

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?

To take account of the recommendation in the First Report (Dec., 2008) of the UK Independent Committee on Climate Change for steeper cuts in greenhouse gas emissions by 2020, the Bill should be amended to include a target of 40% cuts on 1990 by 2020 (equivalent to 30% cuts on 2005) exclusive of international movement rising to an 80% target by 2050 inclusive of international movement

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?

The Association queries the concept of annual targets since general economic fluctuations produce year to year changes in emissions separable from policy actions. It suggests that secondary legislation should specify targets for the five years 2011-15 and 2016-20 compatible with the aim of 40% cuts by 2020

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?

Bill should replace annual percentage cuts with a requirement for government to set percentage cuts for each following decade five years before the start of the decade. To meet the aim of an 80% cut by 2050 extended to include attributions related to movement to and from Scotland, there should be a further indicative cut of one-third between 2020 and 2030 with similar cuts in each of the two following decades.

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?

The Association, in common with the UK Committee on Climate Change, has strong reservations about procedures allowing Scotland to count as savings any significant amount of savings made outwith Scotland. There is a risk that political factors and low prices for carbon will dilute the incentives for the steeper cuts in greenhouse gas emissions required in all countries. Direct taxation of fossil fuels (less allowances for effective carbon capture and storage) is likely to be a more effective policy instrument as part of a package requiring the proceeds of such taxation to be used to reduce other taxation and provide investment incentives for shifts to greater energy efficiency, energy conservation and greater reliance on alternative fuels (The Association has already raised this issue in evidence to the Calman Commission).

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?

Emissions should include all emissions from Scottish sources plus, as proposed, amounts attributable to Scotland from international aviation and shipping. There should also be consideration of whether the following attributions should be added:-

- a) emissions arising from manufactured imports consumed in Scotland (with corresponding cuts in the emissions of exporting countries);
- b) emissions related to movement of passengers and goods between Scotland and other parts of the UK e.g. UK domestic aviation and other UK goods and passenger movement (with corresponding cuts in emissions otherwise entirely attributed to other parts of the UK) [in practice, UK domestic aviation may be the only area of internal UK movement to merit early attribution].

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?

The Bill should include powers for such a Committee but, in practice, this function could be handled by arrangements within the existing UK Committee at least for the next ten years.

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?

Expand to include means to enforce recommendations.

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?

No added comment.

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?

Should be altered to make clear that Mitigation is included - see also comment on Q20.

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?

No added comment.

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?

No added comment.

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?

As Q 14.

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?

As Q 14.

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?

Welcome reference to Action Plan and to - Behavioural Change – see also comment on Q20.

**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?

No added comment.

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

As Q17.

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

the effort to consult was commendable but the nature of the topic and the background information available early in 2008 made it difficult to provide meaningful comment and clear conclusions on the broad options considered as part of the SEA. It is worth noting that the broad brush SEA evaluation of options did consider that both the economy and the environment would gain from faster and sustained cuts in greenhouse gas emissions, a conclusion strengthened in the First Report of the UK Committee on Climate Change.

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

These arise both in relation to individuals and to different parts of Scotland but can be handled as part of Budgetary and Mitigation Strategies – see also comment on Q20.

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

This will depend on the Action Programmes and Monitoring adopted but Bill should reflect the UK Climate Change Committee view that progress on greenhouse gas reduction will make the economy stronger and more secure while also giving social gains and local as well as global environmental benefits.

Q20 Do you have any other comments on the Bill?

The main omission from the Bill is a requirement to indicate the proportion of greenhouse gas cuts likely to come from the action within the powers of the Scottish Government and action mainly dependent on UK, EU and international decisions. This should be made clear in the sections dealing with targets and percentage cuts.

Neither the Scottish nor UK Bills can set out detailed action programmes and related monitoring but the Scottish Bill should be modified to require the Scottish Government to produce rolling five-year action programmes and to indicate expectations of the outcome of UK, EU and international action. These programmes should include appropriate budgetary strategy and the treatment of adaptation, mitigation and equality issues. Review of such programmes should be the principal feature of the regular reports monitoring progress and recommending the further action required to meet, or modify, targets.

The Association sees significant opportunities for accelerating greenhouse gas cuts within the powers of the Scottish Government in relation to transport, planning and access. Scope for action in this area could be further enhanced through greater elements of fiscal, financial and energy devolution see our submissions to the Calman Commission, the Strategic Transport Projects Review and the summary comments on the First Report of the UK Climate Change Committee and the two reports on Energy and Carbon Dioxide made by AEA to the Scottish Government in October, 2008 (appendix).

