

**Programme for Government: A
Climate Emergency Response Plan
Friends of the Earth Scotland
August 2019**



In May 2019, the Cabinet Secretary for the Environment, Climate Change, and Land Reform, Roseanna Cunningham, told the Scottish Parliament that *“the Scottish Government will be placing climate change at the heart of everything that we do. I can confirm that it will be at the core of our next programme for government and spending review.”*

With this in mind, ahead of the 2019/20 Programme for Government, Friends of the Earth Scotland have pulled together 11 policy areas which should feature in the Programme for Government if the Scottish Government are serious about tackling the climate emergency.

The Programme for Government should include policies which:

- **Increase emissions reductions targets to achieve net zero by 2040, and reduce emissions by 86% by 2030**
- **Improve reporting on and set targets to reduce Scotland’s consumption emissions**
- **Replace the Government’s policy of maximising economic recovery of oil and gas with a commitment to managed phase out of extraction and a Just Transition for workers and communities**
- **Enact a legislative ban on onshore fracking and unconventional oil and gas extraction**
- **Create a publicly owned energy company which generates renewable power, and tackles fuel poverty**
- **Set an end date for fossil fuel heating**
- **Support a free, publicly-owned, cleaner, bus network in Scotland**
- **Improve access to justice in environmental matters, and commit to establishing a specialist environmental court or tribunal**
- **Put the climate emergency and just transition at the heart of the Scottish National Investment Bank**
- **Keep decommissioning and renewable jobs in Scotland**
- **Set targets and an Extended Producer Responsibility in the Circular Economy Bill**

Further detail on these policies are set out below - but if you want to discuss any of these further, contact Fergus Boden, Friends of the Earth Scotland Parliamentary Officer, on fboden@foe.scot.

**Increase emissions reductions targets to achieve net zero by 2040,
and reduce emissions by 86% by 2030**

The Programme for Government should increase the level of ambition in the Climate Change Bill, and set the necessary targets for reducing emissions to net zero by 2040, and by 86% by 2030.

Currently, the Climate Change (Emissions Reductions Targets) (Scotland) Bill sets targets of net zero by 2045 and 70% by 2030, based on advice from the Committee on Climate Change. However, last year's IPCC special report on Global Warming of 1.5°C¹ made clear that urgent action the next decade is crucial if we're going to have any chance of achieving the targets set out in the Paris Agreement.

The Climate Change Bill initially set a target to reduce emissions by 66% by 2030, a target which was only raised to 70% following updated advice from the UK Committee on Climate change. Recent scientific reports, like last year's Tyndall Report², highlight that to play our part in contributing towards the Paris Agreement targets, Scotland can, and must, aim to go much further than by 70% by 2030. The Tyndall Report reached this conclusion after looking at how Scotland can keep below 2°C of warming, making the advice, if anything, too conservative given the Scottish Government's aim to work towards the Paris agreement target of limiting warming to as close to 1.5°C.

While it has been argued that reaching 70% by 2030 is progress, this will be negated by the anticipated changes to the inventory in the future. As these changes are reflected in our 2030 targets, but not our 2020 targets, a target of 70% by 2030 actually requires little more effort than currently planned. From Extinction Rebellion to the Youth Strikes, the public have made clear this weak level of ambition is unacceptable in a climate crisis. The Government should reassess its targets in the Climate Change Bill, and look at setting stronger targets which drive the high level of reduction we need to see over the crucial next decade.

Improve reporting on, and set targets to reduce, Scotland's consumption emissions

To give a better reflection of our national emissions, the Programme for Government should commit to improve the alignment of reporting on consumption emissions and domestic emissions, setting targets accordingly.

Currently, Scotland's emissions reporting and reduction efforts are based on the emissions produced by activities in Scotland, known as domestic emissions. This covers things like transport, agriculture, and domestic energy production. These figures are used to calculate the emissions reduction targets set by the 2009 Climate Change Act, and get reported on annually, with Government statistics published in June and a statement made to the Scottish Parliament.

However, consumption emissions, the emissions associated with imports and the services we use which generate emissions overseas, are treated separately and not recorded in the figures presented to the Scottish Parliament for scrutiny.

