

From: R.A. Porrer, Chair, RSA Scotland
Address: 14 Queen's Crescent, Edinburgh EH9 2AZ
Tel: 0131 620 0338
Email: porrer@blueyonder.co.uk

RSA

Encouraging enterprise
Moving towards a zero-waste society
Fostering resilient communities
Developing a capable population
Advancing global citizenship

20 April 2008

The Scottish Government
Climate Change Consultation
1-G North, Victoria Quay
Edinburgh EH6 6QQ

(by email to: scottishclimatechangebill@scotland.gsi.gov.uk)

Dear Sir/Madam,

Consultation on the Scottish Climate Change Bill - Response from the Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA)

I am submitting this response to the Scottish Climate Change Bill Consultation on behalf of the Scottish Committee of the RSA. Since the response form on the web does not permit general comments or full details of the responding organisation, I should be grateful if you would ensure that this covering statement is made available with the responses to the specific questions.

Since its inception in 1754 the RSA has encouraged the development of a principled and prosperous society, working to remove the barriers to social progress and encouraging innovation and social change. The RSA is supported by more than 27,000 Fellows (of which some 1,250 are resident in Scotland) who represent a very wide range of professional fields across the public, private and voluntary sectors. The Society's activities fall under five manifesto challenges:

- encouraging enterprise
- moving towards a zero waste society
- developing a capable population
- fostering resilient communities
- advancing global citizenship

The RSA currently has a major project, *CarbonLimited*, which is exploring personal carbon trading through a web-based system which enables individuals to calculate their carbon footprint and acts as a focus for discussion of ways of reducing carbon use and impact on climate. The project is looking at ways of creating groups that could trade personal carbon allowances.

The RSA, incorporated by Royal Charter, is registered as a charity in both England and Wales (no 212424) and in Scotland (no. SC037784)

This submission is made following a meeting of interested and relevant Fellows of the RSA based in Scotland and is issued on the authority of the Scottish Committee of the RSA by permission of the Board of Trustees of the RSA.

GENERAL COMMENTS

In reviewing the Consultation Paper we recognise that all concerned will need to take account of continued monitoring of climate change and the development of scientific

The Royal Society for the
encouragement of Arts,
Manufactures & Commerce
Founded in 1754
Registered as a charity in
England and Wales no.212424

knowledge which can both help our understanding of it and, through research, find innovative technological, managerial and cultural ways of reducing our impact on it.

We welcome the intent of the Scottish Climate Change Bill but would have liked the Consultation Paper to emphasise the inevitability of climate change - even if this can be mitigated to some degree by our actions - and the need for us all to learn to live with the consequences of it. We would also have liked to see a greater emphasis on the practical means by which Society can contribute to the slowing up of climate change through energy conservation, carbon sequestration, energy transition programmes leading to the phasing out of fossil fuels and their substitution by feasible and tested alternatives. We also believe that the importance of agriculture and forestry in tackling climate change must be considered more seriously, and that a more integrated approach across all areas of Government is required. We can learn from the experience of other countries and use their successes (and failures) to inform the development of the strategy for Scotland.

Effective targeting of available Scottish resources - public and private - will be needed and each suggested action should be carefully costed and its potential impact assessed - but without causing undue delay. We need to focus on **net emissions** if we are to truly understand the impact of Scotland's activities on climate change.

The Consultation Paper identifies clearly the need for appropriate measures of progress; it is vital that from these are derived benchmarks as the base for enforceable targets across all areas of Scottish society covering the public and private sectors. The role of individual citizens should also be addressed so that individuals gain a better understanding of their personal impact and are also better prepared to accept some fundamental changes, e.g., in the cost of different forms of transport, that will affect their lives.

Politicians (of all parties) need to confront the real issues surrounding climate change and consider policy and practice across all areas of government. They will have to take some difficult and potentially unpopular decisions and deal with the sometimes conflicting demands of economic growth and the reduction of carbon and other "greenhouse" gases. This will impact particularly on policy on energy supply, aviation and shipping.