Extracts from SAPT Response to First Report of Calman Commission

Both the Scottish and UK Governments are now committed to 80% cuts in greenhouse gas emissions by 2050 together with intermediate targets but differing conditions and preferences within Scotland suggest that fuller devolution of energy powers could assist progress towards targets.

As part of the drive for greater **energy efficiency and shifts in energy sources**, the case for the Scottish Government having power to tax energy requires consideration provided that this is in a framework including the use of new income arising to reduce other taxes and to promote both energy efficiency and shifts to alternative fuels. With tax levied at the source of production (or import into Scotland), administrative costs would be low and it would be an important instrument aiding delivery of Scottish targets for emission cuts.

With respect to **transport**, more emphasis is required on an investment and pricing strategy which reduces the need for fossil-fuel intensive and environmentally disruptive movement. Stronger links are required between energy and transport strategies. To develop synergy in governance, two reforms are proposed:-

- Incorporation of the Transport Directorate in a Scottish Government Department also covering energy, climate change and planning issues
- A possible merger of Transport Scotland and Network Rail (Scotland) but with close links with both a Rail Agency in England and with a DfT merger with the Energy and Climate Change Department established by the Prime Minister in 2008

Transport Finance Unlike present arrangements, charging for both road and rail infrastructure use should be a devolved power. Such charging would provide an income stream, along with some of the proceeds of fossil fuel taxation, to underwrite future borrowing for major transport projects compatible with energy and climate change strategies. The final Calman Report should recommend a new agreement between the UK and Scottish Governments on the proportion and nature of motorised road taxation to be regarded as road charging payable direct to Scotland with a related cut in the present level of block grant from UK taxes and borrowing.

There should be power to the Scottish Government to vary the level of road and rail charging in line with better delivery of policy aims for the economy, energy, climate change and transport. This should embrace power to borrow against selective increases in charges related to reduced congestion and major projects OR to use such increases to finance PPP/PFI agreements.

Extracts from SAPT Response to Strategic Transport Projects Review (STPR)

Strategic Environmental Assessments (SEA) and **Scottish Transport Appraisal Guidance (STAG)** procedures should be revised to reflect the integrated economic and environmental benefits arising from the steepened cuts in greenhouse gases by 2020 and beyond as recommended in the First Report of the **UK Independent Committee on Climate Change** (December, 2008). The aim should be meaningful integration of environmental, economic and social objectives in a series of Five Year Action Programmes, including both fiscal and regulatory measures.

Movement Forecasts The STPR, and ongoing revisions, need to reflect the impact of changes in policy and in fossil fuel prices on future levels of movement and modal share both within Scotland and on external links. It is important to take account of a downward revision of aviation growth forecasts in the context of the view of the UK Climate Change Committee that recent rates of growth (now much affected by cyclical downturn) are not sustainable over the years to 2050. In particular, both the UK and Scottish Governments have recognised that there are increasing prospects for rail, not only to handle more freight (with much lower emissions and less disturbance for local environments than movement by HGV), but also to attract a substantial share of short-haul (250 to 500 mile) passenger trips presently made by air.

STPR and emission predictions require adjustment to give explicit recognition to the economic benefits of continuation of the near stabilisation of road vehicle miles (already evident for car use as shown in Scottish Transport Statistics, December 2008) and a substantial slowing of aviation growth. Conversely, the new policy and forecasting context is likely to maintain recent high levels of rail growth and add momentum to increases in active travel (walking & cycling) and in tram, bus and demand responsive transport for many of the shorter trips which, if made by car, contribute to emissions, traffic delays and other adverse impacts on local environments. Similar changes need to be reflected in the finalised National Planning Framework (NPF).

Transport Technology, Regulation and Investment

The UK Climate Change Committee takes the view that changing technology and related regulatory/fiscal measures to encourage more energy efficient vehicles and alternative fuels will have a substantial role in reducing emissions but the absolute impact will be lessened if high growth in movement continues. The need for more investigation of this area is admitted and the Climate Change Committee is now urging faster moves towards the use of electric power in transport if targets for steepened cuts in emissions by 2020 are to be met. The Committee also desires a review of aviation growth in an international context.

What also requires examination as part of Action Programmes and an evolving STPR are the increasing prospects for net economic and emission gains from a stabilisation of overall vehicle miles (reductions in some areas) in Britain by 2022 with air travel in Britain (and to the nearer continent) also being cut.