Without closing this loophole, future Governments could, in theory, reduce our domestic emissions to meet targets, but do this by sending greenhouse gas-generating activities overseas with very little scrutiny, effectively outsourcing our emissions. This would leave Scotland doing

¹ <https://www.ipcc.ch/sr15/>

² <https://foe.scot/resource/scotlands-role-in-the-paris-agreement-tyndall-centre-report-may-2018/>

little to actually reduce our overall contribution to global climate emissions, and create new problems for those countries generating emissions on our behalf.

The Swedish Government is a good example of a country which is preparing targets related to reducing consumption emissions³. Reporting on domestic and consumption emissions together, and setting targets for the latter, would more accurately reflect our national emissions, and drive more meaningful changes to reduce our true climate impact.

Replace the Government's policy of maximising economic recovery of oil and gas with a commitment to managed phase out of extraction and a Just Transition for workers and communities

The Programme for Government should commit the Scottish Government to starting a formal consultation with trade unions and the UK Government to set a timescale for the managed phase out of oil and gas extraction, and develop and implement a Just Transition strategy for oil dependent regions and communities.

The Scottish Government should replace its preferred policy of maximising economic recovery with a position in support of a Just Transition away from fossil fuels.

Ensure that all financial support to the oil and gas industry is directed towards the Just Transition, rather than the continued expansion of fossil fuels.

The Scottish and UK Government's both have a position of maximising economic recovery (MER) from North Sea Oil - setting profit for big oil companies as the primary driver when deciding what we do with Scotland's fossil fuel reserves. However this is incompatible with our commitment to tackling the climate emergency. As our recent report 'Sea Change: Climate Emergency, Jobs and Managing the Phase out of UK Oil and Gas Extraction'⁴ highlights, MER would commit us to aiming to extract around 20 billion barrels of oil. However, even the 5.7 billion barrels of oil and gas in already operating fields will far exceed the UK's share in relation to the Paris Agreement climate goals.

Equally, MER is not in the best interest of those workers whose livelihoods currently depend on the fossil fuel industry - which the Paris Agreement has made clear has to end. Ultimately, the reality of the climate emergency means we face two choices:

1. **Deferred collapse:** continue pursuing maximum extraction by subsidising companies and encouraging them to shed workers, until worsening climate impacts force rapid action to cut emissions globally; the UK oil industry collapses, pushing many workers out of work in a short space of time. Or:
2. **Managed transition:** stop approving and licensing new oil and gas projects, begin a phase-out of extraction and a Just Transition for workers and communities,

³ <https://oxfamblogs.org/fp2p/trying-to-do-something-about-climate-inequality-in-sweden/>

⁴ <https://foe.scot/wp-content/uploads/2019/05/SeaChange-final-r3.pdf>

negotiated with trade unions and local leaders, and in line with climate change goals, while building quality jobs in clean energy economy. -

A Just Transition approach to North Sea Oil would focus on making a managed transition to a prosperous low-carbon economy in a way in which the costs and rewards are shared fairly, and employment levels and job quality are protected and enhanced. The Sea Change report estimates that, given the right policies and a managed transition, job creation in clean energy industries will exceed affected oil and gas jobs more than three-fold.

If we're serious about reducing emissions, decision making on North Sea Oil should be driven by a goal of achieving a Just Transition, moving away from fossil fuels in a way that protects and enhances the lives of workers and communities.

To achieve this, the Scottish and UK Governments should:

- End support for and **stop issuing licenses and permits for new oil and gas** exploration and development, and revoke undeveloped licenses.
- End support for and **rapidly phase out all subsidies for oil and gas** extraction, including tax breaks, and **redirect them to fund a Just Transition**;
- **Enable rapid building of the clean energy** industry through fiscal and policy support to at least the same extent they have provided to the oil industry, including inward investment in affected regions and communities;
- Building on the work of the Just Transition Commission, open formal consultations with trade unions to develop to **implement a Just Transition strategy** for oil-dependent regions and communities, and set a timescale for the managed phase out of oil and gas extraction.

Enact a legislative ban on onshore fracking and unconventional oil and gas extraction

The Programme for Government should seize the parliamentary support that currently exists and commit to passing legislation to ban fracking in Scotland.

