

# The Scottish Climate Change Bill: why annual targets are needed



Friends of  
the Earth  
Scotland

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## 1. Introduction

Friends of the Earth Scotland welcomes the opportunity to comment, ahead of the Government subject debate on climate change on 28 May. In this briefing, we focus on annual targets, and why they are needed in the forthcoming Scottish Climate Change Bill.

## 2. Annual targets: the case against

Annual targets are rejected in the Scottish Government's consultation on a Climate Change Bill. This is on the supposed grounds that they increase costs by reducing flexibility, and reduce credibility because of the risk that targets will be breached as a result of uncontrollable events such as power plant outages or cold winters, and that data is not available promptly enough. However in our view the arguments against annual targets have been overstated, and the arguments in favour understated or ignored.

At first impressions last week's annual report on progress might seem to support those concerns, reporting an 8% increase in 2005-06 resulting from changes in the fuel mix of Scottish electricity generation. However, in our view this merely reinforces the case for annual targets or budgets. Such a year on year change should trigger action to understand and rectify the cause, and if appropriate, require Ministers to bring forward new policies timeously. Otherwise longer-term targets and even five-year budgets will be put at risk and the credibility of the policy framework will be lost.

## 3. Why annual targets or budgets enhance accountability

Specific annual targets or budgets are needed to deliver cumulative emissions cuts, and make it hard for Ministers to avoid tough decisions on large new emissions sources. Shorter periods make impacts of poor decisions obvious sooner, and easier to identify in advance appraisal, therefore driving investment decisions towards cleaner technology, and ensuring effective offsets are in place for any policy decisions that might increase emissions.

So, annual targets or budgets enhance accountability – especially within a Parliamentary term – and thus increase confidence in the credibility of Government action. They also dramatically reduce the risk of failure as a result of effort being delayed; and drive improvements in data gathering. Moreover much data is already available on a much shorter timescale than the 18 months cited for full national emissions reports. In addition, the impacts on flexibility are not severe, as the cumulative target for Scotland is smaller than that implied by a simple straight line reduction, so the Government should anyway be aiming to exceed 3% a year, especially in the early years of the process. Moreover the flexibility intrinsic in the process through international trading within the EU

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Emissions Trading Scheme (EUETS) is greater than the flexibility needed to deal with unplanned short-term increases in emissions.

#### **4. Greater emissions reductions needed in earlier years**

The 80% greenhouse gas reduction target by 2050 equates to year on year reductions of just over 3% across the basket of six greenhouse gases. Such a straight-line trajectory involves a smaller cumulative emissions budget than smaller reductions in early years, followed by more intense effort later. However, Scotland's cumulative emissions budget to 2050, calculated as a fair share of the maximum global emissions compatible with avoiding dangerous climate change, is smaller still than the area under a straight line reduction curve at 3% pa. Ideally greater effort should be made in early years. Thus 3% pa should be seen as the absolute minimum reduction needed to deliver our climate change objectives, and should form a 'baseline' or 'floor' to our annual effort.

Any delay in action to reduce emissions will mean Scotland eats into its cumulative CO<sub>2e</sub> budget<sup>1</sup>. At a UK level emissions since 2000 have already accounted for 25% of the UK's budget up to 2050. Research by the Tyndall Centre has suggested that the UK must make a 9% annual decarbonisation to stay within its emissions budget until 2050<sup>2</sup>. The earlier we start the easier it will be to meet the long term target, the longer we fail to cut emissions by at least 3% each year the greater the necessary annual cuts will become.

#### **4. Conclusion**

We remain convinced that the Scottish Climate Bill should commit to annual reductions of at least 3% rather than a multi year budget period for a number of reasons:

- i) The risk of inaction in early years and delays in making early progress in working towards the 80% cut.
- ii) With a Parliamentary cycle of under 4 years a multi year budget period risks avoiding accountability and simply shifting responsibility for any failure to make adequate progress into the subsequent Government.
- iii) If a 3% reduction in any one year is not reached the ability to make up this shortfall in the following years becomes more and more challenging – i.e. two years of delivering just 1.5% and 2.5% reductions will mean the third year is challenged to meet a 5% reduction. The budget approach presents a real risk that the challenge spirals out reach, in doing so undermining the long term confidence needed to deliver the Bill.
- iv) Annual reporting against targets allows for the quicker identification of ineffective policies and their prompt correction.

Finally we note that for the Government to water down its manifesto commitment of 3% per year annual targets has already begun to damage its broader credibility within Parliament, and with the public. *For all these reasons we urge the Government to adopt statutory annual targets or budgets for emissions reductions of at least 3% a year.*

#### **5. About Friends of the Earth Scotland**

Friends of the Earth Scotland is an independent member of the Friends of the Earth International network. We undertake research, advocacy and community development activities throughout Scotland in pursuit of environmental justice and sustainability.

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<sup>1</sup> Emissions are usually converted into carbon dioxide equivalent (CO<sub>2e</sub>) for ease of comparison. This takes into account the global warming potential (GWP) and volume of emissions.

<sup>2</sup> <http://tyndall.web.man.ac.uk/publications/LivingwithaCarbonBudget.pdf> This presents annual figures as decarbonisation after economic growth, rather than in absolute terms. It also fully accounts for international aviation and shipping emissions.