We hope that the Scottish Climate Change Bill will be a significant step towards a new approach to policy and practice across Scotland.

Yours faithfully,

R.A Porrer
Chair, RSA Scottish Committee

Royal Society for the encouragement of Arts, Manufactures & Commerce
Charity Registered in England & Wales (No.212424) and in Scotland (No.SC037784)

www.theRSA.org/Scotland

RESPONDENT INFORMATION FORM

CONSULTATION ON PROPOSALS FOR A SCOTTISH CLIMATE CHANGE BILL

Please complete the details below and return it with your response. This will help ensure we handle your response appropriately. Thank you for your help.

Name: RSA Scottish Committee (Royal Society for the encouragement of Arts, Manufactures & Commerce) - Contact R.A. Porrer, Chair of Committee

Postal Address: 14 Queen's Crescent, Edinburgh EH9 2AZ

(Email: porrer@blueyonder.co.uk; Tel: 0131 620 0338)

1. Are you responding (please tick one box)
- (a) as an individual go to Q2a/b and then Q4
- (b) **on behalf** of an organisation go to Q3 and then Q4

INDIVIDUALS

2a Do you agree to your response being made available to the public (in Scottish Government library and/pr on the Scottish Government website)?

- Yes (go to 2b below)
- No, not at all We will treat your response as confidential

2b **Where confidentiality is not requested**, we will make your response available to the public on the following basis (**please tick one** of the following boxes)

- Yes, make my response, name and address all available
- Yes, make my response available, but not my name or address
- Yes, make my response and name available, but not my address

ON BEHALF OF GROUPS OR ORGANISATIONS

3 The Name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government website). Are you also content for your response to be made available?

- Yes
- No We will treat your response as confidential

SHARING RESPONSES/FUTURE ENGAGEMENT

4 We will share your responses internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for the Scottish Government to contact you again in the future in relation to this consultation process?

- Yes
- No

RESPONSES TO SPECIFIC QUESTIONS

TARGETS

1. **Should a Scottish target be based on carbon dioxide only or the basket of six greenhouse gases?**

The Scottish target should be based on the basket of six greenhouse gases. While CO₂ is the most significant of these gases and must be prioritised as such, others are more “aggressive” in their impact on climate change on a per unit basis. Scotland therefore needs to be aware of reductions being made in all six gases; action on CO₂ alone would be insufficient if emissions in the other five rise.

Concerns about lack of reliability of data is insufficient a reason for exclusion from the target.

2. **Should the Bill contain provisions to alter which gases are included, for example if the reliability of data for a particular gas improves or if science changes in the future about which gases cause climate change?**

Notwithstanding the answer given to Q1 above, yes, we agree that the Bill should contain such provisions to permit flexibility as scientific knowledge develops.

3. **The Scottish Government wishes to ensure that the Bill gives sufficient incentives to invest in energy efficiency and renewable energy. Should the targets be based on source emissions; on end-user inventory; or on individual targets for energy efficiency and renewable electricity? Do you have any other suggestions?**

Targets need to be based on source emissions. It is source emissions that are the total emissions for which Scotland is directly responsible. However, data should also be collected on emissions based on an end-user inventory as this will demonstrate the “balance of trade” between emissions released in Scotland and emissions due to Scottish activity.

Targets for energy efficiency and renewable electricity need to be developed but these should be separate (though linked) to the targets for reduction of climate change gases.

4. **Do you agree that the Bill should allow the means of measuring the target to be changed through secondary legislation to reflect international developments or unforeseen consequences of the Bill?**

Yes. This is necessary to take account of developing scientific knowledge on climate change.

5. Should the emissions reduction target take account of the abatement effort made by companies under emissions trading schemes? If so, how?

