



WWF

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## Parliamentary Evidence: RACCE Climate Change Act scrutiny

WWF Scotland welcomes the Rural Affairs, Climate Change and Environment Committee's ongoing scrutiny of the RPP2. In this evidence we highlight the need for intensified policy effort to hit future targets.

- **How are we delivering against the Climate Change Act?**

Missing the first three annual targets means our overall cumulative emissions are already around 8 million tonnes higher than they should be. While the Scottish Government has made welcome moves to introduce some new policies, it now needs to significantly increase policy effort to get back on track to meeting future targets and ensure we don't exceed the cumulative emissions budget to 2050 set out by the UK Committee on Climate Change (CCC).<sup>1</sup>

- **How can we get back on track?**

Our targets are becoming increasingly challenging to deliver. The Scottish Government therefore needs to accelerate the development of proposals into policies, make sure the RPP2 is fully funded in the budget process, and identify new policies that will deliver win-wins for Scotland. In particular, WWF would like to see more funding for energy efficiency, more focus on renewable heat and new commitments to manage road transport demand.

- **How can we strengthen the RPP2?**

The Scottish Government needs to correct for the revised emissions inventory, which is making the targets harder to deliver, and for some outdated assumptions in the RPP2. For instance, as the EU won't move to a 30% climate target by 2020, every single Scottish annual target to 2020 is at risk. The Scottish Government must set out a plan to strengthen the RPP2 to address any shortcomings.

- **Are we achieving adequate progress across all sectors?**

The Scottish Government needs to replicate its strong progress on renewable electricity with more effort on transport, renewable heat, and energy efficiency, as the CCC has indicated. This is essential to hit climate, fuel poverty and other sectoral targets.<sup>2</sup> What's crucial is that we see real, economy-wide momentum from the Government to realise the opportunities a low carbon Scotland provides, including warmer homes, reduced fuel poverty, more efficient agriculture, cleaner air and reduced pressure on the NHS.

### What is the wider climate context?

The IPCC's Fifth Assessment Report in 2013/14 unequivocally found that climate change is real, is human-caused and is already happening on every continent and in every ocean.<sup>3</sup> The hundreds of thousands of people around the world who marched

<sup>1</sup> See <http://www.theccc.org.uk/publication/letter-scotland-advised-to-cut-emissions-by-3-5-each-year-from-2020-to-2050-31-january-2011/>

<sup>2</sup> <http://www.theccc.org.uk/publication/reducing-emissions-in-scotland-2014-progress-report/>. For instance, the CCC has flagged that the current pipeline of renewable heat projects won't deliver the 2020 renewable heat target.

<sup>3</sup> <http://www.ipcc.ch/report/ar5/index.shtml>

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on 21<sup>st</sup> September 2014 at the People's Climate Marches, including over 2,000 in Edinburgh, have recognised this and want action. The world's leaders are listening and met this week at the UN Climate Summit in New York to chart a path forward.

We know from a series of recent high profile economic reviews - from the Global Commission's *New Climate Economy* report, to a major UK report by Cambridge Econometrics<sup>4</sup> - that climate action actually leads to a stronger economy than a high carbon 'business as usual' approach. In a greener Scotland we can look forward to a stronger economy, more jobs, higher household income, better human welfare and less pressure on the NHS.

### **How is Scotland delivering against the Climate Change Act?**

WWF was very disappointed to learn of the third missed annual target (2012) in June 2014 and that emissions had actually increased from 2011.

*What counts in scientific terms is not just that we hit our 2020 or 2050 percentage goals – it's that we stick to the pathway towards them in order to keep within our fair share of a global carbon budget to 2050 advised by the Committee on Climate Change (CCC) of 1250 million tonnes CO<sub>2</sub>e.*

Otherwise, each year's excess emissions are accumulating in the atmosphere and contributing to a greater risk of dangerous climate change.

