

**Cabinet Secretary for Net Zero and Just Transition**  
**The Climate Change (Scotland) Act 2009 (Interim Target) Amendment**  
**Regulations 2023**  
**NZET Committee Scrutiny of Affirmative SSI**

<b>What</b>	<p>Net Zero, Energy and Transport (NZET) Committee appearance to give evidence on <i>The Climate Change (Scotland) Act 2009 (Interim Target) Amendment Regulations 2023</i>, in line with standard parliamentary procedure.</p> <p>You will join the Committee session to give brief opening remarks (3 mins), answer questions from Members and then move a formal motion for the SSI to be agreed (Agenda at Annex A).</p>
<b>Where</b>	Scottish Parliament, Committee Room 2
<b>When</b>	09:30 – 09:50 9 <sup>th</sup> May
<b>Key Message(s)</b>	<ul style="list-style-type: none"> <li>• We have accepted the advice of the Climate Change Committee to make a technical adjustment to our 2020 target, which will impact targets from 2021 to 2029.</li> <li>• It is important we follow this advice to ensure our emissions targets remain consistent with the latest methodology for carbon accounting.</li> <li>• Legislation, agreed by the Scottish Parliament, anticipates the need for such periodic revisions, as data and carbon accounting standards evolve over the years.</li> </ul>
<b>Who</b>	NZET Committee
<b>Supporting Officials</b>	<p><b>Policy:</b> Phil Raines, Deputy Director, Domestic Climate Change Division  <b>[redacted]</b></p> <p><b>Legal:</b> Norman Munro, Solicitor, Marine, Planning and Natural Resources Division, Scottish Government Legal Directorate</p>

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**ANNEX A**

**AGENDA**

The session will be structured in two parts:

**Part 1: Evidence session**

- The Convener will first invite you to give brief opening remarks on the SSI (a draft speaking note for c. 3 mins has been submitted separately).
- The Convener will then invite questions from Members, which can be answered by either yourself or the supporting officials.

**Part 2: Formal consideration of a motion to approve the SSI**

- Once Members have no more questions, the Convener will invite you to move the motion: *“That the Net Zero, Energy and Transport Committee recommends that The Climate Change (Scotland) Act 2009 (Interim Target) Amendment Regulations 2023 (draft) be approved”*.
- The Convener will then invite Members to make any formal comments on the instrument. You can respond after any of the comments if you should wish. However, supporting officials cannot contribute to this part of the session.
- Once all formal comments have been heard, you will be given an opportunity to wind up the debate if you should wish. At most, a brief restatement of commending the SSI to the Committee as a necessary step to maintain the credibility of the Scottish emissions accounting framework will likely suffice.
- Finally, the Convener will ask if Members are agreed that the motion be approved. If Members are not all agreed, the Committee will move to a vote. Only Members of the Committee are allowed to vote on the motion.

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**ANNEX B**

**OPENING STATEMENT**

**SENT SEPARATELY**

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**ANNEX C**

**DRAFT MOTION**

To be moved by Cabinet Secretary, when invited by Convenor, at the start of part 2 of the session (see Agenda):

*“That the Net Zero, Energy and Transport Committee recommends that The Climate Change (Scotland) Act 2009 (Interim Target) Amendment Regulations 2023 (draft) be approved”.*

**Q&A COVERING QUESTIONS LIKELY TO BE RAISED ON SSI**

**GENERAL TOP LINES ON SSI**

- This SSI has been laid to ensure we remain aligned with advice from the Climate Change Committee to ensure our emissions targets remain consistent with the latest methodology for carbon accounting.
- Our legislation, agreed by the Scottish Parliament, anticipates the need for such periodic revisions, as data and carbon accounting standards evolve over the years.
- As the Climate Change Committee highlight in their advice, these adjustments represent a technical modification, not a lowering of ambition.
- The Committee is clear that they do not recommend adjusting the 2045 Net Zero target year or the 2030 and 2040 interim targets.
- That is why this SSI only impacts targets between 2021 and 2029.

**ARE WE CHANGING THE TARGETS TO MAKE THEM EASIER?**

- The Climate Change Committee is clear in their advice: these changes do not represent a lowering of ambition.
- Our pathway through the 2020s is as challenging as before. For example, our 2030 interim target remains a 75% reduction in emissions from the 1990 baseline.