We have no view as to how to account for abatement made by companies under the emissions trading scheme. However, it is clear that emissions trading schemes are fraught with problems, are liable to abuse, transfer of responsibility and can provide a false sense of security.

We also note that the consultation states (section 5.49 – 5.52) that aviation and shipping will be excluded from the target but managed through the EU Emissions Trading Scheme. We think that this is the wrong approach. While we agree that the EUETS is the right means to encourage emissions reduction in these sectors, it does not make sense to exclude them from the target. The proposed target includes items which the Scottish Government has no direct control over (e.g. items that are covered by reserved policy) and also items that would be included in the EU ETS (e.g., power stations).

While there are complications regarding how to accurately apportion emissions from international transport, without their inclusion in the target there is a real risk that reporting on the target will be misleading, and may mask the fact that despite action in reducing other emissions, emissions from aviation and shipping may in fact still be rising.

We would urge that the Scottish Government supports the inclusion of aviation and shipping in the EUETS, but also includes emissions from these two sources within the Scottish target. When these sectors begin to be traded in the EUETS, the Scottish Government can then adopt the approach to monitoring and reporting of these emissions in the same way it decides to take account of other emissions managed in the EUETS.

6. Do you agree that international credits should be counted towards Scottish targets? Should there be limits on credits counted towards Scottish targets?

We agree. However, it is essential that there should be a cap placed on the level of emissions so that the primary means of delivering the reduction is through changes that take place within Scotland (i.e. in behaviour change, infrastructure change and changes in generation).

We understand that the UK Climate Change Bill proposes setting a limit of 30% on the level of emission reduction that can be counted through international credits. We would see that this figure is too high and would recommend a figure lower than this amount.

7. Should the Bill allow the level of the 2050 target to be changed through secondary legislation? If so, should this only be allowed on the basis of independent, expert advice, to reflect international

developments or unforeseen consequences of the Bill? Should any changes to the target be limited to an increase in the target?

Yes, but only on the advice of the Climate Change Committee (CCC), or successor body. Any changes made should not be limited to increases in the target but should be based on the emerging science of the IPCC, as considered and applied by the CCC. While emerging science suggests that action may be needed at a more rapid timescale than the 2050 timescale envisaged in this consultation, it may be that the predictions change, and Scotland needs to be prepared to follow these, whether they suggest action should be increased or reduced.

SUPPORTING FRAMEWORK

8. What factors should be taken into account when setting the level of budgets?

The budgets will need to take account of all the factors mentioned but in particular be aware of issues of population growth and economic growth, as these factors will change the level of emission reductions required to achieve the required reduction to 80% of 1990 levels.

9. How long should interim budget periods be?

We would recommend setting a five year period for budgets. This would bring Scottish reporting in line with UK reporting periods. Administratively this would be easier to deliver. We also note the delay of 18 months in gaining data for emissions reductions from the greenhouse gas inventory, which to us suggests that a longer period will be a more reliable period for monitoring and reporting on.

Again because of the 18 month time delay we are not persuaded that the reporting period needs to be four years (which would fit a parliamentary term), to deliver parliamentary responsibility. Having a four year term would create an immediate problem of when in the four year term to report, and any criticism of underperformance could easily be deflected through reference to the 18 month gap in data. By contrast a five year reporting period would occur at varying periods throughout each four year term, and only one in four parliaments would not receive a five year budget. Even when this occurs annual reporting on progress will ensure a level of parliamentary scrutiny.

On the topic of budgets, we would like to draw to attention the existing work of the RSA on personal carbon trading. In a three year project, the RSA is exploring the idea for personal carbon trading. Carbon*Limited* is bringing together expertise from the commercial, social and financial sectors to subject ideas about personal carbon trading to rigorous analysis. The project has so far been investigating how a personal carbon trading scheme might function, as well as

analysing its potential social and economic impacts. Further information is available on the website at www.rsacarbonlimited.org

The RSA would be interested in working with the Scottish Government to apply the lessons of this work to policy development in Scotland and would welcome a meeting with Government to outline the findings to date.