Given limitations on public finance and current problems with private sector investment, it is of special importance that both STAG and SEA procedures should take account of the need to compare the costs and benefits of major transport projects with the costs and benefits of alternative uses for similar, or reduced, levels of funding. On the evidence of the Eddington and Stern Reports as developed by the UK Climate Change Committee, there is a distinct possibility that structural change in funding strategy (backed by regulatory and fiscal change) could offer higher and earlier benefits for the economy, climate change and society than the programme outlined in STPR as published in December, 2008.

Finalised STPR and related Economic and Environmental Reports

The Association urges adoption of the following changes:-

- A diversion of funding from major road projects to lesser rail, road and other public transport schemes offering greater corridor and area benefits in phased packages
- A funding shift to promote energy efficiency, energy conservation and alternative fuels
- Enlarged funding for rail electrification in Scotland and Anglo-Scottish route development both to, and beyond, 2016
- Enlarged funding for Regional Transport Partnerships (RTPs) and local councils earmarked for local public transport, travel plans, access and active travel
- Introduction of borrowing for major transport schemes against specified income streams (allowing higher investment in sustainable transport than might otherwise be the case)

SUMMARY : UK Climate Change Report & AEA Reports to Scottish Government

Global Economic, Energy & Climate Change Issues Major financial problems are deepening a global recession likely to last beyond 2010. A few contract-ready schemes in the transport capital programme are being accelerated but at the cost of slowing later spend. It is not feasible to accelerate major projects not yet ready for contract but the **UK Committee on Climate Change** has also questioned the concept of scheme acceleration unless they support steeper cuts in fossil fuel use by, and beyond, 2020. In December 2008, the First Annual Report of the Committee concluded that a strong economy requires faster action to develop energy conservation and to move away from fossil fuels. Continuing on a 'business as usual' basis would worsen economic prospects. In Scotland, the **AEA Reports to the Scottish Government** in October 2008 examined energy requirements in total, and by sector, to 2020 and evaluated longer-term options for emissions cuts to 2050. The reports concluded that, as part of an improving economy, energy consumption in Scotland would fall by some 5% between 2005 and 2020 with emissions down some 15%. Looking to 2050, absolute cuts in emissions of between 63% and 75% were expected depending on actual prices and policies adopted. This was seen as close to the 80% target with further work required on the best reduction trajectory.

The UK Committee concluded that the large majority of 80% cuts should come from action within the UK (rather than by emissions trading facilitating cuts in other countries). It called for a steepened target (excluding international transport) of 42% on 1990 levels by 2020 (equal to 31% cuts on 2005 levels – a much larger cut than the 15% in the AEA Scottish Report). Transport is seen as the sector where it is hardest to deliver cuts. The Scottish reports expect a 15% rise in energy use in transport between 2005 and 2020. Growth in movement would be higher but higher efficiency in energy use and shifts to alternative fuels would help to reduce the rise in emissions from transport. Beyond 2020, AEA considers that absolute cuts in transport emissions may prove possible due to greater shifts to alternative energy sources and further advances in the efficient use of energy.

Aided by stronger EU regulations to cut vehicle emissions and more rapid shifts to electric power, the UK Committee recommends deeper cuts in surface transport emissions by 2020 as part of steeper overall UK cuts by 2020. The Committee recognises that their 2020 targets exclude international aviation and shipping but stresses the urgency for international agreement on action affecting these sectors, especially aviation.

None of the Reports claim special expertise in transport. The AEA reports take the view that rising car ownership will lead to significant further growth in road traffic but this is at odds with the evidence of structural change in movement patterns showing stable car use, but strong growth in rail, over the past five years. The UK Report also ignores the evidence that soft and smarter measures can cut car use by 10% to 20%. Further research and shifts in behaviour may indicate greater and earlier scope for emissions reductions in the transport sector. Without such changes, targets will be harder to hit and the economy less strong.

The AEA Reports see a decoupling of energy use from economic growth. Improved efficiency in energy use, notably in housing and other buildings, is a major feature – which also moderates the challenge of meeting the Scottish target of generating 50% of Scottish electricity from renewables by 2020. AEA also point to prospects for life-extension at Scotland's two nuclear power stations plus future use of carbon capture and storage at fossil fuel generating plants. The revised National Planning Framework favours a major coal-fired power station at Hunterston with provision for future carbon capture technology. In contrast UK policy contains reservations on any early viability for carbon capture and explicitly favours an expansion of nuclear build to increase the power and heat available while also aiding targets for emission reduction.