 The Bill places duties on the Scottish Government requiring that it reports regularly to the Scottish Parliament on Scotland's emissions and on the progress being made towards the emissions reduction targets set in the Bill. The Bill sets out details of these reporting requirements.**

**What are your views on these proposed reporting arrangements?**

Parliamentary scrutiny is certainly essential and reports on progress should be on an annual basis to Parliament, ideally in the form of an oral statement by the First Minister.

Speaking to a meeting of the Scottish National Party conference in October 2007, John Swinney MSP, Cabinet Secretary for Finance and Sustainable Growth, described his aspiration that the process of parliamentary scrutiny set out in the Climate Change Bill should be as terrifying for Ministers as "going to the dentist to have all your teeth pulled out, without anaesthetic". His vision will only become reality if an effective system of annual reporting to Parliament against annual targets is set out. The reporting duties in the Bill do not yet meet the so-called 'dentist standard'.

Reporting duties should be strengthened in order to meet this now famous 'dentist standard' so that they specify reports from the First Minister to Parliament not only on the annual emissions reduction, but also against an annual report from the independent advisory body on how well the Government should have done against its targets in the same period. This report should also specify the emissions cuts that have been achieved by each sector over the preceding 12 months. At the same time the First Minister must also set out any policy changes that will be made in the forthcoming year in order that emissions reductions are brought back on track. Only if all three of these conditions are met would the so-called 'dentist standard' be met.

We also agree with Stop Climate Chaos Scotland (SCCS) that the most appropriate forum within the parliament for scrutiny of any statement is not the convenor's group, since this group does not meet in public.

However, while parliamentary scrutiny should be the primary means of holding the government to account, it should not be the only means.

The UK Government's Climate Change Act provides for sanctions for failing to meet targets through judicial review. In addition, in the event of failure to meet targets, Ministers will be required to bring forward new policies to Parliament.

ACE believes that alongside tough parliamentary scrutiny, there must be strong incentives and effective sanctions. In addition we believe that a regime of financial incentives and penalties for government departments and other public bodies would prove an efficient way to promote compliance.

We propose that as in Westminster, in the event of a failure to meet a target or budget the responsible minister must come forward with new policies designed to compensate for any shortfall, regardless of its cause.

We also propose that by amendment of Strategic Environmental Assessment rules Parliament establishes a "call in" mechanism for new plans, programmes or strategies that would increase greenhouse gas emissions, so that both the Minister responsible for the plan, programme or strategy and the Climate Change Minister would have to justify approval of such a plan programme or strategy to parliament in advance of giving approval.

In addition to the measures set out above, we suggest a rolling 'Climate Fund' mechanism. The fund would be used to pay for mitigation and adaptation in Scotland and overseas, and would be open to be bid into by all Government Departments and public bodies (amongst others). It would be replenished through direct Government funding, and through fines levied against Government Departments and public bodies for failure to meet relevant climate emissions targets. This fund should be additional to, and not a replacement of, existing funds to promote energy efficiency and tackle fuel poverty.

**Q8 The Bill contains powers to allow the Scottish Government, by regulations, to impose duties on public bodies in relation to climate change, to issue guidance to those bodies relating to their climate change duties and to require that they report upon the discharge of those duties.**

**What are your views on this proposal?**

In the 2007 SNP manifesto, a clear commitment was given to ensure that the public sector sets an example on environmental matters. In the section headed 'A Greener Scotland', the manifesto states:

*"Government, its agencies and other public bodies including the NHS and Local Authorities have a responsibility to take a lead."*<sup>v</sup>

The Government can deliver on this pledge by ensuring that public bodies procure only buildings in the top quartile of energy performance, and that the public sector as a whole, and the Government estate in particular, delivers emissions reductions of at least 5 percent per annum and reports annually to Parliament on progress towards making those reductions.

In our view the Scottish Government must introduce duties on public bodies. Those duties should include a duty for public bodies to procure only buildings in the top quartile of energy performance, and to ensure that all existing buildings reach an energy performance certificate banding of 'B' by 2016 at the latest. This will ensure consistency between public sector rhetoric and public sector action. As Futerra Communications have found, the credibility of communications from the public sector on climate change and sustainability is undermined unless the public sees consistency between words and deeds<sup>vi</sup>. Setting a requirement that all public sector buildings are in the top quartile of energy performance would help to show that consistency.

We agree with SCCS that engagement with other public bodies by the Scottish Government is crucial. We also agree with SCCS that the way statute is currently drafted on this issue is unhelpful.

