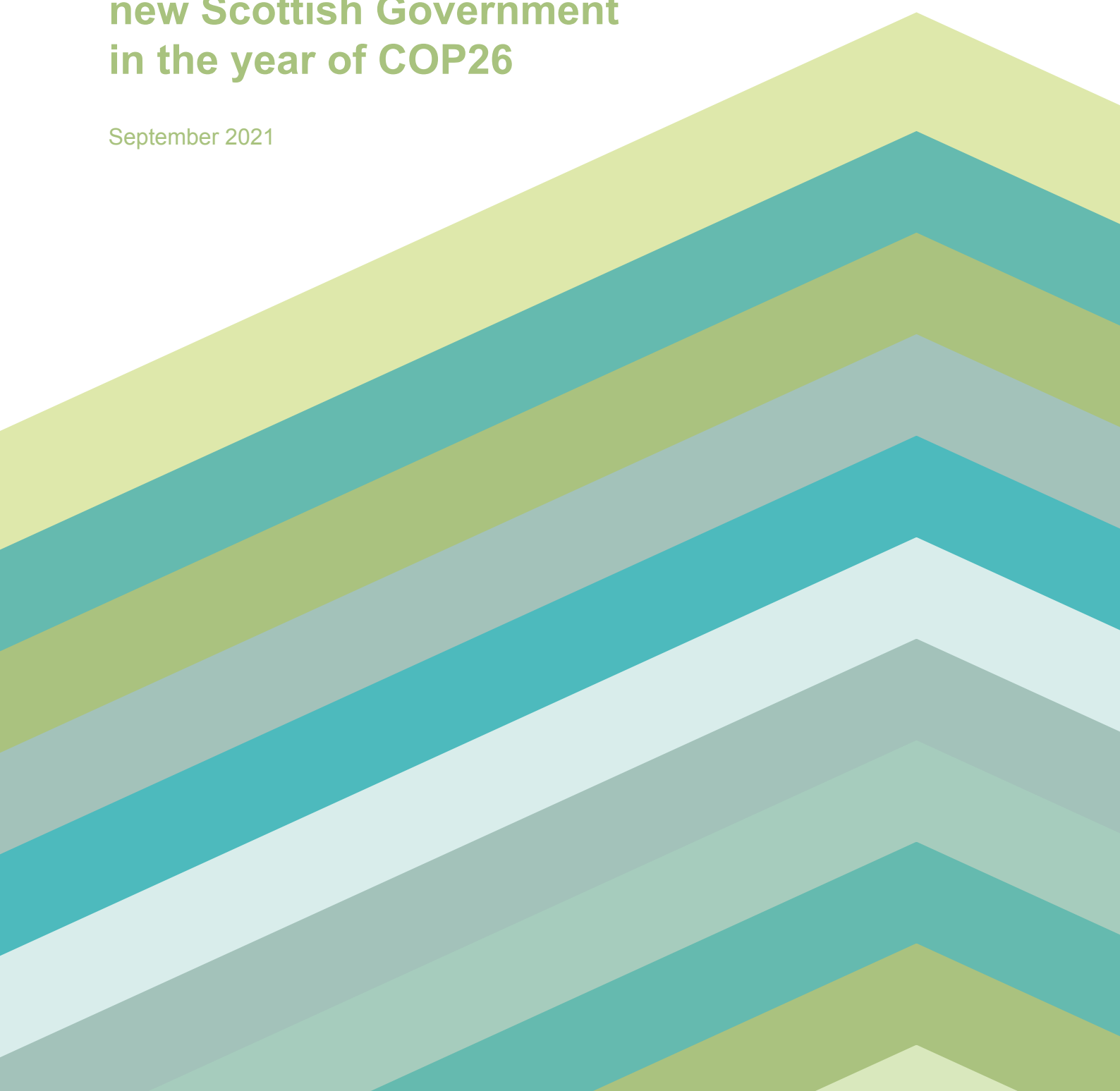


CLIMATE EMERGENCY RESPONSE GROUP

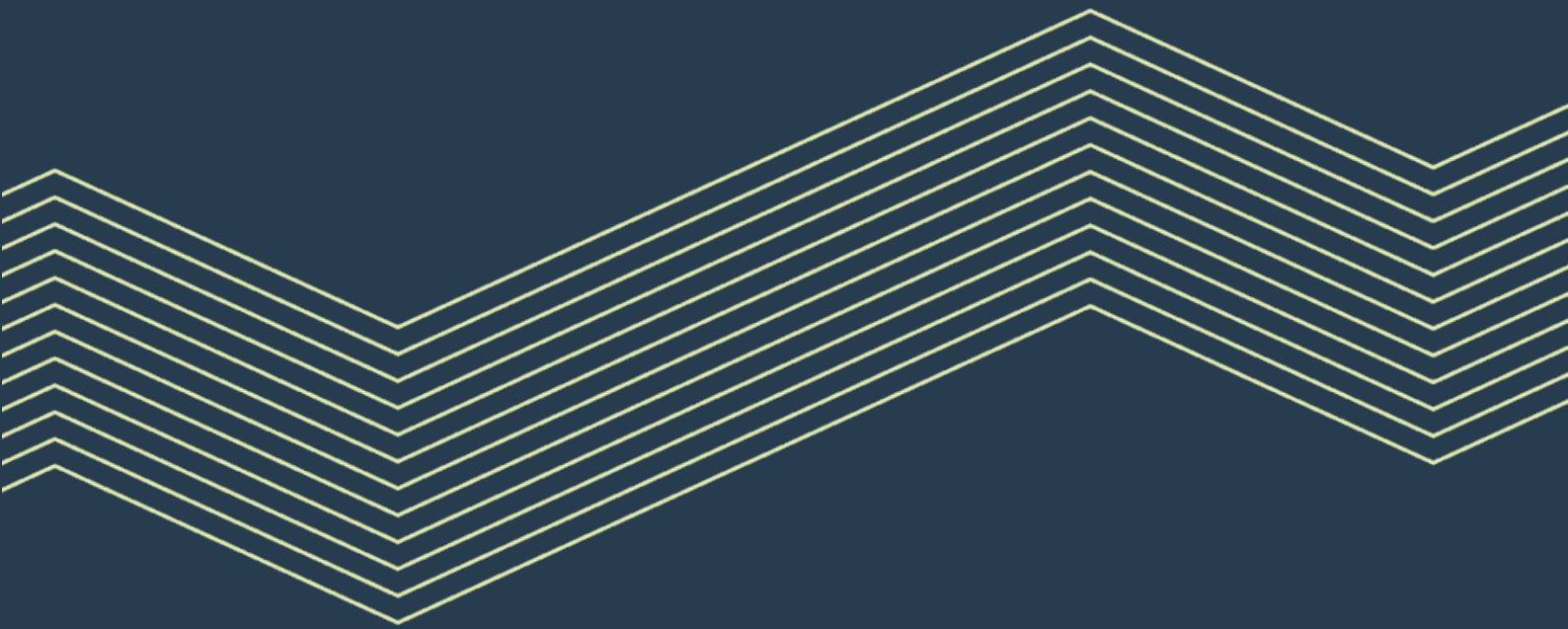
Delivering on Scotland's response to the climate emergency

12 immediate actions for the
new Scottish Government
in the year of COP26

September 2021



**“This is the
decade for
action.”**



Introduction

The Scottish Government stands at a crossroads in history as we recover from the global pandemic – with one route a ‘business as usual recovery’ based on a fossil-fuel economy of the past – or a serious green recovery which invests in a resilient, inclusive, net-zero society.

The government has made some strong commitments in support of a green recovery and now, at the start of a new administration and just months before UN COP26, it is time to show how this will be **delivered at pace**, working in **partnership** with the public and private sector. This is the **decade for action** – the latest report from the IPCC was unequivocal in its stating irrefutable evidence of ongoing widespread, rapid, and intensifying climate change, requiring ‘immediate, rapid, and large-scale reductions in greenhouse gas emissions and reaching net-zero CO₂ emissions’¹. The UN Secretary General called the report a ‘Code Red for Humanity’, stating that we are perilously close to the 1.5 degrees threshold². Any delay risks us missing the 1.5 or even 2 degrees threshold and increases the cost and scale of action required for current and future generations. With some of the climatic changes becoming irreversible, all solutions must consider how to adapt to the impacts of the emergency and build resilience within our society.

[The Climate Emergency Response Group](#) urges the government to respond to the climate crisis with great courage and ambition – fast-tracking action on the ground to reduce emissions and build resilience. We must learn from the lessons of COVID-19 and apply the same ‘emergency thinking’, ‘steady hand’ and empathetic leadership to tackling the climate crisis – deploying each and every power, smart public investment, and engaging the private sector and citizens in the exciting challenge to become a net-zero nation. It also means taking stock of recent investment decisions to be sure, in hindsight, we have made the best decisions.

CERG has developed a new and updated set of solutions-oriented proposals and is ready to help and support politicians and decision makers with the implementation of these actions. The twelve proposals in this report build on [CERG’s previous proposal](#) and the findings of our [April 2021 assessment report](#).

These recommendations are not a comprehensive list of all the leadership actions that the Scottish Government needs to take to respond to the climate emergency, but immediate priorities which are practical and fit well with a green recovery and a just transition in the year of the UN Climate Conference taking place in Glasgow, COP26.

¹ Global Warming of 1.5 °C — (ipcc.ch); <https://www.ipcc.ch/report/sixth-assessment-report-working-group-i/>

² IPCC report: ‘Code red’ for human driven global heating, warns UN chief | | UN News

Summary of the 12 immediate actions



1

Transform four cities with a whole community approach to net-zero

- By 2022 a minimum of four cities to have developed business cases for large scale transformation of places involving buildings, transport, and greenspaces to reduce emissions and adapt to climate impacts, blending public -private investment.
- Set an aspiration to make every Scottish city 'vehicle emission free' as far as possible by 2030 through financial support and advice, taken forward in partnership with city local authorities and transport providers.
- Create a 'Net-zero Test' for all financing tools. Ensure that initiatives such as the Green Growth Accelerator, and others developed through Scottish National Investment Bank, have strict criteria and monitoring to ensure every business plan delivers significant climate emission reductions and supports adaptation to climate risks.

2

Make greener non-domestic buildings to work, study & relax in

- Cleaner heating: Introduce energy performance standards in 2022 and implement from 2025. Signal phase out dates for new oil and LPG boilers from 2025 and from 2030 for gas boilers.
- Triple the scale and budget of the Energy Efficiency Business Support scheme, linked to helping compliance with forthcoming regulation. This is targeted at SMEs and includes advice and access to zero interest loan plus cashback.
- Introduce a non-domestic boiler scrappage scheme and make business rates reliefs contingent on improvements to the energy performance of a building when expanding or improving a property.