Changing carbon accounting inventories have certainly made the targets harder to deliver. This is likely to continue in future as accounting is refined. *We need to insulate ourselves from this vulnerability by increasing efforts now to hit future targets.* This would also help to assert greater control over yearly weather changes and wider economic shifts, which still have too much influence on our ability to hit targets.

The cross-sectoral package of measures recently announced by the Climate Minister was a welcome recognition that more could be done to hit targets and to seize the opportunities to deliver better, warmer homes, greener agriculture and more active travel. These were important first steps that must be built on by Government to ensure that Scotland can get firmly back on track, and we hope the new Cabinet Sub Committee on Climate Change will help to generate momentum.

### **How can we get back on track?**

In summer 2015, we will hear whether Scotland has hit the 2013 target. The first three targets were, perhaps, the easier ones. *The targets from 2013 onwards require a major step change in ambition.* For instance, there is a gap of around 8 million tonnes between Scotland's 2012 reported emissions and its 2013 target, which is undeniably challenging. From 2014, the legislation rightly demands that targets tighten by around a million tonnes per year. The Scottish Government has stated it is

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<sup>4</sup> Led by former Mexican President, Felipe Calderon and advised by Lord Stern, <http://newclimateeconomy.report/>; See also *The Economics of Climate Change Policy* at: [http://assets.wwf.org.uk/downloads/wwf\\_climate\\_economics\\_summary\\_a4\\_web.pdf?\\_ga=1.100172698.542084774.1394123155](http://assets.wwf.org.uk/downloads/wwf_climate_economics_summary_a4_web.pdf?_ga=1.100172698.542084774.1394123155) and [http://assets.wwf.org.uk/downloads/wwf\\_cambridge\\_report\\_lr.pdf?\\_ga=1.263733768.542084774.1394123155](http://assets.wwf.org.uk/downloads/wwf_cambridge_report_lr.pdf?_ga=1.263733768.542084774.1394123155)

on track to the 42% 2020 target, but it's essential that Scotland's fixed annual targets are also on track to keep within the CCC's advice on Scotland's cumulative budget.

***Unless we change the way in which the RPP2 currently backloads policy effort to the post-2020 period,<sup>5</sup> we will continue to miss early targets,*** a concern shared by both RACCE and ICI committees in their original scrutiny of the draft RPP2. This is likely to erode a sense of the achievability of our unanimously supported Act.

The Act requires the Climate Minister to publish a report explaining the 2012 missed target by 31 October 2014 and indicate how the Scottish Government plans to compensate for this. This should be the opportunity to:

- show a renewed effort to develop proposals into policies;
- identify new win-win interventions not already in the RPP2 to close gaps.

The forthcoming Scottish budget is also an opportunity to fund the kinds of measures (such as energy efficiency) that will enable us to meet our climate obligations and ensure Scotland reaps the full benefits of being a resource efficient low carbon economy. ***We encourage all parties to place climate change at the heart of their approach to the budget scrutiny process and ensure that the RPP2 is fully funded.***

### **How can we strengthen the RPP2?**

The RPP2 is inevitably a snapshot in time, reflecting a series of assumptions. Many of these assumptions remain valid but some are now outdated and need amending, if they are not to undermine overall deliverability of the Act. For instance, it assumes that:

- The EU will move to a 30% climate target by 2020 (rather than the current 20%). This ramp up in ambition is effectively off the table. ***Without the EU moving to 30%, Scotland is set to miss all but one target to 2020, even if all proposals become policies.***
- Longannet will close by 2020, which is by no means guaranteed and remains a commercial decision for Scottish Power.
- Large amounts of Carbon Capture and Storage will be commercialised and fitted to fossil fuel plants – a risky assumption as the current slow pace of the CCS competition indicates.

***Crucially, the RPP2 does not reflect the emissions inventory revisions in the last two years that have added additional emissions and opened up bigger gaps to future targets.***

WWF is keen to see the RPP2 as a live document that flexes and improves according to the performance of policies, the development of proposals and technological advances. It is clear, for instance, that the changing inventory over the last two years requires at minimum a refresh of the tables (p235 – p240) in the RPP2, as well as new policies to compensate for missed targets, if the document is to remain a live blueprint for hitting targets and a useful basis for Parliamentary scrutiny of Government climate policy.