The Scottish Government's policy commitment to not support fracking in Scotland has made welcome progress in stopping fracking in Scotland. However, the present 'indefinite moratorium' approach means that the commitment from current Ministers could be reversed by any future minority administration, with little or no Parliamentary scrutiny. A legislative approach on the other hand would only be reversible by the Scottish Parliament.

Legal advice obtained by Friends of the Earth Scotland concluded that the Scottish Parliament can pass a law to ban fracking, and that doing so would be a surer way to defeat any potential legal challenges from companies with an interest in fracking⁵. Effectively, this means the best way to prohibit fracking in Scotland, and safeguard the Scottish Government from challenges by corporate interests, is to put a ban into law.

⁵ <https://foe.scot/resource/legal-opinion-scotland-ban-fracking/>

Despite receiving 60,000 responses to previous consultations, earlier this year the Scottish Government announced further delays to making a final decision on their approach to banning fracking. The Scottish Government should end the current uncertainty and deliver on its commitment to ban fracking by supporting legislation to put the ban into law.

Create a publicly owned energy company which generates renewable power, and tackles fuel poverty

The Programme for Government should commit to the publicly-owned energy company generating its own renewable energy as soon as practicable.

The public-owned energy company (POEC) has huge potential to tackle big issues Scotland faces - leading the way for jobs in low-carbon energy generation and transmission, while tackling the high levels of fuel poverty, high energy prices and dissatisfaction with the big energy suppliers.

However, these will not be achieved if the Government takes the timid approach outlined in the EY study - creating a publicly-owned energy company which acts only as a shop front, buying energy produced by private companies and selling it on to consumers rather than generating renewable power.

To really tackle the endemic issues the POEC has potential to address, it must have a commitment to generate its own power from renewable sources from day one, including elements of shared ownership of renewable energy projects, and tackle energy efficiency and fuel poverty. This would boost Scotland's clean energy generation, and deliver a shake up of the energy market which has failed so many consumers to date.

Set an end date for fossil fuel heating

The Programme for Government should set a date for the phase out of fossil fuel heating in homes in Scotland.

In 2017, 'Residential' and 'Energy Supply' emissions each accounted for 14.9% of Scotland's overall greenhouse gas emissions - making them our joint fourth highest source of emissions. As we look to reduce emissions across all areas, heating our homes is an area where we have high levels of emissions, but also known solutions.

In this year's spring statement, the UK Government committed to phasing out gas heating in new homes by 2025⁶. This is a positive step to decarbonising the way we heat our homes and reducing emissions from energy production significantly, especially if complemented by an increase in home efficiency and greater uptake of cleaner heating methods.

The UK Government's proposal is a welcome first step, and one that Scotland should replicate, but to be tackle emissions from heating homes, the Scottish Government should look to go

⁶ <https://www.bbc.co.uk/news/science-environment-47559920>

further. There is scope to extend this to a phase out of like-for-like replacements of gas boilers and hobs in all homes, with an exemption for other more efficient gas-fired heating systems like district heating in the short term. A similar commitment should be made to help those who currently rely on oil or coal for heating to move to appropriate renewable energy solutions. Any measure on heating should be underpinned with a commitment to bring forward the target for every home reaching an EPC C efficiency rating by 2030.

Support a free, publicly-owned, cleaner, bus network in Scotland

The Programme for Government should commit to making bus travel in Scotland free for everyone, as well as including a financial support package aimed at assisting councils to set up or purchase existing bus services.

The Programme for Government should set stronger conditions for bus subsidies, to make bus operators take air quality seriously.

As set out in our recent Transport in a Net Zero Future briefing⁷, road transport is Scotland's biggest climate polluter. Greenhouse gas emissions from transport made up 37% of Scotland's total emissions in 2017, and emissions actually went up from 2016. Combined with the shocking health costs of air pollution, which is linked to the early deaths of 2,500 people a year in Scotland, there is a clear need for a change in our transport system. Currently, our system prioritises private car use - but going forward we need to see a shift in how people travel, including an increase in bus use.

Making bus travel free for everyone would reduce congestion costs to business, reduce climate and air pollution emissions, save money in the health service, and increase job opportunities for the low paid. All public transport in Luxembourg will be free from next year and there are a number of successful city-based free public transport systems around the world.