3

Upskill the workforce to create Scotland's net-zero and climate-adapted future

- Increase the number, diversity & flexibility of low carbon work-based learning opportunities for school leavers, graduates, and the existing workforce, with long-term funding for programmes.
- Develop new climate-relevant standards and modules for apprenticeships with incentives to choose green pathways and greater flexibility in access to learning opportunities. All apprenticeships to include mandatory climate literacy skills.
- Support businesses (SMEs) to plan their transition to net-zero, by providing a guaranteed pipeline of low carbon work, and simplifying and increasing access to opportunities and tax incentives to reskill/ upskill their workforce with green funding uplifts and diversity bursaries.

4

Mobilise public sector expenditure to address the climate emergency

- Enforce the incorporation of carbon and whole life costing into all public sector investment and spending decisions by 2024.
- Demand and drive early adoption of best practice procurement standards through increasingly ambitious targets and conditions within government funding criteria. Show public sector leadership in decarbonising its buildings and circular procurement.
- Ensure robust public sector net-zero action plans mandate the purchase of low carbon, circular economy products and services.

5

Unite central and local Government to deliver on net-zero and create resilient places

- Negotiate and agree joint net-zero delivery framework identifying roles, necessary funding, and resources within 12 months.
- Identify and deploy mechanisms to support delivery such as regional hubs of expertise, collective approach to de-risk projects, and finance rules which account for carbon.
- Liaise with Audit Scotland to consider their role in raising the climate emergency as a corporate priority in public sector organisations.

6

Green Scotland's City Region and Growth Deals

- Working with city region deal partners, apply the government's 'active carbon management' guidance to each deal and agree amendments to align projects with net-zero and just transition goals by June 2022.
- The guidance should include alignment with adaptation plans to ensure the choice and design of projects will help us adapt to climate impacts in the future.
- The guidance should be used to inform infrastructure spending decisions starting with the 2022/23 Draft Scottish Budget and including the Infrastructure Investment Plan and public procurement.

7

Make the climate emergency a guiding principle in all planning decisions

- Issue a Chief Planner letter to local authorities to emphasise the importance of addressing the climate emergency in all planning decisions including Scottish Government intentions to call in major developments where climate impacts have not been properly considered.
- Work with local authorities to develop the necessary capacity building and training to ensure a planning system fit for net-zero is established by 2022.
- Immediate review of energy consenting process (as per Climate Change Plan) by Ministers responsible for energy and planning to accelerate decision making timescales for renewable energy projects.

8

Solve real and specific financing challenges to secure private sector investment

- 'Private sector solutions incubators' are fully resourced and mandated by Government by 2022, to define routes to reduce reliance on public sector support and to transition key technologies and approaches to becoming fully commercial and subsidy-free.
- Finance demonstrator projects in at least 3 priority sectors within 12 months.
- Provide appropriate project pipelines and adapt public spending policies as required to better leverage private capital.

9

Incentivise climate and nature friendly farming now

- Publish a vision and proposal for a new system of rural support and a detailed roadmap to provide the certainty, support and payments required to transition farming businesses and practices as soon as possible.
- Evolve and expand the Agricultural Transformation Programme to a 5 year £100million /yr fund to cover the additional capital, training and advice needed to help farmers and land managers make the transition to low carbon, nature friendly farming.
- Realign, diversify and scale-up the farm advisory service to advise on resource use, carbon and nature value farming and production.

10

Drive adoption of sustainable, healthy climate-friendly diets

- Develop a definition, criteria, and public guidance on climate-friendly, sustainable, and healthy diets within the next 12 months.
- Test and implement the guidance through public procurement.
- Establish a multi-year programme of engagement with the public, farmers and food producers and processors to apply the guidance and ensure the 'Sustainably Scottish' brand includes climate-friendly criteria.

11

Maximise natural solutions to mitigate and adapt to the climate emergency on land and at sea

- Commit to a ban on the extraction of peat for horticulture and speed up the rate of peatland restoration.
- Prioritise the expansion, restoration, and sustainable management of native woodland, and take immediate action to reduce pressures on marine habitats already known to be important carbon sinks.
- Create and test viable investable natural capital projects that achieve climate change and biodiversity targets and build ecosystem resilience whilst ensuring the benefits are felt widely by local communities.

12

Bring all citizens to the heart of decisions about how we respond to the climate emergency

- Regular leadership briefings to the nation in the run up to COP26 and beyond, on the climate crisis and the Scottish Government's progress in driving action to net-zero and a green recovery, using well recognized, publicly meaningful metrics.
- Publish a substantive and cross-Governmental response to the 81 specific recommendations of Scotland's Climate Assembly, and host media and public events to debate the Assembly's 'Call to Action' to engage all people (from school age upwards) in a dialogue about Scotland's net-zero future.
- Invest resources for regional and local institutions to apply deliberative approaches to engage civic society in planning for the future of their communities and places.

Emergency Thinking

The predicted disruption from climate change, and the scale of the transition to net-zero, vastly outweigh the scale of the COVID-19 pandemic. Useful lessons can be learned from how the government was able to respond at speed to the pandemic and the dramatic disruption to society and the economy and apply them to the climate emergency response.

The Scottish Government's tackling of the PPE crisis can be used as an example here. The PPE shortages were exacerbated in part due to insufficient preparedness³, which emphasise the urgent need to prepare for the climate crisis. In the case of PPE, government addressed the shortages through delivery of a PPE Action Plan.

The key success factors were:

- Rapid and streamlined decision-making
- Clear Ministerial leadership and attention
- Coordinated working across government divisions and public bodies
- Collaboration with private industry for rapid scale up of supply chains
- Coordinated delivery structures
- Re-prioritisation of peoples' time and resources.

These success factors must be applied to tackling the climate emergency. The cross-party approach avoids public confusion and politicising the crisis, while the visible leadership from the First Minister and regular public briefings on key aspects of the crisis and the Government's response reassure and motivate the public and private industry.

Now is the time to focus on delivery rather than more strategies, with bold commitments and strong leadership. This will include strengthened action-oriented partnerships with local authorities, the private sector, and civic society to align finance, skills and resources to the challenges and opportunities of the net-zero transition. CERG's recommendations in this report identify the 'emergency thinking' we would like to see such as:

- Concerted action to overcome inadequate resourcing of services and programmes that are critical to the transition to net-zero (e.g., local authorities, support to SMEs to invest in reskilling),
- Stronger coordination across government divisions (e.g., between agriculture, land use and biodiversity) and other bodies (public, private, civic)
- Clear alignment of all investment plans to net-zero (e.g., City Deals, infrastructure pipeline) whilst building in adaptation to climate impacts across the board.

COVID-19 has exposed fault-lines in society around inequality and the impacts of fragmented public services (e.g., social care and NHS) which must be addressed through Scotland's climate response to ensure a just transition. Communities, businesses, and individuals need support to rapidly get up to speed on what the climate crisis means to them and how they must adapt and act. This can only be achieved by investment in deliberative processes of engagement to ensure '*a national endeavour: action by the entire public sector, the private sector, civic society and also individuals*' (JTC, 2021).⁴

How these actions deliver against Scotland's Climate Change Plan sectors

Every sector needs to play its part in tackling the climate emergency and realising the many social, environmental, and economic benefits of the net-zero transition. The CERG proposals deliver against all sectors and show the necessity of cross-cutting actions and working in partnership to make progress across the board.

We have chosen not to make specific recommendations relating to Negative Emissions Technologies (NETS) except for nature-based solutions. This is because we believe it is essential to take every opportunity to decarbonise in the next decade with available technologies and behaviour changes rather than waiting on future technologies to come into use. We think this is a prudent and realistic strategy to meet the critical 2030 target and avoiding catastrophic climate change.

Immediate Actions	Electricity	Buildings	Transport	Industry	Waste and circular economy	Land Use	Agriculture	NETS
1. Transform four cities	●	●	●		●			
2. Greener non-domestic buildings		●			●			
3. Upskill the workforce	●	●	●	●	●	●	●	●
4. Mobilise public sector expenditure	●	●	●		●		●	
5. Unite central & local government	●	●	●		●	●	●	
6. Clean up City Region & Growth Deals	●	●	●	●				
7. Planning for net-zero	●	●	●	●	●			
8. Private sector support	●	●	●	●	●	●	●	●
9. Climate & nature friendly farming						●	●	●
10. Sustainable, climate-friendly diets							●	●
11. Natural solutions						●	●	●
12. Citizen engagement	●	●	●	●	●	●	●	●

³ Audit Scotland, 2021. COVID-19 Personal Protection Equipment

⁴ Just Transition Commission, 2021. Page 72

Background

The Climate Emergency Response Group (CERG) is a collection of like-minded leaders spanning Scotland's private, public and third sectors, delivery organisations and membership bodies. The group aims to inform and influence the Scottish Government's response to the climate emergency by providing practical, workable solutions that can be implemented – not in the future, but now.

CERG Steering Group membership

Andrew Bissell	Adam Liddle
Teresa Bray	Daisy Narayanan
Claire Daly	Stefanie O’Gorman
Kathryn Dapré	David Reay
Sam Gardner	Hannah Smith
Iain Gulland	Raphaëlle Vallet
Alex Irwin	Sara Thiam
Andy Kerr	Mike Thornton
Sarah-Jane Laing	Morag Watson
Fabrice Leveque	Paul White
Secretariat	
Elizabeth Leighton	Kate Studd

Developing the 12 immediate actions

The group undertook a rapid process to identify and prioritise immediate and practical actions the government should take to respond to the climate emergency. In addition to building on our previous work and the expertise within the CERG steering group, we reviewed recent publications from government, independent organisations, and academia, and interviewed experts who contributed in their personal capacity (see Annex 1). Initial findings were explored at an online seminar on 22 June 2021, which tested how well the proposals contribute towards immediate economic recovery and supporting a just transition to a net-zero economy.

We also considered the proposals against the emission sectors identified in the Climate Change Plan. However, we have not allowed ourselves to be constrained by sector boundaries as we believe the answer lies in cross-sectoral policies and programmes, as well as consideration of cross-cutting delivery structures, resourcing, and accountability.

Each proposal includes a succinct, measurable ask, along with a clear rationale for why Scotland's climate emergency response needs this action. We then go on to explain how it will deliver emissions reductions, how it supports a green recovery and a just transition, and what action needs to be taken to apply 'emergency thinking'.

The group tested the proposals against the criteria we developed for our first report, with added recognition of the green recovery, just transition and adaptation. We believe our proposals will:

- Achieve / speed up rate of Scotland's carbon abatement.
- Contribute to global emissions reduction (i.e., avoid offshoring / leakage) and show Scotland's leadership.
- Contribute to building resilience and adaptation to climate change
- Are transformational and match pace/scale of change required.
- Achievable now – can deliver now or very soon by the Scottish Government; and/or lays foundations now for next year.
- Enable low carbon choices for all.
- Support a green recovery — shared prosperity, social well-being, and wider environmental benefits.
- Support a just transition in terms of jobs and skills, who pays, and who benefits.
- Represent the range of sectors and geographies for Scotland's net-zero transition.
- Leverage high-profile initiatives for Scotland in the context of COP 26.