Finally, public bodies should be subject to a financial regime of incentives and sanctions as mentioned previously.

**Q9 The Bill places a duty on the Scottish Government to produce a report for Scotland, setting out its objectives in relation to adaptation to climate change, proposals and policies for meeting them and the timescales within which they will be introduced.**

**What are your views on this proposal?**

Since this is not our area of expertise, we refer the committee to the SCCS submission in response to this question.

**Q10 Muirburn is the act of controlled burning of vegetation on open semi-natural habitats such as muir (Scottish word for moor) or moorland, and includes the burning of plants such as gorse, heather and grass. The Bill contains an enabling power to allow the Scottish Government to vary the permitted times during which muirburn may be made where they consider it necessary or expedient to do so in relation to climate change.**

**What are your views on this proposal?**

Since this is not our area of expertise, we refer the committee to the SCCS submission in response to this question.

**Q11 The Bill will allow modification by order of the functions of the Forestry Commissioners to enable the Forestry Commission in Scotland to play a greater role in tackling climate change. The immediate intent of the Scottish Government is to take forward proposals relating to renewable energy development on the National Forest Estate and the release of capital from the National Forest Estate for woodland creation.**

**What are your views on this proposal?**

Since this is not our area of expertise, we refer the committee to the SCCS submission in response to this question.

**Q12 The Bill requires the Scottish Government to produce an action plan setting out current and proposed measures to improve the energy efficiency of buildings in Scotland, as well as measures to encourage behavioural change.**

**What are your views on this proposal?**

The energy efficiency section of the Bill as it stands at present is woefully inadequate. If the measures contained within this section of the Bill are intended to deliver the emissions cuts envisioned earlier in the Bill, then the Bill is doomed to failure from the start. This section must be strengthened. Specifically, a number of studies have shown that voluntary measures to improve the energy efficiency of our building stock will not deliver the required emissions cuts<sup>vii</sup>: Ministers must take powers to require mandatory improvements in the energy efficiency of buildings, either at point of sale / rental or as part of a mandatory energy performance certificate, or ideally both of these. More detail on this is included at question 13 below.

While we welcome the fact that the energy efficiency action plan will now be set in statute, it is frankly embarrassing that we have been waiting for an action on this from the Scottish Government (then the Scottish Executive) since 7 December 2004, and that it still has not been published except as a consultation. It is essential that an energy efficiency action plan is brought forward at an early date – we would recommend that the 12-month timetable in the Bill for initial publication of the plan is considerably shortened: 3 months would in our view be more than adequate. We do welcome the annual report to parliament on progress and the three-yearly review of this document, however.

We are also very concerned that the current drafting of this section would actually lead to a weakening of the duty on Scottish Ministers so far as energy efficiency is concerned. In section 179 of the Housing (Scotland) Act 2006, Ministers have a duty to *improve* energy efficiency in domestic housing. In contrast the drafting of this section of the Bill merely gives Ministers a duty to *promote* energy efficiency, while section 179 of the Housing (Scotland) Act would be repealed by the passage of this Bill. Such a weakening of the duties on Scottish Ministers is unacceptable. We would prefer that the duty on Ministers was to *improve* energy efficiency throughout its work – not merely in domestic housing.

**Q13 The Bill confers powers on the Scottish Ministers to make regulations providing for the assessment of (a) the energy performance of non-domestic buildings; and (b) emissions of greenhouse gases produced or associated with such buildings. The provisions are enabling in nature and the Policy Memorandum provides further information on the Scottish Government's thinking in this area.**

**What are your views on this approach?**

We welcome the proposals in the Bill, which confer on Ministers the power to make regulations providing for the assessment of the energy performance of non-domestic buildings and emissions associated with such buildings. These changes are in line with the current recasting of the EU Energy Performance of Buildings Directive (EPBD), so will probably need to be implemented in Scotland sooner or later anyway. It is prudent of the Scottish Government to bring these measures in before they are required to do so, especially given the difficulties and delays encountered in implementation of the EPBD first time around.

However, we believe the extended powers do not go far enough since they still rely on a voluntary approach to energy efficiency which will not deliver the required reduction in emissions. While obtaining an energy performance certificate will be required for a wider range of public buildings than at present, there is nothing to require the building owner to actually carry out any energy efficiency improvements, and presently few incentives for them to do so. The measures set out in the Bill appear to be approximately the same as those set out as 'option 2' in the Scottish Government's consultation on emissions from existing non-domestic buildings published last year. According to the partial regulatory impact assessment issued as part of that consultation, option 2 is estimated to deliver a cut of 2.12 MtCO<sub>2</sub>e by 2020. This appears to us to be a very ambitious figure given the measures proposed, but it nonetheless falls far short of the 3% per annum reduction required.