Public ownership of buses in the UK has been proven to deliver a high standard of public transport - with both Nottingham and Edinburgh councils, who run their own buses, having award-winning public transport systems. While there is currently a ban on Scottish councils outside Edinburgh running their own bus companies, this looks set to be reversed by the Transport (Scotland) Bill - which will allow all councils to run bus services.

Local authorities have already welcomed this new potential power, and councils in Aberdeen, Falkirk, and Glasgow are investigating the feasibility of buying bus companies in their area. However, legislation alone will not deliver change - throughout the passage of the Transport Bill, councils have flagged that the costs involved with starting an enterprise presented a barrier to setting up these services.

The Scottish Government already spends upwards of £300million per year on subsidising private bus companies through the concessionary travel fund, the Green Bus Fund, and the BEAR retrofit programme. Therefore, financial assistance to help councils launch their own bus services

⁷ <https://foe.scot/resource/transport-in-a-net-zero-future/>

will not only unlock the benefits of publicly-owned transport - but also ensure that future subsidies benefit councils, where they had previously only benefited private companies.

Regardless of ownership model, the Scottish Government needs to take a tough line with all bus companies in regard to air quality - particularly those who refuse the funding available to make buses cleaner, as was the case with the recent BEAR 2 fund, less than 20% of which was spent. The Government should set stronger conditions for these funds, up to and including stopping bus companies who refuse retrofit funding or are unwilling to clean up their fleet from being awarded any other subsidy or granted licenses to run on new routes.

Improve access to justice in environmental matters, and commit to establishing a specialist environmental court or tribunal

The Programme for Government should commit to reforming access to environmental justice, and set out measures to establish a specialist Environmental Court.

Access to justice is a vital part of any fair and civilised society, but the current legal system fails to provide access to justice that is compliant with our obligations under international law as enshrined in the UNECE Aarhus Convention, which upholds the right to a healthy and safe environment.

In the last few years, court fees have doubled, meaning complex environmental cases can cost an individual upwards of a 5 figure sum, and the Faculty of Advocates has warned that the Scottish Government's policy of full cost recovery in the courts may be illegal. Environmental cases, or at least those with a strong public interest angle, continue to be effectively barred from legal aid and there is no limit to the liability faced by those challenging major corporate interests in public interest cases. Equally, the 'loser pays' principle can leave individuals, communities, and NGOs who go to court in the public interest facing tens of thousands of pounds in liability. These create a significant barrier, meaning environmental justice is only accessible to who those who can afford it.

It remains prohibitively expensive for most NGOs, individual citizens, and communities, who ultimately have the right to go to court to defend the environment, to bring legal action in environmental cases.

There is a clear need to improve access to environmental justice. This must start with addressing how costs are attributed in public interest environmental cases, reforming legal aid to include public interest cases and cancelling court fees in public interest cases. There is also an overdue need, intensified by Brexit, for Scotland to have an Environmental Court, specialised in dealing with public interest cases. This should look at the substance of environmental cases, rather than just the process - as currently happens with judicial reviews.

Put the climate emergency and just transition at the heart of the Scottish National Investment Bank

The Programme for Government should commit to a legislative objective for the Bank to finance the transition to a zero-carbon economy, and commit to not financing anything that undermines delivery of climate change targets.

The Scottish National Investment Bank represents a welcome return of the public sector into Scotland's banking sector. The Bank has the potential to focus on investing in environmentally sustainable and ethical jobs, and set new standards for the provision of socially useful lending, employment practices and good corporate governance. This has been reflected across the Government's rhetoric and vision for the Bank, which positioned the Bank as a driver of the move to a low-carbon economy.⁸ This mission has become even more important given the increased recognition, and Government declaration, of a climate emergency.

Financing the transition to the low-carbon economy would make the Bank a key tool in the Just Transition. In particular the Bank could be a catalyst in the development of markets which will both create jobs and help deliver our emissions reductions targets, such as renewable energy, improving home efficiency, and sustainable transport.