By just focusing on 12 immediate actions, we do not attempt to cover the many different policies and programmes that must be part of Scotland's climate emergency response. Instead, we are highlighting a set of actions which we believe can and must be taken forward now – as they will provide the support, regulation and investment required to help people, businesses and communities live well and reduce their emissions.

The proposals in this report must be delivered with fairness and equality of opportunity at their core. An assessment of how our proposals respond to the 24 recommendations of the Just Transition Commission is included in Annex 2 of this report.

The 12 immediate actions





1

Transform four cities with a whole community approach to net-zero

Why Scotland's climate emergency needs this

A high proportion of Scotland's emissions come from cities, so faster progress must be made in all cities for Scotland as a whole to meet its climate targets. We need a large programme, in partnership with local authorities, of capacity building and developing new finance models blending public and private finance for a minimum of four large scale 'whole community' city transformation programmes (city centre and other catalyst areas of our cities) within 12 months. These programmes would make low and zero carbon living and working the preferred option – affordable, easy, and desirable for everyone.

Transforming Scotland's cities offers the size and scale of projects that will attract private investors to support the net-zero transition. With their density of population, cities offer excellent opportunities to demonstrate how investment in skills and infrastructure can deliver thriving places for low carbon living and working.

The government's Heat in Buildings Strategy (HBS) estimates decarbonising our buildings will cost over £30bn. Add to this transport, EV charging infrastructure, green space and the public realm and it is clear the scale of investment requires new finance models to blend private investment with public funding. This 'blend' makes the most of private finance where a business case exists, and public funding is used to ensure vulnerable people and places don't get left behind.

The transformation programmes will support government commitments to creating '20-minute neighbourhoods' and reducing vehicle kilometers by 20% by 2030. In addition, we propose a new government aspiration to make every Scottish city vehicle emission free as far as possible by 2030⁵. These transformation programmes will drive changes beyond city boundaries, by influencing travel choices in and out of the city and supporting the market for low carbon and circular products and services.

This proposal goes beyond the Scottish Government's Green Growth Accelerator (GGA) initiative⁶ which will support six pathfinder projects initially. The GGA is welcome, but we are concerned it is not sufficiently ambitious or adequately resourced to support the scale and timescales for the large-scale, multi-sector, transformative projects which must be developed, built, and changing behaviours this decade. We understand the recent EU bid for technical assistance to local authorities in financing their net-zero plans was not successful, so it is critical that the Scottish Government matching funds of 7m € are used to support city transformation programmes.

⁵ Learning from experience in European cities which have already done this: Oslo (<https://www.fastcompany.com/90552168/this-is-what-a-zero-emissions-city-looks-like> , Amsterdam (<https://www.weforum.org/agenda/2021/04/zero-emission-deliveries-netherlands-cities/>)

⁶ <https://www.gov.scot/news/accelerating-green-growth/>



How it helps the climate and cut emissions

Through place-based thinking, the transformation programmes should deliver the following 'joined up' practical outcomes:

- Active travel networks and infrastructure
- Bus prioritisation and decarbonisation
- Heat networks and neighbourhood retrofit programmes
- EV, taxi and bus charging infrastructure
- Freight consolidation hubs for 'last mile deliveries' – reducing congestion in cities
- More green spaces.

Co-benefits and opportunities

- Supports the green recovery through creating and expanding jobs, businesses, developing local skills and markets for low carbon infrastructure including changing spaces to support circular economy – sharing, service-based business, repair.
- Supports the just transition by enabling equality of access to jobs and services.
- Increased productivity and connectivity (transport and digital).
- Makes Scottish cities attractive for inward investment and migration.
- Improves health and wellbeing through more green spaces, active travel, and clean air.
- Protects cities against impacts of climate change (extreme weather, flooding)
- Addresses inequalities by providing attractive and affordable public transport, warm homes, accessible greenspace, and safe places to walk and cycle.
- Engages people and communities in activities in their places.

Immediate implementation and laying foundations for the future

- Start work immediately with a minimum of four cities to develop business cases for 'whole community' transformations funded through a blend of public and private investment. Change needs to be driven by cities and government support needs to reflect that importance and opportunity.
- Work with local authorities to develop a new business model by 2022 for planning and rebuilding town and city centres fit for a post-Covid, green recovery world. Scottish cities will need to attract substantial private investment outwith the GGA model to deliver against 2030 climate goals. The biggest challenge continues to be building the teams with the right capacities and capabilities within the Scottish cities to build investible propositions with investors.
- Create a 'Net-zero Test' for all financing tools. Ensure that initiatives such as the Green Growth Accelerator, and others developed through Scottish National Investment Bank, have strict criteria and monitoring to ensure every business plan delivers significant climate emission reductions and supports adaptation to climate risks.
- Work in partnership with city local authorities, bus operators (and the national bus decarbonisation task force), taxi firms, car rental firms and delivery companies on the aspiration to make every Scottish city 'vehicle emission free' as far as possible by 2030 through financial support and advice.



What needs to be in the Scottish Budget

- Funding for feasibility studies and pump priming investment in a minimum of four cities.
- Funding to support city transformation teams in each city, building capacity and expertise.
- Funding to support central shared support in terms of developing new business model and evidence base and implementing in partnership with local authorities/city/regions.
- Funding and advice to support bus companies, taxi firms, car rental firms and delivery companies to transition to zero emission vehicles.
- Expand the Low Emission Zone support programme to make it more inclusive.
- Maintain zero interest loans for e-mobility.



2

Make greener non-domestic buildings to work, study & relax in

Why Scotland's climate emergency needs this

The government published its draft Heat in Buildings Strategy (HBS) in early 2021 which sets out ambitious goals for retrofitting Scotland's buildings stock. CERG welcomes many of the targets but has concerns about the timescales and policy detail for delivery.

In this report we focus on private non-domestic buildings because of the lack of progress in this sector. HBS states that, 'by 2030, we will need to convert an estimated 50,000 of Scotland's non-domestic properties to zero emissions sources of heat.' While over half of all non-domestic buildings are heated with low carbon sources, many of these properties are not energy efficient, and still require improvements to reduce their heat demand. This is important because it reduces the cost of/need for investments in electricity and heat infrastructure - on site and for the grid - and thereby saves money for businesses and the taxpayer.

How it helps the climate and cut emissions


There are approximately 220,000 non-domestic buildings in Scotland (including around 23,000 buildings in public ownership) which account for 6% of Scotland's total greenhouse gas emissions. The energy performance of non-domestic properties is poor - using a comparative approach to account for the diversity of buildings and their use, 38% are at EPC band E or worse, vs 17% with domestic properties⁷.

There is an urgent need for a full rethink of the assessment and regulatory regime for carbon reduction from non-domestic buildings. Scotland is in danger of being left behind other parts of the UK in terms of action in this sector: the UK government has developed proposals for actual energy consumption benchmarking for large buildings, and for mandatory minimum EPC standards for rented non-domestic buildings – small and large – in England and Wales. Action on buildings over 1000m² is an urgent priority because although they account for only 6% of buildings, they make up most of non-domestic building floor area and, probably, around half of energy use⁸.

For most businesses, the transition to zero emissions heating does not 'stack up' in terms of a business case. There are concerns due to disruption, and a lack of awareness of what the net-zero transition means for SMEs and what they need to do. In many cases non-domestic premises are leased to businesses, with neither the landlord nor the tenant incentivised to improve the energy performance of the property.

⁷ <https://www.gov.scot/publications/scotlands-non-domestic-energy-efficiency-baseline/documents/>

⁸ in England, over 1000m² buildings are 7% of the non-domestic stock and account for 53% of non-domestic energy use



Many building upgrades will be mixed use (e.g., shops on ground floor with flats above) and require the involvement of all property owners to be successful and more cost efficient – for example for whole building retrofits of wall insulation and heating systems. Heat networks usually need a non-domestic property to provide the anchor heat load for the scheme (e.g., hotel, leisure facility, hospital).

Co-benefits and opportunities

- Create and sustain jobs in the retrofit and low carbon technologies supply chain.
- Incorporating climate adaptation measures including ventilation into building upgrades will prevent issues relating to climate impacts such as flood damage or overheating.
- Energy use will be more affordable due to energy saving measures freeing up funds for businesses to invest and benefitting the wider economy.
- SME workplaces will be more attractive for customers and healthier for employees.
- Mixed tenure and mixed-use approaches to retrofit and heat decarbonisation will be more attractive for private investment by providing large scale, whole community projects.
- An increasing number of commercial properties are owned by investment bodies that are adopting their own net-zero targets, giving them a strong incentive to decarbonise their assets.
- As more businesses reduce their office space post-COVID, there are opportunities to upgrade energy performance as part of the refurbishment and repurposing of properties.

Immediate implementation and laying foundations for the future

Non-domestic building owners and tenants need firm policy signals now on what they need to do and by when to make their buildings zero emissions. This should include the following:

Road map:

- The road map should align with the government's commitment for a large majority of buildings to have a good level of energy efficiency by 2030 (EPC band C or equivalent) and zero emissions by 2045; and consistent with the HBS target for an estimated 50,000 non-domestic buildings to reach zero emissions from heat by 2030. It should also take into consideration actions to build future resilience to climate impact.
- Accelerate and support completion and implementation of Local Heat and Energy Efficiency Strategies so heat zones are identified and appropriate support targeted to building owners.

⁹ We understand Scottish Government is exploring different approaches to regulate non-domestic buildings.



Regulation:

- Introduce an effective regulatory system⁹ of minimum standards linked to EPCs using a comparative rating for small non-domestic buildings to be highly energy efficient by 2030 and zero emissions by 2045¹⁰. The standards should also clarify the commitment to phase out the need to install new or replacement fossil fuel boilers, in off gas from 2025 and in on gas areas from 2030.
- Transition from the current system of Display Energy Certificates and Section 63 Action Plans to a system of mandatory actual energy consumption benchmarking for all large non-domestic buildings, based on the proposals in BEIS's consultation document¹¹. The Scottish Government should work with BEIS to:
 - o Roll out the benchmarking system with the aim of rapidly making it available for all large non-domestic buildings across different sectors
 - o To drive zero emission heating, set the benchmark such that a building could not score above a certain rating unless its primary heating system is low carbon¹².
- Define planning requirements and building regulations for major refurbishments and new builds which stipulate a requirement for low-carbon heating from 2022.