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<sup>5</sup> For instance, in transport the RPP2 provides for a 7,261 ktCO<sub>2</sub>e reduction in emissions to 2020 and a 20,678 ktCO<sub>2</sub>e reduction from 2021 to 2027.

We welcome the publication of the Climate Change Delivery Board's Check Point Report, which monitors progress under the RPP2. It is critical this is used by Parliament, the Delivery Board and the new Cabinet Sub-Committee on Climate Change to red flag underperforming policies and highlight areas where additional effort is required (for instance on building regulations). WWF would like to work with the Government and Parliament to ensure that the RPP2 is delivered in a clear, transparent and constantly improving way.

### **Are we achieving adequate progress across all sectors?**

*We welcome the very strong progress on renewable electricity in Scotland. We need to see similar momentum in areas such as low carbon transport, energy efficiency and renewable heat.*<sup>6</sup> Transport emissions have stagnated at 1990 levels and space and hot water heating still accounts for approximately half of Scottish emissions. These sectors were singled out for more effort in the CCC's most recent report on Scotland.

The package of policies announced in June is an important first step in accelerating cross-sectoral ambition and shows that where there is a will there is a way. However, WWF believes there is more to do to exert meaningful control over emissions in the building and transport sectors and to deliver the full benefits of the Act.

**Energy Efficiency:** The CCC has highlighted the fall off in retrofit activity associated with ECO (the Energy Companies Obligation) and the Green Deal in both its recent 2014 progress reports on Scotland and the UK. Recent changes to ECO have reduced overall carbon ambition and are likely to reduce rates of solid wall insulation, an issue of particular importance in Scottish hard to treat homes. The CCC has called for additional policy effort and more funding from the Scottish Government in energy efficiency to tackle both emissions and rising rates of fuel poverty. This call has been supported and amplified in recent evidence to the EET committee from the Existing Homes Alliance.<sup>7</sup> We would like to see the Government substantially increase its funding commitment so all stakeholders can be confident at least £300m will be spent in Scotland in 2015/16. This should be complemented by minimum standards in the private residential sector at the earliest opportunity.

**Transport:** The additional funding for Smarter Choices, Smarter Places announced in June is welcome. This programme must continue to be scaled up and made available in households and businesses to encourage a shift to more sustainable transport options. However, with Scottish Transport predicting that emissions are set to increase from transport, WWF believes more effort is needed to bring forward 'top down' road demand management measures hinted at in the RPP2 in the period post-2020. We encourage the Committee to discuss the possibilities for transport demand management interventions with the Minister.

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<sup>6</sup> See the WWF/Scottish Renewables briefing on renewable heat at: [http://assets.wwf.org.uk/downloads/wwf\\_sr\\_heat\\_briefing\\_final.pdf?\\_ga=1.25207097.542084774.1394123155](http://assets.wwf.org.uk/downloads/wwf_sr_heat_briefing_final.pdf?_ga=1.25207097.542084774.1394123155) and the WWF briefing on minimum standards, renewable heat and travel planning at: [http://assets.wwf.org.uk/downloads/wwf\\_building\\_a\\_low\\_carbon\\_scotland\\_2\\_.pdf?\\_ga=1.65515050.542084774.1394123155](http://assets.wwf.org.uk/downloads/wwf_building_a_low_carbon_scotland_2_.pdf?_ga=1.65515050.542084774.1394123155)  
<sup>7</sup> [http://www.scottish.parliament.uk/S4\\_EconomyEnergyandTourismCommittee/Inquiries/Existing\\_Homes\\_Alliance.pdf](http://www.scottish.parliament.uk/S4_EconomyEnergyandTourismCommittee/Inquiries/Existing_Homes_Alliance.pdf)

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