Written evidence from the Scottish Environment Protection Agency (SEPA)

Cover letter

Thank you for providing the Scottish Environment Protection Agency (SEPA) with the opportunity to provide Written Evidence to the Rural Affairs, Climate Change and Environment Committee. This response relates specifically to agriculture, land use, resource use and behaviour change.

SEPA will be responding separately to the Economy, Energy and Tourism Committee, the Local Government and Generation Committee and the Infrastructure and Capital Investment Committee regarding the areas which these Committees will be focusing on.

In our response, which is attached as Annex 1, we provide some broad comments on RPP2 overall (we have made these points to all four committees scrutinising RPP2) and then more specific comments relating to the detailed policies and proposals in the areas being scrutinised by the committee.

Generally, we welcome publication of the second RPP and recognise its importance in providing a roadmap for implementing the ambitious climate change targets. We are, however, concerned that there is more that needs to be done in order to make the RPP fit for the purpose of delivering world leading climate legislation. There is a need in our view, for a step change in the ambition of RPP2, particularly in the light of the first annual target having been missed. We also believe that there needs to be greater resilience built into RPP2 to ensure that if some policy areas do not deliver to their full capacity that there is sufficient headroom to ensure that this does not prejudice meeting the challenging targets set. It may be worth remembering that Scotland has a 2050 target and many “no-regret” actions can be taken sooner that will contribute to the achievement of that more distant target.

In 2006 Stern suggested that climate change mitigation would cost 1% of Global GDP per year. More recently as a consequence of inaction he revised this to 2% per year. Currently the Scottish Government is spending around 0.3% of GVA*1.

There is a need in our view, therefore, for a step change in the ambition, resilience and monitoring of the RPP in order to make it a fully credible plan for implementing actions that achieve the targets.

Specifically to the remit of this committee, SEPA welcomes the proposals for protection and restoration of Scotland’s peatland. In addition to significant carbon benefits, these have a clear economic, environmental and social value. We consider that there could be an expansion of the Farming for a Better Climate (FFBC) programme. Reducing fertiliser use offers potential for a ‘win-win-win’ on lowering emission, improving water quality and reducing costs for farmers. On forestry, we consider that priority should be given to streamlining, integrating and improving the efficiency of SRDP, woodland planning and other policies in delivering woodland expansion.

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1 Source: Scottish Government Draft ‘Budget 2013-14 Details of funding for climate change mitigation measures: SNAP (Scottish National Accounts Project). Note: GVA is GDP at basic prices.
Appendix – Written Evidence

Introduction and General view of RPP2

SEPA welcomes the publication of the draft second report on policies and proposals (RPP2) and the opportunity provided to us to submit our views on it as part of its 60 day scrutiny period. RPP2 is vitally important in helping to set Scotland on a path to meet the ambitious targets set in the Climate Change (Scotland) Act 2009.

We are, however, concerned that there is more that needs to be done in order to make the RPP fit for the purpose of delivering world leading climate legislation. There is a need, in our view, to (a) increase the scale of ambition, (b) enhance the resilience of RPP2 (c) provide more robust monitoring arrangements to help understand how policies and proposals are delivering in order to make it a credible plan for implementing actions that achieve the targets:

Scale of Ambition

RPP2 makes clear the scale of the challenge ahead and also makes it clear that the challenge is one to which the government is determined to rise. For the ambitious targets to be reached, however, a step change is needed and unless that step change is made early, then the scale of the challenge is likely only to increase. While many parts of RPP2 are welcome, we are concerned whether it will facilitate that fundamental shift of gear that is required. This involves beginning debate on some of the more uncomfortable decisions that will be required to meet the long term targets set and also setting out very clear, substantive, robust and deliverable policies. The section on transport, for example, appears to contain little new policy effort and much reliance is placed on reductions beyond 2020, whilst no mention is made of the potential impacts on the delivery of transport policies and proposals arising from the road-building programme that runs parallel to the RPP2 timescales.

