

## WRITTEN SUBMISSION FROM SCOTTISH RENEWABLES

### **Stage 1 Scrutiny of the Climate Change (Scotland) Bill**

Scottish Renewables welcomes the opportunity to provide written evidence on the Stage 1 scrutiny of the proposed Climate Change (Scotland) Bill which is one of the most significant pieces of legislation ever considered by the Scottish Parliament. Scottish Renewables is Scotland's leading green energy trade body. We represent over 240 organisations involved in renewable energy in Scotland and include many environmental NGOs in our wider associate membership. Further information on our work and membership can be found on our website – [www.scottishrenewables.com](http://www.scottishrenewables.com)

Scottish Renewables believes that the harnessing of renewable energy sources in a sustainable manner provides a unique opportunity to not only tackle climate change but to provide economic benefits to Scotland. The setting of statutory targets to reduce emissions is vital if we are to send the right signals to industry and wider society that significant changes are required to establish a low carbon economy.

However the setting of statutory targets on their own will not deliver the kind of changes needed unless accompanied by strong action that can be scrutinised by the Scottish Parliament. This is why we are proposing a robust supporting framework to accompany the Bill which will involve aligning the consideration of the financial Budget Bill and the financial spending review to the delivery of climate targets.

If Scottish Renewables can be of any further assistance to the Committee, we will be happy to provide further written or oral evidence in support of our statements.

**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?**

Interim point targets will be useful in providing milestones on the way to delivering the 2050 goal, but the primary focus should be on the delivery of the target for the individual carbon budget cycle. The Bill should allow for subordinate legislation to adjust the level and year of any interim targets including the 2050 target. However this provision should only be included if there is an accompanying statutory purpose of the Bill to contribute towards a stabilisation of global average temperature levels at no more than 2 degrees celsius beyond pre-industrial levels. This important aim was adopted by the EU in 1996 and has been repeatedly reaffirmed including at the 2007 G8 conference. It is important that the purpose of the target is explicit on the face of the Bill, allowing flexibility to revise approaches and targets to deliver Scotland's contribution to the global challenge in the decades ahead. Any proposed change in target levels should be supported by strong scientific consensus analysed and reported on through the UK Climate Change Committee and/or relevant Scottish body.

**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 setting of annual targets within batches over a 12 year period is feasible provided the targets are compatible with the first three 5-yearly budgets recommended by the UK Climate Change Committee. The danger in early batches failing to deliver, would result in disproportionate pressures to reduce carbon emissions in a shorter period of time.

The electoral cycle of the Scottish Parliament is likely to provide an ultimate form of scrutiny for governments but detailed scrutiny of the carbon budget must take place in parliament aligned with the carbon assessment of the spending review and annual Scottish Budget Bill.

**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?**

The requirement to meet at least 3% annual carbon emissions in the period to 2020 appears to be questionable. There is insufficient explanation as to why the period up to 2020 is aspirational rather than mandatory in setting annualised carbon cuts. The perception is that annual carbon emission cuts of 3% is unlikely. If the Government does not have the confidence that annual cuts of 3% are achievable, then this should be identified and explained now, with a clear understanding that in certain future years the carbon emissions cuts will be considerably greater than 3%.

**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?**

International trading in carbon has a role to play in providing flexibility but could undermine the need to act now in Scotland to reduce emissions across all sectors and to capitalise on domestic renewable resources. There are issues regarding the credibility and regulation of international credits that need to be resolved before they can play a significant role. If they are to be used in the future a strict limit should be imposed and we would support a limit of at least 80-90% of carbon emission reductions being achieved through domestic effort or elsewhere in the EU.

**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?**

Scottish Renewables supports the inclusion of a Scottish share of international aviation and shipping. The reality that Scotland is part of an ‘island nations’ and dependent upon air and sea transportation for its people’s travel and exchange of goods cannot be under-estimated. However, there are issues surrounding, for example, the arrival of imports at a Scottish port or airport for onward delivery to a destination outside Scotland (or in the case of goods passing through say from Stranraer to the Cumbrian border) and whether there will be sufficiently robust systems to record the end user of a carbon commodity.

**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?**

There is a growing body of opinion that the UK Climate Change Committee may not have the resources and/or stretch to provide detailed advice on Scotland-only carbon emissions and the consequences of climate change. Scottish Renewables would support an independent Scottish body, which will work closely with the UK Climate Change Committee and other public bodies such as Audit Scotland, and may incorporate the role of the Sustainable Development Commission in Scotland. With increasing concerns about the need to secure carbon cuts in the first few years of the Bill's passing, a stronger focus on what is happening and what corrective action should be applied, is more likely to be forthcoming in a dedicated Scottish body.

**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?**

The recent experience of minority government in Scotland has resulted in a shift of the balance of power in favour of the Parliament over the governing executive. This is a welcome development and in the current climate suggests that parliamentary scrutiny of carbon emissions cuts would be robust.

However, there is no guarantee that the current political situation will continue any time into the future and there are concerns that majority government can lead to parliamentary committees being less able to openly question the performance of the governing parties.

With this in mind, Scottish Renewables supports the reporting duties as stated in the Bill, but believes that the carbon assessment of individual budget lines in the spending review needs to also be comprehensively undertaken to enable scrutiny from parliamentary committees. There needs to be a form of legislative commitment in the Bill to this approach otherwise a meaningful way of assessing how government spending is directly supporting the delivery of targets will be opaque.