Support and incentives

- Major engagement campaign with SMEs and commercial landlords in partnership with local authorities.
- Scale up advice and financial support (e.g., Energy Efficiency Business Support scheme) linked to a firm signal of forthcoming regulation in order to secure demand for the service. To make government investment go further, a long-term plan for grant support / cashbacks with a declining level of support over time would give market confidence. Extend the support and advice scheme to all commercial building owners, making links to ESOS¹³ reporting requirements.
- A non-domestic boiler scrappage scheme, initially targeting those with boilers at end of their lifespan and for those who cannot afford the upfront capital costs. This would allow quick, simple replacement of heating systems on a large scale driven by installers while the business support service could support more complex cases.
- Make opportunities for non-domestic rates relief through the Business Growth Accelerator relief contingent on raising the energy performance standard of the building when expanding or making improvements to the property.
- Promote and support energy efficiency retrofit at the time of repurposing / adapting business premises as businesses adjust to new working patterns post-COVID through planning guidance and incentives.

What needs to be in the Scottish Budget

- Triple the funding and scale of the Business Support Scheme and fund new support schemes – e.g., boiler scrappage, programme for commercial building landlords. Budget support should be commensurate with the estimated 50,000 to be upgraded by 2026 as per HBS.

¹⁰ This will require a change in the current EPC standard to use comparative ratings, 'with the development of a Scottish notional building specification that illustrates 'what good looks like' for Scottish non-domestic buildings in different sectors' as per the report: Scotland's non-domestic energy efficiency baseline, Scottish Government, 2018. Separate regulation for zero emissions is likely and dependent on the extent of devolved powers.

¹¹ Introducing a performance-based policy framework in large commercial and industrial buildings in England and Wales (publishing.service.gov.uk)

¹² Ibid p 54

¹³ Energy Savings Opportunity Scheme (ESOS)



3

Upskill the workforce to create Scotland's net-zero and climate-adapted future

Why Scotland's climate emergency needs this

The lack of skilled people is a threat to the fast deployment of emissions reduction solutions, such as installing energy efficiency and zero emission heating, renewable energy, sustainable agriculture, and nature-based solutions. There are also wider opportunities such as the growth of sustainable tourism, repair, reuse, recycling and remanufacturing, and local food enterprises.

There is an urgent need to increase the number and flexibility of work-based learning opportunities¹⁴ in the highest priority sectors identified within the Climate Emergency Skills Action Plan (CESAP) both for new and existing workers. CERG welcomes the recent announcement of the 10 year Just Transition Fund and NE Economic Recovery & Skills Fund. Investments across sectors and areas need to be at the scale commensurate with the size of the skills challenges we face today.

How it helps the climate and cut emissions

To meet the Scottish Government's ambitious climate change targets requires rapid reskilling and upskilling of the workforce and urgent action to tackle already existing labour shortages (e.g., construction). This requires:

- New apprenticeship standards and modules in priority sectors and greater flexibility in how these can be accessed.
- Incentives for industry recognised training.
- A clear pipeline of work guaranteed through policy certainty.
- Support for businesses to invest in the skills of their workforce.
- Public sector leadership in building training opportunities into contracts and programmes.

This investment will ensure the supply chain is in place to meet the rapidly accelerating demand for building retrofit, heat networks, EV charging infrastructure, public transport and active travel infrastructure, peatland restoration, reuse, and upcycling services etc.

Co-benefits and opportunities

- Investing in green apprenticeships, internships and other placements could ameliorate a new wave of youth unemployment by providing immediate paid opportunities for young people to gain the skills and experience they need for the jobs of the future.
- Meaningful work is a key contributor to positive social, mental, and physical health, enabling people to positively contribute to their communities, and is a key factor in reducing child poverty.

- Flexible and accessible opportunities for employees and people to reskill and upskill will support a just transition for workers by providing training opportunities to facilitate entry into low-carbon jobs.
- Diversity bursaries will help encourage diversity in apprenticeships and wide-reaching support to SMEs will help to drive a just transition.
- Incentivising investment in skills will help to drive innovation, new employment opportunities and the emergence of new sectors where Scotland can gain economic advantage and will help build a sustainable economy for the future.

Immediate implementation and laying foundations for the future Increase in the number, diversity & flexibility of low carbon work-based learning opportunities

- Set ambitious regional /national targets for the uptake of training and apprenticeships in low carbon sectors and build into Sectoral Just Transition Plans.
- Diversify the range and flexibility of accredited upskilling courses and fast-track pathways available through the Green Jobs Workforce Academy.
- Launch and fund new training opportunities through 1) the construction retrofit national training programme, 2) the green internship scheme and 3) the Just Transition Fund by end of 2021

Revisions to apprenticeship schemes to align them with skills for net-zero

- Develop new standards and modules across all types of apprenticeships that are relevant to the transition to net-zero, offer more flexibility in on-the-job learning, and include mandatory off-site learning time for climate literacy and other transferable skills.

Support and Incentivise Businesses and Employers:

- Diversity bursary to employers to increase take-up of work-based placements and green internships by underrepresented and historically marginalised groups.
- Long-term scale up of investment in outreach and support to SMEs to understand the opportunities associated with the transition to net-zero and how to invest in upskilling their workforce.
- Green Funding uplift and tax incentives for businesses to take on apprenticeships and interns on priority 'green' pathways.

Align skills into plans, programmes, and procurement

- Incorporate opportunities for work-based learning opportunities within public procurement and government contracts and climate relevant programmes¹⁴.
- An assessment of skills demand should be integrated into Regional Economic Planning, Regional Land Use Partnerships and all relevant sector-based plans and strategies¹⁶.

¹⁴Work-based learning opportunities include Foundation, Modern, and Graduate Apprenticeships; internships, CPD placements and flexible, modular upskilling courses.


¹⁵ e.g., Agricultural Transformation Programme; Peatland Action programme, City Transformation programmes.

¹⁶ For example, see the Warmer Homes Scotland programme, the UK Offshore Wind Sector Deal, and the Michelin Scotland Innovation Park Skills Academy.




What needs to be in the Scottish Budget

- 5-year commitment of funding to implement the CESAP including the next phase of the Green Jobs Workforce Academy (with clearly defined sectoral workstreams), Green Internship Scheme and National Construction Retrofit Programme
- Resource funding to develop new apprenticeship standards and modules, including additional skills alignment needs assessments where required.
- Tax incentives, grants, and other wage bursaries to encourage businesses and employers to host 'green' work-based placements and invest in upskilling their own workforce in skills for the future.



“To meet the Scottish Government’s ambitious climate change targets requires rapid reskilling and upskilling of the workforce.”





4

Mobilise public sector expenditure to address the climate emergency

Why Scotland's climate emergency needs this

The public sector spends £12.6bn pa on procurement (2018-2019¹⁷), including new infrastructure, buildings, vehicles, food, goods, and services. The 2019 Programme for Government committed to mobilise public procurement to support our climate emergency response. Since then, the government has established the Climate & Procurement Forum, and developed procurement guidance, training around climate and circular economy and new reporting requirements.

Targets on phasing out new petrol / diesel vehicles within the public sector and the forthcoming Net-zero Carbon Public Buildings Standard are good examples of the government setting a clear direction and requirement for zero carbon public sector purchasing.

However, the actual shifting of overall public sector spend to low or zero carbon products and services has been very slow and good practice policies such as whole life costing aren't routinely followed. Progress will be limited until there is:

- A standard requirement to prioritise carbon reduction within corporate business cases for programmes and projects. This will enable procurement teams to take innovative, outcome-based decisions, encourage greater collaboration with the supply chain; and
- Access to flexible, multi-year resources to cover any additional upfront costs of net zero procurement.

The Government's 'Call for Action' to public sector leaders (April 2021) clearly sets out the mandate and levers for change in procurement and this should be followed up to assess the extent to which public sector leaders are acting. CERG welcomes the recent commitment to greater conditionality within public sector grants, but would like to see timescales brought forward as fast as possible to incorporate net zero requirements.

How it helps the climate and cut emissions

Public sector greenhouse gas emissions have fallen by over 28% since 2015-2016¹⁸ (in part due to decarbonisation of the electricity grid), but 'step changes in emissions reductions are needed in coming years to meet ambitious targets' (SSN, 2021). In addition to cutting its own emissions, the public sector has a key role to play in creating economies of scale, leading new markets for climate-friendly goods and services and delivering against principles of a just transition (e.g., Fair Work conditions & strengthening local supply chains).

Practices such as whole life costing and outcome-based procurement (i.e., procurement of a functionality / service), alongside accounting tools such as internal carbon pricing can significantly influence business cases to deliver emissions reduction.

¹⁷ Annual report on procurement activity in Scotland (www.gov.scot)

¹⁸ SSN_AnalysisReport_2021.03.15.pdf (sustainablesotlandnetwork.org)



Co-benefits and opportunities

- Sustainable and circular procurement can build and strengthen local supply chains and markets in the long term to maximise wider societal and business benefits.
- Visible climate leadership by the public sector will play a critical role in encouraging businesses and individuals to act.
- Efficiencies and economies of scale through maximising collaborative approaches to innovative procurement and decarbonisation.
- Improved national labour standards through giving priority to suppliers who meet Fair Work conditions.


Immediate implementation and laying foundations for the future

- Mandate the incorporation of carbon and whole life costing into all public sector corporate investment and spending decisions by 2024. This should be supported by detailed corporate guidance, standardised methods, evidence, and case studies published throughout 2022 by the Procurement Directorate and Climate Policy Team.
- Explore the potential of standardised, internal carbon pricing (i.e., a theoretical or assumed cost per ton of carbon emissions) for public sector purchasing, drawing on lessons learned and experiences from the private sector and building on updated 'Green Book'¹⁹.
- Public and private sector bodies applying for government funds should be required to adhere to minimum conditions on alignment with net-zero targets (using a standardised method), support to local supply chains and Fair Work conditions from 2022. This could involve a government-sponsored accreditation scheme to verify SMEs' net-zero plans. Increasingly ambitious targets and standards should be built into the essential funding criteria and outcomes for publicly funded schemes and contracts.
- Make the Net-zero Public Sector Building Standard mandatory in a phased approach for all public sector new build and refurbishment projects by 2024, with a resourced plan to build capacity across the public sector to meet the standards²⁰.
- The forthcoming Circular Economy Bill should set clear targets and milestones for improving circular procurement. This should be accompanied by a circular economy network²¹ to build capacity and mandatory training for all public sector leaders and procurement staff.
- Enterprise support targeted at supply chain innovation and to help diversify businesses into providing the circular goods and services that the public sector requires.
- Publish shared guidance on how the public sector should define net-zero, and a clear methodology for determining Scope 3 emissions and rules for offsetting by end 2021. This will inform public sector route maps which should include sufficient levels of detail, milestones, and choice-editing. These will mandate budget holders and procurement staff to purchase low carbon and circular economy products and services.
- Strengthen accountability and feedback mechanisms to assess public sector progress against delivering their net-zero targets and plans, with potential role for Audit Scotland.




What needs to be in the Scottish Budget

- Resource, technical support, and advice for public bodies to meet their net-zero targets.
- Multi-year flexible, drawdown funds to support development and delivery of public sector net-zero plan including multi-year scale up of the Green Building Public Sector Estate Scheme.
- Investment in the public sector circular economy network.



“Visible climate leadership by the public sector will play a critical role in encouraging businesses and individuals to act.”