For comparison, research conducted by AEA technology suggests that the measures in the EPBD will deliver emissions savings of around 0.2 MtCO<sub>2</sub>e by 2020 in the domestic sector. No comparable figures exist for non-domestic but we can see no reason why non-domestic savings would be any higher. More recent research from Denmark, which has had an energy performance certificate (EPC) system in place since 1996, has found that the carbon emissions reductions from EPCs on their own (i.e. without any parallel fiscal or regulatory incentives) have been negligible<sup>viii</sup>. While we believe EPCs based on an operational rating to be a very useful tool in empowering tenants and building buyers, and that in combination with other incentives can certainly be useful in tackling emissions, we would advise against the Scottish Government relying upon EPCs in isolation to deliver the required emissions cuts from non-domestic buildings.

In order to deliver the level of emissions cuts set out in the earlier section of the Bill from the non-domestic sector Ministers must take powers to require building owners to improve the energy efficiency of their buildings. We believe the most prudent way to do this would be as set out in the Scottish Government's consultation on this subject in late 2008: to make the 'recommended improvements' section of each energy performance certificate mandatory. We were very disappointed not to see these measures included in the Bill, since they appear to us eminently sensible and will help to deliver the level of carbon cut that the Bill envisages.

We were very surprised to hear officials from the Scottish Government, in giving evidence to the Economy, Energy and Tourism Committee on 4 February 2009, say that the proposals in their consultation document for a mandatory element to energy performance certificates were controversial. That is not our experience. We ran a consultation event on 22 September 2008 along with the Built Environment Forum Scotland and Thirdwave Consultancy Ltd, with some input from the Scottish Government<sup>ix</sup>. The event looked at the measures contained in the Scottish Government's non-domestic consultation, and more than 50 people attended from public, private and voluntary sectors. The overwhelming majority of those building owners attending agreed that without the mandatory element, the sector could not achieve the envisaged cut in emissions. So long as finance in the form of grants and/or soft loans were available to building owners, those attending the workshop were supportive of the mandatory element. Both public-sector (Central Energy Efficiency Fund) and SME-sector (Energy Saving Scotland Small Business Loans Scheme) energy efficiency finance schemes already exist, though in our view these should be expanded and made much more widely available. We therefore fail to see any genuine reason not to implement the compulsory element to EPCs.

Since many non-domestic buildings are in the public sector, it would seem prudent to include further provisions in the Bill about the energy efficiency of public sector buildings. The Westminster Government has committed to only procure buildings in the top quartile of energy performance, and it would be disappointing if Scotland fell behind Westminster in this regard.



**Q14 The Bill places a duty on the Scottish Government to take such steps as it consider appropriate to promote the use of heat from renewable sources. The Scottish Government has indicated this provision will enable it to introduce measures it deems appropriate to incentivise the production of heat from renewable sources.**

**What are your views on this proposal?**

As mentioned above, we do not believe that 'promoting' renewable heat is sufficient. We believe a duty must be placed on Scottish Ministers to deliver a renewable heat strategy and action plan, which should include specific targets for renewable heat. Given the background of an EU target that 20% of the EU's *energy* (not merely electricity) be met from renewable sources by 2020, it is imperative that the Scottish Government prioritise action in this area.

In addition, we refer committee members to the submissions of SCCS and the Scottish Renewables Forum in answer to this question.

**Q15 The Bill sets out measures aimed at improving waste and recycling. The Bill gives powers to the Scottish Government to make regulations in the following areas:**

**Waste prevention and management plans;  
Waste data;  
Deposit of recyclable waste;  
Procurement of recyclate;  
Reduction of packaging;  
Deposit and return schemes;  
Charges for carrier bags.**

**What are your views on these proposals?**

Since this is not our area of expertise, we refer the committee to the SCCS submission in response to this question.

**Q16 What are your views on the adequacy of the Scottish Government's consultation in advance of publishing the Bill?**

The consultation on the Bill itself was passable, though it is somewhat puzzling that the so-called 'campaign responses' were treated in a separate category to other responses. We should have expected all responses to be treated equally in a truly democratic system.