**WHY ARE WE ADJUSTING TARGETS NOW?**

- Our legislation requires us to request the Climate Change Committee to review, at least every five years, if our emissions targets are set at the right level.
- We requested such a review in April last year and the Committee provided their advice in December.
- Their advice recommends our “annual targets in the 2020s should be adjusted for technical reasons” and that “without this adjustment, these already challenging annual targets will be made much more difficult to achieve, simply as an artefact of accounting”.
- Legislation requires we publish our response to such advice from the Climate Change Committee. Our response was presented to the Scottish Parliament on

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March 31 when we confirming our intention to follow this advice and brought forward the necessary legislation to bring this change into effect.

**WHY ARE ADJUSTMENTS ONLY BEING MADE TO TARGETS IN THE 2020s?**

- Our 'annual' targets are set along a straight line connecting 'interim' targets at the start of each decade (2020, 2030, 2040) and 2045.
- Our 2021 to 2019 'annual' targets are, therefore, dependent on the respective levels we have set for our 2020 and 2030 interim targets.
- The current 2020 interim target was set using the Climate Change Committee's original advice from 2017, which used a now-outdated carbon accounting methodology that undervalued the role of peatland restoration.
- The Committee advises our targets in the 2020s should now be based on the updated methodology. This equates to a revised 2020 target of 48.5%, rather than 56% due to changes in the methodology on carbon accounting.
- With this revision to the 2020 interim target, the pathway for annual targets from 2021 to 2029 adjusts accordingly.
- The Committee do not see a need to adjust the 2045 Net Zero target year or the 2030 and 2040 interim targets.

**ARE THE UK GOVERNMENT AND OTHER DEVOLVED ADMINISTRATIONS NOT ALSO IMPACTED BY THESE CHANGES?**

- Yes, revisions to internationally-set standards for carbon accounting impact both the UK Government and the Devolved Administrations.
- The significance of these revisions for Scotland's emission reduction targets is however higher than elsewhere.
- This is because of two factors. Firstly, Scotland's comparative reliance on peatland restoration for our emissions reductions. Secondly, we have annual - rather than five-year emissions target cycles, as is the case in the UK and Welsh Governments, for example.

**WILL THE TARGETS BE REVIEWED AGAIN IN THE FUTURE?**

- Every year, international standards for carbon accounting are updated to reflect improvements in underpinning science, data and modelling.
- We are statutorily required to ensure our targets are based on the latest advice from our independent advisory body, the Climate Change Committee, and the most up-to-date international climate science.

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- The Climate Change (Scotland) Act 2009 anticipates the need for such periodic reviews, with Ministers required to request the Climate Change Committee reviews our emissions reduction targets at least every five years.

**Q&A COVERING GENERAL QUESTIONS ON CLIMATE POLICY DELIVERY**

**DO YOU AGREE WITH THE CLIMATE CHANGE COMMITTEE'S THAT SCOTLAND'S TARGETS ARE "IN DANGER OF BECOMING MEANINGLESS"?**

- The latest CCC's advice on our net zero transition makes clear the scale of the changes needed to achieve our emissions reduction targets to 2030.
- Progress has been made – Scotland is already more than half way to net zero – but we are now entering the most challenging part of the journey to date, with a need to halve our emissions again within the next eight years.
- In 2020 we updated our 2018 Climate Change Plan, to go further and faster. We are currently implementing this plan.
- The next Climate Change Plan, due in draft this year, will show the emissions reductions of the economy wide policies in the plan, as well as estimates of the costs and benefits of the policies.
- Significant steps have been taken in recent years to put in place the policy frameworks that will drive action and change on the ground. For example, plans to spend at least £1.8 billion over this parliament to decarbonise homes and buildings, facilitating the transition to renewable and low-carbon sources of energy, free bus travel for under 22s and an updated national planning framework that promotes developments that reduce carbon emissions.
- We know we need to do more – government, industry, business and communities must work together, be ambitious, and drive the change necessary to achieve net zero.
- I am pleased that the Climate Change Committee recognises Scotland's "extraordinary ambition" to decarbonise the economy over the next decade, and welcomes our focus on a fair and just transition.

**THE CLIMATE CHANGE COMMITTEE HAVE SAID THAT THE SCOTTISH GOVERNMENT LACKS A CLEAR DELIVERY PLAN TO MEET CLIMATE TARGETS – HOW WILL THE GOVERNMENT ADDRESS THIS?**

- Our next Climate Change Plan, which will be published this year, will comprehensively set out the actions we will take to meet our targets over the period to 2040.

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- This Plan will set out emissions pathways for each sector, and include details of the costs and benefits of the policies it contains.
- We are committed to taking all of the actions that we can to meet our annual targets for emission reductions. However, we can't continue Scotland's fight against climate change alone. This transition will require a truly national effort, with individuals, communities and businesses across our society and economy playing their part, and making the changes needed to rapidly reduce our emissions.