¹⁹ The Green Book (2020) - GOV.UK (www.gov.uk)

²⁰ Including embodied energy

²¹ drawing on lessons and training materials developed through the Scottish Government / EU funded ProCirc programme and circular economy programmes across Europe



5

Unite central and local Government to deliver on net-zero and create resilient places

Why Scotland's climate emergency needs this

The Climate Change Plan Update sets out the government's route map to net-zero by 2045. While many of the commitments are laudably ambitious, the detail on how these commitments will be achieved on the ground is often lacking. What is clear, however, is the central role local authorities must play in delivering the policies and programmes for net-zero and developing business cases for large scale transformation programmes which blend public and private investment.

In addition, local authorities need to consider how the transition to net-zero, and adapting for climate impacts, affects the delivery of their statutory obligations across the board. This is a 'value for money' issue, as the lack of action now will lead to higher costs in the future, particularly if it involves retrofitting or replacing expensive infrastructure.


Local authorities want to do the right thing but are hampered by competing priorities. The current approach of creating funding pots for sector specific outputs does not enable 'whole community' approaches and wastes precious resources with different departments competing for the same funding. Some local authorities are leading the way with delivery plans such as Climate Ready Clyde which provide a 'quick win' for collaborative action.

CERG is concerned that local authorities lack the resources – funding, expertise, skills – as well as powers and policies to fulfil their central role in meeting these expectations as well as deliver on their own net-zero ambitions. This places Scotland's ability to respond to the climate emergency at considerable risk. The years of austerity and the COVID-19 pandemic has made this situation worse – stretching local authority resources to the limit.

How it helps the climate and cut emissions

More than half of the emissions cuts needed to meet our targets depend on people and organisations using low carbon services and infrastructure – and these are decided at a local level. In addition, local authorities have the powers or influence over about 1/3 of the emissions in their local areas – for example public buildings, transport, schools, etc²². Local authorities have significant responsibilities for adapting to climate impacts – dealing with flooding, extreme weather events, and sea level rise.

²² Local authorities and the 6th Carbon Budget, UK CCC, December 2020



CERG believes that local authorities are often best-placed to design and deliver successful net-zero programmes which are tailored to their communities needs and desires. Local knowledge, engagement and credibility are essential to winning local support and involvement.

There are several policy areas where local authorities have a huge role to play: building retrofit, planning, procurement, city centre transformations, greenspace and nature-based solutions, local energy planning, compliance with building standards, public engagement, and more.

Without strong local authority involvement, we face delays, and at worst, locking in high carbon living and working, whilst leaving communities ill-prepared to deal with climate impacts.

Co-benefits and opportunities


Many net-zero policies are also good for the green recovery – creating local jobs, improving health, and reducing inequalities - for example, building retrofit programmes, active travel infrastructure, city centre transformations and green enterprise support.

When integrated with local economic strategies, net-zero interventions will boost community wealth building efforts, supporting resilient local supply chains.

Immediate implementation and laying foundations for the future

Scottish Government and local authorities should develop a joint net-zero delivery framework which agrees roles and necessary powers, policies, and funding to deliver Scotland's climate targets. This will be a collaborative partnership of equals, with clear outcomes, working towards a common goal of net-zero. The framework will also consider the role for regional partnerships, e.g. economic, adaptation. The framework should cover each sector, action by action as set out in the Climate Change Plan Update, related policies such as the National Planning Framework 4, and identify what is required for delivery.

Resourcing will need to be considered within existing fiscal constraints, as well as identify new models of revenue and finance (ref Recommendation 8: Credible financing models). It will also mean retraining and skilling up to 'do things differently', incorporating lessons in coordinated action and emergency thinking from the COVID-19 emergency response.



This framework should be negotiated and agreed within 12 months. In addition to funding – which is critical – the framework should deploy a range of mechanisms to support activity:

- Adopting collective approach to risk / de-risking projects
- Central/regional support, data, research, and expertise
- Finance rules – cost/benefit requirements to align with net-zero (ref Procurement recommendation)
- Technical expertise in developing business cases / blending public and private finance.
- Guidance and training
- Role of Audit Scotland in raising profile of climate emergency as a corporate priority.

What needs to be in the Scottish Budget

Immediate tranche of resource funding for local authorities to meet staff requirements for net-zero programmes; followed by commitment to make further resources available as agreed by the net-zero partnership negotiations.



6

Green Scotland's City Region and Growth Deals

Why Scotland's climate emergency needs this

Building on the current Scottish Government City Deals team 'active carbon management' partnership initiative with local authority and UK colleagues, Scotland's City Region and Growth deals can be amended to be compatible with Scotland's net-zero pathway, including climate adaptation, and do so in a way that supports a just transition. City region and growth deals represent a total of £4.8bn of public investment (plus private investment in partner initiatives) in infrastructure over the next 10 – 20 years throughout Scotland, with most of the spending yet to happen. While the deals have been agreed, the Scottish City Region and Growth Deal Delivery Board is responsible for 'required mitigations to manage issues, risks, or any slippage' – and we believe the climate emergency meets this test.

The projects funded through these deals – roads, bridges, public transport, innovation centres – will determine if Scotland is 'locked in' to high carbon travel and industry in the future, or if we are putting ourselves on track for net-zero.

The policy context has changed significantly since the first deal was agreed in 2014, and all three partners are committed to the net-zero transition and have statutory responsibilities to deliver on the pathway. It makes sense to reassess the deals considering the new climate change targets, the forthcoming National Planning Framework 4 which makes net-zero a core purpose, and the impacts of COVID-19. With Glasgow host to COP26 in November, the Scottish Government, local authorities, and UK can demonstrate global leadership in making sure every public pound is worked to create a climate-friendly future.

How it helps the climate and cut emissions

'Greened' projects will slash emissions and create markets for low carbon innovation and products. The investment will help deliver ambitious targets such as zero emission buildings and reduced car kilometres travelled. The review process should identify any projects which lock in high carbon infrastructure and behaviours and agree how they can be amended. Otherwise, we will soon regret these poor investments, and Scotland's reputation as a global leader on tackling climate change will be damaged.

The 'active carbon management' of the deals should provide an exemplar process and technical expertise for other parts of national and local government in determining capital spending plans and making planning decisions.



Co-benefits and opportunities

Investment in low carbon infrastructure and innovation will support the just transition by creating and maintaining jobs and businesses for the future, rather than jobs reliant on a fossil fuel economy.

Low carbon investments will also improve health through reduced pollution and supporting more green space and active travel in both urban and rural areas.

Immediate implementation and laying foundations for the future

The Scottish Government has initiated an 'active carbon management' process to review the City Region and Growth Deals in terms of their carbon impact and alignment with the net-zero pathway. This process will include guidance on the categorisation of impact/alignment which is expected to be published soon. This is welcomed and we recommend the following additions to ensure maximum impact:

- The guidance should include alignment with adaptation plans to ensure the choice and design of projects will help us adapt to climate impacts in the future.
- Alongside publication of the guidance, the Scottish Government, in partnership with local government and UK officials, should announce their intention to apply the guidance to each city region and growth deal and agree amendments to align projects with net-zero goals including modification of projects which lock in high carbon activities, amending any 'neutral' projects to be low carbon and adapting/ retrofitting existing infrastructure to be resilient to climate impacts.
- This initiative should include a firm deadline and milestones for interim outputs. We recommend the review process should be completed by March 2022 with decisions made by the three parties on the recommendations by the end of June 2022.
- Assessments and recommendations on individual city region and growth deals should be made publicly available as and when they are completed.
- The guidance should encourage the application of just transition principles, so in the planning and design of a project consideration is given to addressing inequalities and supporting local jobs (reskilling and training).
- The guidance should be used to inform a consistent approach across government to 'active carbon management' in the development of the Scottish Budget and its capital spending plans, the Infrastructure Investment Plan, STRP2, planning decision making (supporting the Place Principle and net-zero as a core purpose) and public procurement.

What needs to be in the Scottish Budget

- Spend is already agreed, however scope should be allowed for funding additional costs to make the project align with net-zero targets.
- Resource funding required to support the review process by Scottish Government and local government officials.



7

Make the climate emergency a guiding principle in all planning decisions

Why Scotland's climate emergency needs this

Planning is currently undergoing its biggest overhaul in a generation. One of the key documents is the National Planning Framework 4 which has been delayed due to COVID-19. It is expected to go through the scrutiny process with approval in late spring 2022.

As an interim measure, the Scottish Government published a NPF4 Position Statement (November 2020) which says that achieving net-zero will be a core purpose of planning and that “we cannot afford to compromise on climate change.” This statement should provide a powerful signal, but its impact is weakened by the lack of detailed policy proposals and delayed timeframe of NPF4.

There is a risk that ‘business as usual’ continues for the next 18 months rather than guiding decision makers (planning officials, elected members) to 1) start working now with developers to ensure their projects align with net-zero and resilience to climate impacts; and 2) identify means to accelerate the approval process, while maintaining accountability to local communities.

How it helps the climate and cut emissions

Planning and consent policy is critical to supporting the transition to net-zero – for example through encouraging developments for walking, cycling and use of public transport, ensuring readiness for installation of electric vehicle charging points, and a favourable planning regime for low-cost renewables, particularly onshore wind. It can also support resilience to the impacts of climate change by guiding investment in blue and green infrastructure.

Clear policy is critical to support decision makers and attract private investment:

- Planners and elected members want to ‘do the right thing’ but are not supported by strong, clear central policy on the weight net-zero should have in decisions.
- Planning policy sets important signals for developers - the presumption should be that permission will not be granted for developments which ‘lock in’ high carbon behaviours or developments that fail to incorporate adaptation to climate impacts in their design. This policy certainty will influence developers to support placemaking approaches and 20- minute neighbourhoods.
- Planning policy should set out a decision-making process which acknowledges the need to act quickly to respond at a pace that matches the climate emergency.



Co-benefits and opportunities

Clear planning policy which provides certainty for private investors and developers will create job and business opportunities across all sectors. Examples of the co-benefits in three areas are provided below:

- The growth of the renewables sector offers huge potential for jobs, manufacturing, and export opportunities. This will support the just transition for the oil and gas sector, which can provide many of the skills, sites and expertise required²³.
- The retrofit and decarbonisation of buildings will provide thousands of jobs distributed all over Scotland. Addressing the planning process will mean that more homeowners and tenants can benefit from warmer, low carbon homes, faster and at a lower cost. This will help address fuel poverty and its negative impacts on health and well-being.
- Planning can facilitate the repurposing of buildings in city centres as businesses and residents change the way buildings are used, addressing inequalities by providing much needed housing in cities.

Immediate implementation and laying foundations for the future

The Scottish Government should continue its work with the Scottish Parliament to ensure the NPF4 is approved as soon as possible. The NPF4 must set out clear policy, using language of 'should' and 'will' rather than 'may' to provide the clarity and certainty for developers, planners, and reporters.