However, the Bill as presented fails to deliver the Bank's potential, only including a fleeting reference to setting "investing in inclusive and sustainable economic growth" as an 'ancillary object' of the Bank. As well as being vague, with 'sustainable' meaning different things to different people in an economic context, this falls short of putting the transition to a low-carbon economy at the heart of the Bill. There is also nothing in the Bill to stop the Bank investing in initiatives that would increase Scotland's greenhouse gas emissions.

The Scottish Government must amend the Bill to include an explicit reference to the zero-carbon transition, and commit the bank to tackling the big challenges for this transition. Without putting these into legislation, there is a risk that the Bank's work on climate change could be deprioritised in the future, undermining the huge potential of its long-term, patient nature.

As an illustration, our preferred wording in the Bill would be "*To promote economic development which delivers a just transition to meet Scotland's climate change emissions reduction targets and improve social inclusion.*"

To further support a just transition to a zero-carbon economy, the Scottish Government should commit to reviewing the Economic Strategy, putting Climate Emergency and the Just Transition at its heart.

Keep decommissioning and renewable energy jobs in Scotland

8

https://consult.gov.scot/economic-policy-unit/scottish-national-investment-bank-1/user_uploads/251308_sct0818434918-001_snib_p4--002-.pdf

The Programme for Government should set out how the Scottish Government will ensure that as many jobs in new green industries as possible are created in Scotland, rather than ending up elsewhere.

The Just Transition to a low-carbon economy has huge potential to deliver new, green jobs for Scotland - from developing renewable energy infrastructure, to decommissioning North Sea oil infrastructure. The number and variety of these jobs will increase rapidly as we ramp up efforts to reduce our emissions and tackle climate change - and it is crucial that the benefits of this work stay in Scotland as much as possible.

However, EDF's recent decision to make offshore wind turbine steelwork overseas rather than at Fife's BiFab yards illustrates the urgent need to put frameworks in place to keep these jobs in Scotland. The case of BiFab illustrates that measures taken by the Scottish Government to support the yard have been insufficient - and a much more strategic, interventionist approach is required, both at the Scottish and UK level.

The Scottish Government should work with business and unions to develop sectoral agreements, embedded in any industrial strategy, which upskill and redeploy workers. Lessons should be learned from BiFab, and future contracts and licenses for renewable generation and decommissioning must include a high minimum share of work for local suppliers. The public purse will likely pay for half of the total cost of decommissioning, to the tune of £25bn or so, so the least the public can expect is that this money is spent in the UK and creates new facilities and jobs here.

Set targets and an Extended Producer Responsibility in the Circular Economy Bill

The Programme for Government should set out how the Circular Economy Bill will introduce Extended Producer Responsibility, and set targets for reducing absolute consumption of resources, and for re-use.

The transition to a more circular economy, with resources reused in a closed loop rather than the current single-use approach, can have numerous advantages for Scotland, including greater resource efficiency, lower material footprints, and security of supply of rare or expensive resources. A circular economy will require changes at all stages from design onwards, through retail consumption and repair/reuse to recycling and waste systems.

To ensure the Bill creates a sustained push towards a circular economy, it should follow the lead of the Climate Change Bill, setting targets on reducing resource consumption and increasing the amount of resource we reuse, underpinned by plans and public sector duties to support the delivery of targets. This would follow the example of countries like the

Netherlands⁹, which has set a target of a 50% reduction in the use of primary raw materials by 2030, and a goal of a fully circular economy by 2050.

Legislative targets will give this issue the long-term focus and consistency required to move to a circular economy.

While some of the necessary changes can best be achieved through bans or charges, a key approach to systemic transformation is Extended Producer Responsibility (EPR), where producers or vendors of products are made responsible for all of the environmental costs throughout their products' life cycles - including the end of a product's life. While a simple principle, a range of different arrangements for its application need to be set up for different types of commodity, and all industrial sectors should be expected to put in place EPR schemes. In parallel, greater investment in recycling of all materials is needed, including creating more reprocessing capacity in Scotland.

**For more information, contact:
Fergus Boden, Parliamentary Officer
0131 243 2721 | fboden@foe.scot**

⁹ 'A Circular Economy in the Netherlands by 2050'
https://www.government.nl/binaries/government/documents/policy-notes/2016/09/14/a-circular-economy-in-the-netherlands-by-2050/17037+Cirulaire+Economie_EN.PDF