Building Resilience

We are concerned whether there is enough “headroom” in the RPP so that if things do not go to plan then there may not be scope to meet the targets. This could arise from policies and proposals not delivering to the extent assumed, from the lack of an EU agreement to increase the target to 30% or where emissions increase due to unforeseen circumstances. We are already behind schedule due to the missed 2010 target, meaning that the policies and proposals set out must deliver to their full potential if we are to meet the targets set. Our own experience from internal target setting on greenhouse gas emission reductions is that it is very difficult to recover from a poor start and that later remedial actions to bring you back on track are often more dramatic. Accordingly, we feel that RPP2 needs to plan with more resilience in mind to face changing circumstances and emerging challenges such as the potential for large scale unconventional oil and gas exploitation, decisions on which have the potential to lock us into a higher carbon future through the life of RPP2.
Behavioural Change

SEPA agrees that behavioural change is key to delivery of the policies and proposals in RPP2 and we welcome the strategic approach to behavioural change that will be set out in the forthcoming Low Carbon Scotland: Behaviours Framework. It is our view that it is essential that climate change is expressed as a national interest issue rather than a government issue, a sectoral issue or a policy issue if a step change in behaviour is to occur. For RPP2, we consider that behaviour change should find expression in all sections of the report and should not be stand alone as change is needed across all sectors of the economy and society. This requires collaborative working across the public and private sector that crosses party political boundaries, and requires extensive engagement with Scotland’s people about both the need for climate action and the benefits it will bring. RPP2 could also play a stronger role in enabling behavioural change through, for example, reconciliation and co-ordination of potentially conflicting policies and messages on climate change or through the identification and removal of perverse incentives that impact detrimentally on emissions.

Monitoring

There is a considerable reliance on assumptions about how the policies and proposals will perform. Without detailed monitoring of each of the specific policies and proposals however, it will be very difficult to tell whether these assumptions are accurate in the face of changing circumstances and whether revised assumptions and associated actions need to be identified. We believe therefore that there is scope to improve the use of more specific indicators, particularly leading indicators that let us know how we are progressing against a particular target beyond the overall monitoring of progress towards emissions reductions. Without this, it is difficult to understand risk and to understand which policy areas are working and which could be accelerated and which are not and therefore may need to change.

Delivering Multiple Benefits

RPP2 indicates that the costs of the policies and proposals is £1.6 billion and outweighs their direct benefits of £1.2 billion, but this completely ignores the wider benefits of climate actions and sends out the message that climate action is disproportionately costly and also risks these benefits not being given due regard in decision making. There are very many examples where concerted action would have multiple benefits not just for climate, but for improving the health and wellbeing of citizens and making Scotland’s towns, cities and villages nicer places to live and work - yet these are not clearly articulated or costed. For example, taking actions to reduce emissions from transport can lead to a wide range of economic, social and environmental benefits, including improved urban air quality, less congestion and improved safety which in turn can lead to improvements in people’s health, promote more active lifestyles and can make our towns and cities nicer places to be and which attract economic investment. There is an opportunity for RPP2 to show the wider benefits of these actions to help to secure the behavioural change that is needed, and to show wider financial savings.
Governance

The RPP provides a wide-ranging package of measures, delivered over time. While the Scottish Government can lead the programme and the Committee on Climate Change provides strategic oversight, robust governance arrangements are also needed to support and champion the delivery of the RPP. In particular, we feel that the public sector is well placed to set a leading example.

We consider that an additional mechanism may be needed to monitor and report to the Scottish Government on delivery of the programme. Reporting on implementation of the public bodies’ duty is at best patchy and there is a need to improve both the rate of publication and the validity of the information included in them. This would take forward the intentions set out in climate change guidance for public bodies. This mechanism could also promote collaboration and secure shared experience and good practice within the public sector. In our general comments above we refer to the need for more detailed monitoring of policy/proposal performance and we feel that there is a need to develop this monitoring in association with robust governance arrangements that are designed to deliver on targets, and possibly on sub or sectoral targets and surrogate measures, and to keep the RPP on track.

Peatland

Scotland’s peatlands are a vital store of vast amounts of carbon and restoring those areas which are degraded is an important step. The current estimate of the amount of carbon held in Scotland’s organic soils is 1,600 million tonnes.