In the interim, the Scottish Government should take steps to give the Planning Position Statement more weight and encourage decision makers to make addressing climate change a guiding principle across all planning decisions now. This would include:

- 1) Chief Planner letter to local authorities to emphasise importance of addressing the climate emergency in all planning decisions immediately, including Scottish Government intentions to call in major developments where climate impacts haven't been properly considered.
- 2) Work with the planning system (planners, councillors, public inquiry reporters) to develop the necessary capacity (including shared resourcing) to ensure a planning system fit for net-zero is established by 2022.
- 3) Prepare the ground to explicitly link the NPF4 to Scottish Government capital investment plans, starting with the draft Scottish Budget 2022/23, so planning informs infrastructure proposals.

In addition, CERG has identified three areas where the Scottish Government should act immediately. Some of these recommendations are for enabling targets and policies which will provide greater certainty for developers and decision makers.

²³ Report: Majority of offshore workforce in low carbon roles by 2030: The UK Offshore Energy Workforce Transferability Review, Robert Gordon University (May 2021). This report concluded that around 200,000 skilled people are expected to be required in the UK offshore energy industry to ensure delivery by 2030, compared to around 160,000 people currently employed by the sector in 2021.



1) Renewable Energy

- Within NPF4, special regard should be had to the net zero legal and policy commitment in the assessment of all applications for renewable energy development.
- Set ambitious 2030 renewable energy generation targets for Scotland, including for solar and onshore wind, as well as offshore wind, and indicative ambitions for 2045 under different scenarios. The UK CCC's 6th Carbon Budget's 'balanced pathway' includes almost doubling onshore wind capacity to 30GW and an 85GW target for solar²⁴.
- Onshore repowering – set out a presumption in favour of repowering and life extensions of existing projects supported by guidance on how it should be applied. This could be implemented via a short consultation as a quick win before the NPF4 is finalised.
- Taller turbines - ensure the need for larger, more efficient turbines is translated into local planning policy.
- Update the current spatial framework for onshore wind to continue to protect National Parks and National Scenic Areas, whilst allowing development outwith these areas where they are demonstrated to be acceptable on the basis of site specific assessments.
- Immediate review of energy consenting process (as per CCPu commitment) by Ministers to accelerate decision making timescales for renewable energy project.

2) City transformations and 20-minute neighbourhoods

- Embed the National Transport Strategy 2 and the Sustainable Travel and Investment hierarchies into the appraisal and assessment process for development proposals
- Direct planners to deploy mixed use zoning, vertical zoning, building re-use and flexibility in terms of change of use and lease agreements. Post-COVID-19 there are opportunities to rethink how we build resilient communities, reduce urban emissions and address inequalities.
- Rationalise and coordinate the various neighbourhood plans through a national to local framework and provide resource support to enable delivery of the 20-minute neighbourhood concept.
- Require installation of relevant underground infrastructure as part of new developments too future-proof for net-zero – e.g., EV charging, heat networks, trams, digital.

3) Building retrofit and review of permitted development orders

- Amend restrictions/extend permitted development rights on building retrofits, heat networks and low carbon heating technologies including in listed buildings, world heritage sites and conservation areas within 12 months.
- Introduce a planning requirement for electrified heating (direct or through heat pumps) to include provisions for energy storage.

What needs to be in the Scottish Budget

- No new capital funding is required for these proposals.
- Resource funding and capacity building within local government planning departments.

²⁴ Net zero power scenarios briefing, January 2021, Scottish Renewables



8

Solve real and specific financing challenges to secure private sector investment

Why Scotland's climate emergency needs this

The UK CCC estimates that an annualised resource cost of less than 1% of GDP is required to achieve UK's transition to net-zero by 2050, but to achieve this requires a 5-fold increase in capital investment level by 2030, and strong clear policy direction to minimise the costs of capital. By mobilising capital now, the CCC predict that over time the transition to net-zero will generate major financial savings in operating costs and will boost the economy through GDP, jobs, and disposable income (CCC, 2020)²⁵.

The short-term costs of the transition go well beyond the public purse and require a shift in how public funds are used towards seed funding and early-stage capital to de-risk projects, with the aim of leveraging in other types of finance. At present, the demand for high-quality private sector net-zero investment remains much greater than the supply. A lack of commercial scale projects and credible financial models to deliver these projects remain a barrier for delivery. There is a huge amount of innovation happening across the UK and beyond, across multiple sectors, to mobilise private capital and build new markets for climate action²⁶. Global private sector-led groups such as the Climate Finance Leaders Initiative, have used the incubator model outlined below and are looking to focus their members on delivering real outcomes in target countries.

The Scottish Government can respond to this interest through early focused engagement with the finance sector in resolving specific financing challenges and incorporating this as a key principle within the 10 year National Strategy for Economic Transformation. This builds on ongoing action by the Scottish Government to facilitate blended finance solutions and activate new revenue streams. Short-term, targeted incubators will accelerate the process of generating and testing innovative financing models and revenue streams.

How it helps the climate and cut emissions

Close and early engagement with the private sector in designing and testing financing solutions for net-zero challenges in Scotland will introduce new expertise and an 'investor's mindset' into the design of scalable financing models with stable revenue streams, leading to greater leverage of private sector finance, and a significant scale up of the investment in climate action whilst rebalancing the over-reliance on public finance.

²⁵ THE ROAD TO NET-ZERO FINANCE A report prepared by the Advisory Group on Finance for the UK's Climate Change Committee, December 2020.

²⁶ Ref the UK Clean Growth Fund, Scotland's Green Growth Accelerators, the work of the Green Finance Institute around energy efficiency, nature, decarbonisation of road transport, Scottish Forum on Natural Capital.




Co-benefits and opportunities

- Green Recovery – kickstarting the flow of public and private investment into programmes, will stimulate the economy, create jobs and income.
- Significant co-benefits will flow from fully funded programmes – e.g., fuel poverty through building retrofits, health through city transformations, biodiversity through nature-based programmes.
- Working with the private sector to de-risk investments into new technologies and new types of projects, helping lower costs and increase the bankability of projects – so that over time private capital will not need public support to back green projects.
- Secure, long-term investment against a pipeline of projects and programmes will build supply chains for long term job creation.
- If designed according to clear principles of just transition, investment in net-zero projects will ensure a fair distribution of costs and benefits across society.
- Strengthened capacity and capability of public and private sector staff and institutions to develop credible, bankable projects over the long term.


Immediate implementation and laying foundations for the future

- As part of the forthcoming National Strategy for Economic Transformation, the Government should mandate and resource a set of small, focused financing incubators with the private sector to solve real and specific financing challenges within a 12-month timeframe. The incubators should align with global standards and frameworks on transparency and accountability and identify financing mechanisms and models that can help transition certain assets from currently being ‘unbankable’ (i.e., requiring grant or subsidy funding) to becoming fully commercial and subsidy-free, whilst promoting local job creation, training, and a fair distribution of benefits to the community. Key sectors for these incubators could include adaptation and resilience, nature-based solutions, city and local infrastructure, energy efficiency and housing etc.
- The Scottish Government should source appropriate project pipelines to build investor confidence and so that the incubators’ work can ultimately lead to real economy examples.
- These incubators must be real economy-oriented and deliver specific outcomes notably the financing of real projects which can be used as demonstrators for future investors. Their work should include:
 - o Reviewing projects backed by government for investment and devising ways in which these projects can be made investible, through de-risking capital from government or through more innovative financing models.
 - o Providing feedback to government on how it can make assets or projects more bankable, how it can deploy public capital in a way that more effectively leverages private capital, or how policies or support mechanisms can be adapted to help investors support green projects.


- 
- o Agree to support pilot mechanisms to help private capital flow into new types of projects – helping set a precedent for investors, if these projects can be made bankable for the sector.
 - Membership should be kept small and relevant, only bringing in relevant parts of the capital stack to the sectors where they are needed most²⁷.

What needs to be in the Scottish Budget

- Funding to resource the incubators and to pilot the emerging financing models with private sector partners and local communities.
- Resource investment in additional capacity and capability within public sector bodies at national and local level to develop investible projects.



“Kickstarting the flow of public and private investment into programmes will stimulate the economy, create jobs and income.”



²⁷e.g., bringing in investment banks, asset managers and insurers for adaptation projects and retail banks for domestic energy efficiency measures



9

Incentivise climate and nature friendly farming now

Why Scotland's climate emergency needs this

Agriculture produces almost a quarter of Scotland's greenhouse gas emissions, yet agricultural emissions only fell on average 0.3% annually over the last 5 years²⁸. This is in the context of the CCC's recommendation that agricultural emissions across the UK need to reduce by 30% between 2019 and 2035²⁹.

Over £650 million a year is spent in Scotland on agricultural support – the majority of which is basic payments. Support payments tend to favour the most agriculturally productive and intensively managed areas and fail to address the climate and environmental impact of Scotland's farming practices. Farming can not only reduce its GHG emissions, but can deliver significant societal benefit through sequestering carbon, improving biodiversity and by helping to adapt to the impacts of climate change on soil health, agricultural productivity & natural carbon stores.

Manifesto commitments to introduce environmental conditionality are welcome, however the Scottish Government has not yet outlined the nature of this conditionality, the specific outcomes it will achieve, whether the 50% conditionality by 2024 manifesto commitment is an end point or part of a transition to something more ambitious, nor how regulations and advice will be aligned to support delivery. It is also unclear what financial support will be made available for system level changes and specific agri-environmental management for species and habitats.


How it helps the climate and cut emissions

CERG welcomes the recent announcements from Government towards a new policy and Agriculture Bill. To provide the certainty farmers need, this policy needs to clearly set out how the agricultural sector will be supported to transition over time to deliver benefits for climate and nature - through rural support payments which prioritise payment for public goods, a refocused and upscaled Farm Advisory Service, and updated regulations.

The Agricultural Transformation Programme should be expanded and evolved into a 5-year (2022-27) investment programme explicitly designed to cover the additional capital, R&D, advice, training, piloting, and monitoring required to deliver the transition to net-zero roadmap.

²⁸ Microsoft Word - FINAL Reaching net-zero in Scotland .docx (wwf.org.uk)

²⁹ Progress-in-reducing-emissions-2021-Report-to-Parliament.pdf (theccc.org.uk) page 118



As contracts for advisory provision are renewed, the Government must start to realign the Farm Advisory Service to support farmers to transition to nature and climate friendly farming practices that help to reduce GHG emissions, store carbon and adapt to climate impacts.

Co-benefits and opportunities

- Biodiversity, ecosystem health and restoration of healthy soils and ecosystems.
- Changes in land management practices to adapt to the impacts of climate change, increase natural carbon storage and sequestration.
- Climate-friendly innovations that deliver future feed / food security.
- Research indicates that marginal farmers will benefit more from a payment system based on public goods – protecting and enhancing rural jobs and income.
- Support a new generation of high nature value farmers, and farm-based enterprises (inc. value addition to agricultural produce, timber, and other diversification) and associated jobs through farm mapping and data analytics, carbon accounting, research, and innovation, and a diversified farm advisory service.
- Climate and nature premiums on Scottish food and drink, alongside the emergence of new rural enterprises around local food, agri-tourism, and energy.
- Skills for the future – early investment in upskilling the farm advisory service, CPD for farmers and innovation.



