



WWF

SCOTLAND

OCTOBER

2015



Briefing: Ministerial Statement 27th October 2015

CLIMATE CHANGE ACT 2013 ANNUAL TARGET REPORT

Scotland has now disappointingly missed four climate change targets in a row, and, equally, missed opportunities to transform Scotland for the better. Scotland has now put a total of almost 18million more tonnes of CO₂ into the atmosphere than allowed under the Climate Change (Scotland) Act. The 2013 annual target was missed for a variety of reasons, but new policies are required to compensate for past emissions and to get back on track for future targets. The Scottish Government should provide a Section 36 report by the end of the 2015 that describes each of the policies intended to address the excess emissions resulting from the missed targets.

Key points

- Scotland missed the annual climate target for 2013 by approximately 2 million tonnes CO₂. This is disappointing, but shows that this target was within reach, especially with additional policy effort.
- With the pace of climate change determined by the total amount of cumulative emissions, **Scotland has now emitted 17.5 more tonnes of CO₂ than allowed** by the first four annual climate change targets set by the Scottish Parliament under the Climate Act.
- The target has been missed for a number of reasons, including insufficient policy delivery and funding, as well as changes to the historical emissions inventory.
- When the missed climate change target for 2013 was first announced, **the Scottish Government committed to making energy efficiency a National Infrastructure Project**. The Scottish Government should now provide more detail, including in the forthcoming Spending Review and updated Infrastructure Investment Plan. An objective of bringing all homes up to at least a C energy performance standard is advocated by more than 50 civic organisations, and is the minimum required to allow our climate change targets to be met.
- **The Climate Change Act requires the Scottish Government to produce a Section 36 report as “soon as is reasonably practicable” after the October report**, outlining what policies they will take forward to compensate for the missed target. WWF Scotland believes it is reasonable to expect the Scottish Government to produce a Section 36 report by the end of 2015.
- A new climate action plan (RPP) will have to be completed soon after the Scottish Parliament elections. All political parties must therefore come forward with clear policies that will ensure Scotland achieves the full benefits of a transition to a low-carbon economy. **This statement is a perfect opportunity for all political parties to make clear the new climate change policies they would pursue**, if they were in government.

Outturn of 2013 annual target

The Scottish Government's official figures for 2013 greenhouse gas emissions show that **the annual climate change target for 2013 was missed by approximately 2 million tonnes of CO₂ⁱ**.

The transport sector continues to be the most significant area where little progress has been made, with emission levels still approximately at the same level as in 1990. Conversely, some good early progress has been made on reducing emissions from the housing sector. However, the carbon emissions of Scotland's homes remain at the mercy of winter cold snaps. For example, in 2009/10 emissions from the residential sector rose 15%, the following year they fell 21% and then for 2011/12 they rose again 11%. Each winter, household money is wasted burning fossil fuels that heat the air outside our leaky, draughty homes. As the Scottish Government has pointed out, this vulnerability to Scotland's variable weather could be designed out with improved energy efficiency of homes.

"This is a regular vulnerability we are determined to design out, through tackling energy efficiency and decarbonisation of electricity and heat generation."

Paul Wheelhouse MSP, Minister for Environment & Climate Change, 10th June 2014ⁱⁱ

The 2013 target has been missed for a number of reasons, including insufficient policy delivery and funding, and changes to the historical emissions inventory. The 2013 target was achievable and could have been reached with additional policy effort:

"[The 2013 climate change emission] figures are disappointing but show that the target was within reach. ... The Scottish Government is still a long way away from having exhausted all of their policy options."

Tom Ballantine, Chair of Stop Climate Chaos Scotland, 9th June 2015ⁱⁱⁱ

Missed targets dent pride in Scotland's climate change ambitions, but also represent extra emissions in the atmosphere – what the climate cares about. **The first four missed targets now add up to a cumulative excess of around 17.5 million tonnes of emissions, beyond what is allowed by targets set by the Scottish Parliament under the Climate Change (Scotland) Act.** That is equivalent to a year's worth of climate emissions from Scotland's entire energy sector, demonstrating the scale of action needed to make up for past missed targets. This is particularly concerning as the scientific case for urgent action has only strengthened since the passage of the Act.

As well as the implications for the climate, **missed targets also add up to missed opportunities to improve Scotland's economy and society.** Delivering on the Climate Change (Scotland) Act is an opportunity to transform Scotland for the better, delivering jobs, cutting fuel poverty and improving health.

"We know that moving to a low carbon future isn't simply a moral imperative, it is also a massive economic opportunity."

Nicola Sturgeon MSP, 22nd September 2015^{iv}

Progress towards the interim target (42% target by 2020)

The Scottish Government states that it is on track to meet the 42% target by 2020^v. However, there continues to be a danger that all of the annual targets along the way will be missed. The changes to the 1990 baseline that have made it more difficult for Scotland to achieve the annual targets (expressed in m tonnes CO_{2eq}) have also made it easier to achieve the interim 2020 percentage target.

New policies are needed to compensate for excess emissions, to ensure we meet future annual targets, and to ensure the foundations for emissions reductions and a thriving Scotland are laid for the coming decades.