10. How many years in advance should emissions budget periods be set in order to provide sufficient time to develop infrastructure?

The Scottish Government should set indicative emissions budgets for at least two budget periods in advance to provide sufficient long term signals to wider government and business about the required action. These indicative budgets can be revised in the light of progress to date and up to date information about other mitigating factors.

11. What should be the limit (in terms of absolute quantity or as a percentage of the budget period) on the amount of emissions which the Government can borrow from a following budget period?

The UK Bill proposes a 1% limit on the level of borrowing allowed from the following budget period. We would support this level which is small enough to not jeopardise the need to deliver significant reductions across the relevant budgetary period.

12. Should the Bill include an interim point target? If so, what year (or years) should it be for (2020, 2025, 2030 etc)? How should the level be chosen?

An interim point target will be a critically important element of delivery of the 2050 target. We would recommend an interim target of sooner rather than later to ensure urgency of action is maintained so would recommend setting a 2020 interim target.

The CCC should be tasked with providing advice on what level be chosen, and should also advise (around 2020) on whether further interim targets are needed (e.g., 2030, 2035, 2040).

REPORTING SCRUTINY AND FRAMEWORK

13. Should the Scottish Ministers be required to report on any other issues related to climate change in addition to the requirements already set out. If so, what and how often?

Yes; an annual review of issues related to climate change is essential. The reporting needs to focus on delivery against the primary target. However, it will also be important to report on the following:

- (a) overall carbon footprint for Scotland to provide information about Scotland's "carbon balance of trade";
- (b) gross and net emissions, to give information about what proportion of change is due to land use change (e.g., greater lock up of carbon in land); emission reductions delivered through Scottish participants in the EUETS (vs. emissions traded but not reduced within Scotland).

It is essential that a measure of Scotland's **indirect** emissions is included in regular reporting (i.e., emissions arising directly from the consumption in Scotland of goods and services produced outwith Scotland). This will check whether progress is being made by simply exporting carbon intensive activities.

14. Is a process of Parliamentary scrutiny the appropriate way of holding the Scottish Government to account if targets or budgets are not met?

Yes. If delivery is to be effective the Parliament needs to be aware of action and fundamentally, understand the importance of this action. Effective scrutiny will also better ensure action is continued across Parliaments and from Government to Government.

15. What should be the primary source of advice to the Scottish Government for setting emissions targets or budgets and why? Options include: the proposed UK Committee on Climate Change, a new Scottish Committee on Climate Change, an existing public body in Scotland, or the Scottish Government itself.

The primary source of advice should be the CCC or successor body. However, the Scottish Government should also look to use the expertise and views of existing bodies on climate change mitigation and adaptation, perhaps through a Scottish Climate Change Committee with a broad remit to review the implications for Scotland.

In particular we see that bodies such as the RSA and wider civil society will play a key role in supporting delivery, providing advice, developing partnerships and ensuring scrutiny (with a small "s").

16. If it is an existing Scottish public body, which public body is most suited to carrying out this task and why?

See answer to 15

17. Which organisation should be tasked with monitoring the progress of the Scottish Government on reducing emissions and why? Options include: the proposed UK Committee on Climate Change, a new Scottish Committee on Climate Change, an existing public body in Scotland, or the Scottish Government itself.

See answer to 15

- 18. If it is an existing Scottish public body, which public body is most suited to carrying out this task and why?**

See answer to 15

- 19. Should additional independent mechanisms for scrutinising the effectiveness of the Scottish Government's policies in reducing emissions be created by the Bill (in addition to the robust scrutiny already provided by the Scottish Parliament)?**

No; we believe that existing mechanisms provide sufficient scope for scrutiny.