**WOULD YOU HAVE MET THE 2020 TARGET WITHOUT COVID?**

- The Official Statistics do not set out alternative numbers for what the outcome would have been without the impacts of the COVID pandemic.
- However, the year on year fall in transport emissions is clearly exceptional. If this hadn't occurred, it is unlikely that the 2020 target would have been met.
- What this points to is the need for *positive* transformational approaches in response to the scale of the climate emergency, including in the way we travel.

**WHAT ARE YOUR EXPECTATIONS FOR ACHIEVING FUTURE TARGETS?**

- Scottish emissions data for 2021 is expected in June, and we must be prepared for emissions to rebound as COVID restrictions were lifted throughout that year.
- Our focus remains on our current climate change policies, developing the next Climate Change Plan and planning for a just transition across the economy.

**HOW DOES THE GOVERNMENT EXPECT BUSINESSES AND CONSUMERS TO PRIORITIZE CLIMATE CHANGE WHEN WE ARE IN A COST OF LIVING CRISIS?**

- In recent years, a number of other crises have dominated the landscape in which we are working: the COVID-19 pandemic; Russia's invasion of Ukraine and the impact that has had on global energy markets; and now a deeply concerning energy and cost of living crisis.
- It is vital that we address these pressing crises in a way that does not lose sight of the existential threat that climate change poses to our future and recognises that action on climate can help to ease the other crises we face.
- The current energy crisis that is putting so much stress on households and businesses across Scotland is ultimately caused by our dependence on fossil fuels. The solution is ending this dependence through renewables and energy efficiency.



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- For example we can enhance our energy security by investing in renewable energy; insulating our homes to reduce energy consumption and also tackle fuel poverty, keeping us warm in the winter. Making public and active transport more accessible to reduce car use can reduce emissions, reduce costs and improve air quality and health. These measures, and many more, can reduce costs, reduce our emissions and secure employment and wider economic benefits.

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**ANNEX E**

**BACKGROUND BRIEFING: DRAFT STATUTORY INSTRUMENT AND RELATED CCC TARGET ADVICE**

**SUMMARY**

- On 31 March 2023, a draft SSI was laid in the Parliament to amend the Climate Change (Scotland) Act 2009 by modifying the percentage figure specified for the 2020 interim target. The 2020 interim target is modified from 56% to 48.5%. This modification has the effect of adjusting the annual target figures for 2021 to 2029, as follows:

<b>Target year</b>	<b>Current target</b>	<b>New target</b>
2020 (interim target)	56%	48.5%
2021	57.9%	51.1%
2022	59.8%	53.8%
2023	61.7%	56.4%
2024	63.6%	59.1%
2025	65.5%	61.7%
2026	67.4%	64.4%
2027	69.3%	67.0%
2028	71.2%	69.7%
2029	73.1%	72.3%
2030 (interim target)	75%	75%

- These Regulations are in response to, and consistent with, the most up-to-date advice received from the UK Climate Change Committee (“CCC”), advising that the 2020 interim target should be modified for the sole reason of a change in international carbon reporting practice. This is because the level of the 2020 interim target set by the 2019 Act was based on the CCC’s 2017 Scottish climate change bill advice using an older accounting methodology, before significant changes to the treatment of peatland emissions in the UK greenhouse gas inventory – from which the Scottish inventory is derived - following implementation into the UK greenhouse gas inventory of the 2013 wetlands supplement to the 2006 Intergovernmental Panel on Climate Change (IPCC) guidance on the compilation of greenhouse gas emissions data.
- The CCC recommend that the annual targets from 2021 to 2029 be adjusted to align with a translation of the legislated 2020 interim target to the new inventory basis. The CCC target advice states that “Without this adjustment, these already challenging annual targets will be made much more difficult to achieve, simply as an artefact of accounting”. As the annual targets are set as a straight line between

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the 2020 and 2030 interim targets, in order to amend the annual targets from 2021 to 2029 it is necessary to adjust the level of the 2020 interim Scottish emissions reduction target. If the adjustment is not made, the 2021-2029 statutory emissions targets will be inconsistent with the accounting methodology used to measure progress against them.