Policies announced at time of annual target result announcement

In June, when it was first announced that the 2013 target had been missed, the Scottish Government announced a number of new policies. Foremost amongst these was **a very welcome commitment**

to making energy efficiency a National Infrastructure Priority^{vi}. This is the first potentially transformative policy announced as a consequence of the Climate Change Act. The Existing Homes Alliance estimates that, with the right level of ambition, such a policy would create up to 9,000 extra jobs spread across all of Scotland, reduce NHS costs by up to £80m per annum, reduce annual household fuel costs by over £400 and help to reduce fuel poverty rates^{vii}. 39% of households in Scotland are currently in fuel poverty.

However, the Scottish Government has not yet set an overall objective for the National Infrastructure Priority. **More than 50 civic organisations recently called for the Scottish Government to set an objective of bringing all homes in Scotland up to at least a C EPC (Energy Performance Certificate) standard by 2025**, including the STUC, Barnardo's Scotland, the Federation of Master Builders, SCDI and the British Lung Foundation in Scotland^{viii}. An objective of all homes reaching C energy performance standard by 2025 is the minimum required to allow our climate change targets to be met.

The joined up, ambitious approach being taken on energy efficiency has not been matched in other sectors. ^{ix} **In particular, there were no significant new policies announced to make a transformative difference in the transport sector**, where emissions languish at the same levels as they were in the 1990s. This is a missed opportunity to tackle emissions, air pollution and health simultaneously.

Scottish Government reporting duties – Section 36 report

When an annual target has been missed, **Section 36 of the Climate Change (Scotland) Act requires the Scottish Government to lay a report before the Scottish Parliament** (as “soon as is reasonably practicable”) **setting out new policies to compensate for excess emissions as a result of the missed annual targets.** We are not aware of the Scottish Government having produced such a report for any of the previous three missed annual targets. The intention of the Climate Change Act is clearly that such a Section 36 report should be prepared in a timely way, separate to the longer-term RPP (the Scottish Government's long-term climate change action plan); and provide the opportunity for Parliamentary scrutiny.

Given that there have been approximately 18MT excess cumulative emissions since 2010 and that the Scottish Government again announced new policies in response to the most recent missed target (including the very welcome commitment to making energy efficiency a National Infrastructure Priority), **the Scottish Government should provide a Section 36 report to Parliament in a timely fashion. We suggest that it would be reasonable to provide this report by the end of 2015.** We hope that a Section 36 report would:

- Set out more detail on policies already announced, like the commitment to make energy efficiency a national infrastructure priority.
- Quantify the emissions impacts of policies already announced and make clear the timescale over which they will reduce emissions.
- New policies will almost certainly need to be outlined, as it is likely that those already announced in June 2015 are insufficient to compensate for previous additional emissions.

A section 36 report is a requirement of the Act, but would also provide transparency to the Scottish Parliament and civic Scotland about progress towards the Act's targets.

RPP3 – Scotland's Climate Action Plan

The Climate Change (Scotland) Act will require the next Scottish Government to bring forward a new climate action plan (RPP) soon after the Scottish Parliament elections next year. This action plan should set out ambitious policies, across all sectors so that targets during the 2020s are met.

Following the agreement in August from the leaders of the main political parties in Scotland that they would make their manifestos consistent with the Climate Change Act^x, **we expect to see all parties set out positive climate policies in their manifestos.** WWF Scotland's manifesto for the 2016 election^{xi} features a number of climate policies and Stop Climate Chaos Scotland have published a manifesto that contains seven transformative policies^{xii}.

Suggested Questions for the Scottish Government

- Will the Scottish Government bring forward a Section 36 report, as is required by the Climate Change Act, that outlines what new policies it will introduce to compensate for past missed targets?
- The Climate Change Act says that a Section 36 report must be published “as soon as is reasonably possible” after today’s statement. When does the Scottish Government intend to publish such a report?
- More than 50 civic organisations have called on the Scottish Government to make improving all homes to at least a C Energy Performance Certificate standard the objective of its new energy efficiency policy. Can the Scottish Government provide an update on its plan to make improving energy efficiency a National Infrastructure Priority?
- In her June statement the Minister said, “The Cabinet has agreed to embed climate change in this autumn’s budget process”. Can the Minister provide an update, and say whether this means that we will see transformative new climate policies announced at the time of the budget?

FOR MORE INFORMATION, CONTACT:

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ⁱ Full Scottish Government statistics available here: <http://www.gov.scot/Publications/2015/06/1939>

ⁱⁱ Climate Change Statement, 12th June 2014, <http://bit.ly/1kveFSt>

ⁱⁱⁱ <http://www.stopclimatechaos.org/news/2015/06/09/scotland-misses-fourth-climate-target>

^{iv} Video for the Climate Group, <http://bit.ly/1ZXJgby> (1min59)

^v See June Ministerial Statement: <http://bit.ly/1LEWBMf>

^{vi} See press release following statement: <http://news.scotland.gov.uk/News/Climate-change-action-heats-up-19c8.aspx>

^{vii} Full details on figures in Existing Homes Alliance document: <http://bit.ly/1Ms1AE9>

^{viii} Press release: <http://bit.ly/1jB3eIQ>, Tuesday 13th October 2015

^{ix} See Stop Climate Chaos Scotland response to Ministerial Statement (9th June) here: <http://bit.ly/1OSzXo3>

^x Scottish Party Leaders’ Climate Change Agreement: <http://bit.ly/1XkgoII> (31st August 2015)

^{xi} WWF Scotland manifesto <http://bit.ly/200hiMm>

^{xii} <http://www.stopclimatechaos.org/news/2015/10/15/seven-transformative-climate-policies-launched-2016-elections>



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