

For consideration by the Advisory Group on Economic Recovery (16.05.20)

| Key issue | 1. Strategic and co-ordinated long-term investment in natural infrastructure |
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| Rationale | <ul style="list-style-type: none"> • The First Minister has said, on more than one occasion, that: “The challenges facing biodiversity are as important as the challenge of climate change, and I want Scotland to be leading the way in our response.” • The Infrastructure Commission for Scotland’s Phase 1 report, published in January, agreed with the Scottish Wildlife’s Trust’s view that natural infrastructure should be included in the definition of infrastructure for the Infrastructure Investment Plan. • New research shows that investment in natural infrastructure is one of the top 5 policy measures highlighted by leading economists to deliver economic and climate impacts. It can be timely, targeted, temporary <i>and</i> transformative. • This article from the World Economic Forum reports that: “European politicians, companies, lawmakers and activists called on Tuesday [last month] for green investment to restart growth after the coronavirus pandemic, saying fighting climate change and promoting biodiversity would rebuild stronger economies.” • Investment in natural infrastructure is vital to key objectives on climate change, biodiversity, health and wellbeing, social inclusion and natural capital/the economy. |
| Key intervention | <p>Make strategic investment in natural infrastructure one of the top three priorities for a Green Recovery. Mobilise existing government strategies and funding around forestry, peatlands, National Planning Framework 4 and the Infrastructure Investment Plan. Combine with new innovative conservation finance models (see below) to deliver a step change in investment in native woodland expansion, peatland restoration, urban green space and marine restoration.</p> |
| Short-/long-term | <p>This would bring short-term and long-term benefits across every aspect of wellbeing. Investing in critical natural infrastructure that is already needed in the longer-term minimises the risk of policy being wasteful, and delivers better value for money.</p> |
| By whom | <p>Public investment combined with experience/know-how from the private and third sectors..</p> |
| Key issue | 2. Policy coherence for a Green Recovery |
| Rationale | <ul style="list-style-type: none"> • Opportunities are currently being missed and unnecessary costs are being incurred due to natural capital considerations not routinely being factored in to policy decisions. • There are now opportunities to achieve alignment across key policy areas including land management subsidies, Regional Land Use Partnerships, National Infrastructure Plan, National Planning Framework 4, the Climate Change Plan, Scotland’s Green Investment Portfolio and the new Scottish National Investment Bank. |
| Key intervention | <p>Embed a new ‘Green Coherence Principle’ in all future government policies and policy reviews, in order to reduce the hidden costs of damage to biodiversity, improve climate resilience and optimise the benefits of public spending as part of a Green Recovery.</p> |
| Short-/long-term | <p>This is an immediate, zero-cost intervention that will deliver long-term benefits across economic, social and environmental indicators.</p> |
| By whom | <p>Scottish Government</p> |
| Key issue | 3. Scotland’s potential to be a world leader in the emerging discipline of conservation finance |
| Rationale | <ul style="list-style-type: none"> • Now, more than ever, it is understood that to address the interconnected issues of health, economic resilience, climate change and biodiversity loss, we need new approaches. • The <i>Route Map to £1 Billion</i>, to be published on 22 May by the Scottish Wildlife Trust and SEPA, sets out a pathway towards new green jobs, a healthier environment and greater resilience for our businesses and communities, whilst showing how we can bridge the dramatic gap in the need for funding to protect and restore our vulnerable ecosystems. • Much of this money, to date, has come from public or philanthropic sources, despite the growing interest from investors in financing the Sustainable Development Goals. |
| Key intervention | <p>Establish a Scottish Conservation Finance Fund to support implementation of the <i>Route Map to £1 Billion</i>. The fund would help accelerate private investment, facilitate innovation, promote good governance, support the development of common metrics and scale up knowledge exchange.</p> |
| Short-/long-term | <p>One-off short-term investment to kickstart new income streams</p> |
| By whom | <p>Investment from the Scottish Government would leverage private capital and unlock new money</p> |