We welcome the proposals in RPP2 to restore significantly more areas of peatland in Scotland than present rates. We also strongly welcome the policy to include peatland restoration within Scottish emissions accounting. In our evidence to the Local Government and Regeneration Committee and the Economy, Energy and Tourism Committee, we have argued that a strategic locational framework is needed that protects peatlands from development. It is far easier – and cheaper - to protect pristine peatlands and thereby ensure that their carbon remains locked up and that they continue to sequester more, than to try to re-capture the amount of carbon that is lost once the peatlands are disturbed or drained.

We agree that the rate of restoration activity needs to be stepped up, but detail of this proposal remains quite vague and we would welcome an indication of how this will be achieved. SEPA can assist with developing targets/indicators and monitoring to keep progress on track and looks forward to working with Scottish Government and partners to help this realise this proposal. We would urge that restoration works, where needed to address historic damage, or where necessary from active developments, are undertaken as quickly as possible in order to minimise the carbon losses. There is also benefit in developing restoration action now as the net accounting approach allows all gains from 1990 to be included in the next reporting phase of Kyoto.

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2 www.scotland.gov.uk/Publications/2011/02/04093254/0
Peatland protection and restoration is a good example where co-benefits for the environment, society and the economy can be derived. In addition to climate change mitigation, peatland restoration and effective management will also make an important contribution to biodiversity targets, improved water quality, reducing the flashiness of floods due to their ability to absorb and slowly release water and also to cultural benefits including recreation, health and landscape. Furthermore, damaged peats are also more vulnerable to damage from future climate change compared to good quality peatlands.

All of these have a clear economic, as well as an environmental and social value. As well as the Scottish Government’s requirement for climate change, water and biodiversity, the need to protect peatlands is integral to the vision, objectives and principals set out in the Scottish Government’s Land Use Strategy (LUS), as well as the Scottish Soil Framework. The LUS encourages multiple benefits but also states where land is highly suitable for one use (e.g. for carbon sequestration) this value should be recognised.

We consider there is a need for coordinated action so that restoration is accompanied by good science to monitor the changes. There is already strong cooperation between agencies to help deliver restoration on the ground and there is scope to build on this. The Scottish Government and agencies should also develop an action plan which involves land managers and others to achieve a step-change in restoration.

In terms of supporting/enabling measures, we consider that there is also a need for a specific commitment to phase out the use of peat for horticulture. The amount of peat extracted commercially in Scotland has fluctuated around 440,000 m³ per year for the last ten years. Peat extraction in the UK has fallen over the last ten years although the reduction has occurred in England only. Peat sales in the UK amount to about 3 million m³ per year, two-thirds of which is imported. This suggests that the problem may be being exported outside the UK. In 2010, peat was extracted from 23 active sites, 17 of which are used for horticulture. The Natural Environment White Paper (June 2011) included an ambition to reduce horticultural peat use to zero in England by 2030, with interim targets. The Scottish Government could consider similar action to similarly phase out the use of peat in horticulture and also phase out the small commercial exploitation of peat for fuel.

Agriculture

We note the steps proposed to secure emissions reductions in the sector. A reformed CAP would also be an important support mechanism. There would be benefits in Scotland having a new standard of Good Agricultural and Environmental Condition (GAEC) which could specifically protect carbon-rich soils and wetlands.

We welcome the measures provided by the Farming for a Better Climate (FFBC) programme, but this needs to be expanded. Consideration could be given to expanding the Monitor Farms Programme⁴, funded in part through Scottish Government’s Skills Development Scheme, with FFBC advice added to the demonstration work carried out at these other farms. This has potential to extend

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and share knowledge of the FFBC to a greater number of farmers. There is potential to reduce NOx emissions, improve water quality and reduce costs through correct application rates of fertiliser, for example by adjustments through the Scottish Rural Development Programme (SRDP). SEPA is currently working with land managers to improve fertiliser use through implementation of the Rural Diffuse Pollution Plan for Scotland.

In terms of the FFBC programme we would query the ‘starting level’. We note the assumption that better information provision will increase voluntary uptake by around 50% but that a voluntary uptake of 90% is required to meet the targets set in RPP2. We would query what additional measures will come forward if this 90% is not achieved and at what time this will happen.