“There needs to be a communicated vision and a roadmap for rural support that clearly sets out how the agricultural sector will be supported to transition over time to deliver benefits for climate and nature.”





Immediate implementation and laying foundations for the future

The new policy and Agriculture Bill must set out a detailed transition roadmap that will initiate action immediately to transition from the current farm payment and support system to the new system by 2027.

This should include:

- Milestones and clear targets for emissions reduction (separating targets and monitoring of carbon dioxide, nitrous oxide, and methane).
- Mechanisms to support farmers to increase natural carbon storage and sequestration, and deliver biodiversity benefits (agroforestry, agroecology, peatland restoration).
- Strengthen the regulatory baseline to halt environmentally and climate damaging practices (example inappropriate fertiliser application).
- Broaden the membership of the Agriculture Reform Implementation Oversight Group to include wide representation from across Government departments to ensure policy coherence and cross-Government ownership.
- Propose an immediate phased introduction of mandatory green conditionality from 2022 which would escalate over time.
- Set a target for the completion of on-farm baselines by 2024 – from which farm-specific future mitigation, sequestration and biodiversity improvements are identified.
- Link into policy processes defining the future sustainability of the whole food system, the local food strategy, and the role of farmers in producing low carbon food.

An evolved Agricultural Transformation Programme should cover additional capital costs and capacity building needed to help farmers and land managers make the transition to low carbon, nature friendly farming. The Fund would be additional to existing agricultural payments and include ringfenced budgets for R&D and training as well as capital budgets to pilot new farming techniques and approaches. The Fund would include strengthened monitoring and evaluation to capture evidence of the efficacy of different interventions.

To realign its services to support the transition to net-zero, the scaled-up Farm Advisory Service must diversify its expertise and knowledge and ensure advice is accessible and accessed by all farmers and land managers using flexible, 1:1 and community-led approaches and aligned with regional, spatially relevant priorities determined through the Regional Land Use Partnerships.

What needs to be in the Scottish Budget 2022

- Evolution and expansion of the Agricultural Transformation Programme into a 5 year £100m / yr programme including £20m / yr for Farm Advisory Services.
- Operational budget for Regional Land use Partnerships to convene and effectively engage local land managers and farming communities in the RLUP process and invest in knowledge exchange and learning (budget figure to be drawn from lessons from 2021 pilots).



10 Drive adoption of sustainable, healthy climate-friendly diets

Why Scotland's climate emergency needs this

CERG welcomes the Scottish Government's commitment in the 2019 Programme for Government (reaffirmed in the Climate Change Plan Update) to "work with business, the public and the third sector to develop guidance so more people are encouraged to eat more locally-produced, sustainable and healthy food that supports our aims on climate change."

CERG believes we need a clear definition, criteria, and public guidance on climate-friendly, sustainable, and healthy diets within the next 12 months. The guidance is a necessary first step to inform how public food procurement can support Scotland's net-zero targets. Current Scottish Government plans to focus on local and organic food on their own will not be enough to meet our climate change targets. Nor will it address the confusion regarding what constitutes a climate-friendly, sustainable, and healthy diet. The recent nutritional guidelines for healthy eating in schools are welcome, though a missed opportunity to make the links with climate-friendly eating and local foods.

There is a growing public understanding of how diet choices impact on our environment and planet and a desire for guidance which would support individuals and organisations to make the right choices. Scotland's Climate Assembly³⁰ called for 'food carbon labelling', public information campaigns, and a requirement to 'procure plant-based and low carbon food for all public sector catering and canteens.

How it helps the climate and cut emissions


We understand the sensitivities around dietary advice. Nevertheless, it is critical to supporting Scotland's net-zero transition, delivering improved public health outcomes, and creating and sustaining long-term jobs in Scottish agriculture and food processing.

According to the National Food Strategy³¹, food emissions account for 19% of our climate emissions, and nearly 30% if imports are included. These emissions are falling slowly – with little change due to changes in eating or cleaner farming. The UK CCC calls for an increase in healthier diets with a 20% reduction in meat and dairy consumption by 2030 and a further 15% by 2050 as part of its balanced pathway to net-zero for the UK.

There are a range of diet issues and choices that are responsible for greenhouse gas emissions – including food wastage, food miles, balancing of protein sources and agricultural techniques. An emphasis on local food is important in terms of sustainability and local economies, and it helps reduce food miles and 'off-shoring' emissions for

³⁰ Recommendations for Action, Scotland's Climate Assembly, June 2021

³¹ <https://www.nationalfoodstrategy.org/the-report/>



products like red meat which is produced at a lower emissions intensity in Scotland than the global average. However, in most cases it does not actually deliver significant emissions reductions compared to an emphasis on increasing the proportion of plant-based food in diets.

The dietary guidance should form a key component of a holistic approach to food policy including the Local Food Strategy, which supports the net-zero transition. A framework Good Food national bill could help do this. This would include food waste reduction, affordability and most crucially match changes in consumption to production (to avoid just importing /exporting emissions). The UK CCC's 6th Carbon Budget assumes food waste is halved across the supply chain by 2030.

Co-benefits and opportunities

- Reducing obesity and improving diets would be supported by sustainable, climate-friendly dietary guidance.
- Promotion of the guidance with the public and through procurement opens new opportunities for jobs and businesses in local food production and processing.
- This initiative should be linked to efforts to ensure sustainable, climate-friendly foods are affordable, reducing health inequalities.

Immediate implementation and laying foundations for the future

This initiative should be taken forward in two steps over the next 12 months:

- 1) A short life working group should be established with the remit of establishing an evidence-based definition and criteria on what constitutes a sustainable, healthy, and climate-friendly diet and the implications for affordability and Scottish agriculture and food production. It should include experts on nutrition, climate impacts of food, agriculture, food supply chain, food waste, and health inequalities.

A good starting point for discussion would be the environmental and nutritional benefits of the Eat Well plate, the Food for Life standards (Soil Association), the Eat Lancet diet³² and international experience in Denmark³³, Brazil and France.

- 2) Develop and publish official guidance, based on the definition, including practical advice that is helpful to both individuals and organisations. The key aim of the guidance would be to inform public sector provision³⁴ (hospitals, schools, prisons etc), including a review of current regulations and nutritional guidelines to ensure they align with the new guidelines.

Implementation of the guidance through public procurement means safeguards can be put in place in terms of affordability and nutrition, and impacts can be measured. It will demonstrate public leadership and support the transition to healthy, sustainable, low carbon diets through 'choice editing' rather than placing all the responsibility on individuals.

³² Eat-Lancet Planetary health diet

³³ Danish Government climate friendly diet guidance

³⁴ This should be included in the refresh of the government's Catering for Change guidance now underway




The guidance should be published alongside a multi-year programme including:


- Public engagement to involve people and businesses in applying the guidance to their own diets, cooking, and food purchasing.
- Engagement with farmers and producers to provide products that are consistent with the guidance.
- Inform government plans for a marketing brand 'Sustainably Scottish' with low carbon criteria.

What needs to be in the Scottish Budget

- Resource and staff to support the short life working group and development of the guidance.
- Funding to support a public engagement campaign.
- Apply the Agricultural Transformation Programme to support training, advice and equipment for food production and processing consistent with the guidelines.



“We understand the sensitivities around dietary advice. Nevertheless, it is critical to supporting Scotland’s net-zero transition.”





11

Maximise natural solutions to mitigate and adapt to the climate emergency on land and at sea

Why Scotland's climate emergency needs this

Nature-based solutions – the sustainable management and restoration of Scotland's peatlands, native woodlands, soils, and marine ecosystems - have a big role to play in meeting Scotland's climate targets. Restoring these habitats can reduce emissions and increase carbon storage which is essential for counterbalancing residual emissions from other sectors. They also help us adapt to climate change impacts (e.g., nature-based flood management) and if designed well, will also improve biodiversity, water quality, and human well-being³⁵.

The Scottish Government is committed to deploying nature-based solutions at 'scale and in a sustainable and managed way'. It has made significant commitments to invest in woodland creation and peatland restoration but acknowledges peatland restoration has been slow to date.

Roll out should be rapid and integrated across land use, agriculture, and biodiversity policy.

How it helps the climate and cut emissions

Greater urgency in restoring peatlands - 80% (1million ha) of Scotland's peatlands are classified as degraded meaning that they are currently emitting carbon, rather than absorbing it, as healthy peatlands do. Increasing the rate of peatland restoration, preventing the further degradation of peatlands, and removing policy contradictions such as the ongoing extraction of peat will enable as much of Scotland's peatlands as possible to return to being a carbon sink.

Prioritising the expansion, restoration, and sustainable management of native woodlands - Wood and forests are carbon sinks, they stabilise and create healthy soils, and provide habitats for a wealth of biodiversity. To ensure that woodland creation also delivers for nature and helps adaptation to climate change across urban and rural areas, at least 50% of new woodland creation nationally should be native species and existing ancient woodlands should be better protected and restored.

Integration of blue carbon into marine and coastal planning - Marine ecosystems have higher capacity to hold carbon than terrestrial ecosystems, but the contribution of blue carbon to Scotland's climate change targets is not well understood, nor is how the unfavourable condition of Scotland's marine ecosystem affects its ability to act as a carbon sink. We need immediate action to reduce pressures on those habitats already identified as important carbon sinks and integration of blue carbon into decision-making and financing.

³⁵E.g., IPBES-IPCC Biodiversity and Climate Change workshop report. June 2021



Co-benefits and opportunities

- Supporting adaptation to climate change and strengthen ecological resilience.
- Nature-based jobs and enterprises – peatland restoration, woodland management, forestry, marine conservation, rural and coastal tourism.
- Income and enterprises through agroforestry and timber-based enterprises, new markets for bioresources (biochar) and compost from waste.
- Ecosystem services – i.e., reduced costs of drinking water treatment, natural flood management, whisky, and salmon industries.
- Protecting and restoring biodiversity – achieving Government targets.
- Public health and wellbeing through engagement with nature.
- Community engagement and placemaking.

Immediate implementation and laying foundations for the future

Commit to a ban on the extraction of peat for horticulture:

- Introduce legislation to end the extraction of peat for horticulture, and a ban on the sale and use of peat-based composts by 2023.
- Review all existing active, dormant, and lapsed permissions to assess their status, adherence to conditions and presence/quality of restoration plans.
- Produce and implement a transition plan for peat extraction companies and their staff, (e.g., potential for sphagnum farming and peat replacements).

