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24 April 2025

Dear Edward,

I am writing to you on the upcoming secondary legislation that will set Scotland's carbon budgets, following the passage of the Climate Change (Emissions Reduction Targets) (Scotland) Act 2024 last year.

As you are aware, the Climate Change Committee (CCC) will be publishing its advice regarding Scottish carbon budgets on 21 May 2025. Once this has been received, we will take its contents into account before laying draft regulations in Parliament to set the carbon budgets for each five-year period up to 2045. Following this, and within two months of the regulations coming into force, a draft Climate Change Plan will be laid in Parliament, setting out how the pathway will be achieved.

During the development of the Act last year, I shared a paper with the Committee setting out the policy intentions of the legislation. In a similar vein, I am happy to now share a similar paper setting out the policy intentions for the secondary legislation. I hope this will assist the Committee in its consideration of the regulations in due course. The Government intends to publish this paper to promote wider understanding of carbon budgets - following our recent engagement on the topic we agreed that the Committee is likely to find advance sight of our position useful.

The attached paper reflects the current plans and intentions of the Scottish Government regarding the setting of carbon budgets. As is standard practice with legislation, this is subject to change prior to the introduction of this legislation to Parliament in May, particularly as we continue engaging with stakeholders in the coming weeks.

I look forward to further discussions on the SSI, both in the near term and during the Committee's scrutiny once laid, and would like to take this opportunity to thank you and the Committee for your engagement and the continuing collegiate approach we have achieved across our shared drive in emissions reduction.

Yours sincerely,

GILLIAN MARTIN

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Scottish Carbon Budgets: position paper

The Climate Change (Emissions Reduction Targets) (Scotland) Act 2024 moved Scotland to a carbon budget approach to setting targets for greenhouse gas emissions and underpins the Scottish Government's drive for credible, deliverable climate action across the portfolios of government. Further background on this Act is available [here](#).

Carbon Budgets

A carbon budget sets a limit on the amount of greenhouse gases emitted in Scotland over a five-year period. At the end of each budget period, an assessment will be made regarding whether or not the budget has been met – not exceeding a carbon budget is the 'carbon budget target'. While the duty to achieve these targets sits with the Scottish Ministers, the drive to reduce emissions will be a whole-society effort, delivered through the next Climate Change Plan (CCP) which will cover the period 2026-2040. The current Climate Change Plan covers the period up to 2032 and can be found [here](#).

Scotland's carbon budgets will include emissions from international aviation and shipping, with no provision to "carry over" emissions from one carbon budget to another (if emissions are lower than the carbon budget target in one period, the difference is not automatically carried over to the next carbon budget period). The Scottish Government is required to set carbon budget targets from 2026 up to the statutory net zero target year of 2045, with budgets for 2026-2030, 2031-2035, 2036-2040 and 2041-2045.

When developing carbon budget targets, the Scottish Government is required to consider advice received from the Climate Change Committee ("the CCC") and the target-setting criteria, which includes economic, fiscal and social circumstances across Scotland. The CCC is set to publish advice on carbon budgets on 21st May 2025. After considering this advice the Government will bring forward secondary legislation to set carbon budget targets up to 2045, subject to affirmative procedure in Parliament.

Climate Change Plan 2026 – 2040

The Scottish Government's upcoming Climate Change Plan 2026-2040 will include policies and proposals designed to deliver the carbon budgets up to 2040. The draft version of the CCP must be brought forward within two months of our carbon budgets coming into force.

Under the Climate Change (Scotland) Act 2009, there will then be a period of Parliamentary scrutiny of the draft CCP for at least 120 days, after which Government will have a maximum of 90 days to publish a finalised plan. This timeline should allow the final Climate Change Plan for 2026-2040 to be set before the next Scottish Parliament election in 2026. A public consultation will run in parallel with Parliamentary scrutiny of the draft CCP.

Reporting on emissions reduction

Alongside setting its carbon budgets and drafting its Climate Change Plan for 2026-2040, the Scottish Government will continue to robustly report on its progress on reducing emissions. This will include publishing three annual reports on Scotland's decarbonisation progress

- on greenhouse gas emissions;
- Climate Change Plan policies, including an assessment of whether carbon budgets are on track and action to be taken if not;
- annual requests from the Scottish Government to the Climate Change Committee to report on progress, which is contained in the CCC's Scottish Progress Report.

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Taken together, these three annual reports enable Parliament to ensure the Government is held to account on its journey to net zero.

The next Climate Change Plan monitoring report – covering the period up to 2025 - will be published in May 2025. This will be followed by the publication of annual statistics for Scotland's Greenhouse Gas emissions in June 2025.

Conclusion

This note reflects the Scottish Government's current plans and intentions on carbon budgets, which will be set by secondary legislation after consideration of CCC advice.

These plans are subject to change prior to the introduction to Parliament of the secondary legislation to set carbon budget targets up to 2045.

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