In terms of the FFBC programme, support is noted for renewable energy generation. Siting wind turbines and service roads on deep peat can result in the draining and drying of the surrounding peat and consequent release of carbon. Such siting should be assessed to minimise any such damage.

**Forestry**

Support mechanisms like the SRDP aid uptake of sustainability measures in agriculture. Priority should be given to streamlining, integrating and improving the efficiency of SRDP, woodland planning and other policies in delivering woodland expansion. Regard could also be paid to the Woodland Expansion Advisory Group report\(^5\) and recommendations.

**Resource Use**

SEPA would be keen to see more prominence given to resource use and resource efficiency. Addressing resource use is a key enabling measures to: transform the Scottish economy to a low carbon and resource efficient one; support the reduction of production (domestic) greenhouse gas emissions to meet our targets; and to reduce Scotland’s consumption emissions. The pressure on global natural resources is referenced within Chapter 8, Waste and resource efficiency. However, the resource use agenda is much wider than seeing waste as a resource. It includes how we use our land and soils, our energy, our water, our air and our abiotic and biotic materials. Resource efficiency policies are at the heart of emerging European economic policies and the recent Roadmap to a Resource Efficient Europe\(^6\) illustrates how resource efficiency is central to successfully achieving climate change targets, low economy ambitions, zero waste ambitions as well as protecting and valuing our environmental assets. Future resource use policies will therefore have a direct impact on enabling the reduction of greenhouse gas emissions and the connections should be explored further.

We welcome the planned publication by Scottish Government later this year of *Safeguarding Scotland’s Resources: A Programme for Efficient Use of Materials*. Recognising the importance of, and taking steps to ensure the most efficient use of materials is the key to delivering a low carbon economy. SEPA also looks forward to

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supporting and working with the Resource Efficient Scotland programme being launched on 1st April 2013 to provide advice and support to businesses on resource efficiency.

Building low carbon markets is critical to the transition to a low carbon resource efficient economy. SEPA is working with the Enterprise Agencies and Scottish Government to help realise opportunities for low carbon goods and services in Scotland, with the view to build on the success of the renewable energy sector. The global shifts to decarbonise economies and manage ongoing commodity price volatility have opened vast new opportunities. These exist across a range of industries, in addition to the general commercial case for resource efficiency. Analysis by Scottish Enterprise suggests that Scotland has particularly strong comparative advantages in a number of niche areas, including:

- Sustainable construction: retrofit technologies; construction products, materials, design and methods
- Sustainable transport: smart mobility; low carbon vehicles; design; lightweighting
- Water technologies: water efficiency; water supply/treatment; waste water treatment
- Technology and engineering: sensors, photonics, advanced materials/composites

Low carbon technologies focus our attention on how we use resources in Scotland and as Scotland’s environmental regulator and expert on the state of Scotland’s environment we are keen to continue to work with others to support the transition to a low carbon, resource efficient economy.

**SEPA’s Actions on Climate Change**

We have committed corporately to embed climate change into all that we do. These commitments are identified and delivered annually through our Annual Operating Plans and are supported by a Climate Change Plan (CCP) and by our new Corporate Plan which has climate change as one of its four key outcomes.

Our five year CCP provides the framework for delivering on climate change actions across the business. Annual action plans set out the deliverables for each year. A new CCP is currently being prepared and is being designed to deliver actions to support SEPA’s climate change vision:

“We will do everything in our power to help Scotland address climate change to ensure Scotland’s environment, economy and communities flourish.”

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7 SEPA Outcome 3 - “Scotland is preparing for a sustainable future and is taking steps to limit climate change”.

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Last year, we published our first report of actions to meet our responsibilities under the Public Bodies’ Duties\(^8\). We intend to report annually on our actions and progress from now on.

We have set a target to reduce our greenhouse gas emissions by 42% by 2020 from 2006 levels. By April 2012 we had reduced our emissions by 11.7% and by some 19% from their peak in 2007/8.

\(^8\) Part 4 of the Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change. The duties require that a public body must, in exercising its functions, act:

- in the way best calculated to contribute to delivery of the Act's emissions reduction targets;
- in the way best calculated to deliver any statutory adaptation programme;
- in a way that it considers most sustainable.