- Modifying the 2020 interim target, which has been achieved, is for the sole purpose of adjusting the annual targets for 2021 to 2029 which have not yet been reported, and will not “re-activate” any of the duties which flow from the 2020 target (i.e. the need to report to the Scottish Parliament on whether that target was met).
- The CCC target advice is clear that adjusting the annual targets for 2021-2029 does not represent a lowering of ambition. The CCC also say that “Should the annual targets in the 2020s not be corrected, there is a real risk that the targets being missed every year would undermine the credibility and strength of the Scottish framework for emissions reduction.” The CCC do not recommend adjusting the 2045 net-zero target year or the 2030 and 2040 interim targets, as legislated by the Scottish Parliament.
- Mechanisms agreed by the Scottish Parliament and enshrined in the 2009 Act anticipate adjustments to targets being made in light of new data and improvements to the greenhouse gas inventory. As highlighted in the CCC target advice, “Technical changes leading to the targets becoming unachievable is not the intention behind the Act. Indeed, the reason for its mechanisms around emissions accounting and the five-yearly reviews is to ensure that inventory changes on their own do not make the targets unachievable.”

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**ANNEX F**

**POLICY NOTE**

**THE CLIMATE CHANGE (SCOTLAND) ACT 2009 (INTERIM TARGETS)**  
**AMENDMENT REGULATIONS 2023**

SSI 2023/043

The above instrument is made in exercise of the powers conferred by section 2A(1) of the Climate Change (Scotland) Act 2009, and all other powers enabling the Scottish Ministers to do so. The instrument is subject to the affirmative procedure.

The purpose of this instrument is to adjust the level of the 2020 interim Scottish emissions reduction target to reflect current international carbon reporting practice, in line with the most up-to-date advice received from the UK Climate Change Committee (CCC). The adjustment to the 2020 interim target will impact the level of the annual Scottish emissions reduction targets for the years 2021 to 2029, which are set as a straight line between the 2020 and 2030 interim targets.

**Policy Objectives**

To ensure Scotland's emissions reduction targets remain consistent with current international carbon reporting practice, these regulations amend section 2(1)(a) of the Climate Change (Scotland) Act 2009 ("the 2009 Act") by modifying the percentage figure specified for the 2020 interim target. The 2020 interim target is modified from 56% to 48.5%. This modification has the effect of adjusting the annual target figures for 2021 to 2029 in accordance with section 3(2) of the 2009 Act (annual targets: 2021 to year before net-zero year).

These regulations are consistent with the most up-to-date advice the Scottish Ministers have received from the CCC, which states that modification of the 2020 target to 48.5% is appropriate on the basis of current international carbon reporting practice. They also fulfil a requirement under sections 2E(4) and (5) of the 2009 Act for the Scottish Ministers to lay regulations for approval to make the modification advised by the CCC within 12 months of receiving their advice.

The Scottish Ministers, in preparing these regulations, had regard to the most up-to-date advice received from the CCC, and to the matters mentioned in section 2B of the 2009 Act (the "target setting criteria"), as required under section 2A(3) of the 2009 Act.

**Background**

Section 2C of the 2009 Act requires the Scottish Ministers to request advice from the CCC at least every 5 years reviewing the levels of Scotland's emissions targets,

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including whether the targets remain consistent with the latest scientific knowledge about climate change and current international carbon reporting practice.

Advice received from the CCC in December 2022 and March 2023 recommended Scottish emissions targets are revised to reflect changes in international standards for emissions accounting methodologies.

The CCC's advice notes that setting the level of the 2020 interim target at 56% through an amendment to the 2009 Act under the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 was based on their 2017 advice using an older accounting methodology, before significant changes to the treatment of peatland emissions in the greenhouse gas inventory were introduced. These methodological changes were made in response to the implementation of the Intergovernmental Panel on Climate Change (IPCC) 2013 wetlands supplement to the 2006 guidance on the compilation of greenhouse gas emissions data.

### **Consultation**

There is no statutory obligation for public consultation on these regulations. The Scottish Ministers have sought advice from the CCC which was provided in December 2022. As this advice was unclear on whether the CCC recommended modifying the 2020 interim target for the sole reason of a change in international carbon reporting practice, further advice was sought and was provided in March 2023. These regulations are consistent with CCC recommendations included in the advice received.

### **Impact Assessments**

These Regulations represent a technical adjustment. In particular, the level of a interim or annual emissions reduction target does not have, in and of itself, an impact. It is rather the measures that are implemented to deliver emissions reductions themselves that will have an impact. As such, a full impact assessment has not been produced for this instrument as no impact upon business, charities or voluntary bodies is foreseen.

### **Financial Effects**

The Cabinet Secretary for Net Zero, Energy and Transport confirms that no Business and Regulatory Impact Assessment is necessary as the instrument has no direct financial effects on the Scottish Government, local government or on businesses.

Scottish Government  
Energy and Climate Change Directorate  
March 2023