Speed up the rate and increase ambition on peatland restoration:

- Use existing statutory powers to compel peatland restoration on publicly owned land, and on private land within and around designated nature sites.
- Embed requirements for peat restoration and management in conditionality for future farm payments.
- Increase the year-on-year ambition for annual rates of peatland expansion in line with targets proposed by the Climate Change Committee (67,000ha/yr across UK by 2025).
- Invest in skills, training, and work-based learning (e.g., through Peatland ACTION) to increase the number of qualified specialist peatland restoration contractors and advisors.
- More stringent monitoring and evaluation to ensure peatland restoration projects are achieving outcomes for climate and biodiversity.
- Commit to building a clear pipeline of investment-ready restoration projects to facilitate private sector finance.

Woodland expansion, restoration, and management:

- The Biodiversity Strategy should introduce a national target that 50% of new woodland creation should be native species.
- Introduce targets to expand and restore permanent native woodlands.
- Increase grants and incentives to deliver woodland targets in urban and agricultural areas.



Marine (Blue Carbon)

- Commit to immediate action to reduce pressures on those marine habitats already identified as important carbon sinks.
- Identify marine carbon hotspots and explore proposals and policy options to integrate protection and restoration of these hotspots into MPAs, Scotland's National and Regional Marine Plans and the Blue Economy Action Plan.

Create and test investable natural capital projects

- In partnership with the finance sector, NatureScot and expertise from across the Scottish Forum on Natural Capital, take forward initiatives such as the £1 Billion Challenge by identifying and testing viable investment projects and revenue models that act in the interests of local communities as well as investors, deliver a fair distribution of benefits and which prevent unintended consequences. Investment in demonstrator projects would evidence bankability and build national and local capacity.
- Acknowledging there will be a rapid increase in demand for voluntary offsetting to address residual emission from institutions committing to net-zero, Scotland should work to build a set of clear principles and conditions to inform the development of a credible, nature-based offsetting scheme that meets just transition principles and deliver investment in nature positive projects.

What needs to be in the Scottish Budget

- Investment in training and skills to rapidly scale up the number of skilled contractors and advisors over 3 years able to deliver peatland restoration.
- Funding for an assessment of blue carbon hotspots and the cumulative pressures on such areas as the first stage of a longer-term programme to restore the health of Scotland's marine environment for carbon, biodiversity, and productivity.
- £2m for a demonstrator programme e.g., Natural Capital Investment Readiness Facility.



12 Bring all citizens to the heart of decisions about how we respond to the climate emergency

Why Scotland's climate emergency needs this

The 2020's are identified as the 'defining decade' for climate action. The more rapidly action is taken, the lower the overall costs and the more likely that the transition will be just. The Climate Change Committee estimates that 60% of measures to achieve net-zero emissions will require some level of change in the way society operates (CCC, 2019) and this requires public buy-in.

To deliver on Scotland's climate commitments requires a shift from centralised policy making to local level planning and tailored action in cities, communities, homes, including changes in peoples' individual choices and behaviour. Open, informed public debate about climate change -which has started through the Climate Assembly and Net-zero campaign - now needs to build momentum and engage all citizens in shaping the future of their communities.


At the same time, strong political leadership remains crucial. Lessons from the COVID pandemic illustrate the power of strong and consistent cross-party political leadership unified around a common mission, with public information communicated by the First Minister through clear and regular updates.

How it helps the climate and cut emissions

Meaningful citizen engagement can help to build coordinated action on climate across public, private, and civil society. It can help to get social buy in and momentum to roll out locally relevant programmes at city, town, and community level.

Scotland's Climate Assembly generated a strong citizen call to action on climate change and generated 81 specific recommendations, to which the Scottish Government is required to respond. The process has demonstrated the benefits of creating space for people to debate 'politically difficult' solutions such as taxation and behaviour change.

A cross-Governmental, substantive public response by the end of 2021 is crucial to ensure deliberative processes maintain their public legitimacy. A series of national (online / TV debates) and local events to publicly debate and discuss the recommendations would extend public awareness of climate action and the associated benefits and opportunities for individuals and places.



CERG welcomes the aspirations set out in the Draft Net-zero Public Engagement Strategy and is calling for the investment of resources to ensure stakeholders (including citizens) can actively participate in shaping the future of their communities (with an immediate commitment to strengthen citizen engagement in Regional Land Use Partnerships, Local Food Strategies, Heat and Energy Efficiency Strategies, City Transformation Plans and debates about community renewal and place-making).

Local authorities are particularly well placed to facilitate further citizen dialogues but require resourcing and the flexibility to be able to act on the outcomes of the processes. Young people's involvement is essential - they have played a decisive role in demanding action on climate (but are frequently excluded from political processes).

Co-benefits and opportunities

- A planned and Just Transition.
- Positive engagement and revived local democracy.
- Improved community health and wellbeing.

Immediate implementation and laying foundations for the future

- Regular First Minister's briefings to the nation in the run up to COP26 and beyond, on the climate crisis and the Scottish Government's progress in driving action to net-zero, using well recognized, publicly meaningful metrics (jobs, investment, renewable energy production, zero-emissions heating, EVs, tree planting as well as emissions etc.).
- Publish a substantive and cross-Governmental response to the 81 specific recommendations in the Climate Assembly report.
- Follow up events (nationally - e.g., online / TV; and locally) to widely share the Citizen Assembly's 'Call to Action' and discuss the recommendations as part of efforts to bring more people into the discussion about Scotland's net-zero future.
- Dedicating resources for Regional Land Use Partnerships, Local Economic Partnerships and Local Authorities (and others) to convene, reach out and meaningfully engage citizens and communities in planning to facilitate the transition to net-zero.
- Review the powers and capacity of local authorities so they are able to truly respond to citizen processes (ref Recommendation 5).
- A commitment to continue to increase climate literacy and sustainability in formal education and opportunities for lifelong learning.

What needs to be in the Scottish Budget

- Resources for regional and local institutions to utilise deliberative approaches to engage communities and stakeholders in a meaningful way (as an alternative to consultation).
- Resources to invest in events to follow up the Climate Assembly / Just Transition Commission at local level.



Conclusion and next steps

We believe this is a bold package of actions for the climate emergency – they are genuinely transformative, support the green recovery and just transition, and meet the ‘need for speed’ in driving down emissions.

The science is clear – there is no time to waste. The latest UN IPCC Sixth Assessment Report sets the stage for COP 26 with a stark warning to decisionmakers with a simple headline “climate change is widespread, rapid and intensifying” but gives some hope that “strong and sustained reductions in emissions” would limit climate change.³⁶ With world leaders gathered on its doorstep – this is a time like no other for Scotland to show it is serious about delivering on its ambitious climate targets – just as it has been serious in tackling another emergency – the COVID-19 pandemic.

And the Scottish people are looking for this leadership – the Scottish Climate Assembly said, “If we fail to act now,” the Assembly warns, “we will fail our current and future generations, in Scotland and across the world.”³⁷

It is our hope that the Scottish Government will show by its commitments and actions that it is leading a concerted, intensive, and rapid effort immediately and over the next decade to tackle the climate crisis and build a fairer, net-zero Scotland.

³⁶ IPCC Working Group I report, Climate Change 2021: the Physical Science Basis, August 2021

³⁷ Scotland’s Climate Assembly, March 2021



Annex 1 - Expert interviewees

The CERG secretariat undertook interviews with the following experts, in addition to interviews with CERG steering group members. All experts participated on a personal, individual basis, and the sharing of their time should not be taken as any indication of their or their organisation's endorsement of this report.

Keesje Avis - Nourish Scotland
Aoife Behan – Soil Association Scotland
Eric Boinard – Scottish Engineering
Chris Brodie – Skills Development Scotland
Mary Christie – NatureScot
Fiona Craig – Zero Waste Scotland
Sarah Deeley – Soil Association Scotland
Aubrey Fawcett – SOLACE
Craig Hatton – SOLACE
Judi Kilgallon – Improvement Service
Ben Kinross – National Society of Apprentices (NUS)
Marissa Lippiatt – Skills Development Scotland
Ross Martin, ScotIncGrowth
Richard Mattison – SP Global / TruCost
Craig McLaren, Royal Town Planning Institute
Nigel Millar – Farming 1.5 degree
Barbara Morton – Sustainable Procurement Ltd
John Murray – Ricardo-AEA
Robert Nicol – COSLA
Emma Patterson Taylor - Scottish Agricultural Organisation Society
Douglas Peeble – Scottish Wildlife Trust
Gary Quigley - Audit Scotland
Martyn Raine – SNIPEF (Scottish and Northern Ireland Plumbing Employers' Federation)
Pete Ritchie – Nourish Scotland
Becky Shaw - NatureScot
George Tarvit – Sustainable Scotland Network
Joanna Teuton – Public Health Scotland
Sally Thompson – Audit Scotland
Yvonne Traynor - Public Health Scotland
Susie Townend – Scotland's Climate Assembly
John Uttley – NatureScot
David Weatherall

Annex 2: Alignment of 12 Immediate Actions to Just Transition Commission Recommendations.

CERG - Immediate Actions	Orderly managed transition that creates benefits and opportunities for people across Scotland						Equip people with the skills & education they need				
	Roadmaps	Public sector	Offshore wind	Fair Work	High emitting industry	Carbon Border tax	Agriculture	Accessible, flexible skills	Skills guarantee	Support SMEs	Farmers and land managers
1. Transform four cities	●	●									
2. Greener non-domestic buildings	●										
3. Upskill the workforce				●				●	●	●	●
4. Mobilise public sector expenditure		●		●							
5. Unite central & local government		●									
6. Clean up City Region & Growth Deals	●										
7. Planning	●		●								
8. Private sector support	●	●		●							
9. Climate & nature friendly farming	●						●				●
10. Sustainable, climate-friendly diets		●									
11. Natural solutions		●									
12. Citizen engagement					●						

CERG - Immediate Actions

CERG - Immediate Actions	Empower and invigorate our communities and strengthen local economies							Share the benefits of climate action widely					
	Local Governance Review	Green participatory budgeting	Engagement with RLUPs	Lessons from Climate Assembly	Empower & resource local authorities	Sustainable Scotland Brand	Create low carbon communities	Statutory public interest test	Fair distribution of costs & benefits (electricity)	Additional costs linked to ability to pay	Align public sector pensions & business support funding	New funding methods to mobilise finance	Beyond GDP & prioritise wellbeing

The organisations supporting the work and progress of the Climate Emergency Response Group are:

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& CO. LTD.

 **AES Solar**
Established 1979

 **ALEXANDER
DENNIS**

 **CHANGeworks**

 **2050**

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**energy
saving
trust**

Farming for **1.5°**
Independent inquiry
on farming and
climate change in
Scotland

**Green
Power**

ice
Scotland

Jacobs

 **The James
Hutton
Institute**

 **Keep Scotland
Beautiful**

 **LIVING
STREETS**
SCOTLAND

 **Loco,gen**

**NATIONAL SOCIETY
OF APPRENTICES**

 **Kensa Contracting**
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