**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?**

Approximately one-third of the Scottish Government's revenue is transferred to local government and a similar significant proportion funds the National Health Service in Scotland. The Local Government Concordat clearly shows that the Scottish Government has a strong belief that Scottish local authorities have their own responsibilities and priorities to decide upon. However, the difficulties in committing local authorities to delivering Scottish Government policies within the Single Outcome Agreement process, together with Community Planning arrangements having less binding obligations on a local authority area, would suggest that local government will require early direction on their key role in cutting carbon emissions. Whilst some local authorities have made clear and significant progress in both the delivery of policies and services with due cognisance to the impact of climate change, there are too many local authorities who appear to be dragging their feet with the complaint that they are insufficiently resourced to transform their services without additional government funding.

The Scottish Government and COSLA need to work together and urgently on changing this culture and if significant change has not come about within the next 3 years, early implementation of a duty on local authorities and/or other public bodies should be considered.

As much as this might appear as using a 'stick', there are 'carrot' incentives which the government could consider to encourage a more positive approach to combating climate change including incentives to reduce energy bills and establish locally owned or community owned Energy Service Companies.

**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?**

Scottish Renewables broadly welcomes this approach and the experience of the past twelve months in consultation on such matters has been constructive.

**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?**

Scottish Renewables does not have a view on this provision.

**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?**

The Commission owns and manages a very large estate which is likely to include a significant number of sites suitable for generation of electricity from hydropower and wind. Whilst the Commission has in-house project development expertise it may prove commercially sensible to work in partnership with other players in the renewables industry to realise any potential, especially where it is desirable to promote rapid deployment.

However we believe that the energy generation by any such joint venture should be limited 'to generate power from wind, hydro and micro power' and that there is no suggestion that the Forestry Commission would form joint ventures to develop bioenergy projects of any scale. If bioenergy Joint Ventures were proposed, these may allow a situation to arise where Forestry Enterprise Services is effectively selling timber to itself. Real or perceived, serious market distortion in the wood fuel market may arise.

**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?**

Scottish Renewables is pleased to see that the issue of energy efficiency is included in the Bill, however, we are disappointed that an Energy Efficiency and Microgeneration Action Plan is long over-due. The action plan needs to set out what the current energy demand is and what it needs to be in order to reduce carbon emissions. Setting this out will clearly help industry and the general public to appreciate the scale of the challenge which we face.

**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?**

Scottish Renewables would support moves incorporated into the Bill to require minimum energy efficiency standards to be met within the public and private sectors in Scotland. However, all avenues should be explored, such as using fiscal incentives to reward energy efficiency and/or microgeneration.

The Scottish Government should progress the extension of General Permitted Development rights for air source heat pumps and wind turbine technologies as a matter of urgency, as well as turn its attention towards solutions for tenemental properties.

**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?**

In our response to the Scottish Government's consultation on the draft Renewable Energy Framework, Scottish Renewables set out a rationale of action which would further the promotion and deployment of renewable energy in Scotland.

Whilst we welcome the attention paid to renewable heat in the Bill and the recognition of urgent action in this area there is perhaps a missed opportunity to consider electricity and transport as well. Determined action needs to take place on all three fronts and would be keen to see the Bill promote this with clear, measurable actions from the Scottish Government (see following paragraph for an example).

In terms of the specific wording of the Bill, it could be more detailed by specifying the role of heat in domestic and commercial/industrial sectors and expectations of how each sector will reduce its carbon emissions over a period of time and indicating the powers that Ministers may implement to assist in that transition.

**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 recycle;  
Reduction of packaging;  
Deposit and return schemes;  
Charges for carrier bags.**

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

Scottish Renewables is broadly supportive of these measures.

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

Scottish Renewables welcomes the opportunity to put forward the views of its members on both proposed legislation and policy development on specific measures. The consultation process for the Bill has been constructive and encouraging.

**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 specific comment at this stage.

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

No specific comment at this stage.

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

The Bill should have a positive impact on sustainable development as it will reduce emissions and also provide impetus to investment in a low carbon economy.

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

The Bill contains highly commendable aspirations as a piece of enabling legislation, however it is the detail of the implementing legislation that will be more important and we look forward to seeing this. The Bill's efficacy will be whether secondary legislation and government action will achieve the targets which are core of this legislation. There is considerable debate about what to do in the event that targets are not achieved. It is difficult to see how financial penalties against a government would be feasible, however, this legislation is not being enacted in isolation: international, European and UK obligations may come to bear on the performance of the devolved administration in Scotland.

Furthermore, the general purpose of the Bill should be to accelerate government action and delivery in the short term as well as the setting of targets for the long term. This means that areas such as carbon accounting of government action through the Scottish Budget, infrastructure planning, action on renewable energy and energy efficiency, building regulations and such like, are inter-related in making the Bill effective in practice. If the Bill is successful in truly facilitating the climate change proofing of Scottish public policy, then it will be achieved far more than other initiatives aimed at mainstreaming core values and principles in Scottish life.

In the time since the Scottish Government was formed in 2007, amid a blaze of expectation for a Scottish Climate Change Bill and the subsequent 'sustainable' economic growth strategy, circumstances have changed. The UK Climate Change Act is now in place. Recession has hit most of the developed world and its implications for developing countries have barely featured on our horizon. The progress of the Climate Change (Scotland) Bill through its stages of parliamentary scrutiny may provide an opportunity to look again at how we approach 'sustainability' within our economic strategy. Even with the challenges of tackling climate change, Scotland has a strong competitive advantage to develop a low carbon economy, with economic benefits which are in balance with our natural environment and social concerns.