- 20. If so, which organisation is best placed to carry out this function and why? Options include a new Scottish Committee on Climate Change or an existing public body in Scotland.**

See answer to 19

- 21. If it were to be an existing Scottish public body, which public body is most suited to carrying out this task and why?**

See answer to 19

- 22. Are there any other functions related to climate change, existing or new, which should be carried out at arms length from the Scottish Government and why?**

No. This is an issue on which the Scottish Government must take the lead.

SUPPORTING MEASURES

- 23. Should the Bill contain enabling powers to introduce a duty on certain parts of the public sector (i.e. local authorities and large public bodies) to take specified actions on climate change or other specified environmental issues? Why?**

Yes; it is essential that all levels of public service should be required to address climate change issues and set objectives for strategic change.

- 24. What should such a duty (or duties) include?**

Such duties should include:

- (a) a duty to minimise direct and indirect greenhouse gas emissions in all direct operations and through land use policy and planning. (Note that this should be flexible to allow an increase in emissions resulting from increased manufacturing of products which lead to emission reductions, e.g., manufacture of renewable energy equipment).
- (b) a duty to report direct emissions

To be effective, all measures must be practical, reasonable and direct. They could cover areas such as fuel usage, home insulation, geothermal, micro wind and solar heating; though, in general, duties should be directed to outcomes and not to the means by which they should be addressed.

- 25. Should the Bill contain enabling powers to introduce statutory guidance for certain public sector bodies (i.e. local authorities and large public bodies) on specified climate change or other environmental measures? Why? Are there gaps in any existing guidance?**

Yes.

- 26. What should this guidance include?**

Guidance should be based on the latest scientific knowledge and recommended by a Scottish Committee on Climate Change or equivalent independent body.

- 27. Should the Bill contain enabling powers to create a requirement for certain public sector bodies (i.e. local authorities and large public bodies) to make regular reports on specific measures they are taking to tackle climate change (whether mitigation or adaptation) or other environmental issues? Why? What should be included in such reports?**

Regular reporting by local authorities and large public bodies should become a normal feature of accountability.

- 28. As a potential non-legislative vehicle, should current Best Value guidance be amended to take specific account of climate change mitigation and adaptation? How should Best Value guidance be amended?**

Best Value guidance should be amended to maximise the potential of public procurement to contribute to climate change mitigation and adaptation directly through changed purchasing patterns of public sector:

- to demonstrate public sector commitment and leadership. Without such leadership and real action, government climate change policy will lack credibility
- to encourage and support the development of new products and services

The Guidance should require public authorities to have regard to:

- the future price of carbon over the project lifetime of the product or service
- the current DEFRA 'shadow' price of carbon (or equivalent)

- 29. Are there any amendments to existing legislation or any enabling powers needed to allow for variable charging (for example by local authorities) to incentivise action or eliminate perverse incentives?**

No view

30. Are there any provisions to help Scotland adapt to the impacts of climate change which should be included in the Scottish Climate Change Bill?

Any provisions should recognise the need to consider all types of energy generation (including nuclear) and recognise Peak Oil and the need for urgent programmes to secure substitution of oil and gas for transportation systems. There is a clear need to set up an energy transition strategy as a key plank for addressing climate change, for very high priority to be given to investment in energy technologies and for the development of collaborative programmes for research into new energy technology between leading edge institutions in Scotland and elsewhere.

31. Should provisions within the Environmental Assessment (Scotland) Act 2005, be amended in order to provide clearer links with the Climate Change Bill? If so, how should this be done?

Yes, but this needs to focus on practical action.

32. What are the equalities implications of the measures in the proposals for the Scottish Climate Change Bill?

In developing measures, consideration needs to be given to the impact on the poorer members of our community so that they do not suffer economically or in other ways.

Taking a wider view, we also need to take account of the impact on poorer nations who depend on trade with Scotland.

33. Is there any existing legislation within the competence of the Scottish Parliament (devolved) which needs to be amended so that appropriate action on climate change can be taken by sectors in society?

No view