However, the major inadequacy in terms of consultation has been the lack of consultation on measures to reduce emissions from existing buildings, which were first promised back in February 2008. While the Scottish Government did consult in late 2008 on emissions from existing non-domestic buildings, this consultation did not involve any stakeholder events. Indeed, ACE along with the Build Environment Forum Scotland and Third Wave Consultancy Ltd organised our own consultation event around these proposals, since it became apparent that the Scottish Government were neither willing nor able to do so. Since domestic buildings account for approximately one third of our greenhouse gas emissions, it is deeply worrying that we are still waiting for a consultation on emissions from existing domestic buildings.

**Q17 Do you have any views on the Strategic Environmental Assessment which was carried out by the Scottish Government out on the consultation proposals?**

No view.

**Q18 Does the Bill raise any equalities issues you would wish to highlight?**

Yes, it raises issues of international equality: we therefore refer the committee to the SCCS response to this question.

## Q19 Do you have any comments on the impact of the Bill on sustainable development?

We refer the committee to the SCCS response.

## Q20 Do you have any other comments on the Bill?

Yes, we do.

The Bill as it is currently drafted sets out a useful framework for emissions cuts. The framework is far from perfect, as set out above, but it is a useful start.

However, the Scottish Government is in danger of willing the ends without delivering the means to those ends. This Bill appears to be setting in statute where Scotland should be, without identifying how we should get there. The reality is that getting there will require some difficult political decisions, even in the area of energy efficiency in buildings. It remains to be seen whether the Scottish Government is willing to make those difficult decisions. We sincerely hope that it is.

## Conclusion

In our view the credibility and effectiveness of the Bill is paramount, and depend on three key issues:

- Setting the right targets in statute (80 percent reduction by 2050, with a cumulative target based on global equity; 50 percent by 2020; and at least 3 percent in any given year).
- Taking a comprehensive and inclusive approach – including emissions from all sources and all sectors including international aviation and shipping; and aiming to achieve 100% of the cuts domestically.
- Ensuring strong incentives and sanctions to deliver accountability and compliance.

Despite many welcome elements, the Bill falls short of a fully credible and effective package under all these headings, and we urge the committee to rectify these shortcomings at stage two. We trust you are able to take these views into account.

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<sup>i</sup> Defra (2006) Consultation on measures to reduce carbon emissions in the large non-energy intensive business and public sectors

<sup>ii</sup> Scottish equivalent of a UK figure. See Carbon Trust press release, 28 October 2004, *Growing businesses throwing away £1 billion in wasted energy*

Available online: [http://www.carbontrust.co.uk/NR/rdonlyres/EE9BAE6D-B613-4BF5-9875-F969268CAE23/0/20041028\\_Clocks\\_release\\_FINAL.pdf](http://www.carbontrust.co.uk/NR/rdonlyres/EE9BAE6D-B613-4BF5-9875-F969268CAE23/0/20041028_Clocks_release_FINAL.pdf)

<sup>iii</sup> The Sullivan report recommends that the next change in Scottish building regulations, in 2010, delivers low-carbon new homes. We suggest that, so far as practicable, this level of energy performance is required from all existing homes by the end of 2016. Gordon Brown made this pledge in a speech to the Green Alliance on 12 March 2007: "Over the next decade my aim is that every home for which it is practically possible will become low carbon."

See Scottish Building Standards Agency (2007) *A Low Carbon Building Standards Strategy For Scotland* also <http://www.green-alliance.org.uk/grea1.aspx?id=1514>

<sup>iv</sup> Hansen, J (2007) *Letter to Prime Minister Gordon Brown*, figure 5b

Available online: [http://www.columbia.edu/~jeh1/mailings/20071219\\_DearPrimeMinister.pdf](http://www.columbia.edu/~jeh1/mailings/20071219_DearPrimeMinister.pdf)

<sup>v</sup> Scottish National Party (2007) *Manifesto*, p. 29

<sup>vi</sup> United Nations Environment Programme and Futerra Communications (2005) *ibid*

<sup>vii</sup> See for example Scottish Government (2008) AEA report on Mitigating Against Climate Change in Scotland: Identification and Initial Assessment of Policy Options

<sup>viii</sup> AFK (2008) *Does Energy Labelling on Residential Housing Cause Energy Savings?* Available online: [http://www.akf.dk/udgivelser/2008/pdf/energy\\_labelling.pdf](http://www.akf.dk/udgivelser/2008/pdf/energy_labelling.pdf)

<sup>ix</sup> Workshop report available here: <http://www.befs.org.uk/issues.htm>